STATE OF CALIFORNIA
Department of Transportation
Division of Local Assistance
Office of Policy Development & Quality Assurance

LOCAL ASSISTANCE PROCEDURES MANUAL

Processing Procedures for Implementing Federal and/or State Funded Local Public Transportation Projects

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LOCAL ASSISTANCE PROCEDURES MANUAL

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CHAPTER 1 INTRODUCTION AND OVERVIEW

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CHAPTER 1 INTRODUCTION AND OVERVIEW

1.1 PURPOSE

The *Local Assistance Procedures Manual* (LAPM) has been prepared to aid California local agencies scope, organize, design, construct and maintain their public transportation facilities when they seek Federal Highway Administration (FHWA) funded federal-aid or state funding. This manual describes the processes, procedures, documents, authorizations, approvals and certifications, which are required in order to receive federal-aid and/or state funds for many types of local transportation projects.

1.2 BACKGROUND

This manual is a compilation and summary of information from many sources including federal and state law, regulations, guidelines and operating practices. It reflects the procedures and practices developed over many years of providing federal-aid funding and state funding for local projects. These practices and procedures have been modified many times by superseding legislation, most recently for changes made by the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) enacted in 2005.

The general thrust of the changes under the above legislation and reengineering has been to provide the local agency with broad delegation, latitude and responsibility for developing its projects. However, under Title 23, United States Code, Caltrans is responsible for the administration of federal-aid (FHWA funded) transportation projects in California and cannot delegate this overall administrative responsibility.

This manual is meant to be used in conjunction with the *Local Assistance Program Guidelines* (LAPG).

1.3 RELATED MANUALS

The LAPG describes each of the federal-aid and state-aid local assistance programs and the requirements for obtaining project funding for these individual programs.

The Standard Environmental Reference (SER) provides a departmental policy and guidance on compliance with the National Environmental Policy Act (NEPA) and related federal environmental laws, executive orders, regulations, and policies. The reference is intended for statewide use by local agencies and Caltrans.

For local agency projects on the State Highway System (SHS), all applicable Caltrans manuals and guidelines shall be used. These describe the process and procedures for developing state system projects. These also contain discussions of the regional and state planning and programming processes.

The LAPG provides detailed descriptions of the various state and federal programs available for financing local public transportation project.

Other state and federal manuals and documents, including those noted as references, should be consulted for specific guidance in developing a project. Pertinent documents can be accessed through the Division of Local Assistance Home Page on the Internet at: http://www.dot.ca.gov/hq/LocalPrograms/index.htm

1.4 TERMS AND DEFINITIONS

- Action - A highway or transit project proposed for FHWA funding. It also includes activities such as joint and multiple use permits, changes in access control, etc., which may or may not involve a commitment of federal funds.
- Administering Agency - The state or a city, county, other public agency, or nonprofit organizations, that advertise, opens bids, award and administer the contract. They are frequently called local agency or agency and were previously called responsible agency.
- Affected Environment - The physical features, land, area, or areas to be influenced, or impacted, by an alternative alignment under consideration. This term also includes various social and environmental factors and conditions pertinent to an area.
- Affecting - Means will or may have an effect [or impact].
- Alternative - One of a number of specific transportation improvement proposals, alignments, options, design choices, etc., in a defined study area. For a transportation project, alternatives to be studied normally include the no-action alternative, an upgrading of the existing roadway alternative, new transportation routes and locations, transportation systems management strategies, multi-modal alternatives, if warranted, and any combinations of the above.
- Area of Potential Effect (APE): A term used in Section 106 (Cultural Resource studies) to describe the area in which historic resources may be affected by a federal undertaking.
- Avoidance Alternative -A general term used to refer to any alignment proposal, which has been either developed, modified, shifted, or downsized to specifically avoid impacting one or more resources.
- California Environmental Quality Act (CEQA): State environmental law requiring State and local agencies to consider the environmental impacts of their decisions when approving public and private projects. Local agencies are the CEQA lead agency for local agency transportation projects “off” the SHS, but Caltrans is the CEQA lead agency for local agency transportation projects “on” the SHS unless otherwise delegated.
- Categorical Exclusion (CE): One of three (3) Classes of Action which prescribes the level of documentation required in the NEPA process. The CEs are Class II Actions, which do not individually or cumulatively have a significant effect on the environment; therefore, neither an EA, nor an EIS is required. Under NEPA Delegation, there are two means of categorically excluding a project: 1) Section 6004 Categorical Exclusions and 2) Section 6005 Categorical Exclusions.

6004 Categorical Exclusions: On June 7, 2007, Caltrans and FHWA entered into an MOU pursuant to Section 6004 of the Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). Section 6004 MOU assigns to Caltrans authority and responsibility for CE determinations under the 23 CFR 771.117(c) list and 23 CFR 771.117(d) list, plus those activities specifically listed in Appendix A – Assigned Categories of Activities of the MOU.

6005 Categorical Exclusions: On June 22, 2007, Caltrans and FHWA entered into an MOU pursuant to Section 6005 of SAFETEA-LU. Under Section 6005 MOU, Caltrans assumes responsibility for CE determinations for projects that are not on the "c" or "d" list or the Appendix A list, but for which a CE classification is appropriate under 23 CFR 771.117 "a" and "b." Under Section 6005 MOU, Caltrans was also assigned and assumed, the USDOT Secretary's responsibilities for environmental review, interagency consultation, and other regulatory compliance-related action pertaining to the review or approval of CEs.

- Categorical Exemption/Categorical Exclusion Form: Joint state/local form used to document the applicable MOU under which the CE determination has been made.
- Construction (Const.)/Construction Engineering (CE) - This phase includes the work of project advertising[1] through construction, preparation of as built plans, final estimates, and payments. This phase must be authorized prior to advertising, and CE must be separately identified in this authorization.
- Construction Phase - The phase of the transportation project development process that involves the physical act of building by a contractor the proposed project to all plans and specifications developed during final design.
- Consultant - A private individual, corporation, or other business organization that may be selected to provide architectural, engineering, environmental, or other related technical services for a local agency project.
- Cumulative Impact - Cumulative impact is the impact on the environment, which results from the incremental impact of the action when added to other past, present, and reasonably foreseeable future actions regardless of what agency (federal or non-federal) or person undertakes such other actions. Cumulative impacts can result from individually minor but collectively significant actions taking place over a period of time.
- Delegated Project – A project under 23 USC 106(c) "Assumption by States of Responsibilities of the Secretary" (formerly "State Authorized") in which Caltrans has authority for all aspects of the project except those activities which cannot by federal law be delegated.
- Department of Transportation - The Department of Transportation of the State of California, as created by law; also referred to as the Department, State or Caltrans.
- Direct Effects - Effects caused by a given action and occurring at the same time and place. Changes in noise levels; fill discharges in wetlands; and changes in visual conditions are some examples of direct effects.

[1] CE includes advertising only if not included in PE phase and only after the construction authorization date.

- District - A subdivision of the Department organized to administer the affairs of the Department for a specific geographical area and for the local agencies in that area (see Exhibit 2-A of the LAPM).
- DLA- Division of Local Assistance. The office in Caltrans headquarters that is responsible for administering, managing, and implementing the federal-aid highway and state local assistance programs.
- DLAE - The District Local Assistance Engineer, the individual in each district responsible for providing services and assistance to the local agencies.
- Early Coordination - Communication undertaken near the beginning of the transportation project development process to exchange information and work cooperatively with agencies and the public in an effort to determine the type and scope of studies, the level of analysis, and related study requirements.
- Effects - Includes: (a) Direct effects that are caused by the action and occur at the same time and place, (b) Indirect effects that are caused by the action and are later in time or farther removed in distance, but are still reasonably foreseeable. The terms "effect" and "impact" are synonymous under NEPA. Effects include ecological, aesthetic, historic, cultural, economic, social, or health, whether direct, indirect or cumulative.
- Environment - The complex of social, natural, and cultural condition, which are present in the physical surroundings.
- Environmental Assessment (EA) - One of three (3) Classes of Action which prescribes the level of documentation required in the NEPA process. EAs are Class III Actions in which the significance of the environmental impact is not clearly established. All actions that are not Class I (EISs) or Class II (CEs) are Class III. Class III Actions require the preparation of an EA to determine the appropriate environmental document required.
- Environmental Impact Statement (EIS) - One of three (3) NEPA Classes of Action which prescribes the level of documentation required in the NEPA process. EISs are Class I Actions. These are actions that significantly affect the environment and for which an EIS must be prepared. Examples of Class I Actions include a highway project of four or more lanes on a new location, and new construction or extension of a separate roadway not located within an existing highway facility, etc.
- Federal-aid - As used in this manual, it refers to federal funds provided for the development of surface transportation and administered by the FHWA. Generally, these funds are derived from the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), Title I Federal-aid Highways and other Titles. It also includes FHWA administered funds from previous acts frequently titled Highway Acts.
- FHWA - Federal Highway Administration, the federal agency responsible for administering the Federal-aid Highway Program.
- Field Review - A general term to describe a site visit for the purpose of gathering or verifying data, defining scopes of work, performing analyses, and making decisions for specific projects.
- Final Design Phase - The phase of the transportation project development process, which involves the preparation of detailed, working drawings, as well as specifications and estimates for approved transportation projects.

- Finding of No Significant Impact (FONSI) - A document by a federal agency that briefly presents the reasons why an action will not have a significant effect on the environment and for which an environmental impact statement, therefore, will not be prepared.
- FTIP - Federal Transportation Improvement Program, a four-year list of all transportation projects proposed for federal surface transportation funding within the planning area of one of the eighteen Metropolitan Planning Organizations (MPOs) in the State. These are only valid for reference when incorporated into the FSTIP and approved by FHWA/FTA (see Chapter 4 of the Caltrans *Project Development Procedures Manual* for more discussion).
- FSTIP - Federal Statewide Transportation Improvement Program, a four-year list of all state and local transportation projects proposed for federal surface transportation funding with the state. This is developed by Caltrans with cooperation of the MPOs and in consultation with the local non-urbanized government. The FSTIP includes the FTIPs, which are incorporated by reference and other rural federally funded projects. The FSTIP, including incorporated FTIPs is only valid for use after FHWA/FTA approval. See Chapter 4 of the Caltrans *Project Development Procedures Manual* for more discussion. Also see STIP below.
- FTA - Federal Transit Administration, the federal agency responsible for administering the federal transit program. Rules for the transit program are not covered in this manual (see Chapter 3, "Project Authorization," Section 3.11 for procedures for transferring federal-aid funds from FHWA to FTA).
- Fully Funded – As related to the NEPA document, projects must be fully funded and shown in the applicable FTIP/RTP before Caltrans can approve the related NEPA document. Partial funding of a project may get their Preliminary Engineering (PE) started but the environmental NEPA document is not approvable without the total funding.
- Headquarters - The headquarters office of the Department located at 1120 "N" St., Sacramento, CA 95814.
- High Profile Project – High risk projects that meet one or more of the eleven criteria listed in Chapter 2 and in which FHWA has an involvement in the project oversight actions.
- Impacts - A term to describe the positive or negative effects upon the natural or human environment as a result of a specific project or projects.
- Independent Utility - The ability of a transportation improvement to be usable and be a reasonable expenditure even if no additional transportation improvements in the area are made.
- Indirect Effects - Effects caused by a given action, occurring later in time, or farther removed in distance, but which are reasonably foreseeable. Induced changes to land use patterns, population density or growth rate are examples.
- ISTEA – Intermodal Surface Transportation Efficiency Act of 1991 was an Act signed by the President on December 18, 1991, providing authorization for six (6) years for highways, highway safety, and mass transportation. ISTEA was superseded by TEA 21 in 1998 and by SAFETEA-LU in 2005.

- Level-of-Service (LOS) - Also known, as "Traffic Service." LOS is a qualitative measure describing operational conditions within a traffic stream. LOS is based on service measures such as speed and travel time, freedom to maneuver, traffic interruptions, comfort and convenience. LOS is also affected by conditions such as number of access points, lane width, number of lanes, and percentage of large vehicles. Six levels of service are defined by letter designations from A to F with LOS A representing the best operating conditions, and LOS F the worst.
- Local Agency - A California City, county, or other local public agency. In many instances this term is used loosely to include nonprofit organizations.
- Logical Termini - Features such as cross route locations that are considered rational end points for a transportation improvement and which serve to make it useable.
- Metropolitan Planning Organization (MPO) - Federally mandated regional organizations responsible for comprehensive transportation planning and programming in urbanized areas. Work products include the Transportation Plan, the Transportation Improvement Program, and the Unified Planning Work Program.
- Mitigation Measures - Specific design commitments made during the environmental evaluation and study process, which serve to moderate or lessen impacts deriving from the proposed action. In accordance with CEQ, mitigation includes avoidance, minimization, rectification, reduction, and compensation.
- National Environmental Policy Act (NEPA) – Federal environmental law requiring federal agencies to consider the environmental impacts of their actions, evaluate least damaging alternatives, and ensure decisions are made in the public's best interest based on a balanced consideration of the need for safe and efficient transportation.
- New Location - An area or an alignment proposed for highway development that is not currently used for transportation purposes.
- NHS - National Highway System (see Chapter 2, "Roles and Responsibilities," Section 2.2).
- No Action - An alternative that is used as the basis to measure the impacts and benefits of the preferred alternative(s) in an Environmental Assessment or EIS. The No Action alternative consists of the existing conditions on the roadway, plus any safety or maintenance improvements, which have been identified in the CDOT 5-Year Transportation Improvement Program.
- No-Build Alternative - Normally includes short-term, minor restoration types of activities (e.g., safety and maintenance improvements) that maintain continuing operation of an existing facility. The no-build alternative serves as a baseline for the comparison of other alternatives.
- Notice of Intent (NOI) - A notice published in the Federal Register that an EIS will be prepared and considered. The notice shall briefly describe the proposed action and possible alternatives, describe the agency's proposed scoping process including whether, when, and where any scoping meetings will be held, and state the name and address of a person within the agency who can answer questions about the proposed action and the EIS.

- Permit - Written permission given by a governmental agency to take certain action during specific steps of the transportation project development process. Permits may include permission for any construction, excavation, depositing of material, or other work in navigable waters (Corps of Engineers), permission required for the discharge of dredged, or fill material into waters of the United States (Corps of Engineers), and permission to construct bridges, causeways, and drawbridges in navigable waters (U.S. Coast Guard). A permit may also refer certain other clearances or certifications such as a clearance from the Federal Aviation Administration for proposed highway construction in the vicinity of public use and military airports, and water quality certifications for the licensing of an action that would result in a discharge into regulated waters. These approvals, plus certain others relating to solid waste management, underground storage tanks, coastal zone areas, etc., involve approvals and documentation commonly referred to as permits.
- Phase - For the purposes of federal-aid authorization, the development of a project is broken into stages or phases: Preliminary Engineering, Right of Way and Construction. Each of these phases must be individually authorized, usually at different times in the development of a project.
- Preliminary Engineering (PE) - This phase includes all project initiation and development activities undertaken after its inclusion in the approved FSTIP through the completion of PS&E. It may include preliminary Right of Way engineering and investigations necessary to complete the environmental document.
- Project Development - The overall process of advancing a transportation project from concept to implementation. Project development typically encompasses environmental and engineering tasks including planning, location, preliminary design, final design, and construction.
- Project Need - A detailed explanation of the specific transportation problems or deficiencies, which have generated the search for improvements. It should refer to technical information, as necessary, such as measures of traffic efficiency, or demand (origin-destination patterns, modal links, queue lengths, motorist delays, level of service, etc.), and other goals (economic development, safety improvement, legislative directives, etc.). Much of this information should be generated by the transportation planning process at a very early stage. The explanation of need should be a problem statement discussion, not a solution oriented discussion.
- Project Purpose - A broad statement of the overall intended objective to be achieved by a proposed transportation facility. Normally, the purpose can be defined in just a few sentences. For instance, it may address expanded capacity in a given transportation corridor to facilitate the safe and efficient movement of people and goods, or improved access to a given area or community.
- Public Hearing - A meeting designed to afford the public the fullest opportunity to express opinions on a transportation project. A verbatim record (transcript) of the proceedings is made part of the project record.
- Public Involvement - These activities, which present information to the public, seek public comments and which serve to ensure consideration of public opinion.

- Public Meeting - An announced meeting conducted by transportation officials designed to facilitate participation in the decision-making process, and to assist the public in gaining an informed view of a proposed project at any level of the transportation project development process. Also, such a gathering may be referred to as a public information meeting.
- Record of Decision (ROD) -The ROD documents the Secretary of Transportation's decision to approve the Preferred Alternative as described in the Environmental Impact Statement (EIS).
- Record Retention – Project records shall be kept for **at least 3 years** after FHWA's final payment of the final voucher, per 49 CFR, Part 18.
- Right of Way (R/W) - This phase includes the work necessary to appraise and acquire project right of way, relocate individuals or businesses, and revise or relocate utilities.
- S&H Code - California Streets and Highways Code, this code contains many of the laws governing funding and development of local streets and roads projects.
- SAFETEA-LU –Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users signed into law by President George W. Bush, on August 10, 2005, with guaranteed funding for highways, highway safety, and public transportation totaling $244.1 billion. SAFETEA-LU represents the largest surface transportation investment to date. SAFETEA-LU was built on the foundation established by two preceding federal transportation Acts: ISTEA and TEA-21
- Scope - Scope consists of the range of actions, alternatives, and impacts to be considered in a NEPA document.
- Scope of Work - A detailed description of tasks is prepared in advance of engineering and environmental work to explicitly define the contents of studies.
- Section 4(f) - Section 4(f) of the U.S. Department of Transportation Act of 1966 permits the use of land for a federally-funded transportation project from a significant publicly owned park, recreation area, wildlife or waterfowl refuge, or historic site when it has been determined that: (1) there are no feasible and prudent alternatives to such use, and (2) the project includes all possible planning to minimize harm to the property.
- Significant Impacts - Any number of social, environmental, or economic effects, or influences which may be brought about as a result of the implementation of a transportation improvement. "Significant impacts" may include effects, which are direct, secondary, or cumulative. The term "significant" is used and interpreted by the FHWA in determining which type of NEPA document is appropriate. Categorical exclusions are those actions, which do not involve significant effects. Environmental Impact Statement (EIS) projects in most cases can and do involve significant impacts.
- Significantly - As used in NEPA requires consideration of both context and intensity. Context means that the significance of an action must be analyzed in several contexts such as society as a whole (human, national), the affected region, the affected interests, and the locality. Intensity refers to the severity of the impact.

- State funds - As used in this manual, includes the state funds provided to local agencies for specific transportation projects and programs administered by the DLA. State funds are currently provided for the following projects: Bicycle Transportation Account, Proposition 116 - Bicycle Program, Environmental Enhancement and Mitigation (EEM), Federal Apportionment Exchange, State Match programs, Proposition 1B Bond Program, and State Transportation Improvement Program. The LAPG further defines these programs.
- Stewardship Agreement – A signed agreement between the FHWA and Caltrans defining the extent to which Caltrans and FHWA have project approval and oversight responsibilities.
- STIP - State Transportation Improvement Program, a five-year list of projects proposed in RTIPs and the Proposed STIP that are approved and adopted by the California Transportation Commission (CTC) (see Chapter 4 of the Caltrans *Project Development Procedures Manual* for more discussion).
- Study Area - An identified amount of land or topography, selected, and defined at the outset of engineering, or environmental evaluations, which are sufficiently adequate in size to fully identify, analyze, document impacts and effects for proposed projects within its boundaries.
- TEA 21- Transportation Equity Act for the 21st Century was enacted on June 9, 1998, which authorized the federal surface programs for highways, highway safety, and transit for the six (6) year period 1998-2003. It was superseded by SAFETEA-LU in 2005.
- Transportation Project Development Process - An interactive, multi-phase series of activities typically spanning a period of years which involve comprehensive planning, prioritization, detailed engineering and environmental studies, and agency and public involvement which lead to the selection, design, and construction of identified transportation improvements.
- 23 USC - The section (Title 23) of the United States Code containing laws relating to highways.
- 23 CFR - The section (Title 23) of the Code of Federal Regulations containing regulations (general and permanent rules published in the Federal Register) relating to highways. Not included are regulations based on Civil Rights requirements in Title 49, the Uniform Relocation Assistance and Real Property Policies, and other federal laws and regulations as described in this manual.

1.5 MANUAL ORGANIZATION

The manual is divided into twenty chapters. Each chapter describes a process and procedural steps important to the development of a local assistance project. Projects may not need to fulfill each process to be successfully implemented and to be eligible for federal or state funding, but each should be considered.

FEDERAL-AID PROJECTS

Federal-aid projects require consideration of the processes described in each chapter in this manual. For these projects, each chapter should be reviewed to determine whether the actions, activities, and decisions required are applicable to the individual project.

The LAPG further defines these programs.

Flow Chart 1-1 outlines the federal-aid project process and references the associated chapters. This chart is not intended to represent the actual chronological sequence of federal-aid implementation.

STATE FUNDED PROJECTS

Projects seeking only state funds require less oversight and review than those seeking federal-aid funds. Not all of the processes described in the chapters of this manual apply to these projects. Chapters 1, 2, 3, 4, 5, 10, 17 and 19 apply in whole, or in part to these projects.

The LAPG further defines these programs.

Flow Chart 1-2 highlights the actions needed for state funded projects.

CHAPTER SUMMARIES

The chapters are generally in chronological sequence when developing a project, however, some of the procedures can be done concurrently, or must be repeated for the next phase of a project. The flow charts in the exhibits for this chapter define the general relationship between the processes. The flow charts at the beginning of most chapters further define the relationships between these processes and procedures.

Chapter 2, "Roles and Responsibilities," defines the roles and responsibilities for the various entities involved in developing a local assistance project.

Chapter 3, "Project Authorization," describes the process to obtain project authorization and fund obligation required for each phase of a federal-aid project. It also discusses the federal policy concerning funding projects at less than the full allowable federal share (underfunding) transferring funds to FTA.

Chapter 4, "Agreements," describes the agreements needed between the local agency and the State and between the State and FHWA to obtain reimbursement of funds.

Chapter 5, "Accounting/Invoices," describes the general accounting procedures necessary to receive reimbursement for work done in any phase of the project.

Chapters 6-8, "Environmental Procedures," "Field Review," and "Public Hearings," discuss the project initiation and environmental procedures needed to bring a project to the stage at which the local agency decision-makers commit the project to final design and implementation.

Chapter 9, "Civil Rights and Disadvantaged Business Enterprises (DBE)," describes the requirements for establishing and reporting DBE program and project goals. This process may be necessary during the initial project stage, or may not be required until a later phase.

Chapter 10, "Consultant Selection," describes the requirements for selecting and hiring consultants to perform project activities.

Chapters 11 & 12, "Design Standards and Plans, Specifications & Estimate," describe the design standards to be used and the Plans, Specifications and Estimate (PS&E) development necessary to bring the project to the advertising and construction stage.

Chapters 13 & 14, "Right of Way" and "Utility Facilities," describe the procedures used to acquire right of way or relocate utilities.

Chapters 15-17, "Advertise and Award Project," "Administer Construction Contracts," and "Project Completion," describe the procedures from advertising through construction administration, project completion, and completion of the final reports.

Chapter 18, "Maintenance," describes the ongoing maintenance responsibilities and activities needed to assure that the project remain a functional public asset, and the related inspection and reporting requirements.

Chapter 19, "Oversight and Process Reviews," describes the oversight and process review methods by which Caltrans and/or FHWA use to ensure that the agencies have complied with their commitments and certifications under federal and state laws, regulations, and these procedures.

Chapter 20, "Deficiencies and Sanctions," describes the course of action to be expected when local agencies fail to comply with state and federal requirements during their project. An appeal process is available when the local agency disagrees with district decisions or sanctions.

1.6 MANUAL UPDATES

This manual is available to each local agency on the Internet. The Caltrans Web Server is at http://www.dot.ca.gov. For direct access to this manual at the Division of Local Assistance Homepage go to: http://www.dot.ca.gov/hq/LocalPrograms/index

As updates are made, they will be available on the Internet and the agency will be responsible for obtaining its own printed copy if needed.

Comments and suggestions for improvement to the manual or the processes and procedures described herein are welcome. They may be submitted to: DLA_Webmaster@dot.ca.gov

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FIGURE 1-1 TYPICAL PROCEDURES FOR FEDERAL-AID PROJECTS

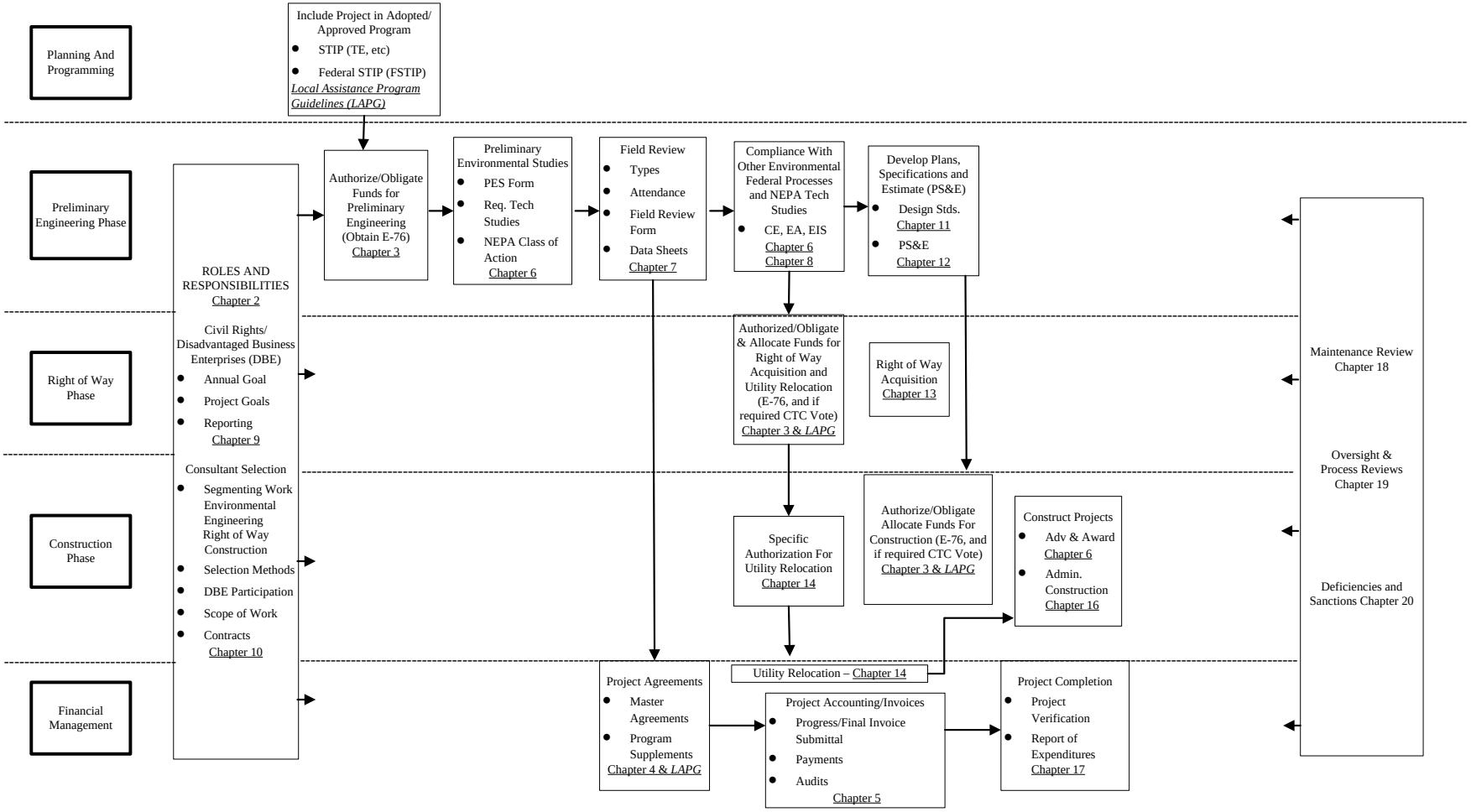

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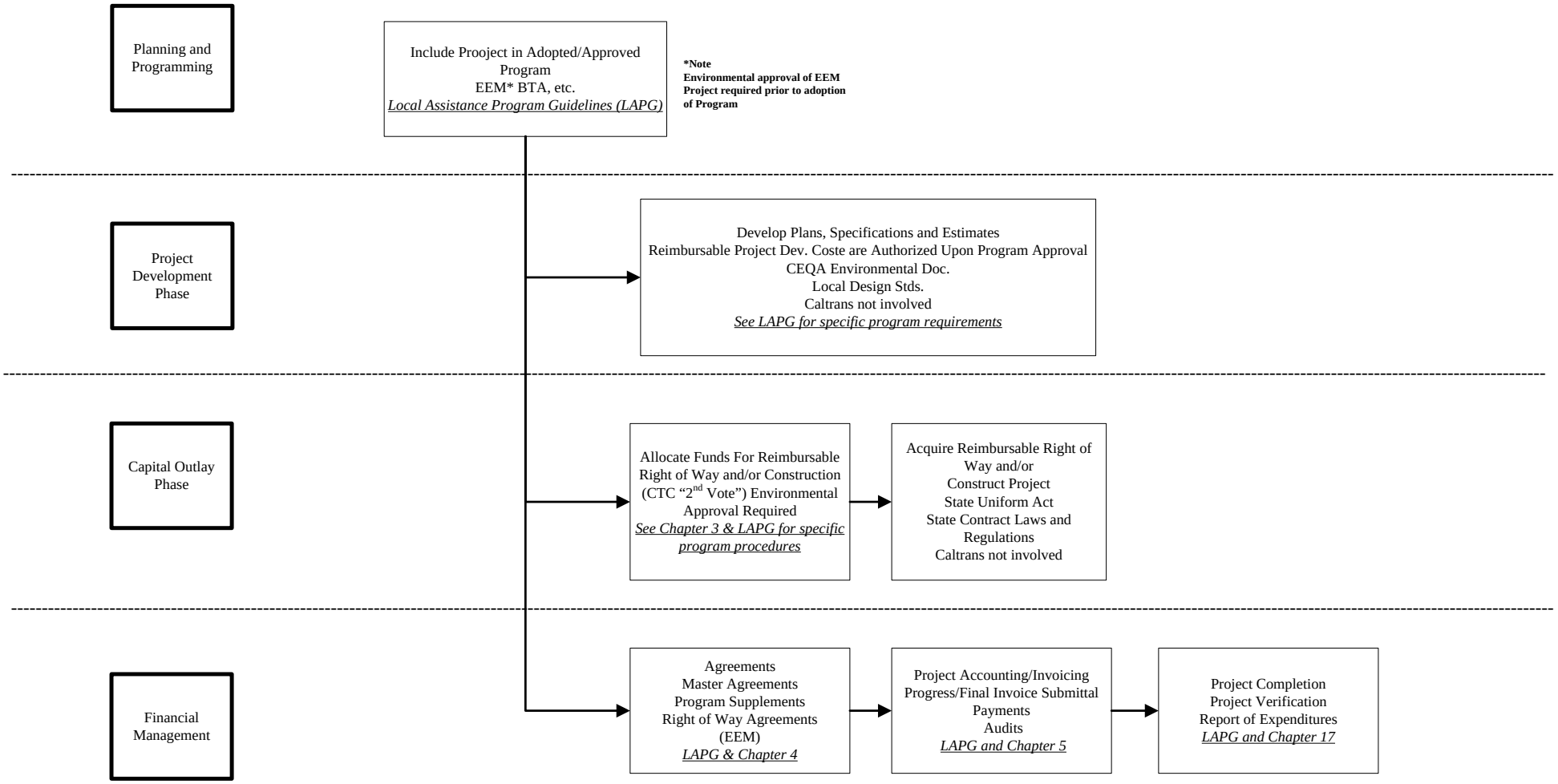
FIGURE 1-2 TYPICAL PROCEDURES FOR "STATE-ONLY" PROJECTS



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CHAPTER 2 ROLES AND RESPONSIBILITIES

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EXHIBITS

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EXHIBIT 2-B: FEDERAL-AID PROJECT RESPONSIBILITIES LIST 2-19

CHAPTER 2 ROLES AND RESPONSIBILITIES

2.1 INTRODUCTION

Within Caltrans, the responsibility for administering and managing the federal and state local assistance highway programs resides in the Division of Local Assistance (DLA) under Planning and Modal Programs. Each of the twelve Caltrans districts has a District Local Assistance Engineer (DLAE) who is the local agency's primary contact for processing projects, providing assistance for local agency development efforts and answering local agency questions. Please refer to Exhibit 2-A "Caltrans District Local Assistance Offices," of this chapter for current district boundaries and mailing addresses.

The responsibility for implementing individual projects on the local streets, roads, and other transportation systems resides with the local agencies, principally the cities and counties.

STATE FUNDED PROJECTS

State funded local assistance projects must be developed in accordance with policy and procedural requirements as specified in state law, by the California Transportation Commission (CTC), and Caltrans. These state policies and procedural requirements are separate from federal requirements. It is Caltrans' policy to provide these funds to local transportation programs with a minimum of state oversight. However, because procedures vary with each state funding program the *Local Assistance Program Guidelines* (LAPG) should be referenced for a detailed explanation of the roles and responsibilities.

FEDERAL-AID PROJECTS

The Federal Highway Administration (FHWA) is the federal agency most typically involved in the transportation projects undertaken with federal funding and/or approval action for the programs discussed in this manual. It has the authority and responsibility for implementing and monitoring federal laws, regulations, and executive orders affecting these programs. When a project involves federal funding, the FHWA is involved according to these responsibilities and the delegations in the Stewardship Agreement described below. When another federal agency has permit jurisdiction or other role in the development of a project, the FHWA frequently becomes involved in the process as either lead or co-lead federal agency.

Caltrans obtained major delegations of authority and/or responsibility from FHWA as allowed under the provisions of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) of 2005 and previous Transportation Acts. Since the reengineering of local assistance procedures in 1995, Caltrans has passed on these delegations to local agency partners to the greatest extent possible. With each delegation goes the accountability for initiating and completing each project phase in accordance with the appropriate state, and federal laws and regulations without extensive FHWA, or State oversight. Caltrans has the responsibility to ensure that locals are administering the federal-aid program in conformance with the applicable federal requirements.

Federal-aid projects must be included in a regional transportation plan and the approved Federal Statewide Transportation Improvement Program (FSTIP). This inclusion must precede fund authorization for any activity for which federal-aid funds are being sought. The responsibility for selecting the program of projects for inclusion in the urbanized area Federal Transportation Improvement Program (FTIP) resides with the Metropolitan

Planning Organizations (MPOs). The County Transportation Commissions and Regional Transportation Planning Agencies (RTPAs) have also a role in programming projects for the FSTIP and the state funded State Transportation Improvement Program (STIP). Their selections must be done in consultation with the state, cities, counties, and other transportation agencies within the area. The FTIPs are incorporated into the FSTIP. Caltrans works with the non-MPO local agencies to program projects in the FSTIP.

Exhibit 2-B "Project Responsibilities List," outlines the roles and responsibilities of the parties involved in local federal-aid transportation projects. The chapters in this manual provide the details for carrying out these responsibilities.

2.2 NATIONAL HIGHWAY SYSTEM

ISTEA established provisions for Congress to adopt a National Highway System (NHS) to provide an interconnected system of principal arterials that serve major population centers, international border crossings, ports, airports, public transportation facilities, intermodal transportation facilities, other major travel destinations, meet national defense requirements, and serve interstate and interregional travel.

Until Congress made its official adoption, the NHS was defined as all principal arterials, including the Interstate System. On November 28, 1995, the President signed the legislation defining the NHS to include all Interstate routes, a selection of urban and rural principal arterials, the defense Strategic Highway Network including Strategic Highway Network Connectors and Intermodal Connectors. Currently there are about 160,000 NHS miles nationwide, including 7,655 NHS miles in California. Only about 324 of the 7,655 NHS miles in California are off the State Highway System (SHS).

See LAPG, Chapter 3, *Federal-Aid Routes & Functional Classifications*, for further discussion and a listing of the local agency NHS routes.

2.3 STEWARDSHIP AND OVERSIGHT AGREEMENT

The purpose of the FHWA/Caltrans Joint Stewardship and Oversight Agreement (Agreement) is to define roles and responsibilities, outline authorities, and assure accountability in effectively and efficiently managing program and project delivery of the Federal-Aid Highway Program (FAHP).

Authority for the Stewardship Agreement comes from 23 USC 106(c) which requires the United States Department of Transportation (USDOT) and the State to enter into an agreement for the extent to which the State assumes the project approval and oversight responsibilities of the USDOT.

Unlike previous Stewardship Agreements, the current Agreement utilizes a risk-based approach to manage the FAHP. This innovative way of doing business represents a paradigm shift in the joint and collaborative management of the FAHP. Through this Agreement, the FHWA has delegated responsibility for oversight and approval of low-risk project level activities to Caltrans.

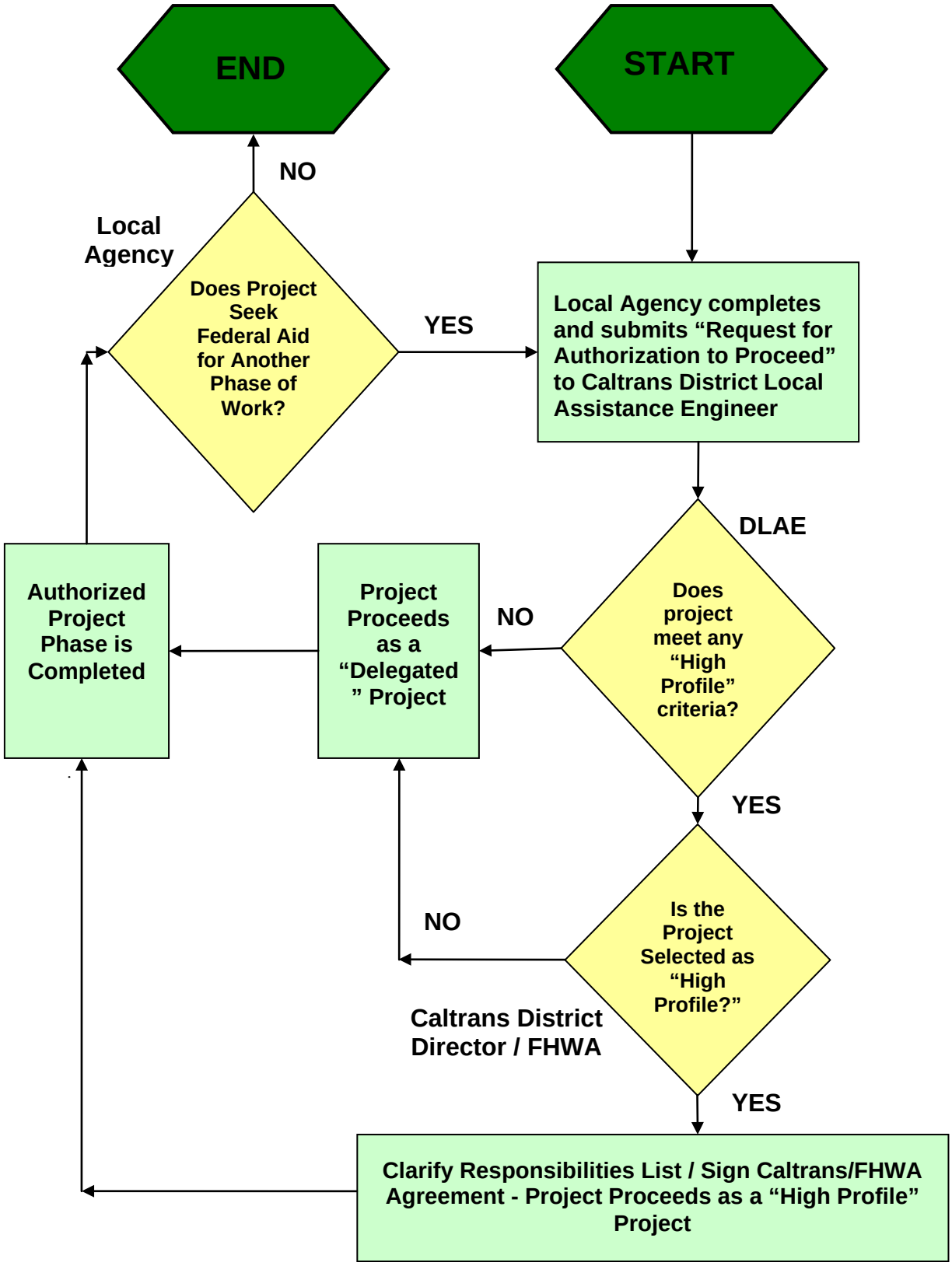
The approach to high-risk project oversight is conducted in two steps as explained in Section 2.5: 1) select the projects that traditionally pose a risk to the health of the FAHP (High Profile projects), and 2) within each High Profile project, further delegate approval authorities for activities that pose a low risk to that individual project.

2.4 DELEGATED PROJECTS

Projects not selected as High Profile are lower-risk and referred to as "Delegated" projects. For Delegated projects, Caltrans has authority for all aspects of a Federal-aid project except those activities which may not be delegated by federal law (requiring FHWA approval). Prior to September 2007 these projects were referred to as "State-Authorized" projects defined by set criteria (rather than risk) such as non-Interstate 3R projects, Interstate construction projects under $1 million, non-NHS projects, etc. Delegated projects include projects that are routine and inherently low risk in which Caltrans has a high level of experience and well documented procedures and processes in place for ensuring compliance with federal requirements. Project level approval authority for these projects follows that outlined in the Project Responsibilities List (Exhibit 2-B).

Over 99% of Local Assistance Projects are Delegated in which Caltrans or the local agency has approval authority for most project level activities. The FHWA's delegation of low risk project level approval to Caltrans only functions as long as those activities remain low risk. If oversight reveals concerns with Caltrans approval process for delegated activities, these activities have the potential to become high risk (High Profile), and therefore could alter Caltrans or the FHWA's involvement in their approval.

FIGURE 2-1: HIGH PROFILE/DELEGATED PROJECT IDENTIFICATION PROCESS



2.5 HIGH PROFILE PROJECTS

High-risk projects are designated as "High Profile" projects. Prior to September 2007 these projects were referred to as FHWA "Full-Oversight" projects based on set criteria (rather than risk) such as Interstate construction over $1 million, major Intelligent Transportation System, etc. While Caltrans is responsible for approving most project level activities on low risk (Delegated) projects, the FHWA maintains many project level approval activities for High Profile projects.

Project level approval authority for "High Profile" project are project specific. Very few Local Assistance projects are designated as High Profile. Each High Profile project requires a unique Project Oversight Agreement, an example of which is shown in Appendix B of 2010 FHWA/Caltrans Joint Stewardship and Oversight Agreement.

HIGH PROFILE PROJECT SELECTION PROCESS

High Profile determinations are a joint, cooperative effort made on a project-by-project and phase-by-phase basis. Projects not meeting the criteria below are considered Delegated.

The criteria for High Profile project consideration are listed below. However, a project can meet one of these criteria but still not be determined by FHWA as High Profile.

- Controversial and Congressional Interest projects
- Pilot projects
- Executive Order 13274 projects – Environmental Stewardship and Streamlining
- Interstate Projects containing:
  - Design exceptions relating to the controlling criteria
  - New or modified access points
  - Innovative contracting method projects with Federal funds
- Invitational projects
- Major Intelligent Transportation Systems (ITS) projects
- Major Projects (>$500 M)
- Non-Traditional Revenue Sources projects
- Special Experimental Projects – Alternative Contracting (SEP-14)
- Special Experimental Projects Public Private Partnerships (SEP-15)
- Unusual Bridge and Structure projects

Caltrans and the FHWA jointly determine which projects are considered to be High Profile based on the criteria listed above. Appendix B of the FHWA/Caltrans Joint Stewardship and Oversight Agreement defines each criterion and provides examples. The High Profile project determination is made at the District level in conjunction with FHWA.

One goal under the Agreement is to identify High Profile projects and FHWA approval/involvement level as early as possible (prior to "Authorization to Proceed"). Continuous, open communication takes place throughout the year regarding the selection of High Profile projects. Quarterly meetings between Caltrans and the FHWA are scheduled to discuss any changes to the known or anticipated High Profile projects. Those projects selected as High Profile are mutually agreed upon by the appropriate Caltrans District and FHWA.

The steps for identifying High Profile Local Assistance projects are as follows (see Figure 2-1):

1. ***Pre-Authorization:*** Caltrans Local Assistance procedures, checklists, and forms required local agencies to assess proposed projects against the High Profile criteria and identify whether they think the project qualifies as a High Profile project prior to each "Authorization to Proceed".

2. ***Initial Authorization to Proceed:*** The local agency indicates whether the project meets any High Profile project criteria in their initial "Request for Authorization to Proceed" package (Exhibit 3-E of the Local Assistance Procedures Manual). The Caltrans District will assess the "Request for Authorization to Proceed" package to determine if the project meets any of the criteria for High Profile projects listed above. The District may request assistance from Caltrans Headquarters' Division of Local Assistance (DLA).

   If the assessment reveals that the project does meet one or more of the above criteria, then the Caltrans DLAE will contact the FHWA Representative to discuss the assessment of the project. At this point, the Caltrans and FHWA representatives will jointly decide if the project meets the above criteria. If the joint decision is that one or more of the criteria are met, then the, representatives will jointly decide if the criteria met are enough to warrant selection as a High Profile project. If the project does not meet the criteria, as determined by the District Local Assistance Engineer (DLAE), then the project will move forward as a Delegated project.

   Once a project has been selected as a High Profile project, a Project Oversight Agreement (refer to Appendix B of the 2010 Joint Stewardship and Oversight Agreement) will be filled out to identify FHWA and Caltrans project approval authorities for that particular project. The High Profile Project Agreement will document those areas where FHWA will have approval authority. It will also provide a project description, Federal-aid and State project numbers, and a discussion of FHWA's involvement on the project outside of the approval authority.

   The DLAE will work directly with the Local Agency and FHWA to assure that the project responsibilities of the High Profile Project Agreement are fulfilled.

   Caltrans headquarters' DLA may assist the District as requested. (For Major Projects, this information will be captured in an Oversight Agreement.) If a project is determined to be High Profile at the initial "Authorization to Proceed," then the High Profile Project Agreement will be revisited once the project moves closer to construction. The information within the High Profile project Agreement will be jointly agreed upon by the Caltrans District Director (or designee) and FHWA representatives and will include signatures acknowledging this Agreement. Appropriate local agency representative signature is optional.

3. ***Subsequent Authorization to Proceed:*** As in the initial "Request for Authorization to Proceed," the project will be reassessed against the High Profile project criteria by Caltrans DLAE and FHWA at each of the subsequent "Request for Authorization to Proceed" milestones. At these milestones, it will be jointly decided if the project meets the High Profile criteria and should be de-selected, selected, or continued as a High Profile project. If the reassessment at these milestones reveals that the project meets one of the High Profile criteria and should be selected as a High Profile project, then the same process described under step 2 of above will be followed. Otherwise, the project will proceed as a Delegated Project.

Once a project or phase is determined to be High Profile, the process is carried one step further by highlighting activities on the project responsibilities list that can be further delegated. The FHWA maintains approval authority for those activities that cannot, by law, be delegated and activities that may pose a risk to individual projects. Highlighted boxes in the "High Profile" projects column of the Project Responsibilities List (refer to Appendix B of the 2010 Joint Stewardship and Oversight Agreement) are designated as either the FHWA or Caltrans and signed and dated by both agencies. The documented and signed project responsibilities list may also include a general summary of other involvement, including attending regular meetings, conducting project inspections, etc.

2.6 Right of Way Certification Delegation

In addition to the delegations discussed above, the FHWA has also approved Caltrans request for delegation of right of way certificate approval for Delegated projects and not subject to FHWA oversight per the Stewardship Agreement. Procedures for processing local agency right of way certifications are described in Chapter 13, "Right of Way," of this manual.

2.7 Projects off the National Highway System (Non-NHS)

The reengineering of local assistance procedures in 1995 gave local agencies additional responsibility and accountability for non-NHS projects. Many of the responsibilities delegated to Caltrans under the Stewardship Agreement are further delegated to the local project sponsors. Caltrans preliminary engineering, construction review and approval activities are reduced, and other activities involving environmental reviews, project authorization, Disadvantaged Business Enterprises, consultant selection, and agreement procedures are streamlined to eliminate duplication of effort and multiple reviews.

2.8 Projects on the National Highway System (NHS)

The delegation of responsibilities to local agencies described above for non-NHS projects also applies for NHS projects. With the following exceptions (discussed in detail in the appropriate chapters of this manual), procedures are the same for both types of projects.

Field Reviews

Field reviews are required for local agency projects on the National Highway System and encouraged for all other Federal-aid projects. If the field review is not performed, document on the field review form the reasons why the field review was not performed as a completed field review form is required for all Federal-aid projects.

PS&E Procedures for Significant NHS Projects

When Caltrans requires a field review for significant NHS projects, PS&E procedures (standards, agencies involved, use of consultants, project management, specifications, etc.) will be discussed. These procedures will be put in writing for Caltrans approval before final design is initiated. With approval, the local agency will then certify their PS&E(s) for these projects the same as they do for non-NHS projects upon completion of the PS&E. Caltrans may review the PS&E(s) if resources are available, or as part of a process review. NHS projects that are not "significant" will not require these approval procedures.

Design Standards

Local agencies are required to use only American Association of State Highways and Transportation Officials (AASHTO), 3R, and other design standards officially approved for use on NHS projects that are off the SHS. For SHS projects, Caltrans standards are to be used. Locally approved design standards are not allowed on NHS projects, however

Caltrans may approve exceptions on a project-by-project basis except on High Profile projects, which requires FHWA approval.

METHOD OF CONSTRUCTION

In general, an open and competitive bidding process must be used for construction contracts on federal-aid projects. Exceptions to competitive bidding of construction contracts must be approved by Caltrans for "Delegated" projects. FHWA approval may also be required on High Profile projects.

RESTRICTED CONSTRUCTION CONTRACT PROVISIONS

Warranty clauses are restricted on NHS projects and the use of proprietary items is restricted on all federal-aid projects.

CONSTRUCTION ADMINISTRATION FOR SIGNIFICANT NHS PROJECTS

When Caltrans requires a field review for significant NHS projects, the local agency's construction administration procedures (staging, agencies involved, use of consultants, project management, quality assurance, etc.) will be discussed. These procedures will be put in writing for Caltrans approval before the "Request for Authorization for Construction" is approved. Caltrans will not review the construction administration unless requested and resources are available, or as part of a process review.

QUALITY ASSURANCE PROGRAMS

Local agencies may use the Quality Assurance Program described in this manual for projects on or off the NHS. Caltrans will perform Independent Assurance (IA) if Caltrans test methods are used.

FINAL INSPECTION

The local agency will make a final inspection of completed "Delegated" projects prior to FHWA authorizing reimbursement of the final project voucher.

2.9 FEDERAL-AID PROJECTS OF $100 MILLION TO $500 MILLION OR MORE

PROJECTS OF $500 MILLION OR MORE

The passage of "Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users" (SAFETEA-LU) requires a local agency receiving any amount of federal financial assistance for a "major" project with an estimated total cost of $500 million or more (includes all phases) and local agencies for such projects as may be identified by FHWA, submit to Caltrans for each project:

- A Project Management Plan
- An Annual Financial Plan

A cost Estimate Review must be completed by FHWA prior to the Final NEPA document, and prior to the construction authorization for all major projects (≥ $500 million).

PROJECT MANAGEMENT PLAN

A draft Project Management Plan shall be submitted prior to the Record of Decision (ROD), Finding of No Significant Impact (FONSI), or Categorical Exclusion (CE) determination. A final Project Management Plan shall be submitted within 90 days after the ROD, FONSI, or CE determination which determine the scope of the projects. The plan shall:

- Document the procedures and processes that are in effect to provide timely and appropriate information to the project decision makers to effectively manage the scope, costs, schedules, quality of, and the federal and state requirements applicable to the project. Document the role of the agency leadership and management team in the delivery of the project
- Be updated and submitted prior to the authorization of federal financial assistance for construction and updated thereafter as required.

FINANCIAL PLAN

A Financial Plan for major projects of $100 million to $500 million or more shall:

- Be submitted when all elements of the plan are fully completed, but not later than when requesting authorization of federal financial assistance for construction. If the local agency waits until requesting authorization to submit the Financial Plan for projects $500 million or more, the authorization will be delayed since FHWA HQ has to concur in the approval of the Financial Plan. For design build projects, the plan must be received prior to award of the design build contract.
- Be updated and submitted annually once the initial Financial Plan is approved until construction is substantially complete.
- Be based on detailed estimates of the cost to complete the project.
- Provide for the annual submission of updates to Caltrans that are based on reasonable assumptions as determined by Caltrans of future increases in the costs to complete the project.
- Use costs expressed in year of expenditure dollars and estimated using a risk-based approach consistent with current FHWA Cost Estimating Guidance located at:http://www.fhwa.dot.gov/ipd/project_delivery/defined/fhwa_delivery_process.htm

PROJECTS BETWEEN $100 MILLION AND $500 MILLION

SAFETEA-LU also requires that all local agencies receiving any amount of federal financial assistance for a project with an estimated total cost of $100 million or more that is not covered by the above shall prepare an annual Financial Plan and make the plan available to Caltrans/FHWA upon request. FHWA-California Division has made a "blanket" request that Financial Plans for "major" projects with an estimated total cost of $100 million or more, but less than $500 million be submitted with the "Construction Authorization" request.

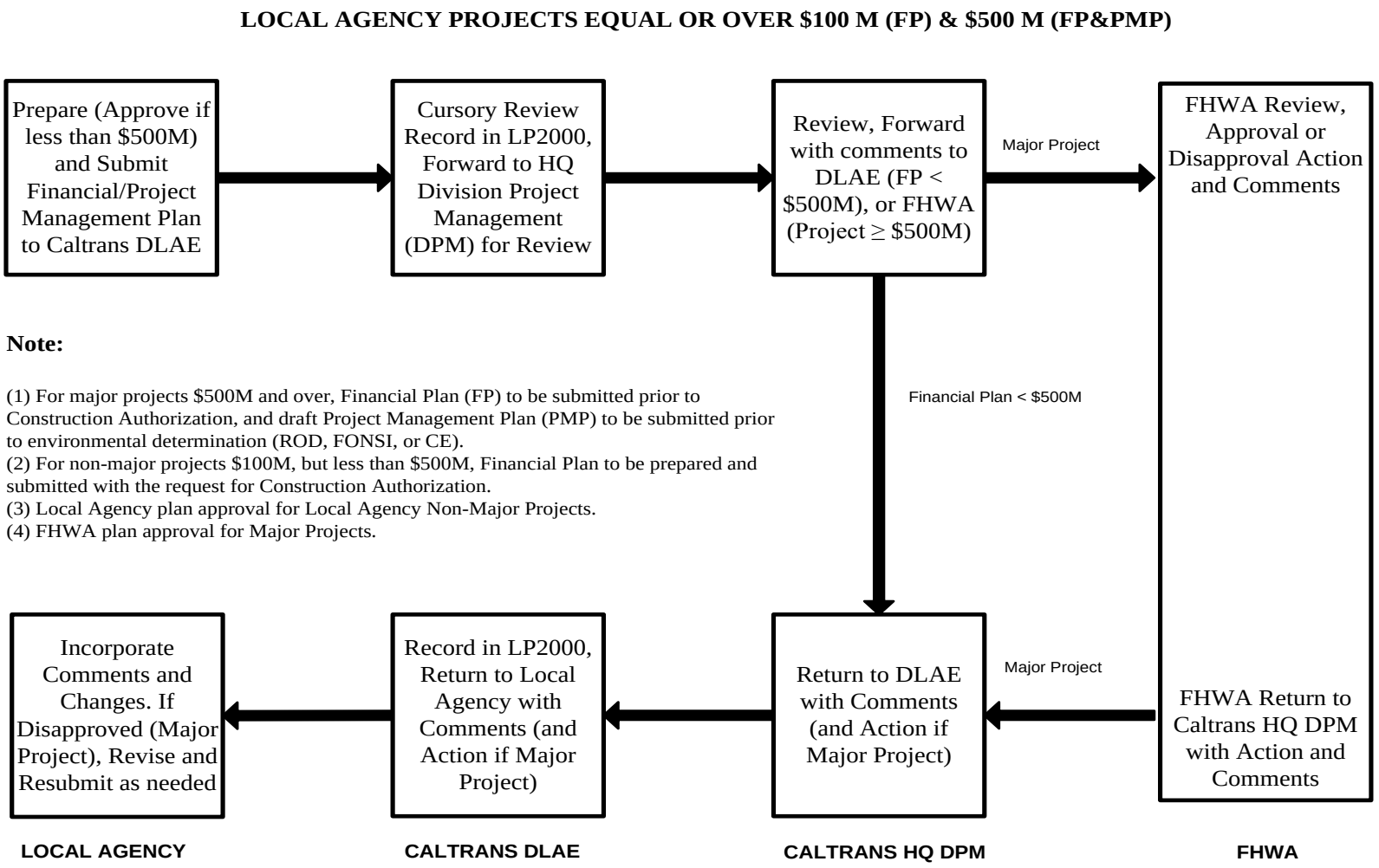
The process for submitting, reviewing, and approving these plans is shown in Figure 2-2. These projects require a "Project Oversight Agreement" (Joint Stewardship Agreement, Appendix B) signed by FHWA, Caltrans and, if applicable, the local agency.

ASSISTANCE

Information regarding the preparation, timing, etc., of the above plans is available through the DLAE. Other valuable information that may be helpful in the preparation of the above plans as well as other project areas is available at the FHWA Web site at:

http://www.fhwa.dot.gov/ipd/project_delivery/defined/fhwa_delivery_process.htm

FIGURE 2-2: MAJOR FEDERAL-AID PROJECT FLOWCHART



2.10 FHWA RESPONSIBILITIES

As discussed above, the FHWA has the overall responsibility for the Federal-Aid highway Program (FAHP) pursuant to 23 USC § 106 with the exception of the environmental responsibilities under SAFETEA-LU Sections 6004 and 6005 (23 USC § 326 and 327). In addition, the FHWA is ultimately responsible for ensuring the financial integrity and compliance with applicable federal laws and regulations.

Through the stewardship agreement, FHWA and Caltrans have committed to work cooperatively to identify appropriate stewardship and oversight initiatives using a risk-based, performance management approach. At the program level, strategic stewardship and oversight are to be achieved by effectively managing the program through: continuous program-level involvement; promoting new initiatives and concepts; participating on relevant joint task forces, joint committees, and joint quality improvement teams; assisting other stakeholders with program-related issues; conducting program assessments; conducting program reviews; and performance monitoring via performance measures and indicators.

PROJECT IMPLEMENTATION

At the project-level, strategic stewardship and oversight are accomplished through: conducting routine approval actions; verifying compliance through project-level samples; and conducting strategic project oversight. Routine approval actions are identified in Exhibit 2B and are those actions which have not been delegated to Caltrans. These include, but are not limited to:

- Federal-aid project agreements and modifications
- obligation of federal funds
- reimbursement to Caltrans of interim and final vouchers
- project-level conformity determinations
- right-of-Way Certificate 3
- protective buying and hardship acquisition
- new/modified interstate access determination of engineering and operations acceptability (minor access changes assigned to Caltrans, see letter dated September 15, 1994)
- design exceptions on the interstate
- Buy America waivers
- innovative contracting practices

Strategic project oversight is accomplished through the High Profile project process described in Section 2.5. For projects that are determined to be of high-risk to the FAHP, FHWA and Caltrans will jointly determine which project-level approvals will be retained by the FHWA Division office or delegated to Caltrans. In general, all major projects (those projects with total cost greater than $500 Million) will be High Profile projects.

2.11 CALTRANS RESPONSIBILITIES

Caltrans is responsible and accountable to the FHWA for administering the successful implementation of federal-aid programs and projects in accordance with laws, regulations, and policies that govern the federal-aid program. Caltrans also administers the implementation of state funded programs and projects for the California Transportation Commission and State Legislature.

These responsibilities are divided into three areas: Policy and Procedures, Program Management, and Project Implementation.

It is imperative that Caltrans employees involved in project ranking or scoring, or process reviews have a completed Conflict of Interest Statement (form ADM-3043) on file.

POLICY AND PROCEDURES

Caltrans establishes uniform policies and procedures to assist the local agencies in meeting the program requirements for their projects. Caltrans in collaboration with FHWA interprets federal and state laws, rules and regulations, and provides guidance in the form of manuals, guidebooks, handbooks, reference materials and service, and training to assist the agencies in planning, designing, constructing, and maintaining their transportation systems.

Caltrans policy and procedure development is achieved in coordination and consultation with the FHWA, representatives of local agencies, MPOs, RTPAs, other affected agencies, and organizations.

PROGRAM MANAGEMENT

Each specific local assistance program provides funding which requires distribution, management, and oversight control to ensure that the funds are expended in accordance with the program requirements and that allocations and budget authority are not exceeded. Caltrans distributes both state and federal fund allocations to the MPOs, RTPAs, cities, counties and others as specified by law.

Once the distributions are established, Caltrans provides program guidance for their expenditure. Some programs may require annual or periodic project application and selection to establish eligibility lists. Caltrans also monitors project implementation to ensure that the projects are implemented in a timely manner to achieve program goals. The Local Assistance Program Guidelines describes each current program.

CONFLICT OF INTEREST

49 CFR, Part 19.36 (b) (3) states that grantees and subgrantees will maintain a written code of standards of conduct, governing the performance of their employees engaged in the award and administration of contracts. No employee, officer, or agent of the grantee, or subgrantee, shall participate in selection, or in award of administration of a contract supported by federal funds, if a conflict of interest, real or apparent, would be involved. Such a conflict arises when: (i) the employee, officer, or agent (ii) any member of his immediate family (iii) his or her partner (iv) an organization, which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award.

In response to the above requirement and other laws and regulations, the Caltrans has issued policy under Deputy Directive *DD-09-R3* titled Incompatible Activities and Conflict of Interest. This directive is to ensure that California Department of Transportation (Department) employees do not willfully engage in any employment or activities that are illegal, that are or give the appearance of being incompatible or in conflict with their duties as State employees, that discredit their profession, the

Department or the State, or that have an adverse effect on the confidence of the public in the integrity of government.

Conflict of Interest Form ADM-3043 is to be completed annually by all Caltrans headquarters and district employees that review, rank and rate project applications from local agencies for any federal or state funded programs. Forms must be signed by the employee and their respective supervisor. Signatures from the Acquisition Analyst and Contract Officer are not required for DLA staff who are not acting as a contract manager. Immediate supervisors shall keep copies of the signed ADM-3043. Additional information on conflict of interest is provided by the Division of Procurement on the intranet at: http://admin.dot.ca.gov/pc/coi.shtml#1. Also, instructions are included on the back of the ADM-3043 and an electronic version of the form is available on the Caltrans intranet at: http://cefs.dot.ca.gov/forms/index.html .

Compliance with this policy helps safeguard State and Federal funds and the public's interest. Non-compliance with this policy could result in the loss of delegated purchasing or contracting authority for the individual or the entire Department.

PROJECT IMPLEMENTATION

Some major federal-aid project implementation steps delegated by the FHWA to Caltrans cannot be further delegated to the local agency level and remain Caltrans' responsibility. These are shown in Exhibit 2-B and include:

- Funding Eligibility Determinations
- Acceptance of Right of Way certification and airspace agreement
- Railroad Agreement approval
- Utility Agreement and relocation approval
- Environmental approval actions pursuant to SAFETEA-LU Sections 6004 and 6005
- Financial Plans for projects over $100 million
- Low Risk ITS project development
- Interstate access determination
- Some Public Interest Findings
- Approval of preliminary plans for major and unusual structures
- Design exceptions (for NHS)
- Value engineering (for NHS)
- Authorization of utility or railroad force account work
- Hiring of consultants in a management role
- Noise determination for PS&E approval
- Supplemental Work item justification
- Approval of liquidated damage rates
- Approval of major changes (requiring additional federal funds) and extra work
- ER damage assessments and report approval

The individual chapters covering these topics should be consulted for details concerning the responsibilities. Where the FHWA has not delegated final approval, Caltrans

monitors local agency activities, reviews or prepares documents, and makes recommendations to FHWA.

Caltrans also provides assistance to the local agencies in interpreting the regulations, manuals and guidelines as they apply to specific project conditions. The District Local Assistance Offices and Headquarters DLA personnel are available to aid the local agency through the required process and procedural steps.

Where expertise is not otherwise available, the local agency may also request assistance from Caltrans technical specialists in solving special technical problems. Environmental issues, engineering services, right of way concerns, hazardous wastes, labor compliance, equal employment opportunity, Title VI, and Disadvantage Business Enterprise are among these areas where assistance is available. The use of this expertise must be requested early and be well coordinated to assure that Caltrans limited resources and personnel will be available when needed.

OVERSIGHT

As outlined in Chapter 19 "Oversight and Process Reviews," of the *Local Assistance Procedures Manual* (LAPM), Caltrans and FHWA will use the process review and other oversight methods to determine if local agencies are in compliance with all federal-aid laws, regulations, and procedures. The oversight findings will be used to evaluate all aspects (including Title 23 requirements) of the local agencies federal-aid program and to improve local assistance procedures.

MAINTENANCE REVIEWS

Annually, Caltrans reviews project maintenance for selected agencies using federal-aid funds so that every agency is covered during a four-year cycle. Chapter 18 "Maintenance," of the LAPM describes these maintenance review procedures in detail.

2.12 CITY, COUNTY AND OTHER LOCAL PUBLIC AGENCY RESPONSIBILITIES

The cities, counties, joint power authorities, transit agencies and other public agencies have the primary responsibility for implementing the specific projects which carry out the programs described in this manual. Nonprofit entities may also qualify for this. For the purpose of this manual, these agencies/entities are commonly called local agencies.

PROJECT IMPLEMENTATION

The local agency is responsible for the conception, planning, programming, environmental investigation, design, right of way, construction and maintenance of the projects on their local transportation system. It must ensure that its staff members, consultants and contractors comply with the applicable state and federal laws, regulations and procedures in developing, and constructing its projects.

If a local agency has never implemented a federal-aid or state funded project, or does so infrequently; it should review the processes with the DLAE prior to beginning any implementation activity. It may wish to seek the administrative services of another agency, which is more familiar with the process and procedure details.

Caltrans exercises its FHWA delegated authority by further delegating federal authority to local agencies to the greatest extent possible for those federal-aid projects that are located off of the State Highway System. The local agency is delegated decision-making authority and responsibility for most design and construction-related activities of federal-aid projects. These include:

- Getting the project into the FSTIP
- Preparing the Request for Authorization for each project phase

- Decision to hold field review for projects off the NHS
- Determining/Approving project DBE Availability Advisory percentage
- For ITS projects and other projects with ITS elements, make a preliminary classification of High-Risk, Low-Risk, or Exempt.
- Selecting consultant and approving consultant contracts
- Approving local design standards for projects off the NHS
- Approving design exceptions for projects "off" the NHS
- Preparing and Certifying PS&E (Caltrans must approve the local agencies' PS&E procedures for most NHS projects and FHWA for High Profile)
- Qualifying/selecting right of way consultants
- Right of Way acquisitions and relocation
- Preparing and approving Quality Assurance Programs
- Advertising and awarding construction project
- Construction contract administration and inspection (Caltrans must approve the local agencies construction administration procedures for high cost, complex, corridor-type NHS projects)
- Construction contract acceptance on delegated projects
- Coordinating railroad agreements
- Contract compliance

The individual chapters covering these topics should be consulted for details concerning the responsibilities.

2.13 CALIFORNIA TRANSPORTATION COMMISSION

The California Transportation Commission (CTC) has programming and fund allocation responsibility for some federal-aid and state funded programs used for local assistance projects. It is the responsibility of the local agency to notify the DLAE to request a CTC vote where applicable.

PROGRAMMING

The CTC currently selects federal Transportation Enhancements projects for inclusion in the STIP.

FUND ALLOCATION

When a project is ready for implementation, the CTC must vote to allocate funding to the following programs. This action is commonly called the "**second vote**."

2.14 METROPOLITAN PLANNING ORGANIZATIONS, REGIONAL TRANSPORTATION PLANNING AGENCIES AND COUNTY TRANSPORTATION COMMISSIONS

These organizations have broad transportation planning duties and responsibility for programming most projects using federal-aid or state allocations from the programs described in this manual.

These organizations are responsible for providing each local agency with their application rules, procedures and timelines. They are also responsible for providing the

local agency with results of the decisions about its projects and the agency, CTC and federal approval dates.

The local agency must work closely with these organizations to ensure that its projects are placed in the appropriate TIP with the correct funds in the proper years. Federal funds and many state funds cannot be obtained without this programming step.

Chapter 4 of the *Caltrans Project Development Procedures Manual* discusses the programming process in more detail.

2.15 Other Public Agencies and Organizations

Other federal, state, regional and local entities may have an interest, role or jurisdiction in the development and implementation of a local project. Examples at the federal level include the Environmental Protection Agency, the Army Corps of Engineers, and the Fish and Wildlife Service. At the state level, examples include the Department of Fish and Game, Air Resources Board, and State Historic Preservation Officer, Regional agencies include the Air or Water Quality Control Boards and Flood Control Districts.

The State Resources Agency selects the projects to be funded by the CTC for the EEM program.

The role of these agencies will vary with the project scope, location and environmental impact. Coordination should begin early to prevent critical delays later in the project development.

Quasi-public or nonprofit organizations may apply for and receive programmed funds for some programs, notably EEM. These agencies must follow the same rules and regulations, which apply to any other local agency developing a state or federal-aid funded project. When such an agency does not have a full staff of administrative, engineering, contracting, or accounting personnel, Caltrans encourages it to work through a local agency that can provide these services and is familiar with the applicable rules.

2.16 References

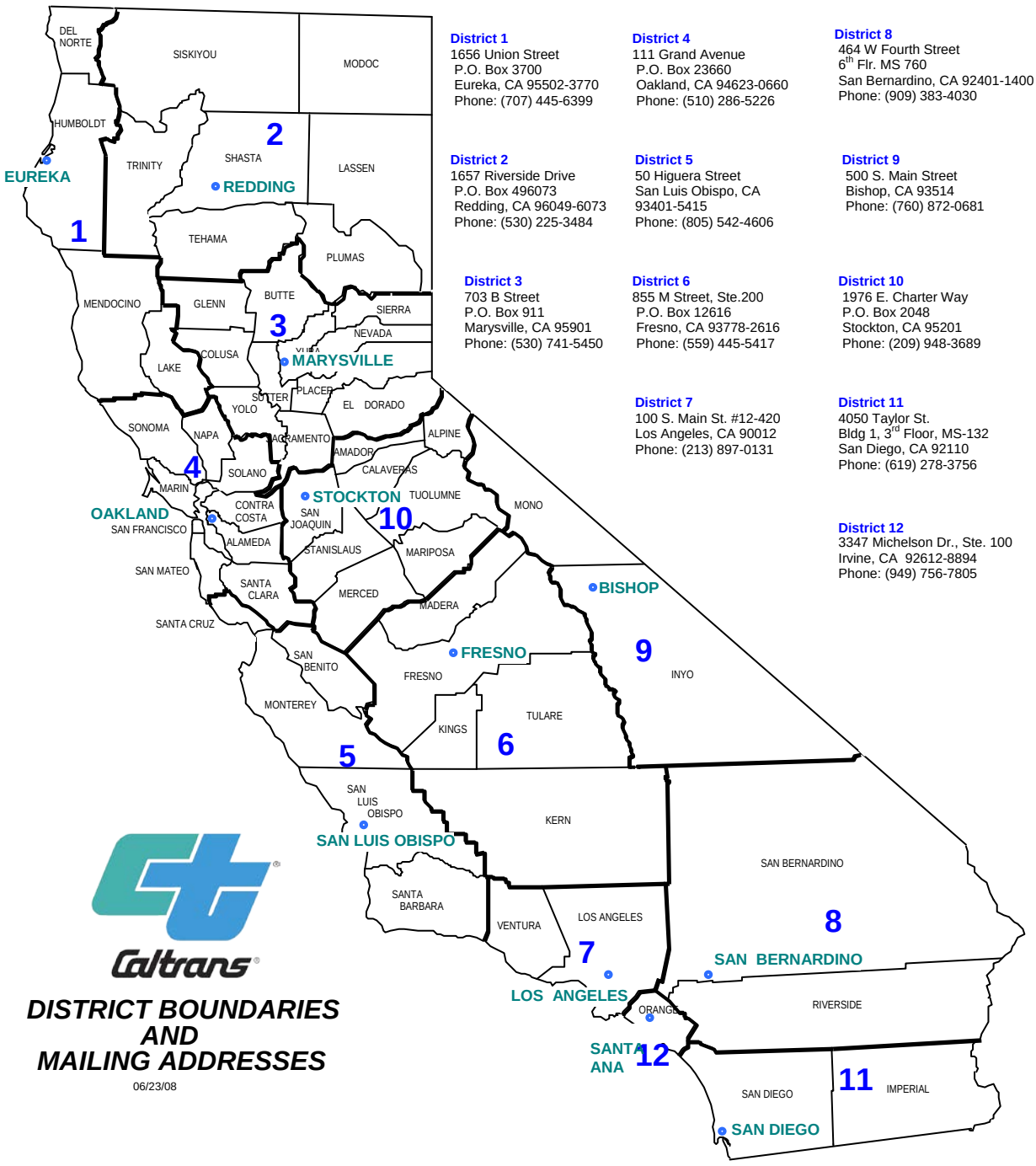
Joint Stewardship and Oversight Agreement:
http://www.dot.ca.gov/hq/oppd/stewardship/

SAFETEA-LU Section 1904

23 USC 106(c)

FHWA Major Projects website:
http://www.fhwa.dot.gov/ipd/project_delivery/defined/fhwa_delivery_process.htm

EXHIBIT 2-A CALTRANS DISTRICT LOCAL ASSISTANCE OFFICES



District 1
1656 Union Street
P.O. Box 3700
Eureka, CA 95502-3770
Phone: (707) 445-6399

District 2
1657 Riverside Drive
P.O. Box 496073
Redding, CA 96049-6073
Phone: (530) 225-3484

District 3
703 B Street
P.O. Box 911
Marysville, CA 95901
Phone: (530) 741-5450

District 4
111 Grand Avenue
P.O. Box 23660
Oakland, CA 94623-0660
Phone: (510) 286-5226

District 5
50 Higuera Street
San Luis Obispo, CA
93401-5415
Phone: (805) 542-4606

District 6
855 M Street, Ste.200
P.O. Box 12616
Fresno, CA 93778-2616
Phone: (559) 445-5417

District 7
100 S. Main St. #12-420
Los Angeles, CA 90012
Phone: (213) 897-0131

District 8
464 W Fourth Street
6th Flr. MS 760
San Bernardino, CA 92401-1400
Phone: (909) 383-4030

District 9
500 S. Main Street
Bishop, CA 93514
Phone: (760) 872-0681

District 10
1976 E. Charter Way
P.O. Box 2048
Stockton, CA 95201
Phone: (209) 948-3689

District 11
4050 Taylor St.
Bldg 1, 3rd Floor, MS-132
San Diego, CA 92110
Phone: (619) 278-3756

District 12
3347 Michelson Dr., Ste. 100
Irvine, CA 92612-8894
Phone: (949) 756-7805

DISTRICT BOUNDARIES AND MAILING ADDRESSES

06/23/08

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EXHIBIT 2-B: FEDERAL-AID PROJECT RESPONSIBILITIES LIST FOR DELEGATED PROJECTS OFF THE STATE HIGHWAY SYSTEM

(Pursuant to 2010 FHWA & Caltrans *Joint Stewardship and Oversight Agreement*)

Project Action/Activity	Local Agency	Caltrans District	Caltrans HQ	FHWA
Project Authorization (Chapter 3)				
Construction Engineering > 15% Total Contract Item Costs	Prepare	Approve	Review	Verify
Project Agreement and Modification [23 CFR 630.110]	Prepare	Recommend	Approve[1]	Verify[2]
Obligate Funds	-	-	-	Approve[3]
Funding Eligibility Determinations	Prepare	Recommend	Approve	Verify[4]
Reimbursement Vouchers (interim and final)	-	-	Prepare	Approve
Section 1.9 Approvals of Incurred Costs. [23 CFR 1.9]	Prepare	Recommend	Recommend	Approve
Agreements (Chapter 4)				
Master Agreement	Sign	File Copy	Prepare/ Approve	-
Program Supplement Agreement	Sign	File Copy	Initiate/ Approve	-
Accounting/Invoices (Chapter 5)				
Invoice	Prepare	*Approve*[5]	Approve[6]	-
Project Eligibility	Prepare	Approve	Review	-
Environmental Procedures (Chapter 6)				
Project-Level Transportation Conformity Determination for CE pursuant to SAFETEA-LU 6005 MOU	Prepare	Request	-	Approve
NEPA Approval Consistent with SAFETEA-LU 6004 & 6005 MOUs (for detailed NEPA actions and approvals refer to LAPM Chapter 6 and the SER)	Prepare	Approve	-	-
Field Review (Chapter 7)				
Field Review	Perform	Participates[7]	-	-
Minor ITS Project development [23 CFR 940.11] (SERF)	Prepare	Approve	-	-

[1] Approval and signatures are needed by both Caltrans and FHWA.
[2] Subject to FHWA's random sample verification process. Verification is defined as routine, independent confirmation of sampled projects.
[3] Obligation of funds by FHWA is the final step in the project authorization process.
[4] Subject to FHWA's random sample verification process.
[5] Actions in italics such as "*Review*" indicate a change in procedures.
[6] DLAE performs initial review and approval. Headquarters Local Programs Accounting performs final review of invoice prior to payment by the State which is subsequently reimbursed by FHWA.
[7] DLAE participates in field reviews unless otherwise documented in project files.

Project Action/Activity	Local Agency	Caltrans District	Caltrans HQ	FHWA
Public Hearings (Chapter 8)				
Public Hearing [23 CFR 771.111(h)]	Perform & Certify	-	-	-
Civil Rights & Disadvantaged Business Enterprises (Chapter 9)				
DBE Implementation Agreement [LAPM]	Prepare	Approve	-	-
DBE Annual Goals [LAPM]	Prepare	Approve	-	-
ADA Coordinator [49 CFR 27.13(a)]	Certify	Accept	-	-
ADA Complaint Procedure [49 CFR 27.13(b)]	Certify	Accept	-	-
ADA Agency Self-Evaluation [28 CFR 35.105]	Certify	Accept	-	-
ADA Transition Plan [28 CFR 35.150]	Certify	Accept	-	-
Consultant Selection (Chapter 10)				
Consultant Selection [23 CFR 172.7-172.9]	Perform	Review[8]	-	-
Consultant Agreements	Approve	*Review*[9]	-	-
PIF – Use of Non-Competitive Negotiated Consultant Contracts [23 CFR 172.5(3)]	*Prepare*	*Approve*	-	-
Cognizant Agency Audit [23 CFR 172.7-172.9]	*Prepare*	*Review*[10]	-	-
Consultants in Management Role [23 CFR 172.9(d)]	Approve	*Review*[11]	-	-
Design Standards (Chapter 11)				
Preliminary Plans for Major and Unusual Structures	Prepare	Approve	-	-
Design Standards	Approve	-	-	-
Design Exceptions, non-Interstate [23 CFR625.3]	Approve	-	-	-
Experimental Features	Prepare	Recommend	Recommend	Approve
Value Engineering [23 CFR 627, SAFETEA-LU 1904]	Approve	Review[12]	-	-
Financial Plans for Projects from $100 Million to $499 Million [SAFETEA-LU 1904]	Prepare	Review & Approve	-	-
High Risk ITS Project Development [23 CFR 940.11]	Prepare	Recommend	Recommend	Approve

[8] DLAE receives DBE information and may participate in consultant selection process upon request and contingent on available resources.
[9] DLAE coordinates review of proposed consultant contract costs, etc. with Caltrans Audits & Investigations.
[10] DLAE coordinates review of proposed consultant contract indirect cost rates, etc. with Caltrans Audit & Investigations.
[11] DLAE reviews completed "Conflict of Interest for Consultants in Management Positions" form and the procedure used to hire consultant.
[12] For all Federal-aid projects exceeding $25 million on the National Highway System and bridge projects exceeding $20 million on or off the Federal-aid system. DLAE to coordinate review of local agency Value Analysis Study with District Value Analysis Coordinator.

Project Action/Activity	Local Agency	Caltrans District	Caltrans HQ	FHWA
Major Projects and TIFIA Loan Projects – Project Management Plan and Financial Plan [SAFETEA-LU 1904]	Prepare	Review[13]	Review	Approve
Low Risk ITS Project development [23 CFR 940.11]	Prepare	Approve	-	-
Plans, Specifications & Estimates (Chapter 12)				
PS&E [23 CFR 630.205, 23 USC 106]	Approve & Certify	Verify	-	-
Public Interest Finding (PIF) – Statewide Application	-	Recommend	Prepare	Approve
Environmental Commitments are incorporated	Prepare	Verify	-	-
PIF – Use of publicly furnished materials [23 CFR 635.407]	Approve	-	-	-
PIF –Use of proprietary products and processes [23 CFR 635.411]	Approve	-	-	-
PIF – Use of contracting method other than competitive Bidding [23 CFR 635.104/204]	*Prepare*	*Approve*	-	-
Utility or Railroad Force Account Work [23 CFR 645.113 & 646.216]	Approve	*Verify*	-	-
PIF – Advertising Period less than 3 Weeks [23 CFR 635.112]	*Prepare*	*Approve*	-	-
PIF – Use of Force Account [23 CFR 635.204,205]	*Prepare*	*Approve*[14]	-	-
PIF – Use of Mandatory Borrow/Disposal Sites [23 CFR 635.407]	Approve	-	-	-
PIF – Use of Publicly-Owned Equipment [23 CFR 635.106]	Approve	-	-	-
Buy America Waiver [23 CFR 635.410]	Prepare	Recommend	Recommend	Approve
Innovative Contracting Requirements [SEP 14 & 15]	Prepare	Recommend	Recommend	Approve
Right-Of-Way (Chapter 13)				
Qualify Local Agencies	-	Approve	-	-
Qualify/Select Consultants	Perform/ Select	Verify	-	-
R/W certificate 3 – Conceptually concur as a condition of PS&E approval [23 CFR 635.309(r)(3)]	Prepare	Recommend	Recommend	Approve
Accept ROW certificate 1 and 2 as a condition of PS&E approval [23 CFR 635.309(c)(1)&(2)]	Prepare	Approve	-	-
Functional Replacement [23 CFR 710.509]	Prepare	Recommend	Recommend	Approve
Protective Buying and Hardship Acquisition [23 CFR 710.503]	Prepare	Recommend	Recommend	Approve
Public Interest Finding (PIF) – Concur on declaring Federally funded R/W as excess for disposal [23 CFR 710.403, 409]	Prepare	Recommend	Recommend	Approve
Railroad Agreement [23 CFR 646.216 (3)(d)]	Prepare	Approve		

[13] DLAE to coordinate with Division of Project Management.
[14] Copy of approved force account PIFs to be forwarded to FHWA. For ARRA projects, force account PIFs are to be submitted to FHWA for approval.

Project Action/Activity	Local Agency	Caltrans District	Caltrans HQ	FHWA
Request for Credits for Early Acquisition of ROW [23 CFR 710.501]	Prepare	Recommend	Recommend	Approve
Request for Direct Federal Acquisition [23 CFR 710.603]	Prepare	Recommend	Recommend	Approve
Request for Federal Land Transfer [23 CFR 710.601]	Prepare	Recommend	Recommend	Approve
Request for Waivers of comparable replacement dwelling requirements [49 CFR 24.204(b)]	Prepare	Recommend	Recommend	Approve
Withholding of Federal Payments upon failure to perform [23 CFR 710.203(c), 23 CFR 1.36]	Prepare	Recommend	Recommend	Approve
Utilities Relocation (Chapter 14)				
Utility Agreement [23 CFR 645.113, 119]	Prepare	Approve	-	-
Utility Relocation [23 CFR 645 subparts A and B]	Prepare	Approve	-	-
Advertise & Award Project (Chapter 15)				
Advertise Project	Prepare	Recommend	Recommend	Approve[15]
Bid Analysis [23 CFR 635.114]	Prepare & Approve	Review		
Consultant Agreements [23 CFR 172.7-172.9]	Approve	Review	-	-
Public Interest Finding (PIF) - Advertising Less than 3 Weeks [23 CFR 635.112]	*Prepare*	*Approve*	-	-
PIF - Use of Contracting Method other than Competitive Bidding [23 CFR 635.104 & 204]	*Prepare*	*Approve*	-	-
Advertisement Addendum [23 CFR 635.1129(c)]	Approve	-	-	-
Award of Project [23 CFR 635.114]	Approve	-	-	-
Rejection of All Bids [23 CFR 635.114]	Approve	-	-	-
Award Package – Including DBE Reporting	Prepare	Review	Report[16]	-
Administer Construction Contract (Chapter 16)				
Construction engineering by local agency [23 CFR 635.105]	Certify	Approve	-	-
Contract Administration and Inspection	Certify	Review[17]	Verify[18]	Verify[19]
Subcontracting Requirements [23 CFR 635.114]	Certify	-	-	-
Quality Assurance Program [LAPM Chapter 16.14]	Approve	Accept	-	-
Contract Change Orders (CCO) w/no increase in Federal funds	Approve[20]	-	-	

[15] Approval for advertising is included with receipt of construction authorization for the project.
[16] DBE data is reported to Caltrans Civil Rights.
[17] DLAE may select areas for review.
[18] DLA Oversight Engineers perform periodic reviews of contract administration for ARRA projects.
[19] FHWA can verify any aspect of the project as part of a construction field review.
[20] Local agencies are financially responsible for change orders executed without additional e-76 funds.

Project Action/Activity	Local Agency	Caltrans District	Caltrans HQ	FHWA
E-76 Modification for CCO with increase in Federal funds	Prepare	Recommend	Approve	Approve[21]
Environmental Commitments (permit conditions and required mitigation) [23 CFR 771.109(b)]	Implement	-	-	-
Contract Time Extensions [23 CFR 635.120&121]	Approve	-	-	-
Termination of Construction Contract [23 CFR 635.125]	Approve[22]	-	-	-
Settlement of Construction Contract Claims [23 CFR 635.124]	Approve[23]	-	-	-
Incentive/Disincentive Amount Justification [23 CFR 635.127]	Approve	-	-	-
Liquidated Damages [23 CFR 635.127]	Approve	Review	-	-
Reimbursement Invoice	Prepare	Approve[24]	Approve	-
Project Completion (Chapter 17)				
Final Inspection/Contract Acceptance [23 USC 114(a)]	Approve	-	-	-
Materials Certification [LAPM Exhibit 17-G]	Certify	Review	Review[25]	
Project Verification	Recommend	Verify	-	-
Final Report of Expenditures	Prepare	Approve	-	Verify
Post-Project Audits	-	-	Perform[26]	-
Maintenance (Chapter 18)				
Maintenance of completed Federal-aid Projects	Perform	Review	-	-

[21] Local agencies must receive e-76 modification approval prior to executing the CCO.
[22] Local agencies are financially responsible for termination agreements executed without necessary e-76 funds. Anticipated profits for work not performed is not eligible for Federal reimbursement.
[23] Local agencies are financially responsible for settlement of contract claims without necessary e-76 funds. Any contract adjustment shall be fully supported.
[24] DLAE performs initial review and approval. Headquarters Local Programs Accounting performs final review of invoice prior to payment by the State which is subsequently reimbursed by FHWA.
[25] DLA Oversight Engineers perform periodic reviews.
[26] Performed by Caltrans Audits & Investigations with assistance from the DLAE.

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CHAPTER 3 PROJECT AUTHORIZATION

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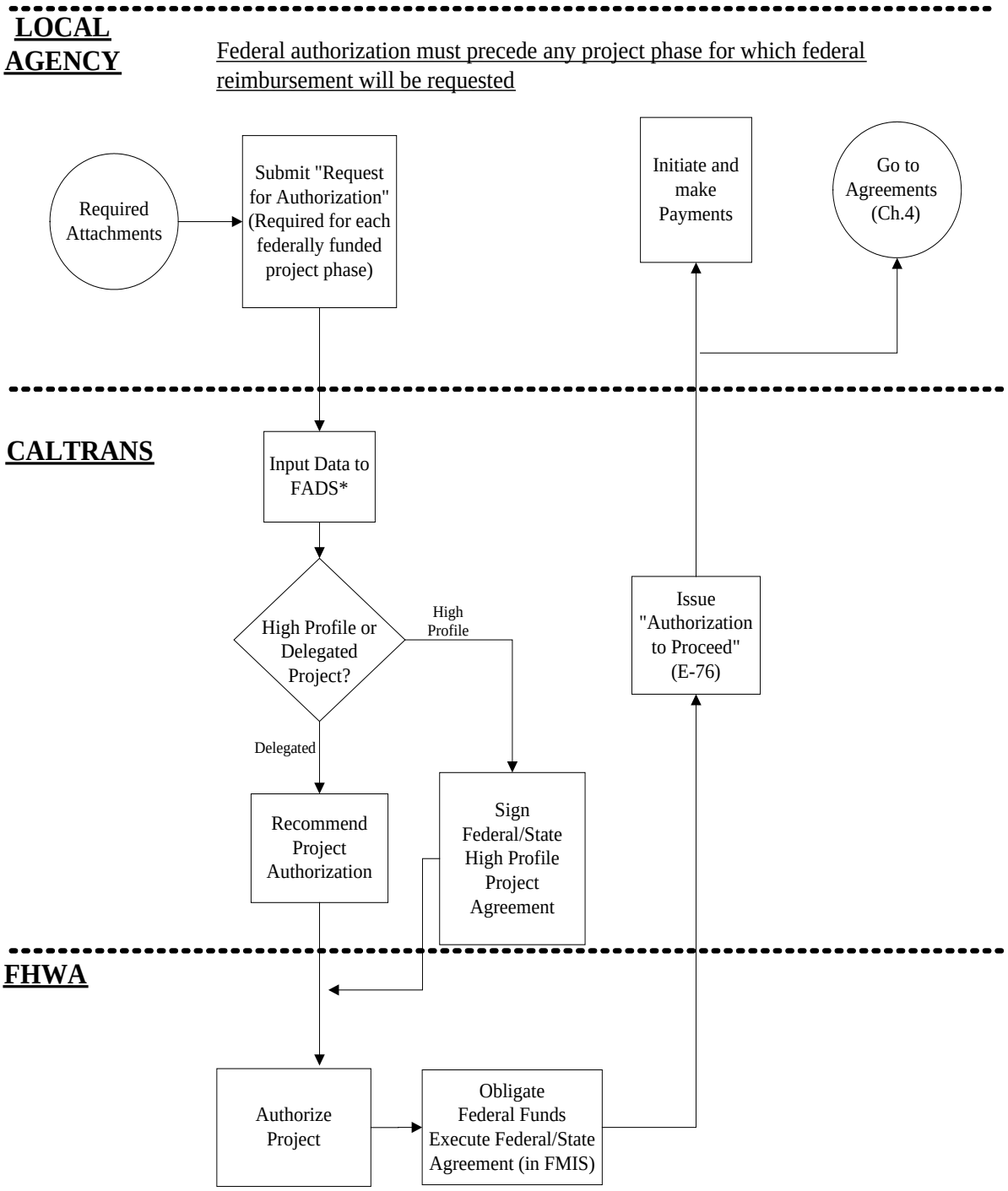
FIGURE 3-1 FINANCIAL MANAGEMENT PROJECT AUTHORIZATION/OBLIGATION

FINANCIAL MANAGEMENT PROCEDURES
PROJECT AUTHORIZATION/OBLIGATION
For Developing All Local Federal-Aid Projects



*FADS: Federal Aid Data System

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CHAPTER 3 PROJECT AUTHORIZATION

3.1 INTRODUCTION

GENERAL

Prior to beginning highway work for which federal reimbursement will be requested, the project or project phase must be formally authorized (approved) by the Federal Highway Administration (FHWA). Each federally funded phase of work such as: Preliminary Engineering (PE), Right of Way (R/W), Utility Relocation (R/W-UTIL), and Construction (CON) require a separate federal authorization (the authorization of federal funds may be subdivided within a phase as well). Any work performed prior to federal "Authorization to Proceed" is not eligible for federal reimbursement and may disqualify that phase. *

On October 14, 2010, the FHWA and California Department of Transportation (Caltrans) entered into the current "Joint Stewardship and Oversight Agreement." This Agreement outlines the roles and responsibilities for oversight and approval of federally funded transportation projects under the jurisdiction of the FHWA. The Agreement defines two categories of projects—"Delegated" and High Profile." For "Delegated" projects, the FHWA has delegated as many project oversight and approval actions to Caltrans as the law allows. On "High Profile" projects, approval actions are determined on a project-by-project risk basis as agreed to by the FHWA and Caltrans. Regardless of whether the project is Delegated or High Profile, Caltrans recommends federal authorization and the FHWA must formally authorize the work. The determination as to whether a project is "Delegated" or "High Profile" is based on the criteria listed in Section 2.5, and the process defined in Figure 2-1, in Chapter 2 of the Local Assistance Procedures Manual.

** Exception – For Emergency Relief projects, prior FHWA approval is not required for Emergency Opening and Preliminary Engineering. Permanent Restoration work must have prior FHWA program approval and authorization, unless the work is done as part of Emergency Opening repairs.*

ACRONYMS

AC - Advance Construction

CE - Construction Engineering

CFR - Code of Federal Regulations

CMAQ - Congestion Mitigation and Air Quality Improvement Program

CON - Construction

CTC - California Transportation Commission

CTIPS - California Transportation Improvement Program System

DBE - Disadvantaged Business Enterprise

DLA - Caltrans Division of Local Assistance

DLAE - Caltrans District Local Assistance Engineer

DMT - Caltrans Division of Mass Transportation

DTR - Caltrans District Transit Representative

EA - Expenditure Authorization Number (for accounting purposes)

ER – Emergency Relief

E-76 - Electronic Authorization to Proceed

FADS - Federal-Aid Data System (State Database)

FHWA - Federal Highway Administration
FMIS - Fiscal Management Information System (Federal Database)
FPN - Federal Project Number
FSTIP - Federal Statewide Transportation Improvement Program
FTA - Federal Transit Administration
FTIP - Federal Transportation Improvement Program
FFY - Federal Fiscal Year
FY - Fiscal Year (State)
HBP - Highway Bridge Program
HSIP - Highway Safety Improvement Program
IIP - Interregional Improvement Program portion of STIP
ISTEA - Intermodal Surface Transportation and Efficiency Act of 1991
ITS - Intelligent Transportation Systems
LAPG - Local Assistance Program Guidelines
LAPM - Local Assistance Procedures Manual
LPA - Local Programs Accounting Branch
LSSRP - Local Seismic Safety Retrofit Program
MPO - Metropolitan Planning Organization
NEPA - National Environmental Policy Act
NBI - National Bridge Inventory
NBIS - National Bridge Inspection Standards
OA - Obligation Authority
OFR - Caltrans Office of Federal Resources
PA/ED - Project Approval/Environmental Document
PE - Preliminary Engineering
PPNO - Project Planning Number
PSA - Program Supplement Agreement
PS&E - Plans, Specifications and Estimate
RIP - Regional Improvement Program (Portion of STIP)
RSTP - Regional Surface Transportation Program
RTPA - Regional Transportation Planning Agency
R/W - Right of Way
SAFETEA-LU - Safe, Accountable, Flexible, Efficient, Transportation Equity Act – A Legacy for Users
SEMP - Systems Engineering Management Plan
SERF - Systems Engineering Review Form
SR2S - Safe Routes to School Program
STD - State Transportation Department
STIP - State Transportation Improvement Program
STP - Surface Transportation Program
TE - Transportation Enhancements Program
TEA-21 -Transportation Equity Act for the 21st Century
UDBE – Underutilized Disadvantaged Business Enterprise

USC - United States Code

TERMS AND DEFINITIONS

Allocation - An administrative distribution of funds.

Apportionment - A statutorily prescribed division or assignment of funds. An apportionment is based on prescribed formulas in the law and consists of dividing authorized obligational authority for a specific program among the states.

Authorization to Proceed - Federal project funding eligibility approval for a particular phase of work by the Federal Highway Administration (FHWA).

Construction Engineering - Supervision and inspection of construction activities, additional staking functions considered necessary for effective control of the construction operations, testing materials incorporated into construction, checking shop drawing, and measurements needed for the preparation of pay estimates.

Delegated Project - A lower risk project not selected as High Profile project, for which Caltrans has authority for all aspects of a Federal-aid project except those activities which may not be delegated by federal law (requiring FHWA approval). Prior to September 2007 these projects were referred to as "State-Authorized" projects defined by set criteria (rather than risk) such as non-Interstate 3R projects, Interstate construction projects under $1 million, non-NHS projects, etc. Over 99% of Local Assistance projects are Delegated in which Caltrans or the local agency has approval authority for most project level activities.

Disadvantaged Business Enterprise (DBE) – A for-profit "small business concern" that is at least 51 percent owned and controlled by one or more socially and economically disadvantaged individuals. One or more such individuals must also control the management and daily business operations. These individuals must be citizens lawfully admitted permanent residents of the United States and (1) any individual who a recipient finds to be a socially and economically disadvantaged individual on a case-by-case basis, or (2) who are either African Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Subcontinent Asian Americans, (persons whose origin are from India, Pakistan, Bangladesh, Bhutan, Maldives Islands, Nepal or Sri Lanka), Women, or any other group found to be socially and economically disadvantaged by the Small Business Administration (see CFR, Part 26).

E-76 - Federal-aid Program Document titled: "Authorization to Proceed" Form. It provides federal authorization to begin reimbursable work for a specific phase of work.

Federal Fiscal Year - The accounting period for the federal budget. The Federal Fiscal Year (FFY) is from October 1 until September 30. The FFY is designated by the calendar year in which it ends. For example, FFY 06 runs from October 1, 2005, until September 30, 2006.

Finance Letter - Project funding summary document required by Local Programs Accounting. It is prepared by the administering agency and submitted to Caltrans as backup information for the federal-aid/state project agreement.

FSTIP - Federal Statewide Transportation Improvement Program, a four-year list of all state and local transportation projects proposed for federal surface transportation funding and/or are considered regionally significant. This is developed by Caltrans in cooperation with MPOs/RTPAs and in consultation with local and other rural entities. The FSTIP, including FTIPs, requires FHWA/FTA approval.

FTIP - Federal Transportation Improvement Program, a four-year list of all transportation projects proposed for federal surface transportation funding within the planning area of one of the eighteen Metropolitan Planning Organizations (MPOs) in the state. These are only valid for reference when incorporated into the FSTIP and approved by FHWA/FTA (see Chapter 4 of the Caltrans Project Development Procedures Manual for more discussion).

High Profile - High Profile projects are high risk projects for which the FHWA maintains project level approval for many project delivery activities. Prior to September 2007 these projects were referred to as FHWA "Full-Oversight" projects based on set criteria (rather than risk) such as Interstate construction over $1million, major Intelligent Transportation System, etc. Very few Local Assistance projects are High Profile projects.

LAPG - The *Local Assistance Program Guidelines* manual provides local project sponsors with a complete description of the federal and state programs available for financing local public transportation related facilities.

LAPM - The *Local Assistance Procedures Manual* describes the processes, procedures, documents, authorization, approvals and certifications, which are required in order to received federal-aid and/or state funds for many types of local transportation projects.

Local Agency - A city, county or other public entity.

Local Assistance Project - A local surface transportation project funded with federal and/or state funds for the operation, maintenance, and acquisition or development of facilities or land, provided the local entity retains ownership after completion of the project. Examples include:

- Project on Local Street with federal CMAQ funds
- Project on Local Street with RIP (STIP) funds

National Environmental Policy Act (NEPA) - Federal environmental law requiring federal agencies to consider the environmental impacts of their actions, evaluate least damaging alternatives and ensure decisions are made in the public's best interest based on a balanced consideration of the need for safe and efficient transportation.

Obligation - The federal government's legal commitment (promise) to pay or reimburse the states or other entities for the federal share of a project's eligible costs.

Obligation Authority (OA) - Total amount of federal funds that may be obligated in a FFY.

Overall Work Plan (OWP) - The OWP is the MPO/RTPA's transportation planning structure/plan for the state fiscal year, July 1 through June 30.

Preliminary Engineering (PE) -This phase includes all project initiation and development activities (including NEPA approval) undertaken through the completion of PS&E. It may include preliminary Right of Way engineering and investigations necessary to comply with the provisions of NEPA.

Underutilized Disadvantaged Business Enterprise (UDBE) - A firm meeting the definition of a DBE as specified in 49 CFR, Part 26 and is one of the following groups: African Americans, Asian-Pacific Americans, Native Americans, and Women.

3.2 PRIOR TO FEDERAL AUTHORIZATION

Prior to federal authorization, all federally funded transportation projects must be included in the current federally approved Federal Transportation Improvement Program/Federal Statewide Transportation Improvement Program (FTIP/FSTIP). The FTIP/FSTIP (or amendment thereto) must identify scope of work, project location, project sponsor, federally funded phases of work, programmed FFY, and the types and amounts of federal funds. ER projects that involve substantial functional, locational, or capacity changes also must be included in the FTIP/FSTIP.

For ITS projects and other projects with ITS elements, a preliminary classification of the project should be made as High-Risk (formerly "Major"), Low-Risk (formerly "Minor"), or Exempt. For further explanation, reference the Chapter 13 "Intelligent Transportation Systems (ITS) Program," of the LAPG.

Non capacity increasing projects funded by the following federal programs are typically included in Caltrans' administered Lump Sum listing of projects. The following Lump Sum listings of projects are developed, in cooperation with the MPOs/RTPAs and local agencies:

- Highway Bridge Program (HBP previously HBRRP)
- Local Seismic Safety Retrofit Program (LSSRP)
- Highway Safety Improvement Program (HSIP)
- Safe Routes to School (SRTS) Program

Note: *Transportation Enhancements (TE) funded projects are now programmed in the State Transportation Improvement Program (STIP) (*see Chapter 23 "Local Agency State Transportation Improvement Projects," *of the LAPG for requirements associated with federally funded STIP projects).*

Projects funded with regionally programmed Surface Transportation Program (STP) or Congestion Mitigation and Air Quality Improvement (CMAQ) funds may be included in a Regional Lump Sum listing of projects as adopted by the appropriate MPO/RTPA. The RTPA/MPO is responsible for project eligibility determination and financial constraint of the regional program. When a local agency requests federal authorization of a project, the MPO/RTPA's approved list of projects must be provided to the Caltrans District Local Assistance Engineer (DLAE).

Planning type projects funded with PL (MPO Planning Funds) or Section 5303 funds are not required to be listed in the FTIP/FSTIP when they do not lead to construction, however, these projects must then be included in a federally approved planning document such as Overall Work Plan (OWP).

Soon after a project is selected and programmed for inclusion or amended into the FTIP/ FSTIP, the sponsoring agency should contact the Caltrans DLAE to discuss how and when they plan to proceed with project implementation. The discussion should cover the timing and process for the authorization/obligation of federal funds, whether a "Formal Field Review" is required or recommended (see Chapter 7, "Field Reviews," of the LAPM), and the California Transportation Commission (CTC) allocation(s) of STIP funds, if necessary.

If federally funded work is to be performed by a consultant or contractor, the local agency must have a Caltrans approved California Department of Transportation Disadvantaged Business Enterprise Implementation Agreement (Exhibit 9-A) and the approved Local Agency DBE Annual Submittal Form (Exhibit 9-B). The Local Agency

DBE Annual Submittal Form is due to the DLAE by June 1 of each year for the following FFY. (See Chapter 9, "Civil Rights and Disadvantaged Business Enterprise," of the LAPM.)

3.3 REQUEST FOR AUTHORIZATION

The project sponsor identified in the FTIP/FSTIP to receive the federal funds is responsible for requesting the Federal Authorization to Proceed. The project sponsor must prepare and submit a "Request for Authorization to Proceed" package to the appropriate Caltrans District Local Assistance Office. The request package should include, as a minimum, the agency's "Request for Authorization to Proceed"(see Exhibits 3-A, B, C, or D), "Request for Authorization to Proceed Data Sheets(s)" (see Exhibit 3-E), and all required support documentations. The Caltrans District Local Assistance Office must submit to Caltrans Headquarters Division of Local Assistance (DLA), the "Federal Project Log Sheet" (Exhibit 3-G) with the appropriate documents attached.

If the Request for Authorization package is complete and all federal and state requirements have been satisfied, a minimum of three (3) weeks processing time should be allowed to receive federal Authorization to Proceed for "Delegated" projects. More time will be required for "High Profile" projects. Additional time may also be required near the beginning or end of the FFY.

If the "Request for Authorization to Proceed" package is incomplete, unacceptable or missing information that cannot be quickly obtained by FAX, telephone, e-mail, or other source, the package will be returned to the local agency for resubmittal.

PRELIMINARY ENGINEERING

Eligible preliminary engineering (PE) work includes location and environmental studies, NEPA approval (Chapter 6, "Environmental Procedures," of the LAPM), final design (Plans, Specifications and Estimate [PS&E]) and other related work including the cost of advertising leading to physical construction of a project. Preliminary R/W studies, as needed for NEPA compliance (see Chapter 13, "Right of Way," of the LAPM), may be considered eligible and authorized as part of PE.

Only eligible work performed after the date of federal authorization is eligible for federal reimbursement. The preliminary studies portion of PE may be authorized prior to an optional or mandatory field review (see Chapter 7, "Field Reviews," of the LAPM). This allows for the reimbursement of selecting consultants and other specialists who may be needed for field review. However, a completed Field Review form shall be submitted to Caltrans within four- months from the initial PE authorization. Otherwise, the authorization to proceed will be canceled automatically.

"Authorization to Proceed with PE" must lead to R/W acquisition or construction in a timely manner. Per 23 CFR 630.112 (c)(2), if R/W is not acquired or a construction contract is not awarded by the close of the tenth fiscal year following the year of PE authorization, any expended federal funds must be returned to the federal government, unless a time extension is granted by the FHWA.

INTELLIGENT TRANSPORTATION SYSTEMS

For Intelligent Transportation Systems (ITS) projects, PE includes Systems Engineering, equipment, software development, and use of a Systems Manager or Systems Integrator (see Chapter 13 "Intelligent Transportation Systems (ITS) Program," of the LAPG for details on Systems Engineering and the project development process for ITS projects).

The System Engineering analysis of High-Risk (formerly "Major") ITS projects, as defined in Chapter 13 of the LAPG, must be approved by the FHWA prior to PE. The Systems Engineering Review Form (SERF) of High-Risk ITS projects must be approved by FHWA prior to, or shortly after PE authorization. Development of the Systems Engineering Management Plan (SEMP) is contingent upon federal review comments and approval of the SERF. FHWA approval of the SEMP is required prior to proceeding to detailed component design.

Low-Risk (formerly "Minor") ITS projects can undergo the traditional one PE phase authorization and will not require FHWA approval of the SERF and SEMP. However, the local agency still must complete the SERF, as part of the Field Review Form.

Exempt ITS projects can undergo the traditional one PE phase authorization and will not require the SERF and SEMP.

RIGHT OF WAY

Eligible Right of Way (R/W) work includes the preparation of R/W plans, making economic studies, other R/W related-preliminary work, appraisal for parcel acquisition, review of appraisals, payments for real property acquired, preparation for and trial of condemnation cases, management of properties acquired, furnishing of relocation assistance, and other related labor expenses (see 23 CFR 710 for details). This work is covered in the local agency's "Request for Authorization to Proceed with Right of Way," (Exhibit 3-B of this chapter). **Only eligible work performed after federal "Authorization to Proceed" with R/W may receive federal reimbursement.**

As noted above, some R/W activities necessary for the completion of the NEPA process may be authorized as part of PE. However, an approved NEPA document is required prior to the majority of R/W activities (e.g., negotiating with property owners, acquisition and relocation assistance, see Chapter 13, "Right of Way," of the LAPM). The request for R/W authorization must include an approved NEPA document and completed Field Review Form if not submitted previously.

RIGHT OF WAY UTILITY RELOCATIONS

If federal reimbursement is sought for utility relocations (adjustments), all work must be performed in accordance with the FHWA's "Alternate Procedure" 23 CFR 645.119 (e)(2). Refer to Chapter 14, "Utility Relocations," of the LAPM for detailed information and procedures related to eligible costs, required federal actions (Authorization to Proceed [E-76], FHWA Specific Authorization to Relocate Utilities and FHWA Approval of Utility Agreement[s]), sequence of activities, notifications, support documentation and federal reimbursement.

The DLAE must identify the name of the utility owner, type of facility, and estimated cost to relocate/adjust each utility in the "State Comments" section of the E-76.

IMPORTANT: If federal funds are used to finance any phase of work on a project, all project R/W activities, including utility relocation must conform to requirements of 23 CFR, Part 645. Failure to comply will jeopardize federal funding.

CONSTRUCTION AND CONSTRUCTION ENGINEERING

Eligible construction costs include, the actual cost to construct the highway itself including its appurtenant facilities and any removal, adjustment or demolition of buildings or major obstruction, utility or railroad work that is a part of the physical construction of the project construction engineering, and administrative settlement of cost for contract claims.

Federal "Authorization to Proceed" with construction must be received prior to advertising the construction contract. **Projects advertised prior to federal authorization are NOT eligible for federal reimbursement.**

The request package for "Authorization to Proceed" with construction must include a Field Review form, a copy of the approved NEPA document (either a signed Categorical Exclusion [CE], Finding of No Significant Impact [FONSI], or Record of Decision [ROD]), if not previously submitted, approved Right of Way Certification, project finance letter, engineer's estimate, PS&E Certification (Exhibit 12-C), PS&E Checklist (Exhibit 12-D) and PS&E package.

For projects of $100 million or more, but less than $500 million, a Financial Plan must be prepared and submitted to the DLAE with the request for construction authorization. For major projects of $500 million or more, a Financial Plan must be submitted prior to the request for construction authorization and submittal of a draft Project Management Plan is required prior to environmental approval. For major projects, the Final Project Management Plan is due 90 days after the environmental decision document (i.e. FONSI or ROD). A Cost Estimate is required to be included in each Financial Plan. Both the Financial Plan and Project Management Plan are to be submitted to the DLAE for FHWA approval. The requirements for both of these plans are discussed in Chapter 2 "Roles and Responsibilities," of the LAPM.

Construction Engineering (CE) includes, the supervision and inspection of construction activities, additional staking functions considered necessary for effective control of the construction operations, testing materials incorporated into the construction, checking shop drawings, and measurements needed for establishing pay quantities. CE costs must be specifically included in the "Authorization to Proceed with Construction" and authorized to be eligible for federal reimbursement. CE costs must also be included on the project finance letter. If CE is authorized after construction begins, only those CE costs incurred after the date of the CE authorization are eligible for federal reimbursement.

Typically, the federal reimbursement of CE costs is limited to 15% of the total federal funds obligated for construction. Construction costs exclude costs of PE, right of way and CE. For implementation purposes, CE costs in excess of 15% on "Delegated" projects must be reviewed for reasonableness and approved by the Caltrans DLAE.

If Caltrans source inspection services will be requested, the local agency must submit/justify their request (refer to Exhibit 16-V "Source Inspection Request From Local Agency To Caltrans District Local Assistance Engineer," of the LAPM) at least 30 days prior to local agency submittal of their "Request for Authorization to Proceed with Construction." Caltrans may perform the requested source inspection services, subject to the availability of their inspectors (see "Source Inspection," Section 16.14, "Quality Assurance Program," of the LAPM).

Some ITS projects may be fully deployed without ever advancing to construction. There are other ITS projects with nonconstruction activities, which might be handled as consultant, low-bid, or service contracts (see Section 13.9, "Procurement/Construction," of the LAPG).

NON-INFRASTRUCTURE PROJECTS

Non-infrastructure (NI) projects are those transportation related projects that will NOT involve engineering design, right of way acquisition, and the eventual physical construction of transportation facilities. Examples of non-infrastructure projects include public awareness campaigns and outreach, Traffic Demand Management (TDM), traffic education and enforcement in the vicinity of schools, student sessions on bicycle and pedestrian safety, freeway service patrol, ridesharing activities, commuter incentives, and the purchase of alternative-fueled vehicles.

Federal-aid highway funds have primarily been used on highway construction projects. Recent Highway Acts have authorized the use of federal-aid highway funds for non-construction projects. For example, SAFETEA-LU mandated an allocation of 10-30% of the Safe Route to School Program (SRTS) funds to be used for non-infrastructure (NI) related activities. Other federal-aid funding programs that have been used for non-infrastructure projects are Transportation Enhancement (TE) and Congestion Mitigation and Air Quality (CMAQ) programs.

The eligibility of non-infrastructure projects for federal participation is governed by the various federal funding program guidelines, such as SRTS-NI, TE, and CMAQ Programs. While it is apparent that projects receiving funding from the SRTS-NI program should be processed as NI projects, project sponsors receiving funding from other federal-aid programs should consult with their Caltrans District Local Assistance Engineer to see if their projects can be processed as NI projects.

For typical federal-aid highway construction projects, authorizations to proceed for federal-aid projects are granted to one of the project delivery phases, i.e. Preliminary Engineering (PE), Right of Way (R/W) /Utility Relocation, or Construction (CON). NI projects do not neatly fit under any of the above traditional project phases. Due to various considerations such as the "PE over 10 years rule" and FTIP programming issues, federal authorization to proceed for NI projects will be processed under the "Construction" phase using "Exhibit 3-Q - Request for Authorization to Proceed with Non-Infrastructure Project".

FTIP/FSTIP: Most NI projects are programmed in the FTIP/FSTIP as "Grouped" projects, also known as "Lump-sum" projects. As such, they are traditionally programmed in the "Construction" phase. NI projects that are individually listed in the FTIP/FSTIP shall also be programmed under Construction.

Environmental Review: Even though NI projects do not involve the traditional engineering design, right of way, and ground disturbance during construction, environmental reviews are still required to ensure that the project will not have negative impacts on the environment. A full scale preliminary environmental study (PES), however, may not be required for NI projects. Instead, the Preliminary Environmental Screening Form for Non-Infrastructure Projects (PES-NI) may be used to streamline the environmental reviews of NI projects. The approval of the PES-NI will result in a Categorical Exclusion (CE) as the NEPA determination. A copy of the PES(NI) Form is available at:
http://www.dot.ca.gov/hq/LocalPrograms/lam/forms/lapmforms.htm

Right of Way: Since NI projects will not involve right of way acquisition or utility relocation, FHWA has agreed with Caltrans that Right of Way Certifications will NOT be required.

Plans, Specifications, and Estimates (PS&E): Any NI project requesting authorization to proceed must include a NI project work plan in lieu of the traditional PS&E. The work plan must be of sufficient detail to describe project tasks, schedule, activities, deliverables, and budgets/costs. A sample work plan is shown in Exhibit 3-R.

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3.4 ADMINISTRATIVE PROCEDURES

The Caltrans Federal-Aid Data System (FADS) and the FHWA Fiscal Management Information System (FMIS) are the databases used in the federal authorization/obligation process.

Upon receipt of a complete and acceptable Local Agency "Request for Authorization to Proceed" package, Caltrans District Local Assistance Office creates an electronic project file (E-76) and inputs the required project information into the FADS database. The Caltrans District Local Assistance Office then transmits the E-76 project file and required backup information to Caltrans Headquarters Division of Local Assistance (DLA). The DLA Area Engineer reviews the submittal package for completeness and accuracy, focusing on project eligibility, federal and state requirements, availability of federal funds and obligation authority, and required support documentation (see Exhibit 3-G "Federal Project Log Sheet" of this chapter). The DLA Area Engineer recommends FHWA approval of "Delegated" or "High Profile" projects and then transmits the E-76 to FHWA (California Division). FHWA authorizes all projects and transmits all federally funded project records to FMIS. FHWA then accesses FMIS and electronically signs each federally funded project to obligate the federal funds (place under agreement with Caltrans).

Upon the federal obligation of funds, the Caltrans DLAE notifies the project sponsor and issues an "Authorization to Proceed" (see Exhibit 3-P Sample "Delegated Project Authorization") and a federal project summary, and then documents the federal authorization and obligation dates. **Costs incurred prior to federal authorization are not eligible for reimbursement. Projects advertised prior to federal authorization are not eligible for federal reimbursement.**

For significant changes in Scope of Work and cost increases or reductions, the local agency must submit a modified "Request for Authorization to Proceed" package. The District, DLA and FHWA will process this E-76 request in the same manner as above.

The authorized amount for all phases of the project obligated but not fully expended will be adjusted based on the Finance Letter (Exhibit 3-O of this chapter), which is attached to the Request for Authorization.

BUDGET AUTHORITY FOR PROJECTS ON THE STATE HIGHWAY SYSTEM (SHS)

For Caltrans administered projects located on the SHS financed with local assistance funds, a federal and/or state Capital Subvention Reimbursement Allocation must be secured prior to Caltrans encumbering the local assistance funds for the project. The DLAE must submit a completed and signed "Request for Capital Subvention Reimbursement Allocation Form" (Exhibit 3-H of this chapter) for projects located on the SHS. For projects administered by Caltrans, the DLAE must ensure that the Caltrans Project Manager completes and signs Exhibit 3-H. For projects administered by a local agency, Exhibit 3-H is no longer required. The Request for Capital Subvention Allocation must be attached to each Request for Authorization package.

The Office of Resource Management in the DLA will concur with the request and forward it to the Capital Budgets Branch in the Division of Budgets. Upon approval of the request, the Division of Budgets will notify LPA, the Highway Appropriations and Management Section in Accounting, District Resource Management, the Subvention Management Branch in the DLA, and the DLAE. For projects partially on the SHS, consult with the DLAE.

If a Cooperative Agreement is necessary for the project, it should be executed prior to requesting authorization to proceed. For policy information, refer to *Cooperative Agreement Manual*, maintained by Division of Design located at this web site: http://www.dot.ca.gov/hq/oppd/coop/cooptoc.html

3.5 OBLIGATION, ENCUMBRANCE & LIQUIDATION OF FUNDS

The obligation of federal funds is a commitment by the FHWA to reserve the authorized federal funds for the project. The FHWA obligates federal funds for all federally funded projects under their jurisdiction. Typically, the obligation of federal funds is automatic upon federal authorization of the project (or phase of work) provided the state has sufficient Obligation Authority (OA) and federal fund balances for the current FFY.

FINANCE LETTER

The Finance Letter is a project specific financial summary document (prepared by the Local Agency and approved by Caltrans DLA) required by LPA as support documentation for the project funding agreement. The Finance Letter identifies:

Project reference data such as responsible and administering agency (ies), project number, EA, PPNO, whether or not the project is on the State Highway, etc.

Federally funded phases of work, to date.

Total project costs and cost eligible for federal participation by phase of work, to date.

Federal, state, local and other fund sources (by fund type and amount) funding each phase of work, to date.

Federal reimbursement rates for progress invoice purposes (by phase of work and fund types).

Local agency certification and signature.

Project specific remarks.

For each request for federal authorization, the project sponsor must attach a detailed project Finance Letter (See Exhibit 3-O of this chapter) identifying the phases of work for which federal reimbursement is sought. In addition, the project Finance Letter must specify the types and amounts of federal, state and local match funds contributing to the project.

Following the obligation of federal funds, State Budget Authority must be reserved by "encumbering" the funds on a project specific program supplement agreement (PSA). The PSA must be signed by the project sponsor and executed by Caltrans prior to requesting the reimbursement of funds (see Chapter 4 "Agreements").

Caltrans will prepare the PSA upon receiving the complete Field Review Form from the local agency. The Field Review Form shall be submitted by the local agency to Caltrans within four months from the date of authorization for PE, or along with the first request for authorization for the project if PE is done with nonfederal funds. In an effort to streamline the agreement process, revised agreements are typically no longer required for each phase of work.

California Government Code 16304 stipulates that any federal and state local assistance funds encumbered for a project are typically available for disbursement for a period of seven (7) and five (5) years, respectively, from the beginning of the fiscal year(s) the funds are appropriated in the State Budget Act. A DLA prepared project Finance Letter (based on information provided by the project sponsor) is sent to the project sponsor and reflects various project fund reversion dates. It is imperative that a local agency request federal authorization only when they are ready to do the work and only for work that will be completed and invoiced within this time period. Federal authorization for the remaining project work should be requested at a future date.

3.6 UNDERFUNDED PROJECTS

When the federal funds programmed for a project in the FTIP/FSTIP are insufficient to reimburse a local agency at the maximum federal reimbursement rate (legal pro rata) permitted for a federal fund type, the project is defined as "federally underfunded." From a federal perspective, underfunded projects result in more federal projects for a given amount of federal funds. The increased oversight/administration costs make this an inefficient way of utilizing federal funds.

Section 630.106 of Title 23 (Highways) of the United States Code of Federal Regulations (CFR) stipulates:

(f)(1) The federal-aid share of eligible project costs shall be established at the time of project authorization in one of the following manners:

- *Pro rata, with the authorization stating the federal share as a specified percentage; or*
- *Lump sum, with the authorization stating that federal funds are limited to a specified dollar amount not to exceed the legal pro rata.*

(2) The pro rata or lump sum share may be adjusted before or shortly after contract award to reflect any substantive change in the bids received as compared to the State Transportation Department's (STD's) estimated cost of the project at the time of FHWA authorization, provided that federal funds are available.

(3) Federal participation is limited to the agreed federal share of eligible costs incurred by the state, not to exceed the maximum permitted by enabling legislation.

(g) The state may contribute more than the normal nonfederal share of Title 23, U.S.C. projects. In general, financing proposals that result in only minimal amounts of federal funds in projects should be avoided, unless they are based on sound project management decisions.

Therefore, except as permitted by 23 CFR 630.106 (f)(2), once a federal fund source is placed under agreement (E-76) for a phase of work, the pro rata reimbursement rate for that federal fund type (apportionment) and phase of work is fixed for the life of the project. In other words, when a phase of work is placed under federal agreement (E-76), the project sponsor has agreed to deliver a scope of work for an agreed upon amount of federal funds. If project costs increase, the federal share of the eligible costs is fixed at the federal pro rata established at the time of the project was placed under agreement. For this reason, MPOs/RTPAs should strive to fund projects at the maximum federal reimbursable rate.

ADMINISTRATIVE RULES

For Delegated projects, Caltrans DLAE will consider underfunding on a project-by-project basis. However, if there is a potential for a Region to lapse funds to the "Use It or Lose It" provisions of AB1012, Caltrans will not permit the initial underfunding of projects for that Region.

Many federal "earmark" and "discretionary" federal funding programs (High Profile projects, Historic Bridge, and so forth.) release or allocate federal funds on an annual basis. For long-term or high cost projects, the total anticipated federal funds might not be available at the time of the initial federal authorization for the project phase of work. Therefore, for these types of funds, FHWA will permit adjustment to the federal pro rata as the federal funds become available.

FEDERAL REIMBURSEMENT OF UNDERFUNDED PROJECTS

At the time of Federal Authorization (E-76), the federal reimbursement rate for a project or phase of work is established by dividing the authorized federal funds by the federal participating costs of work, not to exceed the legal pro rata.

For progress invoices, the federal reimbursement rate is limited to the rate established in FMIS by the most current Federal Authorization to Proceed/Obligation of Funds (E-76) at the time of award. On the final invoice, the federal reimbursement rate may fluctuate to ensure that the local agency receives the total federal funds to which it is entitled not to exceed the legal pro rata or obligated federal funds.

3.7 LOCAL ADVANCE CONSTRUCTION PROCEDURES

When federal funds are not available for obligation due to an insufficient balance of funds or OA, a local agency may request in writing federal authorization to proceed with the project (or project phase) under advance construction procedures (see Exhibit 3-I, "Request for Local Advance Construction Authorization" in this chapter).

Under local advance construction procedures, following federal authorization to proceed, the local agency will use its own funds to perform work eligible for future federal reimbursement. The local agency must have sufficient local funds to pay for all project costs until such time as federal funds become available. An FTIP amendment may be required when the Advance Construction Authorization is converted to a real obligation of federal funds (see Exhibit 3-1 "Request for Local Advance Construction Authorization" in this chapter). The local agency must consider the risk that the federal funds may never become available.

The following local federal-aid programs are eligible for Advance Construction:

- Congestion Mitigation & Air Quality Improvement (CMAQ) Program
- Regional Surface Transportation Program (RSTP)
- Highway Bridge Program (HBP previously HBRRP)

A project authorized under advance construction procedures must comply with all federal requirements including programming in the FTIP. Local advance construction federal authorization does not constitute a commitment of federal funds to the project, and a program supplement agreement will not be issued. The Federal Authorization date establishes the start date for performing federally reimbursable work. If and when federal funds become available, a follow-up Authorization to Proceed (E-76) must be processed to obligate the federal funds (i.e., place funds under agreement with FHWA). The project or project phase must be listed in the current FTIP/FSTIP at this time. The program supplement agreement between Caltrans and the local agency also must be executed and/or finance letter signed/approved by Caltrans before a local agency can receive federal reimbursement.

NOTE*: Federal-aid projects utilizing "tapered match" provisions (discussed below) are not eligible for advance construction authorization.*

3.8 TAPERED MATCH

The use of "tapered match" provisions enables a project sponsor to vary the nonfederal share of a federal-aid project over time provided, the federal contribution toward the overall project does not exceed the federal pro rata limit.

Traditionally, a project sponsor is responsible for paying the required nonfederal share of the project costs on each invoice submitted for reimbursement. Under the tapered match approach, a nonfederal-matching ratio is assigned to the project, rather than individual payments. The federal share can be as high as one-hundred percent in the early stages of project reimbursement provided, that the overall federal contribution does not exceed the statutory federal-aid limit at the end of project completion.

Tapered match provisions cannot be used on advance construction projects, STP funded projects where the nonfederal match is being provided on program-wide-basis, and bond projects authorized under Title 23-Section 122. These activities are considered inconsistent with the intent of tapered match.

The use of tapered match provisions is subject to review and approval by both Caltrans (Office of Federal Resources) and FHWA (California Division). The project sponsor must submit written taper match plan to the DLA for review. The project sponsor shall also show that they have their matching pro rata share available and are committed to providing it as applicable. The request must include the justification and a tapered match schedule.

The FHWA may approve cases where tapered match would:

- Expedite project completion.
- Reduce the project's overall cost.
- Provide incentive to attract additional nonfederal funds to the project.

3.9 FLEXIBLE MATCH

Federal flexible match provisions allow a wide variety of public and private contributions to be credited toward the nonfederal match for federal-aid projects. Eligible contributions include donations of public and private cash, R/W (Acquisition) and in certain cases, public and private materials or services rendered.

The use of flexible match also is subject to review and approval by both Caltrans (Office of Federal Resources) and the FHWA (California Division). The project sponsor must submit a written flexible match plan to the DLAE for review. The plan must specify the appraised value (fair market value) of donated property, materials, and/or services.

Eligibility of flexible match for credit against nonfederal match is subject to the following:

- **Cash** - Private, state, and local entity funds must be received during the period between project approval/authorization and submittal of the project final voucher.
- **Right of Way** - Private, state, local agency property may be donated any time during the project development process. The property must be appraised to determine the fair market value and must be included in the total project cost. The donation of the property shall not influence the NEPA process.
- **Materials** - Private and local entity donation of materials must be appraised to determine fair market value. Credit for state donated materials is not permitted.
- **Services** - State and local entity services may only be credited toward the nonfederal match for Transportation Enhancements (TE) projects. Private donation of services must be documented as to fair market value.

In addition to the referenced flexible match opportunities above, certain sources of federal grant funds may be eligible to match certain categories of highway projects. For more information refer to FHWA's "*Innovative Finance Primer*" Chapter 2 "Innovative Management of Federal Funds," located at:

http://www.fhwa.dot.gov/innovativefinance/ifp/innoman.htm

3.10 TOLL CREDIT IN-LIEU OF NON-FEDERAL MATCH

Federal-aid highway projects typically require the project sponsors to provide a certain amount of non-federal funds as match to the federal funds. For example, Surface Transportation Program (STP) funded projects require a minimum of 11.47% of non-federal matching funds. Through the use of toll-credits, the non-federal share match requirement can be satisfied by applying an equal amount of toll credit and therefore allow a project to be funded with up to 100% federal funds for federally-participating costs.

The amount of credit a state can earn is determined by the amount of toll revenue used for capital expenditures to build or improve public highway facilities. Once a credit amount is appropriately established, this credit will remain available until used by the state. The state is required to track the use of toll credit on a project-by-project basis and report such use to Federal Highway Administration (FHWA) on a regular basis.

The statutory authority for the use of toll credit was first established in Section 1044 of ISTEA that permitted the use of certain *toll* revenue expenditures as a *credit* toward the non-Federal matching share of all programs authorized by ISTEA and Title 23, thus the term "Toll Credit." Section 1111(c) of TEA-21 incorporated into 23 United States Code (USC) 120(j) toll credit provisions initially set forth in ISTEA. While this provision allows the federal obligation to be increased up to 100 percent of project costs to the extent that credits are available, the Division of Local Assistance's implementing policy for the use of toll credit on federally

funded Local Assistance projects is to apply sufficient toll credit to achieve a 100% reimbursement of federal-participating project costs.

The California Department of Transportation (Caltrans) Division of Budgets issued a statewide "Toll Credit Use Policy" as part of a demonstration program to apply $5.7 billion of toll credits which can be used on all federal-aid highway funding programs EXCEPT for the Emergency Relief (ER) Program, Local Safety Programs, and Local On Federal-Aid System Highway Bridge Program (HBP) projects.

The use of toll credits does not generate any additional federal funding, but rather its use is merely to comply with the non-federal match requirement of the federal participating cost. As such, the use of toll credit in lieu of the non-federal share cash match is advantageous for those projects that would otherwise be delayed by the lack of matching funds. The amount of toll credit a state can use each year is limited by the amount of annual Federal Obligation Authority (OA). It is also important to point out that one of the conditions for FHWA's approval of toll credit use is that it does not reduce the state's non-federal transportation capital expenditures. To meet this requirement, California must demonstrate continued efforts to maintain its non-federal transportation expenditure. Although this is done on a statewide basis, it is imperative that project sponsors do not redirect local transportation funds intended for non-federal match to other purposes not related to transportation.

Toll credits can be used in any phase of a federal-aid projects, Preliminary Engineering, Right of Way, or Construction, as long as that phase of work has not been authorized previously. FHWA policy does not allow the retroactive use of toll credit on a phase of work that has received federal authorization. However, subsequent phases can be authorized to use toll credit.

In order to use toll credit, a project must meet the following requirements:

- The project is funded with funds from one of the programs listed in Caltrans' Statewide Toll Credit Use Policy.
- Te project is properly programmed in the current Federal Statewide Transportation Improvement Program (FSTIP) as using toll credits;
- Be fully funded at the maximum allowable federal reimbursement rate, excluding federally non-participating costs;
- The intended use of toll credit is explicitly expressed in the Request for Authorization (RFA) to proceed by marking the appropriate toll credit use area;
- Federal funds on the signed project finance letter must equal 100% of the total participating costs;
- The use of toll credit is indicated in the "Remarks" of the signed project Finance Letter.

The following examples demonstrate how the use of toll credit is different than the normal federal-nonfederal match funding.

Scenario A – Traditional Project Funding with Match

For a project with a total cost of $120,000 including $20,000 of federally non-participating costs ($100,000 federally participating) using a federal reimbursement rate of 88.53%, the funding plan would normally be as indicated in the following Table 1.

Table 1 – Normal Funding

Prog Code	Total Cost	Participating Cost	Federal Funds	Non-Federal Funds	Toll Credit
L240	$120,000.00	$100,000.00	$88,530.00	$31,470.00	$0.00

The Federal Fund amount required in this scenario is 88.53% of the Participating Cost and the non-Federal Funding amount is equal to the Non-Participating amount plus the required 11.47% Non-Federal match.

Scenario B – Toll Credit Funding

When toll credit is being applied to the project, it will be used as a credit toward the non-federal share or $11,470. Since toll credits are not federal funds, federal share must be increased to accommodate the reduction of Non-Federal funds resulting from the toll credit being used as indicated in the following Table 2.

Table 2 – Use Toll Credit

Prog Code	Total Cost	Participating Cost	Federal Funds	Non-Federal Funds	Toll Credit
L240	$120,000.00	$100,000.00	$100,000.00	$20,000.00	$11,470.00

The federal fund amount required is changed from $88,530 to $100,000, the total Participating Cost, and the non-federal funding amount is equal to the Non-Participating amount.

3.11 FTA TRANSFER

Under provisions of the ISTEA of 1991, continued by the Transportation Equity Act for the 21st Century (TEA-21), and superseded by the 2005 Safe, Accountable, Flexible, Efficient Transportation Equity Act - A Legacy for Users (SAFETEA-LU), state, regional, and local agencies have greater opportunity to select transit-related projects to meet their transportation needs. These provisions include:

- An expanded eligibility criteria under major funding programs (including STP and CMAQ) to implement both highway and transit improvements,
- The ability to transfer federal funds from one funding program to another permitting the implementing agencies to capitalize on expanded eligibility (e.g., HBP to STP), and
- The ability to transfer federal funds from the jurisdiction of the FHWA to that of the FTA and vice versa.

Section 134(k) of Title 23 (Highways) of the United States Code (USC) requires that Title 23 funds made available for public transit projects, typically administered by the FTA, be transferred from the FHWA to the FTA. These transferred funds are administered in accordance with the requirements of Chapter 53 (Mass Transportation) of Title 49 (Transportation), except that Title 23 (Highways) provisions related to the nonfederal share shall apply. Transit-related highway projects, typically administered by FHWA, should remain under the jurisdiction of FHWA. For transit projects that could be processed through either FHWA or FTA, the local agency and/or MPO may select the administering federal agency via placement of the project in the FTIP or FSTIP.

All FHWA apportioned federal funds must be programmed in an FHWA/FTA approved FSTIP prior to transferring the funds to FTA. The transferred funds must be used for the original programmed intent and remain eligible under the funding program. In other words, using the transferred federal funds for a different purpose than originally programmed is not permitted.

The FTA will only accept transfer applications from recognized transit operators. Most transit agencies are familiar with and often prefer to use FTA project implementation procedures. If a project is programmed to receive both FHWA and FTA apportioned funds, the transfer of funds facilitates the use of one set of project implementation procedures.

HIGHWAY FUNDS ELIGIBLE FOR TRANSFER

From a procedural perspective, local assistance federal funds, which can be transferred to FTA, fall into 2 categories: 1) Local federal-aid funds, and 2) Federal STIP funds. The Caltrans DLA Office and Headquarters DLA process the transfer of local federal-aid funds and Transportation Enhancements (TE) funds. The Headquarters Division of Mass Transportation (DMT) and Office of Federal Resources (OFR) process Federal STIP fund transfers except for STIP TE funds.

Local federal-aid fund categories eligible for transfer to FTA include:

- Regional Surface Transportation Program (RSTP) - Eligible transit activities include transit capital projects, including vehicles and facilities, publicly or privately owned that are used to provide intercity bus service, and safety improvements for transit. However, RSTP funds may not be used for Section 5307 (Urbanized Grant Program, discuss later) operating expenses.
- Congestion Mitigation and Air Quality Improvement (CMAQ) Program - CMAQ funds must be used to support transportation projects in air quality nonattainment areas. A CMAQ funded project must contribute to the attainment of the national ambient air qualify standards by reducing pollutant emissions from transportation sources. Eligible transit activities include transit capital projects and up to three years of operating expenses for new eligible services.
- Since 2004, TE projects are programmed in the STIP; therefore, TE funds can be transferred to FTA only after the allocation by the CTC.
- FHWA Discretionary funds include High Priority Demonstration, Ferry Boat Discretionary, Federal Lands Highway Program, and Transportation and Community and System Preservation Pilot Program (TCSP) programs. These funds may only be used for the designated purpose (line item description), as authorized by Congress or FHWA.

Federal STIP funds under the programming control of the RTPAs may be transferred to the FTA but must be allocated by the CTC prior to transfer to the FTA.

FTA GRANT PROGRAMS

FHWA funds may be transferred to three different FTA Formula Grant Programs. These programs are contained in Title 49 (Transportation), Subtitle III (General Intermodal Programs), Chapter 53 (Mass Transportation) of the United States Code (USC). They are the Section 5307 "Urbanized Area Formula Grant Program," Section 5311 "Formula Grants for Other than Urbanized Areas Program," and Section 5310, "Formula Grants and Loans for Special Needs of Elderly Individuals and Individuals with Disabilities Program." These programs vary by population density and whether the purchase of buses and vans for the elderly and disabled are involved.

- **Section 5307– Urbanized Area Formula Program.**

  Section 5307 Grant Program procedures are used by local agencies in urbanized areas of over 200,000 populations, as well as, in urban areas with populations of 50,000 to 200,000. Under Section 5307 Grant Program procedures, each local agency submits one grant application per fiscal year to the FTA. Following the FTA Transfer, the Applicant Agency will deal directly with the FTA on all project-related activities. Remember that the FTA only will accept grant applications from agencies that they have certified (i.e., recognized transit agencies). Noncertified agencies must find a certified project sponsor.

- **Section 5311 – Non-Urbanized Area Formula Program**

  Section 5311 Grant Program procedures are used in non-Urbanized areas and cities of under 50,000 populations. Every year, the FTA allocates apportioned Section 5311 Program funds to each state. For California, Caltrans is the delegated recipient of these FTA funds. The Caltrans DMT "Office of Rural and Small Transit Operators" manages the Section 5311 Program jointly with the assistance of the District Transit Offices.

  Under the Section 5311 Program, the Caltrans DMT acts as the grant applicant on behalf of the local agencies and deals directly with the FTA. The Caltrans DMT submits one annual statewide grant application to the FTA that includes both local and state-sponsored projects. Detailed procedures for the processing FTA transfers to the Section 5311 Program are contained in the Caltrans "Section 5311 Handbook and Guide" and are briefly summarized in Exhibit 3-K of this chapter, "Administrative Procedures for Transfer of Local Federal-aid Funds to Federal Transit Administration."

- **Section 5310 – Elderly and Persons with Disabilities Program**

  Section 5310 Grant Program procedures are used by nonprofit organizations and public agencies (approved by the state) for the purpose of meeting the transportation needs of the elderly and individuals with disabilities where existing public transportation services are, otherwise unavailable, insufficient or inappropriate. Similar to Section 5311 procedures, the Caltrans DMT' "Specialized Federal Transit Branch" acts as the grant applicant on behalf of the local agency and works directly with FTA. Section 5310 funds typically are used to purchase vans and small buses for the elderly and persons with disabilities.

FTA TRANSFER PROCEDURES

Under ISTEA the transfer of FHWA funds to the FTA was accomplished via the Federal Authorization and Obligation Process (E-76). The transferred federal funds remained with FHWA (Washington D.C.) until the FTA submitted project invoices that were reimbursed by the FHWA.

The FHWA and FTA have since developed procedures that provide for the direct transfer of federal funds and Obligation Authority (OA) to the recipient federal agency. Caltrans submits a formal FTA transfer request to the FHWA (California Division) via a "Request for Transfer of Federal Funds to the FTA" letter (see Exhibit 3-J). Upon FHWA concurrence, the federal funds are transferred and deducted from the appropriate State and RTPA/MPO apportionment balances.

See Exhibit 3-K, "Administrative Procedures for Transfer of Local Federal-aid Funds to the Federal Transit Administration," for a step-by-step discussion of the transfer of FHWA apportioned local federal-aid funds to the FTA.

Federal-aid funds programmed in the STIP also may be transferred to the FTA. The DLAE and DLA are **not** involved in the transfer process (except for TE funds) instead, Caltrans DMT and the Office of Federal Resources within the Division of Budgets process the transfer of these funds.

Detailed procedures for Transfer of STIP to the FTA funds under the Section 5307, 5311, and 5310 Grant programs are available on the Caltrans DMT website at:

http://www.dot.ca.gov/hq/MassTrans/

Upon transfer of FHWA apportioned federal funds to the FTA, the Applicant Agency, typically will deal directly with the FTA on all subsequent project-related matters. However, occasionally a FTA transfer project may qualify to receive State Match Funds through the STIP. The project must be programmed to receive the STIP State Match Funds by an RTPA/MPO and be used, eligible activities under Article XIX of the California State Constitution.

Prior to reimbursement with STIP State funds: 1) the CTC must allocate the STIP match funds, 2) a Program Supplement Agreement (PSA) between the Applicant Agency and Caltrans must be signed and executed, 3) the Applicant Agency must prepare and sign a project specific Finance Letter, and 4) the Applicant Agency must provide evidence that payment of federal funds were invoiced/received from the FTA. Invoice format and procedures must adhere to Chapter 5, "Accounting/Invoices," of the LAPM.

3.12 MPO/RTPA PROGRAMMED FUND BALANCES

Under state law, certain federal funds are apportioned to the RTPA/MPO regions by formula. These funds include RSTP and CMAQ funds. These funds are programmed to local agencies for specific projects through the FTIP/FSTIP processes. Both Caltrans and the FHWA monitor the obligation and balance of federal funds. Caltrans maintains reports showing the obligation

of funds summarized at the District, MPO and county levels. These reports show fund balances and list the individual city and county projects. Please refer to the Division of Local Assistance Home Page for balances located at:

- http://www.dot.ca.gov/hq/LocalPrograms/Reports_db.htm

3.13 REFERENCES

23 CFR 635.301 et. seq. at: http://www.fhwa.dot.gov/legsregs/legislat.html

23 CFR 630.106

23 CFR 645

23 CFR 940

USC 134(k)

23 USC 120(j)

49 USC, Section 5301, et. seq. (Federal Transit Laws)

A Guide to Federal-Aid, Programs, Projects and Other Uses of Highway Funds, Federal Publication No. FHWA-IF-99-006, dated May 1999

Federal-Aid Data System Instructions 06/06/02

Federal Uniform Relocation Assistance and Real Property Acquisition Act

Financing Federal-Aid Highways, Federal Publication No. FHWA-PL-99-015 dated August 1999.

Local Assistance Program Guidelines (LAPG) Web site:
http://www.dot.ca.gov/hq/LocalPrograms/public.htm

Joint Stewardship and Oversight Agreement (Stewardship Agreement)
http://www.dot.ca.gov/hq/oppd/stewardship/

SAFETEA-LU Web site: http://www.fhwa.dot.gov/safetealu/index.htm

EXHIBIT 3-A REQUEST FOR AUTHORIZATION TO PROCEED WITH PRELIMINARY ENGINEERING

[Place this form on Local Agency Letterhead]

To: (DLAE Name)
District Local Assistance Engineer
Caltrans, Office of Local Assistance
(District Address)

Date: _____
FTIP/FSTIP ID: _____
Federal Project No: _____
EA: _____
PPNO (For STIP Projects): _____
High-Risk ITS (Phase 1 or 2): _____
Project Description: _____
_____

Dear (DLAE Name):

In order to begin federally reimbursable preliminary engineering work for the above-referenced project, we request that you secure Federal Authorization to Proceed and Obligation of Funds. The federal funds requested will not exceed those provided to this agency in the federally approved Federal Transportation Improvement Program (FTIP)/Federal Statewide Transportation Improvement Program (FSTIP).

Attached are the following documents required to authorize this phase of work:

Request for Authorization Package

- [ ] Completed Request for PE Authorization Data Sheet (Exhibit 3-E)
- [ ] Copy of FTIP/FSTIP Reference
- [ ] Completed Finance Letter (Exhibit 3-O)
- [ ] For High-Risk (formerly "Major") ITS Projects – Phase 2 Only: FHWA approved Systems Engineering Management Plan (SEMP) (Note that federal approval of the SEMP is contingent on prior federal approval of the Systems Engineering Review Form [SERF])
- [ ] Copy of Executed Cooperative Agreement (only for projects on State Highway System)
- [ ] Request for Capital Subvention Reimbursement Allocation (Exhibit 3-H) (only for projects on State Highway System)

Toll Credit Usage

- [ ] This project will use Toll Credit. It is fully funded.
- [ ] This project will NOT use Toll Credit.

Field Review Form (Exhibit 7-B)

- [ ] Completed Field Review Form (Exhibit 7-B), or
- [ ] A Field Review Form will be submitted within four (4) months of the Federal Authorization date, otherwise, it is understood the authorization to proceed will be canceled automatically. It is further understood that a Program Supplement Agreement will NOT be prepared until after the Field Review Form is submitted.

Environmental Document

- [ ] Type of NEPA Document. Approval Date: _____.
  - [ ] Categorical Exclusion (CE)
  - [ ] Findings of No Significant Impact (FONSI)
  - [ ] Record of Decision (ROD)
  - [ ] Revalidation

- [ ] This agency has not completed the environmental process. The NEPA Document will be submitted at a later date, prior to beginning of final design (PS&E).

Disadvantaged Business Enterprise (DBE)

[ ] All work for this phase of the project will be performed by local agency staff.

[ ] For consultant contracts an Underutilized Disadvantaged Business Enterprise (UDBE) goal will be established for each contract and the Local Agency Proposer UDBE Commitment (Consultant Contracts) (Exhibit 10-O1) will be submitted with the proposal. Within 15 days of contract execution, the Local Agency Proposer DBE Information (Consultant Contracts) (Exhibit 10-O2) shall be forwarded to the DLAE.

Pre-Award Audit

[ ] Completed Audit Disposition (Exhibit 10-K), or

[ ] Audit Disposition was not completed because neither federal-aid nor state funds will be used to fund a consultant contract, or

[ ] Pre-award audit was not performed because the consultant contract is less than $1 million and does not meet the criteria outlined in Exhibit 10-K requiring pre-award audit, or

[ ] Audit Disposition is not being submitted at this time. It will be submitted to the DLAE prior to entering a contract with the consultant(s).

California Transportation Commission (CTC) Allocation

[ ] A CTC allocation is not required, or

[ ] A CTC allocation of $ _____ (federal/state) funds for the PA/ED and/or PS&E component(s) of work was made at the _____ meeting of the CTC, or

[ ] A CTC allocation of funds has been scheduled for the _____ meeting of the CTC. It is understood that the authorization/obligation of any federal STIP funds will not be made until after the CTC allocation.

Project Agreement and Liquidation of Funds

Upon FHWA issuance of the "Authorization to Proceed" and Agency submittal of the "Field Review" form (Exhibit 7-B), a "Program Supplement Agreement" will be prepared to encumber the federal and/or state funds for the project. This Agency understands that any federal and/or state funds encumbered for the project are available for disbursement for limited period(s) of time. For each fund encumbrance the limited period is from the start of the fiscal year that the specific fund was appropriated within the State Budget Act, to the applicable Fund Reversion date shown on the State approved project finance letter (unless an extension is granted by the Department of Finance). It is anticipated that this phase of work will be completed by (month, year).

Invoice Submittal

This Agency understands that only relocation work performed after federal "Authorization to Proceed" (E-76) is eligible for reimbursement. Invoices for reimbursement will not be submitted until after the federal and state (if applicable) funds are encumbered via an executed "Program Supplement Agreement" and/or State approval Finance Letter. In addition, it is also understood that an invoice must be submitted at least once every six (6) months for each project phase until all funds are expended. If there are no eligible expenses, then a written explanation will be provided for that six (6) month period along with the target amount and date for the next invoice submittal.

CERTIFICATION

I certify that the facts and statements in this Request for Authorization Package are accurate and correct. This Agency agrees to comply with the applicable terms and conditions set forth in Title 23, U.S. Code, Highways, and the policies and procedures promulgated by the Federal Highway Administration and California Department of Transportation relative to the above-designated project.

I understand that this Agency is responsible for all costs in excess of the federal and/or state funds obligated / encumbered as well as for all costs it incurred prior to receiving the FHWA issued "Authorization to Proceed." I further understand that all subsequent phases of the project will require a separate "Federal Authorization to Proceed."

For High-Risk (formerly "Major") and Low-Risk (formerly "Minor") ITS projects, I understand that our project shall be consistent with the Regional ITS Architecture, adhere to ITS Standards, and undergo Systems Engineering analysis. A SERF will be included in the Field Review Package. For High-Risk ITS projects, I understand that this Agency shall not proceed with component detailed design until after FHWA approval of the SEMP and receipt of "Authorization to Proceed."

Please advise us as soon as the "Federal Authorization to Proceed" has been issued. You may direct any questions to:

(Name of Local Agency Contact) at (phone number and e-mail address) .

Signature of Local Agency Representative

Print Name

Title

Agency

Distribution: DLAE

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EXHIBIT 3-B REQUEST FOR AUTHORIZATION TO PROCEED WITH RIGHT OF WAY

[Place this form on Local Agency Letterhead]

To: (DLAE Name)
District Local Assistance Engineer
Caltrans, Office of Local Assistance
(District Address)

Date: _____
FTIP/FSTIP ID: _____
Federal Project No: _____
EA: _____
PPNO (For STIP Projects): _____
Project Description: _____
_____

Dear (DLAE Name):

In order to proceed with right of way phase of work for the above-referenced project, we request that you secure Federal Authorization to Proceed and obligation of funds. The federal funds requested will not exceed those provided to this agency in the federally approved Federal Transportation Improvement Program (FTIP)/Federal Statewide Transportation Improvement Program (FSTIP).

Attached are the following documents required to authorize this phase of work:

Request for Authorization Package

- [ ] Completed Request for R/W Authorization Data Sheet (Exhibit 3-E)
- [ ] Copy of FTIP/FSTIP Reference Sheet
- [ ] Completed Finance Letter (Exhibit 3-O)
- [ ] Copy of Executed Cooperative Agreement, if not previously submitted (only for projects on State Highway System)
- [ ] Request for Capital Subvention Reimbursement Authority (Exhibit 3-H) (only for projects on State Highway System)

Toll Credit Usage

- [ ] This project will use Toll Credit. It is fully funded.
- [ ] This project will NOT use Toll Credit.

Field Review Form (Exhibit 7-B)

- [ ] Completed Field Review Form (Exhibit 7-B), or
- [ ] The Field Review Form was submitted previously on _____.

Environmental Document

- [ ] Type of NEPA Document. Approval Date:_____.
  - [ ] Categorical Exclusion (CE) Form
  - [ ] Findings of No Significant Impact (FONSI)
  - [ ] Record of Decision (ROD))
  - [ ] Revalidation

Disadvantaged Business Enterprise (DBE)

- [ ] All work for this phase of the project will be performed by local agency staff.
- [ ] For consultant contracts an Underutilized Disadvantaged Business Enterprise (UDBE) goal will be established for each contract and the Local Agency Proposer UDBE Commitment (Consultant Contracts) (Exhibit 10-O1) will be submitted with the proposal. Within 15 days of contract execution, the Local Agency Proposer DBE Information (Consultant Contracts) (Exhibit 10-O2) shall be forwarded to the DLAE.

California Transportation Commission (CTC) Allocation

Check which of the following applies:

[ ] A CTC allocation is not required, or
[ ] A CTC allocation of funds for the right of way component of work was made at the _____ meeting of the CTC, or
[ ] A CTC allocation of funds has been scheduled for the _____ meeting of the CTC. It is understood that the authorization/obligation of any federal STIP funds will not be made until after the CTC allocation.

Project Agreement and Liquidation of Funds

Upon FHWA issuance of the "Authorization to Proceed" (and agency submittal of the "Field Review" form [Exhibit 7-B] if not previously submitted), a "Program Supplement Agreement" and/or state approved "Finance Letter" will be prepared to encumber the federal and/or state funds for the project. This Agency understands that any federal and/or state funds encumbered for the project are available for disbursement for limited period(s) of time. For each fund encumbrance the limited period is from the start of the fiscal year that the specific fund was appropriated within the State Budget Act, to the applicable Fund Reversion date shown on the State approved project finance letter (unless an extension is granted by the Department of Finance). It is anticipated that this phase of work will be completed by _____ (month, year).

Invoice Submittal

This Agency understands that only work performed after federal "Authorization to Proceed" (E-76) is eligible for reimbursement. Invoices for reimbursement will not be submitted until after the federal and state (if applicable) funds are encumbered via an executed "Program Supplement Agreement" and/or state approval Finance Letter. In addition, it is also understood that an invoice must be submitted at least once every six (6) months for each project phase until all funds are expended. If there are no eligible expenses, then a written explanation will be provided for that six (6) month period along with the target amount and date for the next invoice submittal.

CERTIFICATION

I certify that the facts and statements in this Request for Authorization Package are accurate and correct. This Agency agrees to comply with the applicable terms and conditions set forth in Title 23, U.S. Code, Highways, and the policies and procedures promulgated by the Federal Highway Administration and California Department of Transportation relative to the above-designated project.

I understand that this Agency is responsible for all costs in excess of the federal and/or state funds obligated/encumbered as well as for all costs it incurred prior to receiving the Federal Highway Administration issued "Authorization to Proceed."

Please advise us as soon as the Authorization to Proceed has been issued. You may direct any questions to:

(Name of Local Agency Contact) at (phone number and e-mail address) .

_____
Signature of Local Agency Representative

_____
Print Name

_____
Title

_____
Agency

Distribution: DLAE

EXHIBIT 3-C REQUEST FOR AUTHORIZATION TO PROCEED WITH UTILITY RELOCATION

[Place this form on Local Agency Letterhead]

To: (DLAE Name)
District Local Assistance Engineer
Caltrans, Office of Local Assistance
(District Address)

Date: _____
FTIP/FSTIP ID: _____
Federal Project No: _____
EA: _____
PPNO (For STIP Projects): _____
Project Description: _____
_____

Dear (DLAE Name):

In order to proceed with Utility Relocation phase of work for the above-referenced project, we request that you secure Federal Authorization to Proceed and obligation of funds. The federal funds requested will not exceed those provided to this agency in the federally approved Federal Transportation Improvement Program (FTIP)/Federal Statewide Transportation Improvement Program (FSTIP).

Attached are the following documents required to authorize this phase of work:

Request for Authorization Package

- [ ] Completed Request for R/W Authorization Form (Exhibit 3-B)
- [ ] Request for Authorization Data Sheet (Exhibit 3-E)
- [ ] Copy of FTIP/FSTIP Reference Sheet
- [ ] Completed Finance Letter (Exhibit 3-O)
- [ ] Copy of Executed Cooperative Agreement, if not previously submitted (only for projects on State Highway System)
- [ ] Request for Capitol Subvention Reimbursement Authority (Exhibit 3-H) (only for projects on State Highway System)

Toll Credit Usage

- [ ] This project will use Toll Credit. It is fully funded.
- [ ] This project will NOT use Toll Credit.

Field Review Form (Exhibit 7-B)

- [ ] Completed Field Review Form (Exhibit 7-B), or
- [ ] The Field Review Form was submitted previously on _____.

Environmental Document

- [ ] Type of NEPA Document. Approval Date: _____.
  - [ ] Categorical Exclusion (CE) Form
  - [ ] Findings of No Significant Impact (FONSI)
  - [ ] Record of Decision (ROD)
  - [ ] Revalidation

Disadvantaged Business Enterprise (DBE)

[ ] All work for this phase of the project will be performed by local agency staff.

[ ] For consultant contracts an Underutilized Disadvantaged Business Enterprise (UDBE) goal will be established for each contract and the Local Agency Proposer UDBE Commitment (Consultant Contracts) (Exhibit 10-O1) will be submitted with the proposal. Within 15 days of contract execution, the Local Agency Proposer DBE Information (Consultant Contracts) (Exhibit 10-O2) shall be forwarded to the DLAE.

Utility Relocation

[ ] This Agency agrees to comply with 23 CFR 645.119 "Alternate Procedure" (as explained in Chapter 13, "Right of Way," and Chapter 14, "Utility Relocations," of the LAPM). This alternate procedure is provided to simplify the processing of utility relocations or adjustments under the provisions of 23 CFR 645. Under this procedure, the FHWA authorized the Department of Transportation (Caltrans) to act in relative position of the FHWA for review and approval of the arrangements, fees, estimates, plans, utility agreements, and other related matters required by such regulation as prerequisites for authorizing the utility owner to proceed with and complete the work.

It is understood that the scope of the Department's approval authority under the Alternate Procedure includes all actions necessary to advance and complete all types of utility work under the provisions of such regulation, except Section 645.119 (B)(1) and 645.119 (b)(2). Two of such documents that need the Department's approval are FHWA Specific Authorization and FHWA Approval of the Utility Agreement(s). See Chapter 14, "Utility Relocations," of the LAPM for more information on the activities necessary for federal participation in utility relocations. The approval authority has been delegated to the Right of Way District Utility Coordinators.

California Transportation Commission (CTC) Allocation

Check which of the following applies:

[ ] A CTC allocation is not required, or

[ ] A CTC allocation of funds for the right of way component of work was made at the _____ meeting of the CTC, or

[ ] A CTC allocation of funds has been scheduled for the _____ meeting of the CTC. It is understood that the authorization/obligation of any federal STIP funds will not be made until after the CTC allocation.

Project Agreement and Liquidation of Funds

Upon FHWA issuance of the "Authorization to Proceed" (and agency submittal of the "Field Review" form [Exhibit 7-B] if not previously submitted), a "Program Supplement Agreement" and/or state approved "Finance Letter" will be prepared to encumber the federal and/or state funds for the project. This Agency understands that any federal and/or state funds encumbered for the project are available for disbursement for limited period(s) of time. For each fund encumbrance the limited period is from the start of the fiscal year that the specific fund was appropriated within the State Budget Act, to the applicable Fund Reversion date shown on the State approved project finance letter (unless an extension is granted by the Department of Finance). It is anticipated that this phase of work will be completed by _____ (month, year).

Invoice Submittal

This Agency understands that only relocation work performed after federal "Authorization to Proceed" (E-76), approval of the Specific Authorization, and appropriate Utility Agreement is eligible for reimbursement. Invoices for reimbursement will not be submitted until after the federal and state (if applicable) funds are encumbered via an executed "Program Supplement Agreement" and/or state approval Finance Letter. In addition, it is also understood that an invoice must be submitted at least once every six (6) months for each project phase until all funds are expended. If there are no eligible expenses, then a written explanation will be provided for that six (6) month period along with the target amount and date for the next invoice submittal.

CERTIFICATION

I certify that the facts and statements in this Request for Authorization Package are accurate and correct. This Agency agrees to comply with the applicable terms and conditions set forth in Title 23, U.S. Code, Highways, and policies and procedures promulgated by the Federal Highway Administration and California Department of Transportation relative to the above-designated project.

I understand that this Agency is responsible for all costs in excess of the federal and/or state funds obligated/encumbered, as well as, for all costs it incurred prior to receiving the FHWA issued Authorization to Proceed

Please advise us as soon as the Authorization to Proceed has been issued. You may direct any questions to:

(Name of Local Agency Contact) at (phone number and e-mail address) .

_____
Signature of Local Agency Representative

_____
Print Name

_____
Title

_____
Agency

Distribution: DLAE

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EXHIBIT 3-D REQUEST FOR AUTHORIZATION TO PROCEED WITH CONSTRUCTION

[Place this form on Local Agency Letterhead]

To: (DLAE Name)
District Local Assistance Engineer
Caltrans, Office of Local Assistance
(District Address)

Date: _____
FTIP/FSTIP ID: _____
Federal Project No: _____
EA: _____
PPNO (For STIP Projects only): _____
Project Description: _____
_____

Dear (DLAE Name):

In order to advertise, award and administer the construction contract for the above-referenced project, we request that you secure Federal Authorization to Proceed and obligation of funds. The federal funds requested will not exceed those provided to this agency in the federally approved Federal Transportation Improvement Program (FTIP)/Federal Statewide Transportation Improvement Program (FSTIP).

Attached are the following documents required to authorize this phase of work:

Request for Authorization Package

- [ ] Completed Request for Construction Authorization Data Sheet (Exhibit 3-E)
- [ ] Copy of FTIP/FSTIP Reference Sheet
- [ ] Completed Finance Letter (Exhibit 3-O)
- [ ] Copy of Executed Cooperative Agreement (only for projects on State Highway System)
- [ ] Request for capital Subvention Reimbursement Authority (Exhibit 3-H) (only for projects on State Highway System)

Toll Credit Usage

- [ ] This project will use Toll Credit. It is fully funded.
- [ ] This project will NOT use Toll Credit.

Field Review Form (Exhibit 7-B)

- [ ] Completed Field Review Form (Exhibit 7-B), or
- [ ] The Field Review form previously was submitted on _____.

Environmental Document

- [ ] Type of NEPA Document. Approval Date: _____.
  - [ ] Categorical Exclusion (CE) Forms
  - [ ] Findings of No Significant Impact (FONSI))
  - [ ] Record of Decision (ROD)
  - [ ] Revalidation

Disadvantaged Business Enterprise (DBE)

- [ ] All work for this phase of the project will be performed by local agency staff.
- [ ] For construction contracts an Underutilized Disadvantaged Business Enterprise (UDBE) goal will be established for each contract and the Local Agency Bidder UDBE Commitment (Construction Contracts) (Exhibit 15-G1) will be submitted with each bid by the bidders. Within 15 days of contract execution, the Local Agency Bidder DBE Information (Construction Contracts) (Exhibit 15-G2) shall be forwarded to the DLAE.

Right of Way Certification (Exhibit 13-A or 13-B)
Right of Way Certification #_____ which was approved on _____ is:

[ ] Attached, or
[ ] Previously Submitted.

PS&E Package and PS&E Certification

[ ] Completed PS&E package, PS&E Certification (Exhibit 12-C), and PS&E Checklist (Exhibit 12-D), or
[ ] The PS&E package, PS&E Certification, and PS&E Checklist were submitted and accepted on _____.

Local Agency Construction Contract Administration Checklist

[ ] Local Agency Construction Contract Administration Checklist (Exhibit 15-A), or
[ ] The Local Agency Construction Administration Checklist was submitted previously and our procedures have not changed.

California Transportation Commission (CTC) Allocation

Check which of the following applies:

[ ] A CTC allocation is not required, or
[ ] A CTC allocation of funds for the construction component of work was made at the _____ meeting of the CTC, or
[ ] A CTC allocation of funds has been scheduled for the _____ meeting of the CTC. It is understood that the authorization/obligation of any federal STIP funds will not be made until after the CTC allocation.

Project Agreement and Liquidation of Funds

Upon FHWA issuance of the "Authorization to Proceed" (and agency submittal of the "Field Review" form [Exhibit 7-B], if not previously submitted), a "Program Supplement Agreement" and/or state approved "Finance Letter" will be prepared to encumber the federal and/or state funds for the project. This Agency understands that any federal and/or state funds encumbered for the project are available for disbursement for limited period(s) of time. For each fund encumbrance the limited period is from the start of the fiscal year that the specific fund was appropriated within the State Budget Act, to the applicable Fund Reversion date shown on the State approved project finance letter (unless an extension is granted by the Department of Finance). It is anticipated that this phase of work will be completed by _____ (month, year).

Invoice Submittal

This Agency understands that project construction contracts advertised prior to federal authorization are NOT eligible for reimbursement. It is also understood that construction-engineering cost must be specifically included and authorized in the federal Authorization to Proceed with Construction to be eligible for reimbursement. If construction engineering (CE) is authorized after construction begins, only those construction-engineering costs incurred after the date the CE is authorized are eligible for reimbursement.

Invoices for reimbursement will not be submitted until after the federal and state (if applicable) funds are encumbered via an executed "Program Supplement Agreement" and/or state approved Finance Letter. It is understood that an invoice must be submitted at least once every six (6) months for each project phase until all funds are expended. If there are no eligible expenses then a written explanation will be provided for that six (6) month period along with the target amount and date for the next invoice submittal.

CERTIFICATION

I certify that the facts and statements in this "Request for Authorization Package" are accurate and correct. This Agency agrees to comply with the applicable terms and conditions set forth in Title 23, U.S. Code, Highways, and the policies and procedures promulgated by the Federal Highway Administration and California Department of Transportation relative to the above-designated project.

I understand that upon submittal of this request and a completed "Field Review" form, the federal and/or state funds will be encumbered via a Program Supplement Agreement and /or state approved Finance Letter. This Agency will comply with the liquidation deadlines as explained in Government Code 16304.

I understand that this Agency is responsible for all costs in excess of the federal and/or state funds obligated/encumbered and all costs it incurred prior to receiving the FHWA issued "Authorization to Proceed" for this phase of the project

Please advise us as soon as the "Authorization to Proceed" has been issued. You may direct any questions to:

(Name of Local Agency Contact) at (phone number and e-mail address) .

_____
Signature of Local Agency Representative

_____
Print Name

_____
Title

_____
Agency

Distribution: DLAE

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EXHIBIT 3-E REQUEST FOR AUTHORIZATION TO PROCEED DATA SHEET(S)

PROJECT REFERENCE DATA

DIST–CO–RTE–AGNCY:_____ FTIP / FSTIP ID:_____
FEDERAL PROJECT NO.:_____ PPNO (STIP):_____
CALTRANS EA:_____ CTIPS REFER. NO.:_____
BRIDGE NO.(s):_____

RESPONSIBLE/IMPLEMENTING AGENCY

RESPONSIBLE AGENCY:_____ IMPLEMEN. AGENCY:_____

PROJECT DESCRIPTION

PROJECT TITLE:_____
WORK DESCRIPTION:_____

PROJECT LOCATION

PROJECT LOCATION: _____

URBAN (IZED) AREA: _____ INDIAN RESERV. :(Y/N)_____
CONG. DISTS.& %'s: _____ TOLL ROAD: (Y/N) _____
RURAL (Y/N):_____

FEDERAL AID ROUTE

FED-AID SYSTEM: (Y/N)_____ FUNTCIONAL CLASSIF. :_____
STATE HWY: (Y/N) _____ STATE ROUTE:_____

ADMINISTERING AGENCY

LOCAL or CALTRANS (CT): _____ IF CT, PROJ. MANAGER:_____

THIS FEDERAL AUTHORIZATION REQUEST

OVERSIGHT: [ ] DELEGATED or [ ] HIGH PROFILE
ADV. CON. (Y/N):_____ 100% SAFETY (Y/N):_____

COST SUMMARY:

PHASE OF WORK	TOTAL	FED PART	FED 1	FED 2	STATE	OTHER	LOCAL
PREV. OBLIG							
THIS REQUEST							
SUBTOTAL							

PHASE OF WORK	TOTAL	FED PART	FED 1	FED 2	STATE	OTHER	LOCAL
PREV. OBLIG							
THIS REQUEST							
SUBTOTAL							
TOTAL							

FEDERAL DEMONSTRATION PROJECT INFORMATION

PUBLIC LAW, SECTION:_____ FEDERAL DEMO ID:_____
LEGISLATIVE. PROJECT NO.:_____ ESTIM. CONST. DATE:_____
RELATED DEMO PROECTS: _____

FTIP / FSTIP DATA

MPO/RTPA NAME:_____ FTIP / FSTIP YEAR:_____

FED. FUNDED PHASES:_____ SHEET OR AMD. NO.:_____

APPROVAL DATE:_____

FED FUND TYPES/TOTALS:_____ APPRV'D EPSP (Y or N):_____

DISADVANTAGED BUSINESS ENTERPRISE (DBE) SUBMITTALS:

Race Conscious Implementation Agreement (Exhibit 9-A) CT APPROVAL DATE:_____

Local Agency DBE Annual Submittal Form (Exhibit 9-B):

FED FISCAL YEAR:_____ CT APPROVAL DATE:_____

INITIAL AUTHORIZATION & ESTIMATED COMPLETION DATES

PHASE OF WORK	INITIAL FEDERAL AUTHORIZATION DATE	ESTIMATED COMPLETION DATE
PE		
RW		
CON		

ENVIRONMENTAL DATA

NEPA DOCUMENT TYPE:

[ ] CE _____ Date Caltrans SEP/DLAE signed CE Form (use the latest date)

[ ] EA / FONSI _____ Date Caltrans DD (DDD or designee) signed the FONSI

[ ] EIS / ROD _____ Date Caltrans signed the ROD

EIS Number _____ Year of Public Release of EIS and EIS number (assigned by FHWA)

AIR BASIN _____ (For CMAQ Program Funds)

R/W ESTIMATE

R/W ACQ PARCELS: _____ $_____

RAP (FAMILY): _____ $_____

(BUSINESS): _____ $_____

LRH/HRDSHP: _____ $_____

UTILITIES: $_____

SUPPORT: $_____

TOTAL: $_____

UTILITY RELOCATION / ADJUSTMENTS

UTILITY OWNER	UTILITY TYPE	COST TO RELOCTE

TOTAL UTILITY RELOCATION COSTS _____

DESCRIPTION OF R/W PARCELS BY TYPE OF ACQUISITION/ACTIVITY

# PARCELS	ACQUISITION TYPE AND/OR ACTIVITY	# ACRES	EST. COST

R/W CERTIFICATION

R/W CERT. NO. _____ Date Approved by Caltrans:_____

LOCAL AGENCY COMMENTS

_____

_____

_____

THIS REQUEST PREPARED BY:

NAME:_____

TITLE:_____

PHONE NO.:_____

E-MAIL:_____

AGENCY CONTACT FOR PROGRAM SUPPLEMENT AGREEMENT

NAME:_____

TITLE:_____

PHONE NO:_____

E-MAIL:_____

Distribution: DLAE

EXHIBIT 3-F INSTRUCTIONS FOR REQUEST FOR AUTHORIZATION DATA SHEET(S)

General

"Request for Authorization (RFA) Data Sheets" (Exhibit 3-E) must be submitted whenever a local agency desires federal participation in a phase of work for the project. The completed RFA data sheets provide the basic project information necessary for Caltrans and FHWA to process a request for federal authorization. A federal "Authorization to Proceed" (E-76) must be issued prior to beginning work for which federal reimbursement is sought and before the project is advertised for construction.

Dist.–Co.–Rte–PM/Agency: Complete the District, County, Route (State Route only or 0 (zero), Post Mile limits (State Route only) or 4-digit Agency abbreviation. This group of characters is called the Project Locator.

FTIP/FSTIP ID No.: This project ID number is assigned by the Regional Transportation Planning Agency (RTPA) or Metropolitan Planning Organization (MPO) and references the project in the regional Federal Transportation Improvement Program (FTIP) and Statewide Federal State Transportation Improvement Program (FSTIP). All projects that receive federal "Authorization to Proceed" must be listed in the triennial element of the current federally approved FTIP/FSTIP. This project ID number is available at the regional RTPA/MPO web site in the Caltrans CTIPS system referenced below.

FHWA requires that all federally funded phases of work be specifically listed in the federally approved FTIP/ FSTIP. Phases of work not listed must be amended into the FTIP/FSTIP via a TIP amendment prior to the authorization/obligation of federal funds.

Federal Project Number: The Federal Project Number (FPN) is the major federal project identifier and must be reported for all federal-related transactions. The last seven (7) numeric digits of the FPN are used to identify the project in both the Caltrans' Federal Aid Data System (FADS) and the Federal Management Information System (FMIS). Typically, the alpha/numeric characters preceding the last seven numeric digits of the FPN are used to identify the federal funding program (for ongoing multi-year projects the fiscal year of programming may also be identified). For the initial project federal authorization, the Caltrans District Local Assistance Engineer (DLAE) or Division of Local Assistance (DLA) will assign the FPN. On subsequent authorization requests, enter the FPN previously assigned.

Project Planning Number (PPNO): For projects financed, in whole or in part with funds from the State Transportation Improvement Program (STIP), Caltrans will assign a project PPNO. Project PPNOs are available at Caltrans maintained California Transportation Improvement Program System (CTIPS) web site.

Caltrans Expenditure Authorization (EA): The EA is the primary state identifier for transportation projects financed with federal and/or state funds. The first two (2) characters of the EA identify the Caltrans District number (01, 02, … 12). The next 6 characters identify the six (6) digits of the EA (the combined eight (8) characters are referred to as the Primary EA). The suffix to the EA may contain up to five (5) characters, including an "S" or "L." For projects funded with local assistance federal funds (including Regional Improvement Program Funds from the STIP), an "L" suffix is used at the end of the Primary EA. The Caltrans Division of Local Assistance administers local assistance federal funds. For the initial program authorization, the DLAE establishes the EA to be used. On subsequent authorization request, enter the EA previously assigned.

CTIPS Reference No.: Enter the thirteen (13)-character California Transportation Improvement Program System (CTIPS) reference number. The MPO FTIP/FSTIP project ID number may be used if a CTIPS reference number is not available. The (CTIPS) project number is assigned by Caltrans and is available at the Caltrans maintained CTIPS.

Bridge No.: This number is required for all projects that involve bridge replacement, rehabilitation or seismic retrofit work. Enter the National Bridge Inventory (NBI) structure number of the bridge(s) to be replaced, rehabilitated, or retrofitted. The NBI structure number(s) are available via the Caltrans Division of Local Assistance Highway Bridge (HBP) web site at http://www.dot.ca.gov/hq/LocalPrograms/

The NBI structure number format is XXYZZZZS where XX represents the two (2) digits county number (01-58); Y is the bridge owner; ZZZZ is the actual bridge number; S represents the suffix for the bridge.

Preliminary Engineering and Right of Way activities using HBP funds also must report NBI structure number(s).

Responsible Agency: The responsible agency is the agency receiving the federal funds and preparing the "Request for Authorization." This agency is ultimately responsible for implementation of the project. Typically, this agency will provide the required match to federal funds and maintains the completed facility. The responsible agency must enter into a project funding agreement directly with the state for project design, construction, etc., but also may enter into a separate agreement with a city, county or other entity to implement and administer the project or project phase on their behalf.

Implementing Agency: Name of agency implementing the project or project phase on behalf of the responsible agency. Discuss in the Local Agency Comments section of the RFA data sheets.

Project Title: Enter the project title as listed in the current federally approved FTIP/FSTIP.

Work Description: Provide a brief description of the work for which federal participation is being sought. The description of work must be consistent with the federally approved FTIP/FSTIP. Changes in project scope or limits will require prior RTPA/MPO concurrence and FTIP/FSTIP amendment. For changes in project scope or limits, a **revised "Authorization to Proceed" must be approved by FHWA.**

When planning projects are involved, identify the time period that the project covers.

Project Location: Enter a brief description for the project limits that includes a U.S., State or local route(s). The description should reference the project by municipal boundaries, county lines, intersecting highways, streams, railroad crossings, etc. If more space is needed to describe a multi-location project attach a separate listing of project limits for each project locations.

For projects located in urban areas, identify the city and relate the project to named places as space permits.

Urban Area Name: As defined in Section 101, Title 23 of the U.S.C., an urbanized area is an area having a population of 50,000 or more persons. An attributable urbanized area is an urban area having a population of 200.000 or more and eligible to receive Federal Urbanized Area funds. The following is a list of the currently recognized urbanized areas within the State:

Los Angeles-Long Beach	Santa Rosa
San Francisco-Oakland	Seaside-Monterey
San Diego	Antioch-Pittsburg
San Jose	Lancaster
Sacramento	Hesperia-Apple Valley-Victorville
San Bernardino-Riverside	Indio-Coachella
Fresno	Concord
Bakersfield	Mission Viejo
Stockton	Temecula-Murrieta
Oxnard-Ventura	Thousand Oaks
Modesto	

Indian Reservation: Indicate (Y/N) whether or not the project is located on an Indian Reservation.

Congressional Districts: Enter the congressional district(s) that are impacted by the project and the percentage of funds for each district.

Toll Road: Indicate (Y/N) if a toll road is involved. To monitor toll road projects or work performed on toll roads, enter a "Y."

Rural Area: Defines as an area having a population of less than 50,000.

Federal-Aid System: Indicate the federal-aid system on which the project is located. Valid entries are:

Interstate
NHS Non-Interstate
Other Federal-aid System
Not on Any Federal-aid System

Functional Classification: Streets and highways are grouped into classes or systems according to the character of service they provide. If there are multiple functional classifications involved, enter the higher classification. Valid entries for functional classification are:

Freeway and Expressway
Principal Arterial
Minor Arterial
Major Collector Minor Collector
Local
No Functional Class

State Highway: Indicate (Y/N), whether or not the project is located within the right of way limits of an existing **or** proposed state highway. If so, enter the State Highway Route number (e.g., I-405).

Administering Agency (Local or Caltrans): Indicate the name of the agency administering the project. If the project is located on a state highway and Caltrans is the project administrator, enter the name of the Caltrans Project Manager.

FHWA Oversight: Indicate whether or not this project is "Delegated" or "High Profile" (see Section 2.5 High Profile Projects, and Figure 2-1 High Profile Project Identification Process, in Chapter 2 of the LAPM).

The criteria for High Profile project consideration are:

- Controversial and Congressional Interest projects
- Pilot projects
- Executive Order 13274 projects – Environmental Stewardship and Streamlining
- Interstate Projects containing:
    - Design exceptions relating to the 13 controlling criteria
    - New or modified access points
    - Innovative contracting method projects with Federal funds
- Invitational projects
- Major Intelligent Transportation Systems (ITS) projects
- Major Projects (>$500M)
- Non-Traditional Revenue Sources projects
- Special Experimental Projects – Alternative Contracting (SEP-14)
- Special Experimental Projects Public Private Partnership (SEP-15)
- Unusual Bridge and Structure projects

High Profile projects require an FHWA/Caltrans signed Project Oversight Agreement (see Exhibit 2-D in Chapter 2 LAPM).

Advance Construction Authorization: Indicate (Y/N) whether or not an Advance Construction Authorization is being requested. If so, a local agency must submit a "Request for Advance Construction Authorization" form (see Exhibit 3-I).

100% Safety Eligible: Indicate (Y/N), whether or not this project is using 100% Safety funds in accordance with Title 23 of United States Code (U.S.C.) Section 120.

Cost Summary: Identify all project-related costs through the current request. The "TOTAL" cost of work is the sum of both the total federal participating and nonfederal participating project costs. The "federal participating" cost is equal to the cost of all work eligible for federal participation. Identify the "federal funding program and dollar amount" for each phase of work. Identify the funds previously obligated as well as these funds current request. The total federal funds obligated should not exceed the funds programmed in the federally approved FTIP/FSTIP (unless prior approval is received from appropriate MPO/RTPA), Caltrans Administered Federal Program (such as Bridge, Safety) or allocated by the FHWA (discretionary/earmarked federal funds).

Finally, enter the "LOCAL" and/or other types of federal matching funds. Identify previous obligations and the current request for each phase of work. (If more space is needed, use a separate sheet of paper.)

Public Law, Section, and Legislated Project No: Identify the Public Law, Section and Legislated Project No. identifying to DEMO project.

Federal DEMO ID: This five (5) character alphanumeric identifier is required for all Demonstration (DEMO) funded projects. The first two characters are alpha (represent name of state) and the last three (3) characters are numeric (sequential number for the state), e.g., CA015, CA016.

The federal DEMO ID is assigned by the FHWA and relates to a specific DEMO project identified in public law. The DEMO ID is listed in the allocation memo to the FHWA Division office in Sacramento from the FHWA in Washington, D.C.

(DEMO) Estimated Construction Date: Enter the estimated start date (MM/YYYY) of physical construction for the DEMO project with its appurtenant facilities. This information must be reported for all DEMO funded projects. This includes any removal, adjustment or demolition of buildings or major obstructions, and utility or railroad work that is a part of the contract for physical construction.

Related DEMO Project(s): Occasionally, a DEMO funded transportation project is funded by multiple DEMO IDs. FHWA administrative procedures require that a separate federal project numbers be established for each DEMO ID to facilitate the tracking of federal funds on a DEMO ID basis. For projects funded with multiple DEMO IDs, cross-reference any directly related FPNs.

MPO/RTPA: Enter the name of the Metropolitan Planning Organization (MPO) or Regional Transportation Planning Agency (RTPA) within which the project is located.

Federal Funded Phases: Identify the project phases of work programmed to receive federal funds in the FTIP/FSTIP.

Federal Fund Types: Identify all fund types by federal or state program (e.g. STPL, CMAQ, HBP, STIP, etc.) and amounts programmed for the project.

FTIP/FSTIP/Year and No.: Enter the Federal Fiscal Year the FTIP/FSTIP was approved. For amendments to the FTIP/FSTP, enter the amendment number and approval date. Federal Fiscal Year 2003/2004 is identified as 03/04

Approval Date: Enter the date that the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) approved the FTIP or FSTIP (or amendment thereto) for the work being authorized. Enter the date in a MM/DD/YY (i.e., 10/05/02) format.

Approved Expedited Project Selection Procedures (EPSP): Indicate (Yes or No) whether or not Caltrans has approved the appropriate MPO/RTPA's EPSP.

Disadvantage Business Enterprise (DBE) Submittals: Enter the Caltrans Approval date of the California Department of Transportation DBE Implementation Agreement for Local Agencies (Exhibit 9-A). Enter the Caltrans Approval date for the current FFY Local Agency DBE Annual Submittal Form (Exhibit 9-B). The Local Agency must have a completed California Department of Transportation DBE Implementation Agreement for Local Agencies, and the current FFY Local Agency DBE Annual Submittal Form approved by Caltrans prior to the Agency's initial request for federal authorization. For this reason, the approval process for submitting the Local Agency DBE Annual Submittal Form should start well in advance of the planned date of first federal authorization. The approval date should be entered in a MM/DD/YY (i.e., 09/20/06) format.

Initial Federal Authorization Dates: Enter the federal authorization date for each phase of work as the project progresses through the project development process. This date represents the eligibility date for the start of federally reimbursable work. Federally reimbursable work may begin on the date that the FHWA (Sacramento) approves/authorizes (via electronic signature) the E-76. Work done prior to the FHWA authorization date shown on the E-76 will not be federally reimbursable.

Estimated Completion Date: Enter the estimated completion date for each phase of work.

Environmental Data: Identify the NEPA Class of Action (CE, EA or EIS) for the project by inserting a check mark next to the appropriate class and indicate the date the NEPA Determination or document was signed. For EISs, indicate the year of the public release of the EIS and the EIS Number (assigned by FHWA).

A copy of the signed NEPA Determination or document should accompany the requests for Authorization to Proceed with Right of Way and/or Construction.

Air Basin: The name of the Air Basin is required for projects funded with federal Congestion and Air Quality Improvement Program (CMAQ) funds.

Right of Way Acquired Parcels: Report the number of right of way parcels to be acquired and the estimated cost.

Family Relocation Assistance Payments (RAP-Family): Report the total number of family relocation assistance payments to be made and the estimated costs.

Business Relocation Assistance Payments (Business): Report the total number of business relocation assistance payments to be made and the estimated costs.

Last Resort Housing/Hardship (SRH/HRDSHP): Report the total number of Last Resort Housing/Hardship payments to be made and the estimated costs.

Utilities: Report the total estimated amount of utility payments to be made. Enter the amount to the nearest dollar.

Support: Report the total estimated dollar amount of the support payments to be made. Enter the amount rounded to the nearest dollar.

Total: Sum of all the R/W estimates above.

Utility Relocations/Adjustments: Enter the name of the utility owner, type of utility, and estimated cost to relocate/adjust each utility for which federal reimbursement is being requested. The local agency must be totally obligated to pay for the utility relocation work. Refer to Chapter 14, "Utility Relocations," of the *Local Assistance Procedures Manual* (LAPM) for requirements and information related to federal participation in utility relocation work.

#Parcels: Enter the number of parcels for each type of acquisition and/or activity

Acquisition Type and/or Activity: Enter the type of acquisition (residential, business or easement, partial or full take, etc.) and/or Activity (relocation assistance, type of easement, other type of compensation, etc.)

 # Acres: Enter the number of acres attributable to each acquisition type and/or activity.

Estimated Cost: Enter the estimated cost attributable to each acquisition type and/or activity.

Right of Way Certification: Enter the Right of Way Certification status (1,2, or 3) as defined in 23 CFR 635.309 and Chapter 13 "Right of Way" of the LAPM and enter the date the Right of Way Certification was accepted by the Caltrans Right of Way official.

Local Agency Comments: Provide any important project information related to the current request for authorization. If more space is needed, submit the information on a separate sheet of paper.

Person Preparing Request for Authorization: Enter the name, title, e-mail address, and phone number of the person preparing the request for authorization and to whom questions may be addressed.

Contact for Program Agreement: Enter the name, title, phone number and e-mail address of the person to whom the project funding agreements should be sent for signature by the local agency.

EXHIBIT 3-G FEDERAL PROJECT LOG SHEET (MINIMUM REQUIREMENTS)

(For District use only)

TO: _____
AREA ENGINEER
Department Of Transportation
Division of Local Assistance - MS 1
1120 N Street, Sacramento, CA 95814
Mail:
P.O. Box 942874
Sacramento, CA 94274-0001

Dist., Cty, Rte, Agency: _____
Fed. Aid Project No: _____
E.A. Number: _____

Date: _____

From: _____

DLAE, District No. _____

Caltrans, Office of Local Assistance
_____
_____

	Prefix Chklst	FTIP/FSTIP Sht	FTA Grant App. *1	Field Rev. Form	Request for CSRA *2	Req. for Auth.	Req. for FTA Tran.	E-76	"SERF" ITS Projects	Finance Letter	Approved NEPA Document	Spec. Auth. Of Util. Est.	R/W Certification	PS&E Cert. & Chklst.	Preliminary Engineering Estimate	Cont. Award Chklst.	Detail Estimate	Approved DBE Submittals	R.O.E.*3	Date (HQ use only)
PRELIM. ENG.																				
Authorization	☐	☐		1	☐	☐		☐	⋯	☐	5							3		
Program Suppl't				☐						⋯										
Cost Adjustment		⋯						☐		☐										
R/W																				
Authorization	⋯			☐	⋯	☐		☐		☐	☐	4						3		
Cost Adjustment		⋯						☐		☐										
CONST & CE																				
Authorization	⋯			☐	⋯	☐		☐		☐	⋯		☐	☐	☐			3		
Award Package*4										☐						☐	☐	☐		
Cost Adjustment		⋯						☐		☐							☐			
FTA TRANSFER		☐	☐				☐			2										
PROJECT COMPLETION																			☐	

Legend:
☐ = Required Document
⋯ =Required if not submitted previously or have significant change since
1 =The first two-sheets of field review form
2 = Only req'd if there are STIP Match $ (Not often)
3 = Required prior for first authorization of FFY
4 = Required for Fed. Part. Util. Reloc.
5 = Required for Final Design

*1 FTA Grant Appl'n = Copy of grant appl'n funding info. For agencies using Sect. 5307 & 5336 procedures
*2 Request for Subvention Reimbursement Allocation - ONLY required for State Highway System projects
*3 Report of Expenditures; see Chapter 17, Project Completion, Local Assistance Procedure Manual
*4 Award Package, see Chapter 15, "Advertise & Award Project", LAPM

Updated 04/30/10

Distribution: DLAE Use

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EXHIBIT 3-H REQUEST FOR CAPITAL SUBVENTION REIMBURSEMENT ALLOCATION

(*For Projects on the State Highway System Financed with Local Assistance Funds)*

To: **Division Chief,**
Division of Budgets
Attention: Capital Budgets Branch

Date: _____
Dist/Co/Rte: _____
PM: _____
FTIP/FSTIP ID: _____
Fed. Project No.: _____
EA: _____
PPNO: _____

Re: **REQUEST FOR CAPITAL SUBVENTION REIMBURSEMENT ALLOCATION**

PROJECT DESCRIPTION:

(Scope of work and project limits)

AGREEMENT:

Local Agency: _____ *(Local Agency Contributing Funds)*
Agreement Type / Number: *(e.g., Cooperative, Contribution, Program Supplement etc.)*
Previously Approved Amount: *(e.g., Previously Approved Subvention Funds)*
Amount This Request: *(e.g., Subvention Funds this Request)*
Total Amount: *(e.g., Total Subvention Funds)*

PROGRAM, CATEGORY OF EXPENDITURES & FISCAL YEAR:

Fund Program Code: *(e.g., "20.20.400"."or "20.20.075" if funded from RIP)*
Category of Expenditure: 121998 (always)
Fiscal Year (FY): (Current FY: Accounting, Budgets or Subvention Branch may revise if necessary)

REQUESTED BY:

Project Manager Name: _____
Project Manager Signature: _____
Project Manager Phone No: _____
DLAE Name: _____
DLAE Signature: _____
Date: _____

CONCURRED BY: _____, *Office Chief,*
Office of Project Delivery and Funding
Division of Local Assistance
Date: _____

APPROVAL: (*By Capital Outlay Unit, Division of Budgets)*

Name: _____

Title: _____

Date: _____

1) For State Hwy projects administered by Caltrans, the Caltrans Project Manager should complete and sign this form.
2) For State Hwy projects administered by a local agency, the Caltrans DLAE should complete and sign this form.

Distribution: (1) Local Programs Accounting
(2) District XX Resource Management
(3) Division of Local Assistance, Subvention Management Branch
(4) Highway Appropriation and Management Section- Accounting
(5) DLAE

EXHIBIT 3-I REQUEST FOR LOCAL ADVANCE CONSTRUCTION AUTHORIZATION

(On Local Agency Letterhead)

To: (DLAE Name)
District Local Assistance Engineer
(District Address)

Date: _____
FTIP/FSTIP ID: _____
EA: _____
Project Description: _____
_____
_____

Re: Request for Advance Construction Authorization for (Project Phase) for (Project Title) at (Project Location)

Dear: (DLAE Name)

The (*Name of Local Agency*) requests federal Advance Construction authorization for the (*Preliminary Engineering, Right of Way, Construction and/or Construction Engineering*) phase(s) of work for the above referenced project.

(Indicate local agency reasons/justification for requesting Advance Construction Authorization)

The (*Name of Local Agency*) understands that currently there are insufficient federal transportation funds (and/or Obligational Authority (OA)) to obligate the appropriate funds for the proposed work. The (*Name of Local Agency*) agrees to use local funds in lieu of federal funds to finance the cost of work until such time that federal funds (and/or OA) become available for obligation and subsequent reimbursement of the federal share of work. It is understood that an FTIP amendment may be required when the Advance Construction Authorization is converted to a real obligation of federal funds. It also is understood that federal reimbursement is **not** guaranteed.

The (*Name of Local Agency*) understands that work performed prior to federal authorization is ineligible for federal reimbursement and that advertising the construction contract prior to federal authorization will deem the construction and construction phases of work ineligible for federal funds

For questions regarding this request you may contact (*Local Agency contact name and phone number*).

_____
Local Agency Representative Authorized to Commit Local Funds

_____
Title

Distribution: 1) DLAE 2) DLA 3) MPO

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EXHIBIT 3-J REQUEST FOR TRANSFER OF FEDERAL FUNDS TO THE FEDERAL TRANSIT ADMINISTRATION (FTA)

[Place this form on Local Agency Letterhead]

To: (DLAE Name)
District Local Assistance Engineer
CALTRANS, Office of Local Assistance
(District Address)

Date: _____
FTIP/FSTIP ID(s): _____
Project Description(s): _____
_____

Dear (DLAE Name):

We have received notification of pending grant application approval for this public transit project and request that you transfer these federal funds to the Federal Transit Administration for project administration. The amount(s) requested do not exceed the funds provided to this agency in the current approved Federal Statewide Transportation Improvement Program (FSTIP).

Request for FTA Transfer Documentation

Attached is information/documentation in support of this request to transfer federal funds to the FTA:

- ☐ Pending FTA Grant Number: _____
- ☐ Copy of Approved FSTIP pages
- ☐ Copy of Grant Application (Section 5307 projects only)
- ☐ Copy of Caltrans Notification Letter (Section 5311 & 5310 projects only)
- ☐ Please transfer the following federal funds to the FTA:

Fund Type	**Programmed** FSTIP Funds	**Fiscal Year** Programmed	**Federal Funds** To be transferred
_____	_____	_____	_____
_____	_____	_____	_____
		Total	_____

I understand that the invoices for payment of federal funds will be processed by FTA (Section 5307), or Caltrans (Sections 5311 and 5310 – refer to *Division of Mass Transportation,* Section 5311 "Handbook and Guide," for invoicing procedures and format)

Prior to payment of State Transportation Improvement Program (STIP) match funds: 1) California Transportation Commission (CTC) must allocate the funds, 2) Master Administering Agency– State Agreement for State Funded Projects and project specific Program Supplement Agreement (PSA) must be executed, 3) Applicant Agency must prepare and sign a project specific Finance Letter, and 4) Applicant Agency must submit evidence that payment of federal funds has been invoiced/received. Invoice procedures and format must adhere to Chapter 5, "Accounting/Invoices," of *Local Assistance Procedures Manual* (LAPM) (available at http://www.dot.ca.gov/hq/LocalPrograms/). * **Please note that STIP match funds may ONLY be used for purposes eligible under Article XIX of the California State Constitution.**

Check which of following applies:

☐ This project does not qualify for STIP match funds.
☐ This project is programmed to receive STIP match funds. I have attached the completed:
1) Request for STIP Fund Allocation
2) Funding Allocation Checklist, and
3) Finance Letter
☐ A request for allocation of STIP match funds will be made at a future date as permitted by Government Code Section 14529.17

Toll Credit Usage

[ ] This project will use Toll Credit. It is fully funded.
[ ] This project will NOT use Toll Credit.

CERTIFICATION

I certify that the facts and statements in this "Request for Transfer of Federal to the Federal Transit Administration" are accurate and correct. Following the transfer of funds to the FTA, this agency agrees to comply with the applicable terms and conditions set forth in Title 49, USC, Chapter 53 "Mass Transportation" and the policies and procedures promulgated the FTA relative to the above-designated project.

_____
Signature of Local Agency Representative

_____
Print Name

_____
Title

_____
Agency

Distribution: Local Agency

EXHIBIT 3-K ADMINISTRATIVE PROCEDURES FOR TRANSFER OF LOCAL FEDERAL-AID FUNDS TO FEDERAL TRANSIT ADMINISTRATION

1) FTA Grant Application Submittals

- Section 5307 FTA Grant Applications for urban areas between 50,000 and 200,000 population and urbanized areas over 200,000 population are submitted by the local agency directly to the FTA (San Francisco) using FTA's "Transportation Electronic Award and Management" (TEAM) computer system. Typically, the FTA accepts only one Section 5307 grant application per local agency per federal fiscal year. All projects eligible for transfer must be included in the local agency's annual grant application.

  Regional Transportation Planning Agencies (RTPAs) are responsible for planning and programming the area's Section 5311 FTA apportionments and FHWA regional funds to meet the transportation needs of the region. Each year Caltrans provides the RTPAs with an estimate of their available apportionments. Each RTPA, in coordination with their local agencies, must develop a regional "Program of Projects" (POP) to be funded by the Section 5311 Program.

  Caltrans DMT begins the process in October of each year by soliciting a POP from each MPO/RTPA . Projects included in the POP must have a completed FTA Section 5311 Project Application (see Caltrans DMT's Section 5311 "Handbook and Guide," for detailed procedures) completed by the local agency. The POP and applications must be submitted to the Caltrans District Transit Representative (DTR) by December 31 of each year.

- Section 5310 Grant Program grant applications are submitted to Caltrans DMT. Again, Caltrans DMT acts as the grant applicant on behalf of the local entity and deals with FTA on all project-related matters.

2) FTA Grant Application Notification

- FTA (San Francisco) notifies the grant applicant (local agency or Caltrans) upon receipt of the FTA Grant Application and assigns a pending grant number (FTA does not formally approve the grant until after all federal funds have been transferred).

- In March of each year, Section 5311 and 5310 grant subrecipents will receive written notification from the Caltrans DMT of projects and funds approved for inclusion in the fiscal year's statewide Section 5311 or 5310 grant application.

3) Request for Transfer of Funds to FTA

- For Section 5307 projects, upon notification by FTA, or of pending grant approval, the local agency must submit a "Request for Transfer of Federal Funds to the Federal Transit Administration (FTA)" (see Exhibit 3-J of this chapter) and support documentation to the DLAE. The request is reviewed by the District for completeness and accuracy and then is forwarded to the Caltrans Division of Local Assistance (DLA) for processing.
- For Section 5310 and 5311 projects, Caltrans DMT will forward Part II of the FTA Project Application to Caltrans DLA.

4) Transfer of Funds to FTA

- Caltrans DLA will prepare and submit an "FTA Transfer Letter" to FHWA (Sacramento).
- Upon concurrence by FHWA (Sacramento), Caltrans is notified and FHWA (Sacramento) forwards a memorandum to FHWA (Washington D.C.) requesting the funds be transferred to FTA (Washington D.C.).
- FHWA (Washington D.C.) transfers the highway funds and notifies FTA (Washington D.C.).
- FHWA and Caltrans adjust the appropriate apportionment balances (Note that unexpended FHWA funds transferred to FTA will remain with FTA.).
- FTA (Washington D.C.) notifies the FTA (San Francisco) of the fund transfer.
- FTA (San Francisco) will approve/award the grant once their requirements have been satisfied and notify the applicant (the most common problem for applicants is complying with the FTA's Labor Compliance regulations).

5) Agreements

- Upon FTA approval of the grant application the applicant agency (local agency or Caltrans DMT) enters into a master agreement directly with FTA (San Francisco).
- For Section 5311 and 5310 FTA transfers, Caltrans DMT enters into "Standard" agreements with the sub recipient agencies. Projects are administered in accordance with FTA procedures and the District Transit Office provides project oversight.
- If state match is provided for the transferred funds, the Caltrans DLA or DMT must enter into a Program Supplement Agreement with the local agency.

6) Local Agency Reimbursement

- For Section 5307 FTA Grant projects, the grant applicant deals with FTA on all project-related matters including federal reimbursement.
- Funds for the Section 5311 and 5310 FTA Grant Programs are included in the Caltrans DMT budget. The subrecipient submits progress invoices to the Caltrans District Transit Representative for review and approval. Caltrans will reimburse the grant recipient and then request federal reimbursement from the FTA.

EXHIBIT 3-L LOCAL ASSISTANCE PROJECT PREFIXES

Standard Federal Program Prefixes

[ ]	STP	Surface Transportation Program
[ ]	CM	Congestion Mitigation & Air Quality Improvement (CMAQ) Program
[ ]	BR	Bridge Replacement
[ ]	BR	Bridge Rehabilitation
[ ]	ER	Emergency Relief
[ ]	HSIP	Highway Safety Improvement Program
[ ]	HRRR	High Risk Rural Roads
[ ]	SRTS	Safe Routes to School (Infrastructure or Non-infrastructure; Federal USC Sec. 1404)
[ ]	NBIS	National Bridge Inspection System

STIP Funded Programs

[ ]	RPSTP	STIP Regional Improvement Program (Federalized)
[ ]	RP	STIP Regional Improvement Program (State-only)
[ ]	PPMxx	STIP Funded Planning Programming and Monitoring (S/O)
[ ]	FSPxx	Freeway Service Patrol (S/O)

xx – Represents second year of programmed fiscal year (e.g. FY 2004/05 = 05)

Sub-Level Identifier

[ ]	L	Local Assistance Funds Management
[ ]	N	On National Highway System
[ ]	H	Safety, Hazard Elimination & Safety Program (HES) portion of STP
[ ]	G	100% Federal Funding for Safety
[ ]	E	STIP Programmed Transportation Enhancements/Activities (TE/TEA)
[ ]	ER	Regional TEA Program
[ ]	EC	CTC Conservation Lands TEA Program
[ ]	EE	CTC Statewide Transportation Enhancement (STE) Program
[ ]	HSR	Safe Routes to School (State-legislated program using federal funds)
[ ]	NI	Safe Routes to School (Federal funds; Non-infrastructure projects)
[ ]	S	On System (HBP Program)
[ ]	O	Off System (HBP Program)

Discretionary Program Prefixes

[ ]	BDxxx	Bridge Discretionary
[ ]	BDSxxx	Bridge Discretionary, Seismic
[ ]	IBRCxxx	Innovative Bridge Research and Construction
[ ]	FBDxxx	Ferry Boat Discretionary
[ ]	FLHxxx	Federal Lands Highways
[ ]	IRxxx	Indian Roads
[ ]	PLHxxx	Public Lands Highways
[ ]	CASBxxx	California Scenic Byways
[ ]	RTxxx	Recreational Trails
[ ]	TCSPxxx	Transportation Community and System Preservation, Competitive
[ ]	TCSExxx	Transportation Community and System Preservation, Earmarked

[ ]	NCPDxxx	National Corridor Planning and Deployment
[ ]	CBIxxx	Coordinated Border Infrastructure
[ ]	ITSxxx	Intelligent Transportation Systems
[ ]	LTAPxx	Technical Deployment, Local Technical Assistance Program
[ ]	VPPLxxx	Value Pricing Pilot Program
[ ]	HPLU	SAFETEA-LU High Priority
[ ]	TILU	SAFETEA-LU Transportation Improvement
[ ]	PRNS	SAFETEA-LU Projects of Regional and National Significance
[ ]	NCIIP	SAFETEA-LU National Corridors Infrastructure Improvement Program

xx – Represents second year of FFY of allocation (e.g. FY 2004/05 = 05).
xxx– Represents sub-level Identifier & 2nd year of FFY of allocation.

EXHIBIT 3-M FEDERAL HIGHWAY TRANSPORTATION PROGRAMS

Federal Program	Project Prefix	Program Fund Codes TEA 21	STEA04	SAFETEA-LU	Federal Reimb. Rate *
Surface Transportation Program (STP)					
Urbanized Areas (>200K Population)	STPL	Q230	H230	L230	88.53%
Any Area	STPL	Q240	H240	L240	88.53%
STP, Transportation Enhancement Activities Program (TEA)					
Regional	STPLER	Q220	-		88.53%
Statewide Transportation Enhancements	STPLEE	Q220	-		88.53%
SHOPP-Managed TE	STPE	Q220	-		88.53%
STP, Transportation Enhancements (TE)					
STP, Programmed:					
ITIP Interrregional TE (25%)	STPE	-	-	-	-
RTIP Regional TE (75%)	RPSTPLE	-	H220	L220	88.53%
STP, Hazard Elimination Safety Program (HES)					
HES	STPLH	Q280	H280		90.00%
Optional Safety	STPLH	Q210	H210		90.00%
Safe Routes to School (SR2S Program)	STPLHSR*	Q210	H210		90.00%

*Use this prefix for state-legislated, federally funded Safe Routes to School projects.

SAFETEA-LU, Highway Safety Improvement Program (HSIP)					
Highway Safety Improvement Program	HSIPL			LS30	90.00%
High Risk Rural Road Program	HRRRL			LS20	90.00%
Safe Routes to School (SR2S Program)	STPLHSR*			LS30	90.00%

*Use this prefix for state-legislated, federally funded Safe Routes to School projects.

SAFETEA-LU, Safe Routes To School Program (SRTS)					
SRTS (non-infrastructure)	SRTSLNI*		HU10	LU10	100.00%
SRTS (Infrastructure)	SRTSL*		HU20	LU20	100.00%

*Use HU10, HU20 and LU10 or LU20 fund codes first. Use HU30 or LU30 fund codes only if the other 4 fund codes are depleted.

Congestion Mitigation & Air Quality Program (CMAQ)	CML	Q4000	H400	L400	88.53%
Highway Bridge Program (HBP)					
On/Off Federal-aid System	L1C0				88.53%
Off Federal-aid System	L110				88.53%

For information on eligibility funding, please refer to Chapter 6, "Highway Bridge Program" and Chapter 7, "Seismic Safety Retrofit" of the *Local Assistance Program Guidelines* (LAPG).

EXHIBIT 3-N FEDERAL HIGHWAY DISCRETIONARY PROGRAMS

Discretionary Programs	Prefix	TEA21	STEA	SAFETEA-LU	Rate
Bridge Discretionary	BDLxx	Q060	H060		80.00%
Bridge Discretionary, Seismic	BDSLxx	Q070	H070		80.00%
Innovative Bridge Research & Construction	IBRCxx	QT90	HT90		80.00%
Ferry Boat	FBDxx	Q950	H950	L950	80.00%
Forest Highways	FHLxx	4150	F150		80.00%
Public Lands Highways	PLHLxx	4140	F130		80.00%
National Scenic Byways	CASBxx	Q970	H970		80.00%
Transportation Community & System & Preservation Pilot					
Competitive	TCSPxx	92C0	-		80.00%
Earmarked	TCSExx	Q680	H680		80.00%
National Corridor Planning & Deployment	NCPDxx	Q640	H640		80.00%
Coordinated Border Infrastructure	CBILxx	Q640	H640		80.00%
Technical Deployment, Local Technical Assistance	LTAPxx	Q890	H890		80.00%
Value Pricing Pilot Program	VPPLxx	Q880	H880		80.00%
Intelligent Transportation Systems	ITSxx	QT20	HT20		0.00%
		QT40	HT40		50.00%
		QT50	HT50		50.00%
		QT60	HT60		50.00%
		QT70	HT70		50.00%
		QT80	HT80		50.00%
High Priority Projects	HP21L	Q920		????	80.00%
	HPLU				80.00%
Transportation Improvements Program	TIPL			????	????
Projects of National & Regional Significance	PNRSL			????	80.00%
National Corridor Infrastructure Imp. Program	NCIIPL			????	88.53% to 100%

XX – represents second year of FFY

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EXHIBIT 3-O SAMPLE LOCAL FEDERAL-AID PROJECT FINANCE LETTER

DEPARTMENT OF TRANSPORTATION
DIVISION OF ACCOUNTING
LOCAL PROGRAM ACCOUNTING BRANCH

ATTN: _____

Date: _____
Agency: _____
Fed Project No.: _____
EA No.: _____
PPNO.: _____
Bridge No : _____

Work on State Highway (Y or N): ____ **If yes, provide following:**
Administered by State or Local? _____
Project Manager Name: _____
Accounting Program Code(s): _____
Coop or Contribution Agrmnt No.: _____

	TOTAL COST OF WORK	FEDERAL PARTICIPATING COST	FEDERAL FUND TYPE (1)	FEDERAL FUND TYPE (2)	STATE MATCH FUNDS	LOCAL MATCH FUNDS	OTHER FUNDS
PRELIMINARY ENGINEERING							
Agency Preliminary Engineering							
State Furnished Preliminary Engineering							
Overhead at _____ %							
RIGHT OF WAY (R/W)							
Purchase Costs							
Relocation Assistance /Utility							
CONSTRUCTION							
Contract Items _____							
Utilities _____							
Supplemental Work _____							
Contingencies _____							
Trainees _____							
Agency/State Furn. Mat. _____							
Contract Total: _____							
CONSTRUCTION ENGINEERING							
Agency Construction Engineering							
State Furnished Construction Engineering							
Overhead at _____ %							
State Furnished Materials Testing							
Overhead at _____ %, Subjob _____							
Striping by Agency							
Force Account Work by Agency							
TOTALS:							

Federal Participation: _____
Federal Appn. Code(s): _____
Federal Reimbursement Rate(s) for Progress Invoice:

PHASE	FED (1)	FED (2)
PE		
R/W		
CON		
CE		

Certification

I certify that this Finance Letter accurately reflects the current cost estimate for all phases of the project obligated but not fully expended.

Signature : _____
Title : _____
Project location : _____
Remarks : _____

For questions regarding finance letter, contact:
Printed Name: _____
Telephone No.: _____

Distribution: (1) Original + 4 copies-Caltrans DLAE
(2) Copy-Local Agency Project File

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EXHIBIT 3-P SAMPLE "DELEGATED PROJECT AUTHORIZATION"

FEDERAL AID PROGRAM **CALIFORNIA DEPARTMENT OF TRANSPORTATION**

LOCATOR	08-SBD-0-SBD			
PREFIX	CML	PROJECT LOCATION		PREV. AUTH/AGREE DATE
PROJECT NO.	5033(029)	INTERSECTION OF PERSHING AND REDICK AVENUES		----------
SEQ NO	2			PE 08/05/02
DIST-EA	08-924726L	TYPE OF WORK		R/W
AGENCY	SAN BERNARDINO	LNG/LCNG REGIONAL REFUELING		CON
ROUTE		FED. RR NOS		SPR
TIP DATA:		PUC CODE(S)		MCS
MPO/YEAR	SCAG	EXEMPT FROM FHWA REVIEW		OTH
DATE	01/02	ENV STATUS		APPR CODES Q400
STIP REF:		R/W STATUS		LINE NOS 10
		BEGIN MP	.000	IMPRV TYPE 15
URBANIZED	SAN BENDO-RIVER	END MP	.000	FUNC. SYS N
URB/RURAL	URBAN AREA	INV RTE		

PHASE		PROJECT COST	FEDERAL COST	AC COST
	PREV. OBLIGATION	154500.00	136799.00	.00
PE	THIS REQUEST	.00	-20.00	.00
	SUBTOTAL	154500.00	136779.00	.00
	TOTAL	154500.00	136779.00	.00

PPNO - 08-2001017

STATE REMARKS

THIS PROJECT PROPOSES TO CONSTRUCT A REGIONAL FUELING STATION FACILITY FOR LNG/LCNG VEHICLES. THIS IS AN EXEMPT PROJECT.
REQUEST FOR THE PRELIMINARY ENVIRONMENTAL. HN
SEQUENCE #1 WAS A REQUEST FOR PRELIMINARY ENGINEERING FUNDS TO BE REIMBURSED WITH Q400 CMAQ FUNDS AT 88.53% UP TO THE FEDERAL AMOUNT SHOWN. PL
THIS IS A REQUEST TO DE-OBLIGATE PRELIMINARY ENGINEERING FUNDS EXCEEDING THE MAXIMUM REIMBURSEMENT RATIO OF 88.53% AND TO MATCH THE FINANCE LETTER AMOUNT.
REIMBURSE THE REMAINING Q400 CMAQ FUNDS AT 88.53% UP TO THE FEDERAL AMOUNT SHOWN. PL

	TOTAL COST	PART COST	FEDERALFUNDS (Q400)	LOCAL FUNDS
PREL. ENGR.	$ 154,500	$ 154,500	$ 136,779	$ 17,721

AUTHORIZATION TO PROCEED WITH PRE	PREPARED BY	ON 06/24/05	916-653-7349
FUNDS REDUCTION	REVIEWED BY	ON 06/24/05	8-453-7349
	AUTHORIZED BY	ON 06/24/05	
ELECTRONIC SIGNATURE DOCUMENT TYPE MEND/MOD	SIGNED BY	ON 06/24/05	FOR CALTRANS
	OBLIGATED BY	ON 06/27/05	FOR FHWA
LATEST FHWA ELECTRONIC SIGNATURE	EXECUTED BY	ON 08/06/02	

Distribution: DLAE

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EXHIBIT 3-Q REQUEST FOR AUTHORIZATION TO PROCEED WITH NON-INFRASTRUCTURE PROJECT

[Place this form on Local Agency Letterhead]

To: (DLAE Name)
District Local Assistance Engineer
Caltrans, Office of Local Assistance
(District Address)

Date: _____
FTIP/FSTIP ID: _____
Federal Project No: _____
EA: _____
PPNO (For STIP Projects): _____
Project Description: _____
_____

Dear (DLAE Name):

In order to begin federally reimbursable work for the above-referenced non-infrastructure project, we request that you secure Federal Authorization to Proceed and the obligation of funds. The federal funds requested will not exceed those provided to this agency in the federally approved Federal Transportation Improvement Program (FTIP)/Federal Statewide Transportation Improvement Program (FSTIP).

Attached are the following documents required to authorize this phase of work:

Request for Authorization Package

[ ] Completed Request for Authorization Data Sheet (Exhibit 3-E)
[ ] Copy of FTIP/FSTIP Reference
[ ] Completed Finance Letter (Exhibit 3-O)
[ ] NI project work plan, budget, schedule and deliverables

Toll Credit Usage

[ ] This project will use Toll Credit. It is fully funded.
[ ] This project will NOT use Toll Credit.

Field Review Form (Exhibit 7-B)

[ ] Completed Field Review Form (Exhibit 7-B), or
[ ] Project Application for SRTS-NI, or TE

Environmental Document

[ ] Categorical Exclusion (CE). Approval Date: _____.
[ ] Preliminary Environmental Screening Form for Non-Infrastructure Projects (PES-NI)

Disadvantaged Business Enterprise (DBE)

[ ] All work for this phase of the project will be performed by local agency staff.
[ ] For consultant contracts an Underutilized Disadvantaged Business Enterprise (UDBE) goal will be established for each contract and the Local Agency Proposer UDBE Commitment (Consultant Contracts) (Exhibit 10-O1) will be submitted with the proposal. Within 15 days of contract execution, the Local Agency Proposer DBE Information (Consultant Contracts) (Exhibit 10-O2) shall be forwarded to the DLAE.

Pre-Award Audit

[ ] Pre-award audit was not performed because the consultant contract is for **$1 million** or less and does not meet the criteria outlined in Exhibit 10-K requiring pre-award audit.

California Transportation Commission (CTC) Allocation

[ ] A CTC allocation is not required, or

[ ] A CTC allocation of $ _____ (federal/state) funds was made at the _____ meeting of the CTC, or

[ ] A CTC allocation of funds has been scheduled for the _____ meeting of the CTC. It is understood that the authorization/obligation of any federal STIP funds will not be made until after the CTC allocation.

Project Agreement and Liquidation of Funds

Upon FHWA issuance of the "Authorization to Proceed" and Agency submittal of the "Field Review" form (Exhibit 7-B), a "Program Supplement Agreement" will be prepared to encumber the federal and/or state funds for the project. This Agency understands that any federal and/or state funds encumbered for the project are available for disbursement for a limited period of time. It is anticipated that this phase of work will be completed by _____ (month, year).

Invoice Submittal

This Agency understands that only work performed after federal "Authorization to Proceed" (E-76) is eligible for reimbursement. Invoices for reimbursement will not be submitted until after the federal and state (if applicable) funds are encumbered via an executed "Program Supplement Agreement" and/or State approval Finance Letter. In addition, it is also understood that an invoice must be submitted at least once every six (6) months for each project phase until all funds are expended. If there are no eligible expenses, then a written explanation will be provided for that six (6) month period along with the target amount and date for the next invoice submittal.

CERTIFICATION

I certify that the facts and statements in this Request for Authorization Package are accurate and correct. This Agency agrees to comply with the applicable terms and conditions set forth in Title 23, U.S. Code, Highways, and the policies and procedures promulgated by the Federal Highway Administration and California Department of Transportation relative to the above-designated project.

I understand that this Agency is responsible for all costs in excess of the federal and/or state funds obligated / encumbered as well as for all costs it incurred prior to receiving the FHWA issued "Authorization to Proceed." I further understand that all subsequent phases of the project will require a separate "Federal Authorization to Proceed."

Please advise us as soon as the "Federal Authorization to Proceed" has been issued. You may direct any questions to:

(Name of Local Agency Contact) at (phone number and e-mail address) .

_____

Signature of Local Agency Representative

_____

Print Name

_____

Title

_____

Agency

EXHIBIT 3-R NON-INFRASTRUCTURE PROJECT WORK PLAN SAMPLE

This sample is for projects performed by local agency staff. It may be modified for work performed by consultant.					
Date:	Jan. 01, 2011				
Project Number:	SRTSLNI-XXXX(XXX)				
Project Location:	In the City of Any Town, from Somewhere to Anywhere				
Project Description:					
Task Summary:			**Start**	**End**	**Cost**
Task "A"	Task Name		Month-Year	Month-Year	$
Task "B"	"		"	"	$
Task "C"	"		"	"	$
..	"		"	"	$
..	"		"	"	$
			GRAND TOTAL		$
TASK "A" DETAIL:					
Task Summary:					
Schedule:		**Start Date:**	Month-Year	**End Date:**	Month-Year
Activities/	1				
Deliverables:	2				
	3				
	"				
	"				
Staff Costs:					
Staff Time			**Hours**	**Rate**	**Total $**
Party 1 - Position/Title					
Party 2 - Position/Title					
"					
"					
Task Notes:			**Staff Costs:**		
			Indirect Costs:		
			Total Staff Costs:		
			Other Costs:		
			Travel:		
			Equipment:		
			Suppies/Materials:		
			"		
			"		
			Other Direct Costs:		
			Total Other Costs:		
			TASK GRAND TOTAL:		

• Repeat Task Details table for all identified tasks

• Include a Gantt Chart for the tasks, if appropriate.

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CHAPTER 4 AGREEMENTS

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EXHIBITS

EXHIBIT/DESCRIPTION PAGE NUMBER

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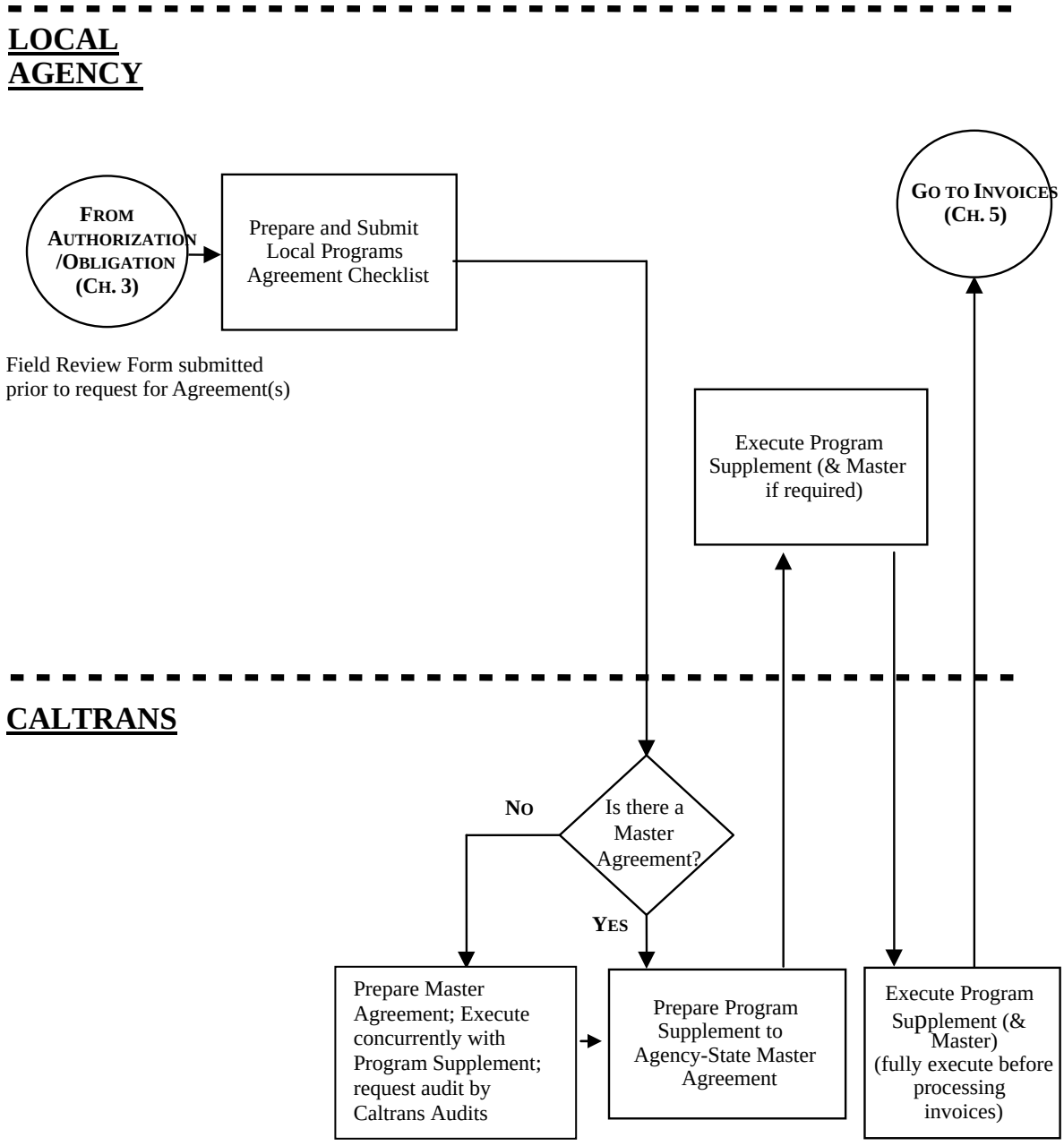
FIGURE 4-1 DEVELOPING LOCAL FEDERAL-AID AND STATE FUNDED PROJECTS



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CHAPTER 4 AGREEMENTS

4.1 INTRODUCTION

The Federal-Aid Highway Program and most local programs funded from the State Highway Account are reimbursable programs. Agreements (contracts) must be executed in order to pay funds to the local agency. The Division of Local Assistance (DLA) prepares and sends these agreements directly to the local agency. The agreements must be executed before any invoices for payment can be processed.

This discussion applies to all local agency projects receiving federal-aid highway project funds administered by FHWA and State Highway Account funds administered by the DLA as discussed in this chapter.

4.2 GENERAL AGREEMENTS

Local (Administering)[1] **Agency-State Master Agreement (Master Agreement)**- An agreement between a city, county, or other local public agency and the State defining the general terms and conditions which must be met to receive federal-aid or state funds for the following programs:

- Federal-aid Highway Program
- State-only Funded Projects

Referred to as the Master Agreement.

Program Supplement Agreement - A Local Agency-State Agreement, which amends the Master Agreement to describe the phases, costs and special conditions, that apply to a specific project**.**

MASTER AGREEMENT

A Master Agreement is required with a local agency whenever federal or state funds are to be used on a local project funded from the programs noted above.

In the Master Agreement, a local agency agrees to comply with all federal and state laws, regulations, policies and procedures relative to the design, right of way acquisition, environmental compliance, construction and maintenance of the completed facility. It is normally processed once with the agency when it begins its first federal-aid or state funded project. The Local Agency-State Master Agreements are occasionally updated and re-executed to account for changes in laws and policies.

The titles for the Master Agreements vary with the program as follows:

1. Federal-aid Highway Program
    - Local Agency-State Agreement for Federal-Aid Projects, or
    - Administering Agency-State Agreement for Federal-Aid Projects[1]
2. State-only Funded Projects
    - Administering Agency-State Agreement for State Funded Projects (with no federal funds)

[1] The latter title is being used for new or updated agreements executed after ISTEA.

PROGRAM SUPPLEMENT AGREEMENT

The supplement to the Master Agreement formalizes the financial responsibilities and provisions for a specific federal-aid or state funded project in the categories defined above. This program supplement identifies the types and amounts of federal, state and local funds used to finance the locally sponsored project. It is the contractual basis for the state to pay the local agency for work done.

Special covenants or clauses in the agreement define the agencies' specific responsibilities in implementing and maintaining the project. Others define state or local responsibilities for providing project funds.

No reimbursement payments can be made until the Program Supplement Agreement has been fully executed. Invoices shall not be submitted prior to this execution.

4.3 SPECIAL PROGRAM AGREEMENTS

Agreements are required for several programs which are prepared on a programmatic or project-by-project basis and do not follow the Master Agreement/Program Supplement pattern. These are briefly described below. Refer to the Local Assistance Program Guidelines for full details of the agreement process and conditions for these programs.

FEDERAL APPORTIONMENT EXCHANGE PROGRAM AND STATE MATCH PROGRAM AGREEMENT

This program is commonly called the Exchange/Match or Match and Exchange Program. Under the provisions of S&H Code 182.6 et seq., MPOs, RTPAs and counties are allowed to exchange certain portions of their federal-aid funds for State Highway Account funds (see the Chapter 18 of the Local Assistance Program Guidelines for details).

The DLA prepares the agreement for the maximum allowable amount that each agency can exchange and sends it for signature by the agency. Signed agreement is sent back to DLA. The agreement takes effect upon signature by appropriate DLA staff. If the agency does not wish to participate, they will send the agreement back with a letter notifying DLA to cancel the agreement.

BICYCLE TRANSPORTATION ACCOUNT AGREEMENT

Applications are submitted to the DLA for annual project selection. Upon selection, agreements for all projects for the year are prepared and submitted to the Accounting Service Center for the encumbrance of State funds and then processed for execution. The title for this agreement is "Local Agency-State Agreement, Bicycle Transportation Account Project."

PROPOSITION 116: BICYCLE PROJECT AGREEMENT

A fund allocation vote is required by the California Transportation Commission (CTC) for each project. When this is complete, Caltrans DLA prepares a Fund Transfer Agreement for execution by the local agency and state. The full agreement title is Fund Transfer Agreement, Clean Air and Transit Improvement Act of 1990 (Proposition 116) Bond Funds.

ENVIRONMENTAL ENHANCEMENT AND MITIGATION (EEM) PROJECT AGREEMENTS

After program adoption, a fund allocation vote (2nd vote) is required by the CTC for each project. When this is complete, Caltrans DLA prepares an "Applicant-State Agreement" for execution by the applicant and state. If acquisition of real property is to occur, an "Agreement Declaring Restrictive Covenants" is also required (see Chapter 20 of the *Local Assistance Program Guidelines* (LAPG) for agreement format and processing details).

4.4 PROCESS AND PROCEDURE

All project specific agreements are contingent on budget actions by the federal and state governments.

Federal-aid projects must be authorized and have funds obligated before an agreement is prepared. For projects in the State Transportation Improvement Program (STIP), Transportation Congestion Relief Program (TCRP), Conservation Lands, Statewide Transportation Enhancements (STE) Program, and Environmental Enhancement and Mitigation (EEM) Program, an allocation vote is required by the CTC. Caltrans does not prepare the agreement until the authorization, obligation and vote allocation are complete.

An agreement is prepared only once for each project after the initial authorization/obligation. In certain cases, more than one agreement is required. In such instances, the DLA will identify the need and prepare a revised agreement.

PROCESSING

To initiate the preparation of the Local Agency/State agreement, the local agency must submit a "Field Review Form" (Exhibit 7-B) to the DLA through the DLAE.

After the funds have been obligated/allocated and upon receipt of the "Field Review Form" (Exhibit 7-B), the DLA prepares the agreement. Once the requested funds have been encumbered by Local Programs Accounting, the DLA sends the agreement to the local agency for signature. The agreement must be signed by the local agency and returned to the DLA along with the signed and dated resolution as soon as possible. The "Local Agency Agreement Execution Checklist" (Exhibit 4-B) identifies key data or actions which should be provided in the agreement execution process. Any changes in funding or agreement language made by the local agency will void the agreement.

A local agency may pass a resolution for each agreement as it is presented or may pass a resolution authorizing an individual, e.g. public works director, to execute specific types of agreements as they occur. The latter method can save significant amounts of work and time and should be considered by any agency, which constructs a large number of federal-aid, or state funded projects. In either case, the resolution should clearly indicate the title of the person who is authorized to sign and for which agreement(s) or agreement types.

Upon receipt of the signed agreement and resolution, the DLA must review and sign the agreement before it can be conformed and executed. A copy of the executed agreement is then sent to the local agency and Local Programs Accounting at which time invoices may then be submitted for payment.

4.5 FEDERAL-AID PROJECT AUTHORIZATION TO PROCEED (E-76)

Section 106(a) of Title 23 of the United States Code (USC), as revised under the Transportation Equity Act for the 21st Century (TEA-21) and as superseded by the Safe Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) combined the project authorization, obligation of funds, and the execution of the federal-aid project agreement into a single action. To support SAFETEA-LU, the Federal-Aid Data System (FADS) was upgraded and implemented this new federal-aid processing requirement. Under the upgraded FADS, one electronic form entitled "Authorization to Proceed" (E-76) replaced the PR-2, PR-2A, and FNM-76. The E-76 now acts as both project authorization and federal-aid project agreement with Caltrans.

4.6 STATE HIGHWAY SYSTEM AND OTHER AGREEMENTS

Various types of agreements are required when working within the State highway right of way or with other State agencies. Included are: Grade Separation Fund, Cooperative, Joint Powers, Highway Powers, Highway Improvement, Escrow, Maintenance, Petroleum Violation Escrow Account (PVEA), and Contribution Agreements and Service contracts. These are not processed to agencies by DLA but are developed and processed as defined in other Caltrans manuals and documents. The local agency should not overlook the need for one or more of these agreements during project development.

RAILROAD SERVICE CONTRACTS

These contracts are required when a railroad company will perform work on a project. When the work is funded with Grade Crossing funds, the contracts are made between Caltrans and a railroad company and are directly processed to the railroad.

The Program Supplement Agreements for these federal-aid projects are processed as described previously.

4.7 REFERENCES

- 23 U.S.C. 630.301 et. Seq
- Published Memos: Weaver/Kiff, 2/20/93, Everitt 5/28/93 & 1/5/95 (Exchange & Match procedures)
- SAFETEA-LU Web site at: http://www.fhwa.dot.gov/safetealu/factsheets.htm
- Section 106 (a) United Codes revised under TEA-21

EXHIBIT 4-B LOCAL AGENCY AGREEMENT EXECUTION CHECKLIST

- Receive Agreement from Caltrans

☐ Staff reviews agreement for content & funding. If changes are needed, return to Caltrans.

☐ Staff prepares resolution for governing board action:

  ☐ Resolution clearly identifies agreement to be approved. *

  ☐ Resolution identifies person/position to execute agreement for board. *

☐ Governing board passes resolution. *

☐ Agreement completed by adding resolution # and date of board action on first page. *

☐ Authorized individual signs each original agreement with ink signatures, title & date. *

☐ Agency clerk/secretary attests to executors action with signature, title & date. (Optional - follow agency standard procedures)

☐ Agency returns both originals and a copy of the authorizing resolution to Caltrans Sacramento. *

- Caltrans executes agreement and returns one original to Agency

* Caution urged; failure to complete these actions may negate Caltrans ability to execute the agreement.

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MASTER AGREEMENT

ADMINISTERING AGENCY-STATE AGREEMENT
FOR
FEDERAL-AID PROJECTS

__[District]____[Agency Name]_____
District Administering Agency

Agreement No._____

This AGREEMENT, is entered into effective this _____ day of _____, 20__, by and between the **Name of Local Agency**, hereinafter referred to as "ADMINISTERING AGENCY," and the State of California, acting by and through its Department of Transportation (Caltrans), hereinafter referred to as "STATE, and together referred to as “PARTIES” or individually as a “PARTY."

RECITALS:

1. WHEREAS, the Congress of the United States has enacted the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991 and subsequent Transportation Authorization Bills to fund transportation programs. These transportation programs include, but are not limited to, the Surface Transportation Program (STP), the Congestion Mitigation and Air Quality Improvement Program (CMAQ), the Transportation Enhancement Program (TE), Highway Safety Improvement Program (HSIP) and the Highway Bridge Program (HBP) (collectively the “PROGRAMS”); and

2. WHEREAS, the Legislature of the State of California has enacted legislation by which certain federal-aid funds may be made available for use on local transportation related projects of public entities qualified to act as recipients of these federal-aid funds in accordance with the intent of federal law; and

3. WHEREAS, before federal-funds will be made available for a specific program project, ADMINISTERING AGENCY and STATE are required to enter into an agreement to establish terms and conditions applicable to the ADMINISTERING AGENCY when receiving federal funds for a designated PROJECT facility and to the subsequent operation and maintenance of that completed facility.

NOW, THEREFORE, the PARTIES agree as follows:

ARTICLE I - PROJECT ADMINISTRATION

1. This AGREEMENT shall have no force or effect with respect to any program project unless and until a project-specific Program Supplement to this AGREEMENT for federal-aid projects, hereinafter referred to as "PROGRAM SUPPLEMENT", has been fully executed by both STATE and ADMINISTERING AGENCY.

2. The term "PROJECT", as used herein, means that authorized transportation related project and related activities financed in part with federal-aid funds as more fully-described in an “Authorization/ Agreement Summary” or “Amendment/Modification Summary”, herein referred to as “E-76” or “E-76 (AMOD)” document authorized by STATE or the Federal Highway Administration (FHWA).

3. The E-76/E-76(AMOD) shall designate the party responsible for implementing PROJECT, type of work and location of PROJECT.

4. The PROGRAM SUPPLEMENT sets out special covenants as a condition for the ADMINISTERING AGENCY to receive federal-aid funds from/through STATE for designated PROJECT. The PROGRAM SUPPLEMENT shall also show these Federal Funds that have been initially encumbered for PROJECT along with the matching funds to be provided by ADMINISTERING AGENCY and/or others. Execution of PROGRAM SUPPLEMENT by the PARTIES shall cause ADMINISTERING AGENCY to adopt all of the terms of this AGREEMENT as though fully set forth therein in the PROGRAM SUPPLEMENT. Unless otherwise expressly delegated in a resolution by the governing body of ADMINISTERING AGENCY, and with written concurrence by STATE, the PROGRAM SUPPLEMENT shall be approved and managed by the governing body of ADMINISTERING AGENCY

5. ADMINISTERING AGENCY agrees to execute and return each project-specific PROGRAM SUPPLEMENT within ninety (90) days of receipt. The PARTIES agree that STATE may suspend future authorizations/obligations and invoice payments for any on-going or future federal-aid project performed by ADMINISTERING AGENCY if any project-specific PROGRAM SUPPLEMENT is not returned within that ninety (90) day period unless otherwise agreed by STATE in writing.

6. ADMINISTERING AGENCY further agrees, as a condition to the release and payment of Federal Funds encumbered for the PROJECT described in each PROGRAM SUPPLEMENT, to comply with the terms and conditions of this AGREEMENT and all of the agreed-upon Special Covenants or Remarks incorporated within the PROGRAM SUPPLEMENT, and Cooperative/Contribution Agreement where appropriate, defining and identifying the nature of the specific PROJECT.

7. Federal, State and matching funds will not participate in PROJECT work performed in advance of the approval of the E-76 or E-76 (AMOD), unless otherwise stated in the executed project-specific PROGRAM SUPPLEMENT. ADMINISTERING AGENCY agrees that it will only proceed with the work authorized for that specific phase(s) on the project-specific E-76 or E-76 (AMOD). ADMINISTERING AGENCY further agrees to not proceed with future phases of PROJECT prior to receiving an E-76 (AMOD) from STATE for that phase(s) unless no Further Federal funds are needed or for those future phase(s)..

8. That PROJECT or portions thereof, must be included in a federally approved Federal Statewide Transportation Improvement Program (FSTIP) prior to ADMINISTERING AGENCY submitting the “Request for Authorization”

9. ADMINISTERING AGENCY shall conform to all State statutes, regulations and procedures (including those set forth in the Local Assistance Procedures Manual and the Local Assistance Program Guidelines, hereafter collectively referred to as “LOCAL ASSISTANCE PROCEDURES”) relating to the federal-aid program, all Title 23 federal requirements, and all applicable federal laws, regulations, and policy and procedural or instructional memoranda, unless otherwise specifically waived as designated in the executed project-specific PROGRAM SUPPLEMENT.

10. If PROJECT is not on STATE-owned right of way, PROJECT shall be constructed in accordance with LOCAL ASSISTANCE PROCEDURES that describes minimum statewide design standards for local agency streets and roads. LOCAL ASSISTANCE PROCEDURES for projects off the National Highway System (NHS) allow STATE to accept either the STATE's minimum statewide design standards or the approved geometric design standards of ADMINISTERING AGENCY. Additionally, for projects off the NHS, STATE will accept ADMINISTERING AGENCY-approved standard specifications, standard plans, materials sampling and testing quality assurance programs that meet the conditions described in the then current LOCAL ASSISTANCE PROCEDURES.

11. If PROJECT involves work within or partially within STATE-owned right-of-way, that PROJECT shall also be subject to compliance with the policies, procedures and standards of the STATE Project Development Procedures Manual and Highway Design Manual and where appropriate, an executed cooperative agreement between STATE and ADMINISTERING AGENCY that outlines the PROJECT responsibilities and respective obligations of the PARTIES. ADMINISTERING AGENCY and its' contractors shall each obtain an encroachment permit through STATE prior to commencing any work within STATE rights of way or work which affects STATE facilities.

12. When PROJECT is not on the State Highway System but includes work to be performed by a railroad, the contract for such work shall be prepared by ADMINISTERING AGENCY or by STATE, as the PARTIES may hereafter agree. In either event, ADMINISTERING AGENCY shall enter into an agreement with the railroad providing for future maintenance of protective devices or other facilities installed under the contract.

13. If PROJECT is using STATE funds, the Department of General Services, Division of the State Architect, or its designee, shall review the contract PS&E for the construction of buildings, structures, sidewalks, curbs and related facilities for accessibility and usability. ADMINISTERING AGENCY shall not award a PROJECT construction contract for these types of improvements until the State Architect has issued written approval stating that the PROJECT plans and specifications comply with the provisions of sections 4450 and 4454 of the California Government Code, if applicable. Further requirements and guidance are provided in Title 24 of the California Code of Regulations.

14. ADMINISTERING AGENCY will advertise, award and administer PROJECT in accordance with the current LOCAL ASSISTANCE PROCEDURES unless otherwise stated in the executed project-specific PROGRAM SUPPLEMENT.

15. ADMINISTERING AGENCY shall provide or arrange for adequate supervision and inspection of each PROJECT. While consultants may perform supervision and inspection work for PROJECT with a fully qualified and licensed engineer, ADMINISTERING AGENCY shall provide a full-time employee to be in responsible charge of each PROJECT.

16. ADMINISTERING AGENCY shall submit PROJECT-specific contract award documents to STATE's District Local Assistance Engineer within sixty (60) days after contract award. A copy of the award documents shall also be included with the submittal of the first invoice for a construction contract by ADMINISTERING AGENCY to: Department of Transportation, Division of Accounting Local Programs Accounting Branch, MS #33, PO Box 942874, Sacramento, California 94274-0001

17. ADMINISTERING AGENCY shall submit the final report documents that collectively constitute a "Report of Expenditures" within one hundred eighty (180) days of PROJECT completion. Failure by ADMINISTERING AGENCY to submit a "Report of Expenditures" within one hundred eight (180) days of project completion will result in STATE imposing sanctions upon ADMINISTERING AGENCY in accordance with the current LOCAL ASSISTANCE PROCEDURES.

18. ADMINISTERING AGENCY shall comply with: (i) section 504 of the Rehabilitation Act of 1973 which prohibits discrimination on the basis of disability in federally assisted programs; (ii) the Americans with Disabilities Act (ADA) of 1990 which prohibits discrimination on the basis of disability irrespective of funding; and (iii) all applicable regulations and guidelines issued pursuant to both the Rehabilitation Act and the ADA.

19. The Congress of the United States, the Legislature of the State of California and the Governor of the State of California, each within their respective jurisdictions, have prescribed certain nondiscrimination requirements with respect to contract and other work financed with public funds. ADMINISTERING AGENCY agrees to comply with the requirements of the FAIR EMPLOYMENT PRACTICES ADDENDUM (Exhibit A attached hereto) and the NONDISCRIMINATION ASSURANCES (Exhibit B attached hereto). ADMINISTERING AGENCY further agrees that any agreement entered into by ADMINISTERING AGENCY with a third party for performance of PROJECT-related work shall incorporate Exhibits A and B (with third party's name replacing ADMINISTERING AGENCY) as essential parts of such agreement to be enforced by that third party as verified by ADMINISTERING AGENCY.

ARTICLE II - RIGHTS OF WAY

1. No contract for the construction of a federal-aid PROJECT shall be awarded until all necessary rights of way have been secured. Prior to the advertising for construction of PROJECT, ADMINISTERING AGENCY shall certify and, upon request, shall furnish STATE with evidence that all necessary rights of way are available for construction purposes or will be available by the time of award of the construction contract.

2. ADMINISTERING AGENCY agrees to indemnify and hold STATE harmless from any liability that may result in the event the right of way for a PROJECT, including, but not limited to, being clear as certified or if said right of way is found to contain hazardous materials requiring treatment or removal to remediate in accordance with Federal and State laws. The furnishing of right of way as provided for herein includes, in addition to all real property required for the PROJECT, title free and clear of obstructions and encumbrances affecting PROJECT and the payment, as required by applicable law, of relocation costs and damages to remainder real property not actually taken but injuriously affected by PROJECT. ADMINISTERING AGENCY shall pay, from its own non-matching funds, any costs which arise out of delays to the construction of PROJECT because utility facilities have not been timely removed or relocated, or because rights of way were not available to ADMINISTERING AGENCY for the orderly prosecution of PROJECT work.

3. Subject to STATE approval and such supervision as is required by LOCAL ASSISTANCE PROCEDURES over ADMINISTERING AGENCY's right of way acquisition procedures, ADMINISTERING AGENCY may claim reimbursement from Federal Funds for expenditures incurred in purchasing only the necessary rights of way needed for the PROJECT after crediting PROJECT with the fair market value of any excess property retained and not disposed of by ADMINISTERING AGENCY.

4. When real property rights are to be acquired by ADMINISTERING AGENCY for a PROJECT, said ADMINISTERING AGENCY must carry out that acquisition in compliance with all applicable State and Federal laws and regulations, in accordance with State procedures as published in State's current LOCAL ASSISTANCE PROCEDURES and STATE's Right-of-Way Manual, subject to STATE oversight to ensure that the completed work is acceptable under the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

5. Whether or not federal-aid is to be requested for right of way, should ADMINISTERING AGENCY, in acquiring right of way for PROJECT, displace an individual, family, business, farm operation, or non-profit organization, relocation payments and services will be provided as set forth in 49 CFR, Part 24. The public will be adequately informed of the relocation payments and services which will be available, and, to the greatest extent practicable, no person lawfully occupying real property shall be required to move from his/her dwelling or to move his/her business or farm operation without at least ninety (90) days written notice from ADMINISTERING

AGENCY. ADMINISTERING AGENCY will provide STATE with specific assurances, on each portion of the PROJECT, that no person will be displaced until comparable decent, safe and sanitary replacement housing is available within a reasonable period of time prior to displacement, and that ADMINISTERING AGENCY's relocation program is realistic and adequate to provide orderly, timely and efficient relocation of PROJECT-displaced persons as provided in 49 CFR, Part 24.

6. ADMINISTERING AGENCY shall, along with recording the deed or instrument evidencing title in the name of the ADMINISTERING AGENCY or their assignee, shall also record an Agreement Declaring Restrictive Covenants (ADRC) as a separate document incorporating the assurances included within Exhibits A and B and Appendices A, B, C and D of the AGREEMENT, as appropriate.

ARTICLE III - MAINTENANCE AND MANAGEMENT

1. ADMINISTERING AGENCY will maintain and operate the property acquired, developed, constructed, rehabilitated, or restored by PROJECT for its intended public use until such time as the parties might amend this AGREEMENT to otherwise provide. With the approval of STATE, ADMINISTERING AGENCY or its successors in interest in the PROJECT property may transfer this obligation and responsibility to maintain and operate PROJECT property for that intended public purpose to another public entity.

2. Upon ADMINISTERING AGENCY's acceptance of the completed federal-aid construction contract or upon contractor being relieved of the responsibility for maintaining and protecting PROJECT, ADMINISTERING AGENCY will be responsible for the maintenance, ownership, liability, and the expense thereof, for PROJECT in a manner satisfactory to the authorized representatives of STATE and FHWA and if PROJECT falls within the jurisdictional limits of another Agency or Agencies, it is the duty of ADMINISTERING AGENCY to facilitate a separate maintenance agreement(s) between itself and the other jurisdictional Agency or Agencies providing for the operation, maintenance, ownership and liability of PROJECT. Until those agreements are executed, ADMINISTERING AGENCY will be responsible for all PROJECT operations, maintenance, ownership and liability in a manner satisfactory to the authorized representatives of STATE and FHWA. If, within ninety (90) days after receipt of notice from STATE that a PROJECT, or any portion thereof, is not being properly operated and maintained and ADMINISTERING AGENCY has not satisfactorily remedied the conditions complained of, the approval of future federal-aid projects of ADMINISTERING AGENCY will be withheld until the PROJECT shall have been put in a condition of operation and maintenance satisfactory to STATE and FHWA. The provisions of this section shall not apply to a PROJECT that has been vacated through due process of law with STATE's concurrence.

3. PROJECT and its facilities shall be maintained by an adequate and well-trained staff of engineers and/or such other professionals and technicians as PROJECT reasonably requires. Said operations and maintenance staff may be employees of ADMINISTERING AGENCY, another unit of government, or a contractor under agreement with ADMINISTERING AGENCY. All maintenance will be performed at regular intervals or as required for efficient operation of the complete PROJECT improvements.

ARTICLE IV – FISCAL PROVISIONS

1. All contractual obligations of STATE are subject to the appropriation of resources by the Legislature and the allocation of resources by the California Transportation Commission (CTC).

2. STATE'S financial commitment of Federal Funds will occur only upon the execution of this AGREEMENT, the authorization of the project-specific E-76 or E-76 (AMOD), the execution of each project-specific PROGRAM SUPPLEMENT, and STATE's approved finance letter.

3. ADMINISTERING AGENCY may submit signed duplicate invoices in arrears for reimbursement of participating PROJECT costs on a monthly or quarterly progress basis once the project-specific PROGRAM SUPPLEMENT has been executed by STATE.

4. ADMINISTERING AGENCY agrees, as a minimum, to submit invoices at least once every six (6) months commencing after the funds are encumbered on either the project-specific PROGRAM SUPPLEMENT or through a project-specific finance letter approved by STATE. STATE reserves the right to suspend future authorizations/obligations, and invoice payments for any on-going or future federal-aid project by ADMINISTERING AGENCY if PROJECT costs have not been invoiced by ADMINISTERING AGENCY for a six (6) month period

5. Invoices shall be submitted on ADMINISTERING AGENCY letterhead that includes the address of ADMINISTERING AGENCY and shall be formatted in accordance with LOCAL ASSISTANCE PROCEDURES.

6. Invoices must have at least one copy of supporting backup documentation for costs incurred and claimed for reimbursement by ADMINISTERING AGENCY. Acceptable backup documentation includes, but is not limited to, agency's progress payment to the contractors, copies of cancelled checks showing amounts made payable to vendors and contractors, and/or a computerized summary of PROJECT costs.

7. Payments to ADMINISTERING AGENCY can only be released by STATE as reimbursement of actual allowable PROJECT costs already incurred and paid for by ADMINISTERING AGENCY.

8. An Indirect Cost Rate Proposal and Central Service Cost Allocation Plan and related documentation are to be provided to STATE (Caltrans Audits & Investigations) annually for review and approval prior to ADMINISTERING AGENCY seeking reimbursement of indirect cost incurred within each fiscal year being claimed for federal reimbursement.

9. Once PROJECT has been awarded, STATE reserves the right to de-obligate any excess Federal Funds from the construction phase of PROJECT if the contract award amount is less than the obligated amount, as shown on the PROJECT E-76 or E-76 (AMOD).

10. STATE will withhold the greater of either two (2) percent of the total of all Federal Funds encumbered for each PROGRAM SUPPLEMENT or $40,000 until ADMINISTERING AGENCY submits the Final Report of Expenditures for each completed PROGRAM SUPPLEMENT PROJECT.

11. The estimated total cost of PROJECT, the amount of Federal Funds obligated, and the required matching funds may be adjusted by mutual consent of the PARTIES hereto with a finance letter, a detailed estimate, if required, and approved E-76 (AMOD). Federal-aid funding may be increased to cover PROJECT cost increases only if such funds are available and FHWA concurs with that increase

12. When additional federal-aid funds are not available, ADMINISTERING AGENCY agrees that the payment of Federal Funds will be limited to the amounts authorized on the PROJECT specific E-76 / E-76 (AMOD) and agrees that any increases in PROJECT costs must be defrayed with ADMINISTERING AGENCY's own funds.

13. ADMINISTERING AGENCY shall use its own non-Federal Funds to finance the local share of eligible costs and all expenditures or contract items ruled ineligible for financing with Federal Funds. STATE shall make the determination of ADMINISTERING AGENCY's cost eligibility for federal fund financing of PROJECT costs.

14. ADMINISTERING AGENCY will reimburse STATE for STATE's share of costs for work performed by STATE at the request of ADMINISTERING AGENCY. STATE's costs shall include overhead assessments in accordance with section 8755.1 of the State Administrative Manual.

15. Federal and state funds allocated from the State Transportation Improvement Program (STIP) are subject to the timely use of funds provisions enacted by Senate Bill 45, approved in 1997, and subsequent STIP Guidelines and State procedures approved by the CTC and STATE.

16. Federal Funds encumbered for PROJECT are available for liquidation for a period of seven (7) years from the beginning of the State fiscal year the funds were appropriated in the State Budget. State funds encumbered for PROJECT are available for liquidation only for five (5) years from the beginning of the State fiscal year the funds were appropriated in the State Budget. Federal or state funds not liquidated within these periods will be reverted unless an Cooperative Work Agreement (CWA) is submitted by ADMINISTERING AGENCY and approved by the California Department of Finance (per Government Code section 16304). The exact date of fund reversion will be reflected in the STATE signed finance letter for PROJECT.

17. Payments to ADMINISTERING AGENCY for PROJECT-related travel and subsistence (per diem) expenses of ADMINISTERING AGENCY forces and its contractors and subcontractors claimed for reimbursement or as local match credit shall not exceed rates authorized to be paid rank and file STATE employees under current State Department of Personnel Administration (DPA) rules. If the rates invoiced by ADMINISTERING AGENCY are in excess of DPA rates, ADMINISTERING AGENCY is responsible for the cost difference, and any overpayments inadvertently paid by STATE shall be reimbursed to STATE by ADMINISTERING AGENCY on demand within thirty (30) days of such invoice.

18. ADMINISTERING AGENCY agrees to comply with Office of Management and Budget (OMB) Circular A-87, Cost Principles for State and Local Governments, and 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

19. ADMINISTERING AGENCY agrees, and will assure that its contractors and subcontractors will be obligated to agree that (a) Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allowability of individual PROJECT cost items and (b) those parties shall comply with federal administrative procedures in accordance with 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments. Every sub-recipient receiving PROJECT funds as a contractor or sub-contractor under this AGREEMENT shall comply with Federal administrative procedures in accordance with 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

20. Any PROJECT costs for which ADMINISTERING AGENCY has received payment or credit that are determined by subsequent audit to be unallowable under OMB Circular A-87, 48 CFR, Chapter 1, Part 31 or 49 CFR, Part 18, are subject to repayment by ADMINISTERING AGENCY to STATE. Should ADMINISTERING AGENCY fail to reimburse moneys due STATE within thirty 30 days of demand, or within such other period as may be agreed in writing between the PARTIES hereto, STATE is authorized to intercept and withhold future payments due ADMINISTERING AGENCY from STATE or any third-party source, including but not limited to, the State Treasurer, the State Controller and the CTC.

21. Upon written demand by STATE, any overpayment to ADMINISTERING AGENCY of amounts invoiced to STATE shall be returned to STATE.

22. Should ADMINISTERING AGENCY fail to refund any moneys due STATE as provided hereunder or should ADMINISTERING AGENCY breach this AGREEMENT by failing to complete PROJECT without adequate justification and approval by STATE, then, within thirty 30 days of demand, or within such other period as may be agreed to in writing between the PARTIES, STATE, acting through the State Controller, the State Treasurer, or any other public entity or agency, may withhold or demand a transfer of an amount equal to the amount paid by or owed to STATE from future apportionments, or any other funds due ADMINISTERING AGENCY from the Highway Users Tax Fund or any other sources of funds, and/or may withhold approval of future ADMINISTERING AGENCY federal-aid projects.

23. Should ADMINISTERING AGENCY be declared to be in breach of this AGREEMENT or otherwise in default thereof by STATE, and if ADMINISTERING AGENCY is constituted as a joint powers authority, special district, or any other public entity not directly receiving funds through the State Controller, STATE is authorized to obtain reimbursement from whatever sources of funding are available, including the withholding or transfer of funds, pursuant to Article IV – 22, from those constituent entities comprising a joint powers authority or by bringing of an action against ADMINISTERING AGENCY or its constituent member entities, to recover all funds provided by STATE hereunder.

24. ADMINISTERING AGENCY acknowledges that the signatory party represents the ADMINISTERING AGENCY and further warrants that there is nothing within a Joint Powers Agreement, by which ADMINISTERING AGENCY was created, if any exists, that would restrict or otherwise limit STATE's ability to recover State funds improperly spent by ADMINISTERING AGENCY in contravention of the terms of this AGREEMENT.

ARTICLE V
AUDITS, THIRD PARTY CONTRACTING, RECORDS RETENTION AND REPORTS

1. STATE reserves the right to conduct technical and financial audits of PROJECT work and records when determined to be necessary or appropriate and ADMINISTERING AGENCY agrees, and shall require its contractors and subcontractors to agree, to cooperate with STATE by making all appropriate and relevant PROJECT records available for audit and copying as required by paragraph three (3) of ARTICLE V.

2. ADMINISTERING AGENCY, its contractors and subcontractors shall establish and maintain an accounting system and records that properly accumulate and segregate incurred PROJECT costs and matching funds by line item for the PROJECT. The accounting system of ADMINISTERING AGENCY, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles, enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices sent to or paid by STATE.

3. For the purpose of determining compliance with Title 21, California Code of Regulations, Chapter 21, section 2500 et seq., when applicable, and other matters connected with the performance of ADMINISTERING AGENCY's contracts with third parties, ADMINISTERING AGENCY, ADMINISTERING AGENCY's contractors and subcontractors, and STATE shall each maintain and make available for inspection and audit all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All of the above referenced parties shall make such AGREEMENT and PROGRAM SUPPLEMENT materials available at their respective offices at all reasonable times during the entire PROJECT period and for three (3) years from the date of final payment to ADMINISTERING AGENCY under any PROGRAM SUPPLEMENT. STATE, the California State Auditor, or any duly authorized representative of STATE or the United States, shall each have access to any books, records, and documents that are pertinent to a PROJECT for audits, examinations, excerpts, and transactions and ADMINISTERING AGENCY shall furnish copies thereof if requested.

4. ADMINISTERING AGENCY is required to have an audit in accordance with the Single Audit Act of OMB Circular A-133 if it receives a total of $500,000 or more in Federal Funds in a single fiscal year. The Federal Funds received under a PROGRAM SUPPLEMENT are a part of the Catalogue of Federal Domestic Assistance (CFDA) 20.205, Highway Planning and Research.

5. ADMINISTERING AGENCY agrees to include all PROGRAM SUPPLEMENTS adopting the terms of this AGREEMENT in the schedule of projects to be examined in ADMINISTERING AGENCY's annual audit and in the schedule of projects to be examined under its single audit prepared in accordance with OMB Circular A-133.

6. ADMINISTERING AGENCY shall not award a construction contract over $10,000 or other contracts over $25,000 (excluding professional service contracts of the type which are required to be procured in accordance with Government Code sections 4525 (d), (e) and (f) on the basis of a noncompetitive negotiation for work to be performed under this AGREEMENT without the prior written approval of STATE. Contracts awarded by ADMINISTERING AGENCY, if intended as local match credit, must meet the requirements set forth in this AGREEMENT regarding local match funds.

7. Any subcontract entered into by ADMINISTERING AGENCY as a result of this AGREEMENT shall contain all of the provisions of ARTICLE IV, FISCAL PROVISIONS, and this ARTICLE V, AUDITS, THIRD-PARTY CONTRACTING RECORDS RETENTION AND REPORTS, and shall mandate that travel and per diem reimbursements and third-party contract reimbursements to subcontractors will be allowable as PROJECT costs only after those costs are incurred and paid for by the subcontractors.

8. To be eligible for local match credit, ADMINISTERING AGENCY must ensure that local match funds used for a PROJECT meet the fiscal provisions requirements outlined in ARTICLE IV in the same manner as required of all other PROJECT expenditures.

9. In addition to the above, the pre-award requirements of third-party contractor/consultants with ADMINISTERING AGENCY should be consistent with LOCAL ASSISTANCE PROCEDURES.

ARTICLE VI -FEDERAL LOBBYING ACTIVITIES CERTIFICATION

1. By execution of this AGREEMENT, ADMINISTERING AGENCY certifies, to the best of the signatory officer's knowledge and belief, that:

A. No federal or state appropriated funds have been paid or will be paid, by or on behalf of ADMINISTERING AGENCY, to any person for influencing or attempting to influence an officer or employee of any STATE or federal agency, a member of the State Legislature or United States Congress, an officer or employee of the Legislature or Congress, or any employee of a Member of the Legislature or Congress in connection with the awarding of any STATE or federal contract, including this AGREEMENT, the making of any STATE or federal loan, the entering into of any cooperative contract, and the extension, continuation, renewal, amendment, or modification of any STATE or federal contract, grant, loan, or cooperative contract.

B. If any funds other than federal appropriated funds have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any federal agency, a member of Congress, an officer or employee of Congress or an employee of a member of Congress in connection with this AGREEMENT, grant, local, or cooperative contract, ADMINISTERING AGENCY shall complete and submit Standard Form-LLL, "Disclosure Form to Rep Lobbying," in accordance with the form instructions.

C. This certification is a material representation of fact upon which reliance was placed when this AGREEMENT and each PROGRAM SUPPLEMENT was or will be made or entered into. Submission of this certification is a prerequisite for making or entering into this AGREEMENT imposed by Section 1352, Title 31, United States Code. Any party who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

2. ADMINISTERING AGENCY also agrees by signing this AGREEMENT that the language of this certification will be included in all lower tier sub-agreements which exceed $100,000 and that all such sub-recipients shall certify and disclose accordingly.

ARTICLE VII - MISCELLANEOUS PROVISIONS

1. ADMINISTERING AGENCY agrees to use all State funds reimbursed hereunder only for transportation purposes that are in conformance with Article XIX of the California State Constitution and the relevant Federal Regulations.

2. This AGREEMENT is subject to any additional restrictions, limitations, conditions, or any statute enacted by the State Legislature or adopted by the CTC that may affect the provisions, terms, or funding of this AGREEMENT in any manner.

3. ADMINISTERING AGENCY and the officers and employees of ADMINISTERING AGENCY, when engaged in the performance of this AGREEMENT, shall act in an independent capacity and not as officers, employees or agents of STATE or the federal government.

4. Each project-specific PROGRAM SUPPLEMENT shall separately establish the terms and funding limits for each described PROJECT funded under the AGREEMENT. No federal or state funds are obligated against this AGREEMENT.

5. ADMINISTERING AGENCY certifies that neither ADMINISTERING AGENCY nor its principals are suspended or debarred at the time of the execution of this AGREEMENT. ADMINISTERING AGENCY agrees that it will notify STATE immediately in the event a suspension or a debarment occurs after the execution of this AGREEMENT.

6. ADMINISTERING AGENCY warrants, by execution of this AGREEMENT, that no person or selling agency has been employed or retained to solicit or secure this AGREEMENT upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by ADMINISTERING AGENCY for the purpose of securing business. For breach or violation of this warranty, STATE has the right to annul this AGREEMENT without liability, pay only for the value of the work actually performed, or in STATE's discretion, to deduct from the price of consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

7. In accordance with Public Contract Code section 10296, ADMINISTERING AGENCY hereby certifies under penalty of perjury that no more than one final unappealable finding of contempt of court by a federal court has been issued against ADMINISTERING AGENCY within the immediate preceding two (2) year period because of ADMINISTERING AGENCY's failure to comply with an order of a federal court that orders ADMINISTERING AGENCY to comply with an order of the National Labor Relations Board.

8. ADMINISTERING AGENCY shall disclose any financial, business, or other relationship with STATE, FHWA or FTA that may have an impact upon the outcome of this AGREEMENT. ADMINISTERING AGENCY shall also list current contractors who may have a financial interest in the outcome of this AGREEMENT.

9. ADMINISTERING AGENCY hereby certifies that it does not now have nor shall it acquire any financial or business interest that would conflict with the performance of PROJECT under this AGREEMENT

10. ADMINISTERING AGENCY warrants that this AGREEMENT was not obtained or secured through rebates, kickbacks or other unlawful consideration either promised or paid to any STATE employee. For breach or violation of this warranty, STATE shall have the right, in its discretion, to terminate this AGREEMENT without liability, to pay only for the work actually performed, or to deduct from the PROGRAM SUPPLEMENT price or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

11. Any dispute concerning a question of fact arising under this AGREEMENT that is not disposed of by agreement shall be decided by the STATE's Contract Officer who may consider any written or verbal evidence submitted by ADMINISTERING AGENCY. The decision of the Contract Officer, issued in writing, shall be conclusive and binding on the PARTIES on all questions of fact considered and determined by the Contract Officer.

12. Neither the pending of a dispute nor its consideration by the Contract Officer will excuse ADMINISTERING AGENCY from full and timely performance in accordance with the terms of this AGREEMENT.

13. Neither ADMINISTERING AGENCY nor any officer or employee thereof is responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by, under or in connection with any work, authority or jurisdiction arising under this AGREEMENT. It is understood and agreed that STATE shall fully defend, indemnify and save harmless the ADMINISTERING AGENCY and all of its officers and employees from all claims, suits or actions of every name, kind and description brought forth under, including, but not limited to, tortuous, contractual, inverse condemnation and other theories or assertions of liability occurring by reason of anything done or omitted to be done by STATE under this AGREEMENT.

14. Neither STATE nor any officer or employee thereof shall be responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by ADMINISTERING AGENCY under, or in connection with, any work, authority or jurisdiction arising under this AGREEMENT. It is understood and agreed that ADMINISTERING AGENCY shall fully defend, indemnify and save harmless STATE and all of its officers and employees from all claims, suits or actions of every name, kind and description brought forth under, including, but not limited to, tortuous, contractual, inverse condemnation or other theories or assertions of liability occurring by reason of anything done or omitted to be done by ADMINISTERING AGENCY under this AGREEMENT.

15. STATE reserves the right to terminate funding for any PROJECT upon written notice to ADMINISTERING AGENCY in the event that ADMINISTERING AGENCY fails to proceed with PROJECT work in accordance with the project-specific PROGRAM SUPPLEMENT, the bonding requirements if applicable, or otherwise violates the conditions of this AGREEMENT and/or PROGRAM SUPPLEMENT, or the funding allocation such that substantial performance is significantly endangered.

16. No termination shall become effective if, within thirty (30) days after receipt of a Notice of Termination, ADMINISTERING AGENCY either cures the default involved or, if not reasonably susceptible of cure within said thirty (30) day period, ADMINISTERING AGENCY proceeds thereafter to complete the cure in a manner and time line acceptable to STATE. Any such termination shall be accomplished by delivery to ADMINISTERING AGENCY of a Notice of Termination, which notice shall become effective not less than thirty (30) days after receipt, specifying the reason for the termination, the extent to which funding of work under this AGREEMENT is terminated and the date upon which such termination becomes effective, if beyond thirty

(30) days after receipt. During the period before the effective termination date, ADMINISTERING AGENCY and STATE shall meet to attempt to resolve any dispute. In the event of such termination, STATE may proceed with the PROJECT work in a manner deemed proper by STATE. If STATE terminates funding for PROJECT with ADMINISTERING AGENCY, STATE shall pay ADMINISTERING AGENCY the sum due ADMINISTERING AGENCY under the PROGRAM SUPPLEMENT and/or STATE approved finance letter prior to termination, provided, however, ADMINISTERING AGENCY is not in default of the terms and conditions of this AGREEMENT or the project-specific PROGRAM SUPPLEMENT and that the cost of PROJECT completion to STATE shall first be deducted from any sum due ADMINISTERING AGENCY.

17. In case of inconsistency or conflicts with the terms of this AGREEMENT and that of a project-specific PROGRAM SUPPLEMENT, the terms stated in that PROGRAM SUPPLEMENT shall prevail over those in this AGREEMENT.

18. Without the written consent of STATE, this AGREEMENT is not assignable by ADMINISTERING AGENCY either in whole or in part.

19. No alteration or variation of the terms of this AGREEMENT shall be valid unless made in writing and signed by the PARTIES, and no oral understanding or agreement not incorporated herein shall be binding on any of the PARTIES.

IN WITNESS WHEREOF, the PARTIES have executed this AGREEMENT by their duly authorized officers.

STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION	ADMINISTERING AGENCY NAME
By_____ _____	By_____ _____
Chief, Office of Project Implementation Division of Local Assistance	ADMINISTERING AGENCY Representative Name & Title (Authorized Governing Body Representative)
Date _____	Date _____

EXHIBIT A

FAIR EMPLOYMENT PRACTICES ADDENDUM

1. In the performance of this Agreement, ADMINISTERING AGENCY will not discriminate against any employee for employment because of race, color, sex, sexual orientation, religion, ancestry or national origin, physical disability, medical condition, marital status, political affiliation, family and medical care leave, pregnancy leave, or disability leave. ADMINISTERING AGENCY will take affirmative action to ensure that employees are treated during employment without regard to their race, sex, sexual orientation, color, religion, ancestry, or national origin, physical disability, medical condition, marital status, political affiliation, family and medical care leave, pregnancy leave, or disability leave. Such action shall include, but not be limited to, the following: employment; upgrading; demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. ADMINISTERING AGENCY shall post in conspicuous places, available to employees for employment, notices to be provided by STATE setting forth the provisions of this Fair Employment section.

2. ADMINISTERING AGENCY, its contractor(s) and all subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 1290-0 et seq.), and the applicable regulations promulgated thereunder (California code of Regulations, Title 2, Section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12900(a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this AGREEMENT by reference and made a part hereof as if set forth in full. Each of the ADMINISTERING AGENCY'S contractors and all subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreements, as appropriate.

3. ADMINISTERING AGENCY shall include the nondiscrimination and compliance provisions of this clause in all contracts and subcontracts to perform work under this AGREEMENT.

4. ADMINISTERING AGENCY will permit access to the records of employment, employment advertisements, application forms, and other pertinent data and records by STATE, the State Fair Employment and Housing Commission, or any other agency of the State of California designated by STATE, for the purposes of investigation to ascertain compliance with the Fair Employment section of this Agreement.

5. Remedies for Willful Violation:

(a) STATE may determine a willful violation of the Fair Employment provision to have occurred upon receipt of a final judgment to that effect from a court in an action to which ADMINISTERING AGENCY was a party, or upon receipt of a written notice from the Fair Employment and Housing Commission that it has investigated and determined that ADMINISTERING AGENCY has violated the Fair Employment Practices Act and had issued an order under Labor Code Section 1426 which has become final or has obtained an injunction under Labor Code Section 1429.

(b) For willful violation of this Fair Employment Provision, STATE shall have the right to terminate this Agreement either in whole or in part, and any loss or damage sustained by STATE in securing the goods or services thereunder shall be borne and paid for by ADMINISTERING AGENCY and by the surety under the performance bond, if any, and STATE may deduct from any moneys due or thereafter may become due to ADMINISTERING AGENCY, the difference between the price named in the Agreement and the actual cost thereof to STATE to cure ADMINISTERING AGENCY's breach of this Agreement.

EXHIBIT B

NONDISCRIMINATION ASSURANCES

ADMINISTERING AGENCY HEREBY AGREES THAT, as a condition to receiving any federal financial assistance from the STATE, acting for the U.S. Department of Transportation, it will comply with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d-42 U.S.C. 2000d-4 (hereinafter referred to as the ACT), and all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, "Nondiscrimination in Federally-Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964" (hereinafter referred to as the REGULATIONS), the Federal-aid Highway Act of 1973, and other pertinent directives, to the end that in accordance with the ACT, REGULATIONS, and other pertinent directives, no person in the United States shall, on the grounds of race, color, sex, national origin, religion, age or disability, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which ADMINISTERING AGENCY receives federal financial assistance from the Federal Department of Transportation. ADMINISTERING AGENCY HEREBY GIVES ASSURANCE THAT ADMINISTERING AGENCY will promptly take any measures necessary to effectuate this agreement. This assurance is required by subsection 21.7(a) (1) of the REGULATIONS.

More specifically, and without limiting the above general assurance, ADMINISTERING AGENCY hereby gives the following specific assurances with respect to its federal-aid Program:

1. That ADMINISTERING AGENCY agrees that each "program" and each "facility" as defined in subsections 21.23 (e) and 21.23 (b) of the REGULATIONS, will be (with regard to a "program") conducted, or will be (with regard to a "facility") operated in compliance with all requirements imposed by, or pursuant to, the REGULATIONS.

2. That ADMINISTERING AGENCY shall insert the following notification in all solicitations for bids for work or material subject to the REGULATIONS made in connection with the federal-aid Program and, in adapted form, in all proposals for negotiated agreements:

> ADMINISTERING AGENCY hereby notifies all bidders that it will affirmatively insure that in any agreement entered into pursuant to this advertisement, minority business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, sex, national origin, religion, age, or disability in consideration for an award.

3. That ADMINISTERING AGENCY shall insert the clauses of Appendix A of this assurance in every agreement subject to the ACT and the REGULATIONS.

4. That the clauses of Appendix B of this Assurance shall be included as a covenant running with the land, in any deed affecting a transfer of real property, structures, or improvements thereon, or interest therein.

5. That where ADMINISTERING AGENCY receives federal financial assistance to construct a facility, or part of a facility, the Assurance shall extend to the entire facility and facilities operated in connection therewith.

6. That where ADMINISTERING AGENCY receives federal financial assistance in the form, or for the acquisition, of real property or an interest in real property, the Assurance shall extend to rights to space on, over, or under such property.

7. That ADMINISTERING AGENCY shall include the appropriate clauses set forth in Appendix C and D of this Assurance, as a covenant running with the land, in any future deeds, leases, permits, licenses, and similar agreements entered into by the ADMINISTERING AGENCY with other parties:

Appendix C;

(a) for the subsequent transfer of real property acquired or improved under the federal-aid Program; and

Appendix D;

(b) for the construction or use of or access to space on, over, or under real property acquired, or improved under the federal-aid Program.

8. That this assurance obligates ADMINISTERING AGENCY for the period during which federal financial assistance is extended to the program, except where the federal financial assistance is to provide, or is in the form of, personal property or real property or interest therein, or structures, or improvements thereon, in which case the assurance obligates ADMINISTERING AGENCY or any transferee for the longer of the following periods:

(a) the period during which the property is used for a purpose for which the federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits; or

(b) the period during which ADMINISTERING AGENCY retains ownership or possession of the property.

9. That ADMINISTERING AGENCY shall provide for such methods of administration for the program as are found by the U.S. Secretary of Transportation, or the official to whom he delegates specific authority, to give reasonable guarantee that ADMINISTERING AGENCY, other recipients, sub-grantees, applicants, sub-applicants, transferees, successors in interest, and other participants of federal financial assistance under such program will comply with all requirements imposed by, or pursuant to, the ACT, the REGULATIONS, this Assurance and the Agreement.

10. That ADMINISTERING AGENCY agrees that the United States and the State of California have a right to seek judicial enforcement with regard to any matter arising under the ACT, the REGULATIONS, and this Assurance.

11. ADMINISTERING AGENCY shall not discriminate on the basis of race, religion, age, disability, color, national origin or sex in the award and performance of any STATE assisted contract or in the administration on its DBE Program or the requirements of 49 CFR Part 26. ADMINISTERING AGENCY shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure non discrimination in the award and administration of STATE assisted contracts. ADMINISTERING AGENCY'S DBE Race-Neutral Implementation Agreement is incorporated by reference in this AGREEMENT. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved DBE Race-Neutral Implementation Agreement, STATE may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 USC 1001 and/or the Program Fraud Civil Remedies Act of 1985 (31USC 3801 es seq.)

THESE ASSURANCES are given in consideration of and for the purpose of obtaining any and all federal grants, loans, agreements, property, discounts or other federal financial assistance extended after the date hereof to ADMINISTERING AGENCY by STATE, acting for the U.S. Department of Transportation, and is binding on ADMINISTERING AGENCY, other recipients, subgrantees, applicants, sub-applicants, transferees, successors in interest and other participants in the federal-aid Highway Program.

APPENDIX A TO EXHIBIT B

During the performance of this Agreement, ADMINISTERING AGENCY, for itself, its assignees and successors in interest (hereinafter collectively referred to as ADMINISTERING AGENCY) agrees as follows:

(1) Compliance with Regulations: ADMINISTERING AGENCY shall comply with the regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation, Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the REGULATIONS), which are herein incorporated by reference and made a part of this agreement.

(2) Nondiscrimination: ADMINISTERING AGENCY, with regard to the work performed by it during the AGREEMENT, shall not discriminate on the grounds of race, color, sex, national origin, religion, age, or disability in the selection and retention of sub-applicants, including procurements of materials and leases of equipment. ADMINISTERING AGENCY shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the REGULATIONS, including employment practices when the agreement covers a program set forth in Appendix B of the REGULATIONS.

(3) Solicitations for Sub-agreements, Including Procurements of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by ADMINISTERING AGENCY for work to be performed under a Sub-agreement, including procurements of materials or leases of equipment, each potential sub-applicant or supplier shall be notified by ADMINISTERING AGENCY of the ADMINISTERING AGENCY's obligations under this Agreement and the REGULATIONS relative to nondiscrimination on the grounds of race, color, or national origin.

(4) Information and Reports: ADMINISTERING AGENCY shall provide all information and reports required by the REGULATIONS, or directives issued pursuant thereto, and shall permit access to ADMINISTERING AGENCY's books, records, accounts, other sources of information, and its facilities as may be determined by STATE or FHWA to be pertinent to ascertain compliance with such REGULATIONS or directives. Where any information required of ADMINISTERING AGENCY is in the exclusive possession of another who fails or refuses to furnish this information, ADMINISTERING AGENCY shall so certify to STATE or the FHWA as appropriate, and shall set forth what efforts ADMINISTERING AGENCY has made to obtain the information.

(5) Sanctions for Noncompliance: In the event of ADMINISTERING AGENCY's noncompliance with the nondiscrimination provisions of this agreement, STATE shall impose such agreement sanctions as it or the FHWA may determine to be appropriate, including, but not limited to:

(a) withholding of payments to ADMINISTERING AGENCY under the Agreement within a reasonable period of time, not to exceed 90 days; and/or

(b) cancellation, termination or suspension of the Agreement, in whole or in part.

(6) Incorporation of Provisions: ADMINISTERING AGENCY shall include the provisions of paragraphs (1) through (6) in every sub-agreement, including procurements of materials and leases of equipment, unless exempt by the REGULATIONS, or directives issued pursuant thereto. ADMINISTERING AGENCY shall take such action with respect to any sub-agreement or procurement as STATE or FHWA may direct as a means of enforcing such provisions including sanctions for noncompliance, provided, however, that, in the event ADMINISTERING AGENCY becomes involved in, or is threatened with, litigation with a sub-applicant or supplier as a result of such direction, ADMINISTERING AGENCY may request STATE enter into such litigation to protect the interests of STATE, and, in addition, ADMINISTERING AGENCY may request the United States to enter into such litigation to protect the interests of the United States.

APPENDIX B TO EXHIBIT B

The following clauses shall be included in any and all deeds effecting or recording the transfer of PROJECT real property, structures or improvements thereon, or interest therein from the United States.

(GRANTING CLAUSE)

NOW, THEREFORE, the U.S. Department of Transportation, as authorized by law, and upon the condition that ADMINISTERING AGENCY will accept title to the lands and maintain the project constructed thereon, in accordance with Title 23, United States Code, the Regulations for the Administration of federal-aid for Highways and the policies and procedures prescribed by the Federal Highway Administration of the Department of Transportation and, also in accordance with and in compliance with the Regulations pertaining to and effectuating the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252; 42 U.S.C. 2000d to 2000d-4), does hereby remise, release, quitclaim and convey unto the ADMINISTERING AGENCY all the right, title, and interest of the U.S. Department of Transportation in, and to, said lands described in Exhibit "A" attached hereto and made a part hereof.

(HABENDUM CLAUSE)

TO HAVE AND TO HOLD said lands and interests therein unto ADMINISTERING AGENCY and its successors forever, subject, however, to the covenant, conditions, restrictions and reservations herein contained as follows, which will remain in effect for the period during which the real property or structures are used for a purpose for which federal financial assistance is extended or for another purpose involving the provision of similar services or benefits and shall be binding on ADMINISTERING AGENCY, its successors and assigns.

ADMINISTERING AGENCY, in consideration of the conveyance of said lands and interests in lands, does hereby covenant and agree as a covenant running with the land for itself, its successors and assigns,

(1) that no person shall on the grounds of race, color, sex, national origin, religion, age or disability, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination with regard to any facility located wholly or in part on, over, or under such lands hereby conveyed (;) (and) *

(2) that ADMINISTERING AGENCY shall use the lands and interests in lands so conveyed, in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in federally-assisted programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended (;) and

(3) that in the event of breach of any of the above-mentioned nondiscrimination conditions, the U.S. Department of Transportation shall have a right to re-enter said lands and facilities on said land, and the above-described land and facilities shall thereon revert to and vest in and become the absolute property of the U.S. Department of Transportation and its assigns as such interest existed prior to this deed.*

* Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.

APPENDIX C TO EXHIBIT B

The following clauses shall be included in any and all deeds, licenses, leases, permits, or similar instruments entered into by ADMINISTERING AGENCY, pursuant to the provisions of Assurance 7(a) of Exhibit B.

The grantee (licensee, lessee, permittee, etc., as appropriate) for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add "as covenant running with the land") that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the (grantee, licensee, lessee, permittee, etc.), shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of Secretary, Part 21, Nondiscrimination in federally-assisted programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

(Include in licenses, leases, permits, etc.)*

That in the event of breach of any of the above nondiscrimination covenants, ADMINISTERING AGENCY shall have the right to terminate the (license, lease, permit etc.) and to re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, lease, permit, etc.) had never been made or issued.

(Include in deeds)*

That in the event of breach of any of the above nondiscrimination covenants, ADMINISTERING AGENCY shall have the right to re-enter said land and facilities thereon, and the above-described lands and facilities shall thereupon revert to and vest in and become the absolute property of ADMINISTERING AGENCY and its assigns.

* Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.

APPENDIX D TO EXHIBIT B

The following shall be included in all deeds, licenses, leases, permits, or similar agreements entered into by the ADMINISTERING AGENCY, pursuant to the provisions of Assurance 7 (b) of Exhibit B.

The grantee (licensee, lessee, permittee, etc., as appropriate) for himself, his personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds, and leases add "as a covenant running with the land") that:

(1) no person on the ground of race, color, sex, national origin, religion, age or disability, shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination in the use of said facilities;

(2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the ground of race, color, sex, national origin, religion, age or disability shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and

(3) that the (grantee, licensee, lessee, permittee, etc.,) shall use the premises in compliance with the Regulations.

(Include in licenses, leases, permits, etc.)*

That in the event of breach of any of the above nondiscrimination covenants, ADMINISTERING AGENCY shall have the right to terminate the (license, lease, permit, etc.) and to re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, lease, permit, etc.) had never been made or issued.

(Include in deeds)*

That in the event of breach of any of the above nondiscrimination covenants, ADMINISTERING AGENCY shall have the right to re-enter said land and facilities thereon, and the above-described lands and facilities shall thereupon revert to and vest in and become the absolute property of ADMINISTERING AGENCY, and its assigns.

* Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.

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EXHIBIT 4-D SAMPLE - PROGRAM SUPPLEMENT AGREEMENT

PROGRAM SUPPLEMENT NO. N202
to
ADMINISTERING AGENCY-STATE AGREEMENT
FOR FEDERAL-AID PROJECTS NO 04-5005R

Date: March 22, 2011
Location: 04-SCL-0-SJS
Project Number: STPL-5005(109)
E.A. Number: 04-985823
Locode: 5005

This Program Supplement hereby adopts and incorporates the Administering Agency-State Agreement for Federal Aid which was entered into between the Administering Agency and the State on 06/17/08 and is subject to all the terms and conditions thereof. This Program Supplement is executed in accordance with Article I of the aforementioned Master Agreement under authority of Resolution No. approved by the Administering Agency on (See copy attached).

The Administering Agency further stipulates that as a condition to the payment by the State of any funds derived from sources noted below obligated to this PROJECT, the Administering Agency accepts and will comply with the special covenants or remarks set forth on the following pages.

PROJECT LOCATION:

2010 STP Road Resurfacing & Rehabilitation

TYPE OF WORK: Road Rehabilitation **LENGTH:** 0.0(MILES)

Estimated Cost	Federal Funds		Matching Funds		
	L23E	$399,000.00	LOCAL		OTHER
$681,000.00			$282,000.00		$0.00

CITY OF SAN JOSE

By _____
Title _____
Date _____
Attest _____

STATE OF CALIFORNIA
Department of Transportation

By _____
Chief, Office of Project Implementation
Division of Local Assistance

Date _____

I hereby certify upon my personal knowledge that budgeted funds are available for this encumbrance:

Accounting Officer _____ **Date** _____ $399.000.00

Chapter	Statutes	Item	Year	Program	BC	Category	Fund Source	AMOUNT

Program Supplement 04-5005R-N202- ISTEA **Page 1 of 3**

04-SCL-0-SJS
STPL-5005(109)

03/22/2011

SPECIAL COVENANTS OR REMARKS

1. ADMINISTERING AGENCY agrees that it will only proceed with work authorized for specific phase(s) with an "Authorization to Proceed" and will not proceed with future phase(s) of this project prior to receiving an "Authorization to Proceed" from the STATE for that phase(s) unless no further State or Federal funds are needed for those future phase(s).

2. Any State and Federal funds that may have been encumbered for this project are available for disbursement for limited periods of time. For each fund encumbrance the limited period is from the start of the fiscal year that the specific fund was appropriated within the State Budget Act to the applicable fund Reversion Date shown on the State approved project finance letter. Per Government Code Section 16304, all project funds not liquidated within these periods will revert unless an executed Cooperative Work Agreement extending these dates is requested by the ADMINISTERING AGENCY and approved by the California Department of Finance.

   ADMINISTERING AGENCY should ensure that invoices are submitted to the District Local Assistance Engineer at least 75 days prior to the applicable fund Reversion Date to avoid the lapse of applicable funds. Pursuant to a directive from the State Controller's Office and the Department of Finance; in order for payment to be made, the last date the District Local Assistance Engineer can forward an invoice for payment to the Department's Local Programs Accounting Office for reimbursable work for funds that are going to revert at the end of a particular fiscal year is May 15th of the particular fiscal year. Notwithstanding the unliquidated sums of project specific State and Federal funding remaining and available to fund project work, any invoice for reimbursement involving applicable funds that is not received by the Department's Local Programs Accounting Office at least 45 days prior to the applicable fixed fund Reversion Date will not be paid. These unexpended funds will be irrevocably reverted by the Department's Division of Accounting on the applicable fund Reversion Date.

3. The ADMINISTERING AGENCY will advertise, award and administer this project in accordance with the current published Local Assistance Procedures Manual.

4. Award information shall be submitted by the ADMINISTERING AGENCY to the District Local Assistance Engineer within 60 days of project contract award and prior to the submittal of the ADMINISTERING AGENCY'S first invoice for the construction contract.

   Failure to do so will cause a delay in the State processing invoices for the construction phase. Please refer to Section 15.7 "Award Package" of the Local Assistance Procedures Manual.

5. ADMINISTERING AGENCY agrees, as a minimum, to submit invoices at least once every six months commencing after the funds are encumbered for each phase by the execution of this Project Program Supplement Agreement, or by STATE's approval of an applicable Finance Letter. STATE reserves the right to suspend future authorizations/obligations for Federal aid projects, or encumberances for State funded projects, as well as to suspend invoice payments for any on-going or future project by ADMINISTERING AGENCY if

04-SCL-0-SJS
STPL-5005(109)

03/22/2011

SPECIAL COVENANTS OR REMARKS

PROJECT costs have not been invoiced by ADMINISTERING AGENCY for a six-month period.

If no costs have been invoiced for a six-month period, ADMINISTERING AGENCY agrees to submit for each phase a written explanation of the absence of PROJECT activity along with target billing date and target billing amount.

ADMINISTERING AGENCY agrees to submit the final report documents that collectively constitute a "Report of Expenditures" within one hundred eighty (180) days of PROJECT completion. Failure of ADMINISTERING AGENCY to submit a "Final Report of Expenditures" within 180 days of PROJECT completion will result in STATE imposing sanctions upon ADMINISTERING AGENCY in accordance with the current Local Assistance Procedures Manual.

6. The Administering Agency shall not discriminate on the basis of race, religion, age, disability, color, national origin, or sex in the award and performance of any Federal-assisted contract or in the administration of its DBE Program Implementation Agreement. The Administering Agency shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of Federal-assisted contracts. The Administering Agency's DBE Implementation Agreement is incorporated by reference in this Agreement. Implementation of the DBE Implementation Agreement, including but not limited to timely reporting of DBE commitments and utilization, is a legal obligation and failure to carry out its terms shall be treated as a violation of this Agreement. Upon notification to the Administering Agency of its failure to carry out its DBE Implementation Agreement, the State may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

7. As a condition for receiving federal-aid highway funds for the PROJECT, the Administering Agency certifies that NO members of the elected board, council, or other key decision makers are on the Federal Government Excluded Parties List System (EPLS).

8. In the event that right of way acquisition for or construction of this project of the initial federal authorization for preliminary engineering is not started by the close of the tenth fiscal year following the fiscal year in which the project is authorized, the ADMINISTERING AGENCY shall repay the Federal Highway Administration through Caltrans the sum of Federal funds paid under the terms of this agreement.

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CHAPTER 5 ACCOUNTING/INVOICES
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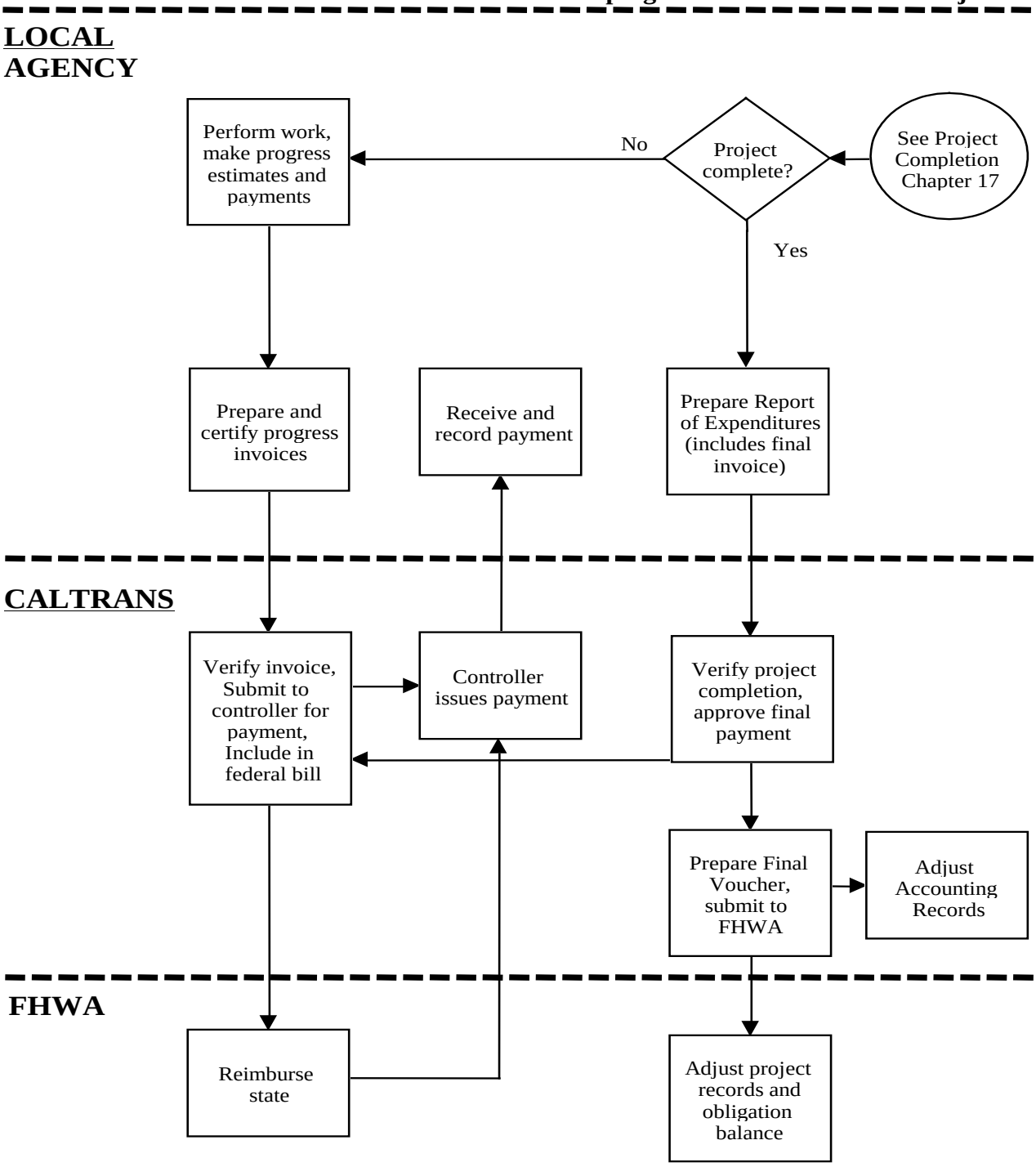
INVOICE PROCESSING

For Developing All Local Federal-Aid Projects



FLOWCHART 5-1 INVOICE PROCESSING

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CHAPTER 5 ACCOUNTING/INVOICES

The purpose of this chapter is to provide local agencies with basic information required to obtain reimbursement for their expenditures on local federal-aid and state funded projects. Additional information may be obtained from Local Program Accounting (LPA) through the District Local Assistance Engineer (DLAE). Payments made under these provisions are for expenditures paid by the local agency prior to claiming reimbursement from the Department of Transportation (Caltrans).

5.1 TRACKING OF STATUS INVOICES

As invoices are received in the LPA, they are logged into the Invoice Control System. Local agencies can monitor the status of their invoices by viewing this data at www.dot.ca.gov/hq/asc/ and selecting the "Local Assistance Payment System" option. This site is updated daily and contains all invoices for projects not yet final vouchered.

5.2 REQUIREMENTS FOR REIMBURSEMENT

If an agency is participating in the Department's Electronic Fund Transfer (EFT) Payment program, payments will normally be made within 15 days of invoice receipt by LPA; otherwise, they will be processed within 25 days. Details on how to participate in the EFT program are in Section 5.4. "Methods of Reimbursement" in this chapter. In either case, the following conditions must be met prior to reimbursement of costs:

BUDGET AUTHORITY

The State Legislature and Federal Government have provided budget authority and the projects have met all program budget conditions, e.g., timely use of funds.

AGREEMENT

1. The Administering Agency-State Master Agreement (Master Agreement) must be fully executed (all required signatures obtained), if one is used. This is an agreement between the state and a city, county or other local agency defining the general terms and conditions, which must be met to receive federal-aid and/or state funds.
2. The Program Supplement, project agreement, or some other required applicant-state agreement must be fully executed. These documents are agreements between the state and local agency (or applicant) identifying the type and amounts of funds used to finance the project and the specific covenants related to the project. **The State can only reimburse the agency that signed this contractual document, unless there is a covenant in the Program Supplement authorizing another entity to bill and/or be paid on behalf of the agency signing the Program Supplement.**

For additional information about agreements, please see Chapter 4, "Agreements," of the *Local Assistance Procedures Manual* (LAPM).

FEDERAL-AID PROJECT AUTHORIZATION (E-76)

Prior to the beginning of the reimbursable work, the project phase of work eligible for reimbursement from federal funds must be formally authorized (approved) by Caltrans and the Federal Highway Administration (FHWA). The payment of federal funds is limited to the amounts approved on the "Authorization to Proceed" or "E-76." To initiate a federal project authorization for a phase(s) of work, or to increase the authorization for additional phases, the local agency must prepare the "Request for Authorization" package (see Chapter 3 "Project Authorization" of the LAPM) that provides the information needed by Caltrans and FHWA to process the request in a timely manner.

Important note: Costs incurred prior to the authorization date are not eligible for FHWA reimbursement except for Emergency Opening and Preliminary Engineering work that is part of the Emergency Relief program. See Chapter 11 "Disaster Assistance" of the *Local Assistance Program Guidelines* (LAPG*)* for additional details.

For additional information about phases of work and project authorization process, see Chapter 3, "Project Authorization" of the LAPM.

INDIRECT COSTS

With the enactment of Transportation Equity Act for the 21st Century (TEA-21) on June 9, 1998, indirect costs are eligible for federal reimbursement. Should the local agency seek reimbursement of their indirect costs, they must receive an Approval Letter of Indirect Costs Rate for the fiscal year involved from Caltrans' Audits and Investigations **prior** to billing for indirect costs. If a project involves more than one fiscal year, approval of the indirect cost rate for **each** fiscal year is required prior to claiming reimbursement. The Indirect Cost Calculation section on the invoice must be completed and the summary data transferred to the first page of the invoice. Indirect costs **must not** be combined with direct costs on invoices. See Section 5-14 "Obtaining Approval for Indirect Costs" in this chapter for details on obtaining approval of indirect cost rates.

INVOICE SUBMITTAL

The local agency may submit monthly invoices for reimbursement of participating costs (costs eligible for federal and/or state reimbursement). Amounts claimed must reflect the cost of completed work, which has been paid for. The local agency must claim all reimbursable work within 180 days of project completion or prior to the expiration date of the project agreement, whichever comes first.

Towards the end of the state fiscal year (June 30), it is very important for local agencies to submit invoices timely for all incurred project costs so that accrued expenditures are properly identified on Caltrans' financial statements.

Each fiscal year, the Division of Local Assistance (DLA) will notify local agencies regarding projects funded from lapsing appropriations (funds that will expire/not be available for spending June 30 of that fiscal year). They will be notified of the deadline for submitting invoices for these projects.

AWARD PACKAGE

The local agency must submit a complete Award Package to the DLAE immediately after the award of the construction contract. A copy of the Award Package **must also be included** with the local agency's **first invoice for construction** to LPA at:

Department of Transportation
Division of Accounting
Local Program Accounting Branch - MS 33
Attn: Invoice Control
P.O. Box 942874
Sacramento, CA 94274-0001

If LPA does not receive a copy of the award package with the first invoice for the construction phase, the invoice will be returned to the local agency unpaid.

For construction work involving force account, the submittal of the award package is required if the work is contracted out to a contractor. No award package is required if the local agency utilizes its own work force. In this case, submit a brief memo explaining why the award package is not included.

The Award Package for Federal-Aid projects includes the following:

1. Local Agency Contract Award Checklist (LAPM, Exhibit 15-L) with attachments
2. Detail Estimate (LAPM, Exhibit 15-M)
3. Finance Letter (LAPM, Exhibit 15-N)
4. Resident Engineer's Construction Contract Administration Checklist (LAPM, Exhibit 15-B)
5. Local Agency Bidder DBE Information (Construction Contracts) (LAPM, Exhibit 15-G2).

Award Package for State Transportation Improvement Program (STIP) projects

The Award Package for state-only funded construction contract shall consist of the completed Award Information for STIP projects. (See LAPG, Chapter 23, Exhibit 23-A "Award Information for STIP Projects").

5.3 REIMBURSABLE PROJECT COSTS

The costs of salaries, wages and related project costs may be reimbursable for the following activities. All costs must be broken down into eligible direct and/or indirect cost components.

PHASES OF WORK

1. **Preliminary Engineering**: Preliminary Engineering is the initiation, design, and related work preparatory to the advancement of a project to physical construction. For local STIP Projects, the Preliminary Engineering costs must be segregated into:

   - Environmental Studies and Permits
   - Plans, Specifications & Estimate

2. **Right of Way:** Acquisition of right of way, real property, or rights thereto is included. It also includes the preparation of right of way plans, making economic studies and other related preliminary work, appraisal for parcel acquisition, review of appraisals, preparation for and trial of condemnation cases, management of properties acquired, furnishing of relocation advisory assistance, utility relocation, and other related labor expenses.

   Note: Right of Way rental income and the proceeds from the sale of excess land may be retained by local agencies **if it is used for a valid Title 23 purpose.** It is the local agency's responsibility to assure they comply with Title 23 if this option is selected.

   For additional information about Right of Way topics, see LAPM, Chapter 13 "Right of Way."

3. **Construction Engineering:** Construction Engineering is the supervision and inspection of construction activities, additional staking functions considered necessary for effective control of the construction operations, testing materials incorporated into construction, checking shop drawing, and measurements needed for the preparation of pay estimates. **Construction Engineering costs must be listed on the "Authorization to Proceed" (E-76) to be eligible for reimbursement.**

4. **Construction:** Eligible construction costs include the actual costs to construct the transportation facility and its appurtenant facilities. It also includes: removal, adjustment or demolition of buildings or major construction; utilities or railroad work that is a part of the physical construction of the project; and administrative settlement cost of contract claims.

5. **Pre-award Audit Costs:** Pre-award audits are required for engineering and design related service contracts and subcontracts. See LAPM, Chapter 10 "Consultant Selection" for more information.

6. **Administrative Settlement Costs:** These are service costs related to contract claims related to the review and defense of claims against federal-aid-projects. See LAPM, Chapter 16 "Federal-Aid-Participation."

DIRECT COSTS

Direct costs are expenditures incurred solely for a specific federal-aid/state funded transportation project. These include contract payments, right of way acquisition, direct material, salaries, wages, fringe benefits and related costs, which become eligible when an individual participates in project-related activities. Typical direct costs chargeable to federal-aid/state funded projects are:

- Compensation of employees for the time devoted and identified specifically to the performance of the project phase for which the federal-aid/state funding was approved. This is usually permissible up to and including the first level of supervision dedicated to the project.
- Costs of materials consumed, or expended specifically for the purpose in which the participating federal/state funds were authorized.
- Equipment and other approved capital expenditures.
- Expense items or services contracted, or furnished specifically for the project to carry out the purpose in which the participating federal/state funds were authorized.
- Supervisory activities above the first level of supervision are recoverable as indirect costs.

INDIRECT COSTS

At the discretion of the local agencies, indirect costs may be included when seeking reimbursement for their federal-aid transportation projects, as well as STIP projects and state funded projects. Specifically, this applies to federally authorized work with costs incurred after June 9, 1998, as well as STIP projects and state funded projects. However, any completed project with a Final Report of Expenditures will not be eligible for retroactive indirect cost reimbursement. The Environmental Enhancement and Mitigation (EEM) program does not allow reimbursement for indirect costs. The Freeway Service Patrol program does not allow the use of state funds for administrative purposes pursuant to S&H Code Section 2564.

The sample invoice exhibits in the back of this chapter (Exhibit 5-A to Exhibit 5-G) show how the indirect costs should be billed. Also see Section 5-14 “Obtaining Approval for Indirect Costs” in this chapter for details on obtaining approval of indirect cost rates.

UNDERFUNDED PROJECTS

When local agency personnel request for the E-76 for a project it is either:

1. Fully funded (federal funds requested at maximum federal reimbursement rate, i.e., 88.53% for STP projects), or
2. Underfunded, (federal funds requested at “less than” maximum reimbursement rate, i.e., 60% vs. 88.53%. See example below), or
3. There is nonparticipating work (costs that are not eligible for federal reimbursement).

The calculated federal reimbursement ratio is computed by dividing the amount of federal funds authorized by the total participating costs as shown on the E-76. If the local agency has obtained a better estimate of the project costs, it is the responsibility of the agency to contact the DLAE to request a revision of the E-76 to reflect the proper reimbursement ratio.

For example, project CML – XXXX (XXX) has:

- Federal participating ratio of 100%
- Normal pro-rata share of 88.53%.
- Total estimated costs of the project are $100,000.00
- Total federal funds are $60,000.00
- The Federal Appropriation Code is Q240
- The reimbursement ratio would be: $60,000.00 / $100,000.00 = 60%

If the federal funding ($60,000) divided by the federally participating costs ($100,000) is less than the full pro-rata share (88.53%), the project is considered under funded. In this case, the progress payments must be reimbursed at the lower reimbursement ratio, which is 60%. On the **final invoice,** the reimbursement ratio may float up to 88.53% to allow all of the federal funds to be used as long as the total payments for the project do not exceed the total federal funds authorized.

Using the example above, project CML-XXXX (XXX) has incurred actual costs of $100,000.00. The federal reimbursement would cap at $60,000 since that was the amount requested/allocated for this project. If the project was fully funded, the federal reimbursement would have been capped at $88,530 ($100,000 x 88.53%).

5.4 METHODS OF REIMBURSEMENT

Local agency invoices are routinely processed for payment within 25 days after LPA receives the invoices, unless the local agency has enrolled in the EFT payment program. To receive your reimbursement 10 days sooner, see section "Electronic Fund Transfer (EFT) Reimbursement Method" below.

Due to LPA's workload, local agency invoices should be submitted no more than once a month. The invoice format must follow the requirements in this chapter. If they do not follow the format, they will be returned to obtain the additional information needed by LPA to process the payment.

PAYMENT IN ARREARS

Federal and state law requires that all federal and most state funded local agency project payments be done on a reimbursable basis. Therefore, the local agency must incur the expenditures and pay their contractor prior to invoicing Caltrans for reimbursement of their costs. The local agency is required to submit one copy of proper documentation with their invoices to validate that the expenditures were properly incurred. Acceptable documentation includes copies of cancelled checks made payable to the vendors or contractors.

LUMP SUM PAYMENT UP FRONT

Projects in which there is a request for direct deposit of funds into an escrow account must be approved by the DLAE and submitted to LPA 30 days prior to closing escrow for the purchase of the property. LPA will not process the invoice unless the local entity is able to provide a firm escrow closing date.

Planning, Programming & Monitoring (PPM) and Freeway Service Patrol (FSP) projects Agreement clauses, when used, allow lump sum advance payments to all agencies, which receive $300,000 or less per fiscal year. Sixty days after all expenditures have been made by the local agency; they must submit a Final Report of Expenditures, including a final invoice, to the Caltrans showing how the advance has been spent. Agencies that receive over $300,000 will be paid on a reimbursable basis.

State Match and Exchange Program (X projects) and TEA Exchange Program (TX projects) These funds are advanced to the local agencies to be spent in accordance with the provisions in the Local Agency – State Agreement. **It is the responsibility of the Regional Transportation Planning Agencies (RTPA) to provide LPA and the DLAE with an annual report on these funds.** The report with an "as of date of June 30," is due August 1 of each year. It must show the amounts given to each of the city and/or county. Failure to provide this report will result in future exchanges being held in abeyance. The State Controller's Office (SCO) will review the actual expenditures to verify compliance with state law.

ELECTRONIC FUND TRANSFER (EFT) REIMBURSEMENT METHOD

Caltrans offers an Electronic Fund Transfer (EFT) option to local agencies. Participation in the EFT program is limited to the local agencies that do not have a delinquent account receivable with Caltrans.

EFT is the transfer of funds from the State Controller's Office (SCO) to a State-contracted bank and then directly into a local agency's designated banking account.

1. EFT Processing Time

   The processing time within LPA for invoices paid by either EFT or warrant will be the same. EFT, however, will decrease the processing time at the SCO from 14 days to 4 days. With EFT, LPA will forward the invoices to the SCO on Mondays and Wednesdays. The SCO will process the payments for the invoices submitted on Monday by electronically depositing the payments to the local agency's bank account on Thursday of the same week. The payments for invoices submitted on Wednesday will be deposited on Monday of the following week.

2. Enrolling in the EFT Program

   The EFT program involves the electronic direct deposits of payments of local agency's invoices to their banking account. Therefore, it is very important that the local agencies verify with their financial institution that EFT payments are allowable.

   Download the "EFT" Enrollment form from www.dot.ca.gov/hq/asc/eft or request it from LPA if a form cannot be obtained.

   If a local agency has not done business with Caltrans before, they are required to fill out the Payee data Form STD 204 (request from LPA) and EFT Enrollment Form.

   If the local agency has done business with Caltrans and has several accounts with Caltrans (multiple remittance addresses in Caltrans' accounting system), the local agency's Finance and Public Works Directors must jointly decide if one or more of those accounts will be designated for EFT payments. Each account to be converted to an EFT account must have a complete separate Enrollment Form. Once an account has been identified to receive EFT payments, all payments will be made through EFT. Contact LPA for help in identifying the Vendor Number(s) that Caltrans uses to identify each mailing address.

   For each account to be converted to EFT, the local agency must complete a separate Enrollment Form. Section I and II of the Enrollment Form must be filled out by the local agency by typing or printing the following information:

   - Name of the local agency and the address that will receive the Automated Clearing House (ACH) payment
   - The local agency Federal Tax ID (FEIN)
   - The designated contact person and telephone number information.
   - The signature of the authorized contact person.

   Section III of the Enrollment Form is filled out by the local agency's financial institution, which will receive the Automatic Clearing House (ACH) payment by printing or typing the following information:

   - Name and the address of the agency's financial institution, which will receive the ACH payments.
   - ACH coordinator's name and phone number.
   - Nine-digit routing transit number.

- Depositor (agency) account title and account number. The bank account numbers must not exceed 17 digits.
- Type of accounts (select either checking account or savings account).
- Signature of authorized banking official.
- Name, title and phone number of the authorized banking official.

Caltrans will complete Section IV of the EFT Enrollment form.

Caltrans also requires a voided check or a savings deposit slip for the checking or savings account, which the EFT payments will be electronically deposited, to be mailed to Caltrans along with the EFT Enrollment Form. The voided check or savings deposit slip will aid in verifying the bank account and routing transit numbers.

After the Enrollment Form is completely filled out, mail it along with the voided check or deposit slip to:

Department of Transportation
Division of Accounting - MS 33
P.O. Box 168043
Sacramento, CA 95816-8043
Attn: Gayle Smith

Do not mail the Enrollment Form to Local Program Accounting.

Caltrans will process the EFT Enrollment packet and work with the local agency's financial institution to establish the EFT payment processing of local agency invoices. During the initial set up period (up to 30 days), Caltrans will regularly perform "pre-note" tests to verify that all financial routing and transit numbers are accurate while continuing processing payments of the local agency invoices the usual way. Once the EFT information has been verified, LPA will begin making all payments via the EFT payment process.

For additional information about EFT program, please visit the Caltrans' EFT web site at: http://www.dot.ca.gov/hq/asc/eft/

ALTERNATIVE CONSTRUCTION PROGRESS PAYMENT PROCEDURE

All federal and most state funded local agency projects must be invoiced in arrears. This means that the local agencies must pay their contractors before requesting reimbursement from Caltrans for their costs. The Alternative Construction Progress Payment Procedure is designed to assist local agencies in the implementation of their local transportation projects when they experience severe cash flow problems. These problems could be the result of either:

- Unusual cash shortages within the local agency caused by economic or other conditions,
- Significant cash shortages resulting from the payment to a contractor on an unusually large federal or state transportation project, or
- Cash drain to repair damages caused by flood, earthquake or other acts of nature.

Since this alternative procedure requires extra work by Caltrans and thus adversely affects other agency processing, it will be used only for the **construction phase** of projects. Construction contract administration process reviews have found that some local agencies were not invoicing Caltrans for money that was due to them in a timely manner. Therefore, these agencies will not be eligible to use this procedure since they do not have a severe cash flow problem.

LPA will process a local agency's invoice based on estimated payments to the contractor in the same manner as normal reimbursement billings. The invoice format for alternative construction progress payments is shown on Exhibit 5-G "Alternative Payment Procedure Sample." Local agencies should follow the procedures described below when requesting the use of the alternative payment procedures:

1. The governing board for the local agency must pass a resolution requesting the use of this procedure for a specific project. The resolution must include the reasons for the request and a statement that all other options have been considered and that the project cannot be implemented, or will be delayed unless this procedure is used.
2. The local agency must also provide a written schedule of estimated monthly construction payments for the project. This resolution and estimated payment schedule should accompany the local agency's Request for Authorization (E-76) to the DLAE for the construction phase of their project no later than 45 days prior to the first month's payment to the contractor. Earlier submittals are allowed. The DLAE will forward the estimated payment schedule to LPA through the Division of Local Assistance.
3. After approval of the E-76 and execution of the Program Supplement (which must include language allowing a payment based on estimated costs), an invoice requesting payment for the first month's estimated payment (less local match funds), may be submitted to LPA. This invoice can be submitted any time within 30 calendar days prior to the date of the first month's payment to the contractor. This will allow the local agency to receive the payment at approximately the same time they are required to pay the contractor.
4. The estimated payment amount shown on the second and subsequent invoices must reflect the most current estimated payment to the contractor. In addition, the invoices will reflect the difference between the estimated payment claimed on the prior invoice and the actual payment made to the contractor.
5. The local agency must provide a final invoice and a final report of expenditures, showing actual project costs (including claims) within 180 days of project completion. The final invoice, final report of expenditures and final inspection form must be sent to the DLAE for written approval. For Environmental Enhancement & Mitigation (EEM) projects, the final invoice and final report must be submitted to the district at least 60 days prior to the expiration of the Budget Authority.
6. If the local agency has been overpaid, a check for the amount of over payment along with a copy of the final invoice must be sent to LPA within 30 calendar days of the final payment to their contractor.
7. Failure by a local agency to adhere to all the terms of this procedure will result in termination of the alternative payment process for the agency.

5.5 FORMAT OF THE INVOICES

The exhibits to this Chapter contain a number of sample invoices. They should cover the majority of projects. Because of the large number of possible funding combinations, we are not able to provide a sample for each possible funding combination. Local agencies are encouraged to cut and paste the samples to fit their specific need while maintaining the integrity of the invoice format. If there are significant questions, contact LPA through the DLAE for assistance. The sample invoices were designed so that only the information absolutely needed has been requested. Invoices with significant errors will be returned to the local agencies for correction without being processed for payment. Detailed instructions for preparing invoices for reimbursements are outlined below.

GENERAL GUIDELINES

1. Local agency may submit invoices for reimbursement monthly.
2. Invoices must be submitted on local agency letterhead with the local agency's address. If there is a change of the remittance address, the local agency must notify LPA in writing, so that LPA can update the Vendor file in the Caltrans' accounting system to reflect the new remittance address. Verbal requests cannot be processed.
3. The first time that a local agency invoices Caltrans, they must fill out a Payee Data Form, Form STD 204. This Payee Data Form is required in lieu of IRS W-9 when doing business with the State of California. This form is also used to set up the vendor's account in the Caltrans' accounting system.
4. **Progress** invoices are submitted directly to LPA, unless specific covenants in the Program Supplement indicate otherwise. An **original invoice and two copies** should be sent to:

Department of Transportation
Division of Accounting - MS 33
Local Program Accounting Branch
Attn: Invoice Control
P.O. Box 942874
Sacramento, CA 94274-0001

If the invoice is sent via Federal Express or UPS, it should be sent to the following address:

Department of Transportation
Division of Accounting - MS 33
Local Program Accounting Branch
Attn: Invoice Control
1820 Alhambra Blvd.
Sacramento, CA 95816

5. Final invoices must be submitted to the DLAE as part of the Final Report of Expenditures. The DLAE verifies the project completion and approves payment before forwarding the Final Report of Expenditures, including the original and two copies of the final invoice to Invoice Control in LPA. More information regarding final invoice procedures is described in Section 5.6 of this chapter.
6. For local STIP projects, the preliminary engineering phase must be separated into Environmental Studies & Permits (ES&P), and Plans, Specification & Estimate (PS&E).
7. For Right of Way Acquisition, if payment is to be made to a Title Company, the invoice and the covenants must identify the Title Company to be paid, address, escrow number and contact name. If payment is to be made to the local agency for locally acquired Right of Way, a Right of Way Report of Expenditures is needed.
8. Invoices must have a current date when sent to the district or LPA. If for any reason an invoice is returned to the local agency, the resubmitted invoice must have a revised current date.
9. Invoices must be certified and signed by the appropriate responsible persons in the local agency.
10. The certification statement on the invoice must be the same as shown on the sample invoice(s).
11. Invoices must list the name and phone number of the contact person if the LPA staff needs additional information about invoices.
12. Invoices must have one copy of supporting backup documentation for costs incurred and claimed for reimbursement included when mailed to the district or LPA. Acceptable backup documentation includes agency's progress payment to the contractors, copies of cancelled checks showing amounts made payable to the vendors and contractors, and/or computerized summary of project costs.

DETAILED INVOICE FORMAT

The invoice format may vary, but the following information **must** be included:

1. Date of invoice. Invoices must have a current date. If an invoice is returned to the local agency for any reason, it must be re-dated when resubmitted to the district or LPA.
2. Billing number. This is a serially assigned number that begins with #1. This progress billing number allows LPA to determine that they have received all the invoices for the project.
3. Invoice number. This invoice number is assigned by local agency's Account Receivable Accounting system, if applicable. This invoice number will be shown on the remittance advice for project identification purpose.
4. Federal-aid or state project number, e.g. prefix-project number, STPL-5012 (005), CML-5006 (089), ER-3632 (002), etc.
5. Local agency's Federal Tax Identification Number.
6. Date project accepted by the local agency (for final invoice only). Show "On going" if project is not completed.

7. Project Location.
8. Project Expenditure Authorization No. (E.A.#)
9. Local Agency / State Agreement and supplement numbers and date executed.
10. Phase of work headings such as Preliminary Engineering, Right of Way, Construction Engineering, Construction Contract.

    For STIP projects, the Preliminary Engineering phase must be segregated into Environmental Studies and Permits (ES&P), and Plans, Specifications & Estimate (PS&E).
11. Federal Appropriation codes such as Q240, Q110, etc.
12. Federal Authorization/Agreement date for each phase of work. Costs incurred prior to the Federal Authorization/Agreement date (E-76) are not eligible for federal reimbursement.
13. Time period for which claimed project participating costs were incurred and paid for each phase of work from the beginning of the project to date.
14. Cost breakdown by Federal Appropriation codes for Preliminary Engineering (ES&P and PS&E for STIP projects), Right of Way, Construction Engineering and Construction phases as follows:

    - Total Indirect Costs of project to date, if claimed and approved by Caltrans' Audits and Investigations by phases of work. Indirect Costs are described in Section 5.2. When calculating an Indirect Cost Rate, the most common Direct Cost Base used is direct salaries and wages plus fringe benefits. If this Direct Cost Base is used, when applying the Indirect Cost Rate, it should be applied to direct **labor** costs only (not to other direct costs, such as payment of construction contracts and right of way purchases).
    - Complete the Indirect Cost Calculation Section of the invoice and transfer the computed Indirect Costs to date to the front of the invoice.
    - Total direct costs of project to date by phases of work. Direct costs are the labor, material, contract payments, and right of way acquisition for project-related activity.
    - Less total retention amount withheld from contractor. Retention is not eligible for reimbursement until it has been paid to the contractor or deposited into an escrow account. At the end of the project and after all retention has been released, the amount should be zero.
    - Less liquidation damages.
    - Less nonparticipating costs to date.
    - Total federal participating costs to date. Participating costs are project costs paid for by the sponsoring local agency that are eligible for reimbursement on a pro-rata basis in compliance with laws, regulations, and policies.
    - Less total federal participating costs shown on the previous invoice.

- Change in participating costs.
- Federal and/or state reimbursement ratio. Federal reimbursement rate may vary depending on the type of funding used, i.e. 80%, 88.53%, etc. If state funds are matching the federal funds, the state reimbursement rate should be shown. If a federal project is not fully funded, see the discussion in Section 5.3, Underfunded Projects, for detailed instructions on how to compute the reimbursement ratio.
- When multiplying the "change in participating costs" by the reimbursement ratio, the result must be rounded **down** to the lowest cent. Federal rules do not allow rounding up.
- Federal reimbursement ratio.
- State reimbursement ratio.
- Amount of the claim.

15. Certification statement, printed name, title, and signature of the local agency representative. The certification statement on the invoice must be the same as shown on the sample invoice(s).
16. Contact Name. Provide the name and phone number of the person LPA can contact if there are questions about the invoice.
17. With each invoice submitted to the LPA, the local agencies are required to submit one copy of proper documentation to validate all the expenditures being claimed on the invoice. Acceptable documents include copies of cancelled checks made payable to vendors or contractors. **For construction contract progress payments, the agency's progress payment to the contractor must be submitted along with the invoice.** Failure to submit proper backup documents will be grounds for the invoice being returned to the local agency.

5.6 FINAL EXPENDITURE REPORTS & FINAL INVOICE

Within six months of project completion, the local agency is responsible for preparing and submitting to the DLAE the Final Report of Expenditures, which includes the final invoice. See Chapter 17, "Project Completion" of the LAPM for detailed instructions on completing the Final Report of Expenditures. For EEM projects, the final report (including the final invoice) must be submitted to the DLAE, 60 days prior to the expiration of the Budget Authority. This report provides key information required to initiate timely closure and payment. The Report of Expenditures is to be signed by the responsible person in charge of the project for the local agency. After the DLAE approves the "Report of Expenditures," including the final invoice, he/she will forward them to LPA for processing of the final invoice.

If the final invoice is returned to the local agency for error correction, it must be re-dated with a current date before being resubmitted to the DLAE or LPA.

When preparing the final Expenditure Report, follow the instructions in Chapter 17 of the LAPM. At a minimum, insure that:

- The following are shown, for each phase of work:

  Total Costs

  Participating Costs

  Nonparticipating Costs

  Federal Funds

  Other Funds (local, state, etc.)

- The costs shown, by phase of work, are the same on the:

  Final Invoice

  Final Detailed Estimate (federal-funded projects)

  Final Detailed Estimate Summary (federal-funded projects)

  Final Report of Expenditures – report (state-funded projects)

- If there are Liquidated Damages, they are shown on both the Final Invoice and the Final Detail Estimate. If there were none, write "None".
- A Change Order Summary is provided, whether there were change orders or not. If there were none, write "None".
- Contractor Claims are listed. If there were no claims, write "None".

5.7 FINAL PROJECT COSTS

The final project cost listed in the local agency's Final Report of Expenditures will be analyzed by LPA to determine if the costs reported for each phase of work are eligible for federal reimbursement. Eligible amounts for each phase of work, as determined from the analysis are reconciled with the costs recorded in the Caltrans' accounting system.

If it is determined that the funds paid to the local agency are more than the amount eligible for reimbursement, LPA will initiate an Accounts Receivable billing to the local agency for recovery of the overpayment. However, if it is determined that the amount paid is less than the amount eligible for reimbursement, LPA will send the additional amount to the local agency.

5.8 AUDIT OF LOCAL AGENCY EXPENDITURES

The local agency shall maintain written source document records that account for agency costs and payments made to consultants, vendors, and contractors. Contract records must be retained by the local agency for a minimum period of three years from the date of the final payment by the state. Refer to Title 49, Code of Federal Regulations (CFR), Section 18.42 for federal requirements for retention and access of records.

Local agency expenditures for all local assistance programs are subject to financial and compliance audits by the SCO and Caltran's Office of External Audits (OEA). The OEA's evaluation of a local agency's system of controls will determine if an on-site audit of the local agency's records (underlying the reported project) is necessary.

The auditors typically discuss any audit findings with the local agency before finalizing their report. The local agency should provide any clarifications or raise any objections to the audit findings at this meeting.

Local agencies are also subject to the audit requirements of the Federal Office of Management and Budget's Circular A-133. A single audit is required if an agency receives more than $500,000 in federal funds from all sources in their fiscal year. Normally, project audits are not necessary if the expenditures for a project are covered by a single audit report accepted by the appropriate federal agency.

The Master Agreement for State Funded Projects requires local agencies to have a financial audit of project costs when the costs are in excess of $500,000. The audit must be completed by December 30th following the fiscal year of project completion. This audit may be contracted for at the agency's expense or conducted by agency staff that meets the Independence Standard as outlined in the GAO government Auditing Standards (The Yellow Book). This publication can be found at: www.gao.gov/govaud/ybk01.htm.

5.9 FINAL REPORT OF EXPENDITURES ON PROJECTS ADMINISTERED BY THE STATE

The final report of expenditures for state administered local assistance projects is prepared by LPA.

On some projects, the state performs only specific phases of work associated with a local assistance project. For example, design engineering, right of way acquisition, or striping may be performed by the local agency for a construction project administered by the state. In such instances, LPA is responsible for preparing a Final Report of Expenditures for the work performed by state staff. The local agency is responsible for preparing the Final Report of Expenditures for work it performed and for any expenditure it incurred.

5.10 AUDIT OF STATE EXPENDITURES

State expenditures for local assistance federal-aid major construction contracts (greater than $500,000) are subject to the internal procedures established by Caltrans' Audits and Investigations as well as the Bureau of State Audits when they perform the annual Single Audit of Caltrans. Caltrans' internal procedures and controls for major contracts do not require a formal audit of each construction project. However, projects may be selected on a random basis for an audit of extra work paid by a force account method of payment (see LAPM, Chapter 12, "Plans, Specifications & Estimate").

5.11 FINAL PROJECT COSTS OF STATE ADMINISTERED PROJECTS

Each final report of contract expenditures for state-administered local assistance projects is analyzed by LPA to determine the final amount of federal, state and local agency funds expended for the project. The final expenditure of local agency funds is compared to the local agency deposit for the project. Refunds or billings are made upon completion of the Final Voucher analysis.

When all pending claims by the contractor have been settled, the Final Voucher package is prepared by LPA and submitted to FHWA via the Federal Aid Data System (FADS).

NOTE: If the Report of Contract Expenditures indicates that a claim by the contractor has not been settled, the final expenditure of federal, state and local agency funds cannot be determined. Consequently, the submittal of the Final Voucher is delayed until all pending claims are settled.

The Final Project Cost Adjustment analysis is prepared concurrently with the Final Voucher to determine the final allocation of federal, state and local agency funds for each phase of work. Budgeted amounts are adjusted to reflect the actual amount of funds expended for the project.

If during the final adjustment it is determined that the deposit of local agency funds is less than the agency's share of expenditures, LPA will initiate an Accounts Receivable Invoice, which is sent to the local agency for recovery of the required funds. If the deposit exceeds the agency's share of expenditures, the excess funds are refunded to the local agency.

5.12 SERVICE CONTRACTS

Invoices for work performed by local agencies, consultants or other contractors under Caltrans' Service Contracts shall be submitted to the designated program manager, e.g., Railroad Crossing Program Manager, for review and verification. The manager then forwards the invoice to LPA for payment.

5.13 INVOICE CHECKLIST BEFORE SENDING TO THE LOCAL PROGRAM ACCOUNTING

Local agency's invoices are normally paid within 25 days or 15 days if the local agency has signed up for EFT after LPA receives the invoices, provided the invoices adhere to the format in this chapter. To assist local agencies with the format of their invoices, use the checklist below before sending invoices to the district or LPA for reimbursement. Invoices with significant errors will be returned to the local agencies for correction.

Prior to Invoicing:

A. ☐ Has the Public Works Department submitted all the required documents to the DLAE so that the project can be processed with FHWA for federal fund reimbursement? i.e. Finance Letter, etc.

B. ☐ Are master agreement and the program supplement executed by both Caltrans and the local agency and conformed by Caltrans?

C. ☐ Are the reimbursable phases of work authorized in the E-76, Finance Letter and all federal documents?

D. ☐ Were all the federally eligible costs incurred after the Federal Authorization E-76 date? Are those dates shown on the invoice?

Invoice Format & Backup:

E. ☐ Is the invoice in the proper format as discussed in Chapter 5 of *Local Assistance Procedures Manual*? See Sample Exhibits 5C thought 5G.

F. ☐ Were original invoice and two copies submitted along with one copy of the required backup documentation? (See Section 5.5 #12 for acceptable backup documentation of this chapter)

G. ☐ Is this the first construction invoice? If so, a copy of the award package must be included (exception: force account done by local agency's work force).

For Construction Progress Invoices, the agency's progress payment to the contractor must be submitted along with the invoice.

H. ☐ Is the date of the invoice current? (Re-submitted invoices must be re-dated.)

I. ☐ Does the invoice have the local agency's letterhead, address, and signed certification statement form the responsible parties?

J. ☐ Is the invoiced amount less or equal to the total authorized funds on E-76 and /or program supplement for this project?

K. ☐ Does the invoice show the correct project number and correct reimbursement ratio?

L. ☐ Is the correct Federal Appropriation code (i.e. Q240) shown for each phase of work and does it agree with the Finance Letter?

M ☐ Was the indirect cost reimbursement rate applied only to direct costs included in the direct cost base, i.e., payment for direct labor? (See Section 5.5. # 14.)

N. ☐ Does the invoice show all the cumulative costs to date and is the calculation correct?

O. ☐ Does the invoice have a contact person's name and phone number?

Final Invoice:

P. ☐ Is this the **final** invoice? If so, it should be sent to the district DLAE or **to the designated Caltrans Program Manager for approval** before coming to LPA. Does the final invoice amount agree with the final detail estimate/final report of expenditures?

Q. ☐ Does the invoice request all the funds specified on the program supplement or federal documents? If so, are all the proper documents included? (Final project reports, proper signatures form authorized parties, etc.)

5.14 OBTAINING APPROVAL FOR INDIRECT COSTS

At the discretion of the local agency, indirect costs may be included when seeking reimbursement for their federal-aid transportation projects, as well as STIP projects and state funded projects. Specifically, this applies to federally authorized work with costs incurred after June 9, 1998, as well as STIP projects and state funded projects. However, any completed project with a Final Report of Expenditures will not be eligible for retroactive indirect cost reimbursement.

Computation of Indirect Cost Rates are based on:

- The Office of Management and Budget (OMB) Circular A-87, Cost Principles for State, Local and Indian Tribal Government; and
- Cost Principles and Procedures for Establishing Cost Allocation Plans and Indirect Cost Rates for Agreements with the Federal Government (ASMB C-10), issued by the United States Department of Health and Human Services.

SUBMISSION OF PROPOSAL

1. A local agency, which has been assigned a cognizant federal agency by the OMB, must submit its Indirect Cost Rate Proposal and Central Service Cost Allocation Plan to its cognizant federal agency for approval. A list of the cognizant federal agencies assigned to state and local agencies is found in the Federal Register. See Exhibit 5-H in this chapter. If the assigned cognizant federal agency is the U.S. Department of Transportation (DOT), and FHWA provides the largest amount of federal funds compared to other DOT administrations, the Indirect Cost Rate Proposal and Central Service Cost Allocation Plan must be submitted to Caltrans Audits and Investigations for approval, under delegation from the FHWA, California Division.
2. A local agency without an assigned cognizant federal agency and/or who have not been required by their cognizant federal agency to submit their Indirect Cost Rate Proposal and Central Service Cost Allocation Plan for review and approval, will submit their proposals to Caltrans Audits and Investigation for their review and approval under delegation from the FHWA, California Division.
3. Local agencies which have an Indirect Cost Rate Proposal and Central Service Cost Allocation Plan approved by cognizant federal agency will submit a copy of their approved proposal and plan and subsidiary worksheets and other relevant data, as detailed below, to Caltrans Audits and Investigation for their review and information.
4. Mail the Indirect Cost Rate Proposal and Central Service Cost Allocation Plan to:

   Caltrans Audits and Investigations
   Attn: External Audits, Review of ICRP
   P.O. Box 942874 - MS 2
   Sacramento, CA 94274-0001

DOCUMENTATION OF PROPOSAL

All local agencies desiring to claim their indirect cost for federal-aid and/or state funded projects must prepare an Indirect Cost Rate Proposal and Central Service Cost Allocation Plan and related documentation to support those costs. All documents related to the Indirect Cost Rate Proposal and Central Service Cost Allocation Plan must be retained for audit in accordance with the records retention requirements in the "Common rule," Title 49, CFR, part 18. The following shall be included with each proposal as prescribed by OMB Circular A-87:

1. INDIRECT COST RATE PROPOSAL

   a. Schedule showing calculation of rates proposed including subsidiary worksheets and other relevant data, cross-referenced and reconciled to the financial data noted below. Unless a cognizant federal agency requires otherwise, the type of rate to be used is the "fixed rate" addressed in OMB Circular A-87, Attachment E, Section B, No.6.

   b. Subsidiary worksheets should include the following:

      - Schedule of actual direct / indirect costs incurred by cost category type (i.e., rent, utilities, etc…) as well as by department unit.
      - Schedule of budgeted direct costs and indirect costs by cost category type and department unit.
      - Schedule showing calculation of the over/under carry forward provision when "fixed rate" is used.

   c. A copy of the financial data (financial statements, comprehensive annual financial report, etc) on which the rate is based.

   d. The approximate amount of direct base costs to be incurred under federal-aid reimbursement. These costs should be broken out between salaries and wages and other direct costs.

   e. A chart showing the organization structure of the agency during the period for which the proposal applies along with a functional statement noting the duties and/or responsibilities of all units that comprises the agency.

   f. Certification that the Indirect Cost Rate Proposal was prepared in a manner consistent with the cost principles of OMB Circular A-87.

Local agencies, which are required to submit their "Indirect Cost Rate Proposal" to Caltrans for approval, shall submit it in the sample format of Exhibit 5-I of this chapter, which includes documentation outlined in paragraph a, b and f above. In addition, submit the other required documentation (paragraph c, d and e above). Send it to Caltrans Audits and Investigation at the address specified above.

2. CENTRAL SERVICE COST ALLOCATION PLAN

   Local agencies that are required to submit their Central Service Cost Allocation Plan to Caltrans for approval should submit a Certificate of Cost Allocation Plan, document their plan, and include supporting documentation in accordance with OMB Circular A-87, Attachment C. See ASMB C-10 for a Sample Central Service Cost Allocation Plan and supporting documentation.

3. APPROVAL AND USE

If the cognizant federal agency has approved the local agency's Indirect Cost Rate Proposal and Central Service Cost Allocation Plan for a time period/fiscal year, the local agency must send a copy to Caltrans Audits and Investigations and include a copy of the federal approval letter. After Audits and Investigations have notified the local agency that it has accepted the federal approval letter, the local agency may include indirect costs on its invoices.

If a local agency's Indirect Cost Rate Proposal and Central Service Cost Allocation Plan have not been approved by the cognizant federal agency, then Caltrans Audits and Investigations will perform the review and approval. If Audits and Investigations approves the Indirect Cost Rate and Central Service Cost Allocation Plan, they will issue an approval letter. The local agency may bill for indirect costs once they receive the approval letter.

The approval letter, either from the cognizant federal agency (if accepted by Caltrans Audits and Investigations) or from Audits and Investigations, will serve as the documentation needed to justify estimates and reimbursement invoices. Audits and Investigations will forward a copy of their approval letter or the cognizant federal agency approval letter to LPA, as LPA's authority to reimburse the local agency for their indirect costs.

Invoices claiming indirect cost prior to receipt of a written approval letter from Caltrans Audits and Investigations will either be reduced or returned to the local agency unpaid.

If federal-aid highway funds or state funds participate in indirect cost reimbursement, all invoices must include a line item for indirect cost, showing the calculation (Direct Cost Base Expense multiplied by the approved indirect cost rate for the FY involved). The most common Direct Cost Base is direct salaries and wages plus fringe benefits. If this Direct Cost Base is used, indirect cost reimbursement will not apply to other direct costs, i.e., payment of construction contracts and right of way purchases, not included in the Direct Cost Base.

Local agencies' indirect costs rates are calculated on an annual basis, so there may be several rates on a project. If the fluctuation causes a depletion of project funding, the local agency will be responsible for making up the difference.

Detailed information regarding allowable costs, Cost Allocation Plans and Indirect Cost Rate Proposals are available in OMB Circular A-87 and ASMB C-10. Both documents are available through the Internet: the OMB Circular A-87 is at: http://www.whitehouse.gov/omb/circulars/a087/a087-all.html

the ASMB C-10 is at: http://www.hhs.gov/grantsnet/state/asmbc10.pdf

Additionally, OMB Circular A-133 provides single audit information and may be accessed on the Internet at: http://www.whitehouse.gov/omb/circulars/a133/a133.html

5.15. REFERENCES

- *State Administrative Manual*
- *Local Assistance Procedures Manual* (LAPM)
- *Local Assistance Program Guidelines* (LAPG)
- Transportation Equity Act of the 21st Century (TEA-21)
- Federal Office of Management and Budget (OMB) Circular A-133
- Federal Office of Management and Budget (OMB) Circular A-87
- Title 49, Code of Federal Regulations (CFR), Section 18.42
- GAO Government Auditing Standards

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Exhibit 5-A Sample Federal -Aid Invoice (Except for STIP Projects)

(PREPARE ON LETTERHEAD OF LOCAL AGENCY)

Date of Invoice (For Progress Invoice)
Department of Transportation
Accounting Service Center - MS 33
Local Program Accounting Branch
P.O. Box 942874
Sacramento, CA 94274-0001

(For Final Invoice) **Name**, District Director
Attn: Name, District Local Assistance Engineer
Department of Transportation
Street or P.O. Box
City, CA Zip Code

Billing No: **1,2..., or Final**
Invoice No: **Local Agency's Invoice No.**
Federal-aid Project No: **Prefix-Proj. No.-(Fed. Agreement No.)**
Tax Identification No: **Agency IRS ID Number**
Date Project Accepted by City/County: **Final Date or "Ongoing" if not Final**
Project Location: **Project Limits**
Project Expenditure Authorization:

Reimbursement for Federal funds is claimed pursuant to Local Agency-State Agreement No. **Number**, Program Supplement No., **Number**, executed on **Date**.

	Preliminary Engineering	Construction Engineering	Right of Way/ Acquisition	Construction Contract
Federal Appropriations Code	Q24/33D	Q24/33D	Q24/33D	Q24/33D
Federal Authorization Date	5/12/99	5/12/99	5/12/99	5/12/99
Federal/State participating costs From	5/15/99	5/15/99	5/15/99	5/25/99
To	7/15/99	7/15/99	6/30/99	8/30/99
Total Indirect Costs to Date	**$825.00**	**$1,865.50**	----------	----------
Total Direct Costs to Date	**$4,000.60**	**$8,400.30**	**$8,290.00**	**$150,652.00**
Less: Retention	----------	----------	----------	(20,000.00)*
Liquidated Damages	----------	----------	----------	0.00**
Nonparticipating Costs	(350.00)	(840.00)	(1,200.00)	(16,000.00)
Total Federal Participating Costs to Date	$4,475.60	$9,425.80	$7,090.00	$114,652.00
Less: Participating Costs on previous invoice	$2,120.95	$6,350.20	0.00	$98,231.00
Change in Participating Costs	$2,354.65	$3,075.60	$7,090.00	$16,421.00
Federal reimbursement ratio	88.53	88.53	88.53	88.53
State reimbursement ratio (if applicable)				
Amount of this claim	2,084.57	2,722.82	6,276.77	24,537.51

TOTAL INVOICE AMOUNT **$25,621.67**

INDIRECT COST CALCULATION

Preliminary Engineering Indirect Costs:

	FY 1998-1999	FY 1999-2000
Direct Cost Base Expense	$1,944.00	$673.82
Approved indirect cost rate	31%	33%
Subtotal ****	$602.64	$222.36

Total Indirect Costs To Date for Preliminary Engineering **$825.00** (this Amount is carried to the front of the invoice under the Preliminary Engineering column)

Construction Engineering Indirect Costs:

	FY 1998-1999	FY 1999-2000
Direct Cost Base Expense	$4,756.23	$1,185.07
Approved indirect cost rate	31%	33%
Subtotal ****	$1,474.43	$391.07

Total Indirect Costs To Date for Construction Engineering **$1,865.50** (this Amount is carried to the front of the invoice under the Construction Engineering column)

I certify that the work covered by this invoice has been completed in accordance with approved plans and specifications; the costs shown in this invoice are true and correct; and the amount claimed, including retention as reflected above, is due and payable in accordance with the terms of the agreement.

_____ _____
Signature, Title and Unit of Local Agency Representative Phone No.

For questions regarding this invoice, please contact:

_____ _____
Name Phone No.

* Total retention amount withheld from contractor. At the end of the project and after all retention has been released, this amount should be zero.

** Show "liquidated damages" amount on final invoice.

*** Total must be rounded down to the lowest cent. Federal rules do not allow rounding up.

**** • Indirect cost for this project equals the direct cost base expense (i.e., direct salaries & wages plus fringe benefits) for this project multiplied by the approved indirect cost rate.
• Indirect cost reimbursement will not apply to direct costs, i.e., payment of construction contracts and right of way purchases, not included in the direct cost base.
• An indirect rate must be approved by Caltrans every fiscal year to be used for only those costs incurred for that year.

Distribution: Original & 2 Copies: Local Program Accounting (progress invoices)
District Local Assistance Engineer (final invoices)

Exhibit 5-B SAMPLE FEDERAL-AID INVOICE
WITH TWO APPROPRIATIONS & DIFFERENT REIMBURSEMENT RATES (EXCEPT FOR STIP PROJECTS)

(PREPARE ON LETTERHEAD OF LOCAL AGENCY)

Date of Invoice (For Progress Invoice)
Department of Transportation
Accounting Service Center- MS 33
Local Program Accounting Branch
P.O. Box 942874
Sacramento, CA 94274-0001

(For Final Invoice) Name, District Director
Attn: Name, District Local Assistance Engineer
Department of Transportation
Street or P.O. Box
City, CA Zip Code

Billing No: **1,2..., or Final**
Invoice No: **Local Agency's Invoice No.**
Federal-aid Project No: **Prefix-Proj. No. (Fed. Agreement No.)**
Tax Identification No: **Agency IRS ID Number**
Date Project Accepted by City/County: **Final Date or "Ongoing" if not Final**
Project Location: **Project Limits**
Project Expenditure Authorization:

Reimbursement for Federal funds is claimed pursuant to Local Agency-State Agreement No. **Number,** Program Supplement No., **Number**, executed on **Date** .

	Preliminary Engineering	Construction Engineering	Right of Way/ Acquisition	Construction Contract
Federal Appropriations Code	Q24	Q24	Q24	Q24
Federal Authorization Date	5/12/99	6/5/99	5/12/99	6/5/99
Federal/State participating costs From	5/15/99	6/15/99	5/15/99	6/15/99
To	7/15/99	8/30/99	8/30/99	8/30/99
Total Indirect Costs to Date	**$825.00**	**$1,865.50**	----------	----------
Total Direct Costs to Date	**$4,000.60**	**$8,400.30**	**$8,290.00**	**$150,652.00**
Less: Retention	----------	----------	----------	(20,000.00)*
Liquidated Damages	----------	----------	----------	0.00**
Nonparticipating Costs	(350.00)	(840.00)	(1,200.00)	(16,000.00)
Total Federal Participating Costs to Date	$4,475.60	$9,425.80	$7,090.00	$114,652.00
Less: Participating Costs on previous invoice	$2,120.95	$6,350.20	0.00	$98,231.00
Change in Participating Costs	$2,354.65	$3,075.60	$7,090.00	$16,421.00
Federal reimbursement ratio	88.53			
State reimbursement ratio (if applicable)				
Amount of this claim	$2,084.57	$2,722.82	$6,276.77	$14,537.51

Federal Appropriations Code	114	114	114	114
Federal Authorization Date	5/12/99	5/12/99	5/12/99	5/12/99
Federal/State participating costs From	5/15/99	5/15/99		5/15/99
To	7/15/99	8/30/99		8/30/99
Total Indirect Costs to Date	**$500.00**	**$1,375.25**	----------	----------
Total Direct Costs to Date	**$2,700.00**	**$5,250.00**	**0.00**	**$63,240.00**
Less: Retention	----------	----------	----------	(6,324.00)*
Liquidated Damages	----------	----------	----------	0.00**
Nonparticipating Costs	(0.00)	(0.00)	(0.00)	(9,500.00)
Total Federal Participating Costs to Date	$3,200.00	$6,625.25	0.00	$47,416.00
Less: Participating Costs on previous invoice	0.00	0.00	0.00	0.00
Change in Participating Costs	$3,200.00	$6,625.25	0.00	$47,416.00
Federal reimbursement ratio	80%	80%		80%
State reimbursement ratio				
Amount of this claim	$2,560.00	$5,300.20	$0.00	$37,932.80

TOTAL INVOICE TOTAL **$71,414.67**

INDIRECT COST CALCULATION

Preliminary Engineering Indirect Costs (Q24):

	FY 1998-1999	FY 1999-2000
Direct Cost Base Expense	$1,944.00	$673.82
Approved indirect cost rate	31%	33%
Subtotal ****	$602.64	$222.36

Total Indirect Costs To Date for Preliminary Engineering **$825.00** (this Amount is carried to the front of the invoice under the Q24 Preliminary Engineering column)

Construction Engineering Indirect Costs (Q24/33D):

	FY 1998-1999	FY 1999-2000
Direct Cost Base Expense	$4,756.23	$1,185.07
Approved indirect cost rate	31%	33%
Subtotal ****	$1,474.43	$391.07

Total Indirect Costs To Date for Construction Engineering **$1,865.50** (this Amount is carried to the front of the invoice under the Q24/33D Construction Engineering column)

Preliminary Engineering Indirect Costs (114):

	FY 1998-1999	FY 1999-2000
Direct Cost Base Expense	$972.00	$602.07
Approved indirect cost rate	31%	33%
Subtotal ****	$301.32	$198.68

Total Indirect Costs To Date for Preliminary Engineering **$500.00** (this Amount is carried to the front of the invoice under the 114 Preliminary Engineering column)

Construction Engineering Indirect Costs (114):

	FY 1998-1999	FY 1999-2000
Direct Cost Base Expense	$3,174.78	$1,185.07
Approved indirect cost rate	31%	33%
Subtotal ****	$984.18	$391.07

Total Indirect Costs To Date for Construction Engineering **$13,75.25** (this Amount is carried to the front of the invoice under the 114 Construction Engineering column)

I certify that the work covered by this invoice has been completed in accordance with approved plans and specifications; the costs shown in this invoice are true and correct; and the amount claimed, including retention as reflected above, is due and payable in accordance with the terms of the agreement.

_____ _____
Signature, Title and Unit of Local Agency Representative Phone No.

For questions regarding this invoice, please contact:

_____ _____
Name Phone No.

* Total retention amount withheld from contractor. At the end of the project and after all retention has been released, this amount should be zero.

** Show "liquidated damages" amount on final invoice.

*** Total must be rounded down to the lowest cent. Federal rules do not allow rounding up.

**** • Indirect cost for this project equals the direct cost base expense (i.e., direct salaries & wages plus fringe benefits) for this project multiplied by the approved indirect cost rate.
• Indirect cost reimbursement will not apply to direct costs, i.e., payment of construction contracts and right of way purchases, not included in the direct cost base.
• An indirect rate must be approved by Caltrans every fiscal year to be used for only those costs incurred for that year.

Distribution: (Original & 2 Copies) Local Program Accounting (progress invoices)
District Local Assistance Engineer (final invoices

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Exhibit 5-C SAMPLE OF STATE PROJECT INVOICE

(PREPARE ON LETTERHEAD OF LOCAL AGENCY)

Date of Invoice (For Progress Invoice)
Department of Transportation
Accounting Service Center- MS 33
Local Program Accounting Branch
P.O. Box 942874
Sacramento, CA 94274-0001

(For Final Invoice) Name, District Director
Attn: Name, District Local Assistance Engineer
Department of Transportation
Street or P.O. Box
City, CA Zip Code

Billing No: **1,2..., or Final**
Invoice No: **Local Agency's Invoice No.**
State Project No: **Prefix-Proj. No.**
Tax Identification No: **Agency IRS ID Number**
Date Project Accepted by City/County: **Final Date or "Ongoing" if not Final**
Project Location: **Project Limits**
Expenditure Authorization No.

Reimbursement for **State Program** funds is claimed pursuant to Local Agency-State Agreement No. **Number,** Program Supplement No., **Number**, executed on **Date**.

	Preliminary Engineering	Construction Engineering	Right of Way/ Acquisition	Construction Contract
Total Indirect Costs to Date	**$8,25.00**	**$1,865.50**	----------	----------
Total Direct Costs to Date	**$4,000.60**	**$8,400.30**	**$8,290.00**	**$150,652.00**
Participating costs From	**6/15/02**	**6/15/02**	**6/15/02**	**6/15/02**
To	**8/01/02**	**8/01/02**	**8/01/02**	**8/01/02**
Less: Retention	----------	----------	----------	(20,000.00)*
Liquidated Damages	----------	----------	----------	0.00**
Nonparticipating Costs	(350.00)	(840.00)	(1,200.00)	(16,000.00)
Total State Participating Costs to Date	$4,475.60	$9,425.80	$7,090.00	$114,652.00
Less: Participating Costs on previous invoice	$2,120.95	$6,350.20	0.00	$98,231.00
Change in Participating Costs	$2,354.65	$3,075.60	$7,090.00	$16,421.00
Reimbursement Ratio	75%	75%	75%	75%
Amount of this claim	$1,765.98	$2,306.70	$5,317.50	$12,315.75

TOTAL INVOICE AMOUNT **$21,705.93**

INDIRECT COST CALCULATION

Preliminary Engineering Indirect Costs:

	FY 1998-1999	FY 1999-2000
Direct Cost Base Expense	$1,944.00	$673.82
Approved indirect cost rate	31%	33%
Subtotal ***	$602.64	$222.36

Total Indirect Costs To Date for Preliminary Engineering **$825.00** (this Amount is carried to the front of the invoice under the Preliminary Engineering column)

Construction Engineering Indirect Costs:

	FY 1998-1999	FY 1999-2000
Direct Cost Base Expense	$4,756.23	$1,185.07
Approved indirect cost rate	31%	33%
Subtotal ***	$1,474.43	$391.07

Total Indirect Costs To Date for Construction Engineering **$1,865.50** (this Amount is carried to the front of the invoice under the Construction Engineering column)

I certify that the work covered by this invoice has been completed in accordance with approved plans and specifications; the costs shown in this invoice are true and correct; and the amount claimed, including retention as reflected above, is due and payable in accordance with the terms of the agreement.

_____ _____
Signature, Title and Unit of Local Agency Representative Phone No.

_____ _____
Contact Name (for questions about this invoice) Phone No.

* Total retention amount withheld from contractor. At the end of the project and after all retention has been released, this amount should be zero.

** Show "liquidated damages" amount on final invoice.

*** • Indirect cost for this project equals the direct cost base expense (i.e., direct salaries & wages plus fringe benefits) for this project multiplied by the approved indirect cost rate.
• Indirect cost reimbursement will not apply to direct costs, i.e., payment of construction contracts and right of way purchases, not included in the direct cost base.
• An indirect rate must be approved by Caltrans every fiscal year to be used for only those costs incurred for that year.

Distribution: (Original & 2 Copies) Local Program Accounting (progress invoices)
District Local Assistance Engineer (final invoices)

Exhibit 5-D SAMPLE RIGHT OF WAY INVOICE

(LETTERHEAD OF LOCAL AGENCY)

Date of Invoice (For Progress Invoice
Department of Transportation
Accounting Service Center- MS 33
Local Program Accounting Branch
P.O. Box 942874
Sacramento, CA 94274-0001

(For Final Invoice) Name, District Director
Attn: Name, District Local Assistance Engineer
Department of Transportation
Street or P.O. Box
CITY, CA ZIP CODE

Billing No: **1,2..., or Final**
Invoice No: **Local Agency's Invoice No.**
Federal-Aid Project No: **Prefix-Proj. No.(Fed. Agreement No.)**
Tax Identification No: **Agency IRS ID Number**
Date Project Accepted by City/County: **Final Date or "Ongoing" if not Final**
Project Location: **Project Limits**
Expenditure Authorization No.

Reimbursement for Federal funds is claimed pursuant to Local Agency-State Agreement No. **Number**
Program Supplement No., **Number**, executed on **Date**.

	Phase 9 Capital	Phase 2 Incidental
Federal Appropriations Code	33D	33D
Federal Authorization Date	5/12/99	5/12/99
Federal/State participating costs From	5/15/99	5/15/99
To	7/15/99	7/15/99
Total Indirect Costs To Date	----------	**$4,147.00**
Total Direct Costs To Date	**$1,133,907.00**	**$243,642.00**
Less: Nonparticipating Costs	(20,750.00)	(64,356.00)
Federal Participating Costs to Date	$1,113,157.00	$183,433.00
Less: Participating Costs on Previous Invoice	$980,165.00	$150,794.00
Change in Participating Costs	$132,992.00	$32,639.00
Federal reimbursement ratio	88.53%	88.53%
State reimbursement ratio (if applicable)		
Amount of this claim	$117,737.81*	$28,895.30*

TOTAL INVOICE AMOUNT **$146,633.11**

INDIRECT COST CALCULATION

Right of Way Indirect Costs:

	FY 1998-1999	FY 1999-2000
Direct Cost Base Expense	$1,944.00	$1,0740.49
Approved indirect cost rate	31%	33%
Subtotal **	$602.64	$3,544.36

Total Indirect Costs To Date for Preliminary Engineering **$4,147.00** (this Amount is carried to the front of the invoice under the Right of Way Incidental column)

1. I certify that to the best of my knowledge and belief the above data is correct; that adequate title to the necessary right of way has been acquired for the herein above described federal-aid project in the name of the **Local Agency name** for the amount of just compensation based on bona fide appraisals duly qualified as required by the right of way procedures of the Federal Highway Administration and other written justification now contained in the **Local Agency** files, in accordance with procedures as submitted and accepted by the Director.

2. I further state that this certification is made in my official capacity as **Title ,** pursuant to Section 1.31 of Title 23 of the Code of Federal Regulations and Section 121 of Title 23, United States Code, for the purpose of securing, pursuant thereto, by the **Local Agency name**, federal-aid funds in connection with the above designated federal-aid highway project, and that neither I nor to the best of my knowledge, any officer, agent, or employee of the **City, County** authorized in any official capacity to perform services in connection with the appraisal or acquisition of any such right of way has any interest, or contemplates any benefit from any transaction which involves acquisition of property for right of way for such project, other than as herein disclosed.

_____ _____
Signature, Title and Unit of Local Agency Representative Phone No.

For questions regarding this invoice, please contact:

_____ _____
Name Phone No.

* Please round down the figures to the lowest cent. Federal rules do not allow rounding up.

**
- Indirect cost for this project equals the direct cost base expense (i.e., direct salaries & wages plus fringe benefits) for this project multiplied by the approved indirect cost rate.
- Indirect cost reimbursement will not apply to direct costs, i.e., payment of construction contracts and right of way purchases, not included in the direct cost base.
- An indirect rate must be approved by Caltrans every fiscal year to be used for only those costs incurred for that year.

Note: Rental income may be retained by local agencies, but must be used for Title 23 purposes.

Distribution: (Original & 2 Copies) Local Program Accounting (progress invoices)
District Local Assistance Engineer (final invoices)

Exhibit 5-E SAMPLE OF "STIP PROJECT" FEDERAL INVOICE

(PREPARE ON LETTERHEAD OF LOCAL AGENCY)

Date of Invoice (For Progress Invoice)
Department of Transportation
Accounting Service Center - MS 33
Local Program Accounting Branch
P.O. Box 942874
Sacramento, CA 94274-0001

(For Final Invoice) Name, District Director
Attn: Name, District Local Assistance Engineer
Department of Transportation
Street or P.O. Box
City, CA Zip Code

Billing No: **1,2..., or Final**
Invoice No: **Local Agency's Invoice No.**
Federal-aid Project No: **Prefix-Proj. No. (Fed. Agreement No.)**
Tax Identification No: **Agency IRS ID Number**
Date Project Accepted by City/County: **Final Date or "Ongoing" if not Final**
Project Location: **Project Limits**
Project Expenditure Authorization:

Reimbursement for federal and/or state funds is claimed pursuant to Local Agency-State Agreement No. **Number,** Program Supplement No., **Number**, executed on **Date** .

	Environmental Studies & Permits	PS&E	Construction Engineering	Construction
Federal Appropriations Code	Q24/33D	Q24/33D	Q24/33D	Q24/33D
Federal Authorization Date	5/12/99	5/12/99	6/10/99	6/10/99
Federal/State participating costs From	5/15/99	6/15/99	6/15/99	6/15/99
To	8/15/99	8/15/99	8/15/99	8/15/99
Total Indirect Costs to Date	**$825.00**	**$1,865.50**	**$2,690.50**	----------
Total Direct Costs to Date	**$4,000.60**	**$8,400.30**	**$8,290.00**	**$150,652.00**
Less: Retention	----------	----------	----------	(20,000.00)*
Liquidated Damages	----------	----------	----------	0.00**
Nonparticipating Costs	(350.00)	(840.00)	(1,200.00)	(16,000.00)
Total Federal Participating Costs to Date	$4,475.60	$9,425.80	$9,780.50	$114,652.00
Less: Participating Costs on previous invoice	$2,120.95	$6,350.20	0.00	$98,231.00
Change in Participating Costs	$2,354.65	$3,075.60	$9,780.50	$16,421.00
Federal reimbursement ratio	88.53%	88.53%	88.53%	88.53%
State reimbursement ratio	0.00%	0.00%	11.47%	11.47%
Amount of this claim	$2,084.57***	$2,722.82***	9,780.50***	$16,421.00***

TOTAL INVOICE AMOUNT **$31,008.89**

INDIRECT COST CALCULATION

Environmental Studies & Permits Indirect Costs:

	FY 1998-1999	FY 1999-2000
Direct Cost Base Expense	$1,944.00	$673.82
Approved indirect cost rate	31%	33%
Subtotal ****	$602.64	$222.36

Total Indirect Costs To Date for Environmental Studies & Permits **$825.00** (this Amount is carried to the front of the invoice under the Environmental Studies & Permits column)

PS&E Indirect Costs:

	FY 1998-1999	FY 1999-2000
Direct Cost Base Expense	$4,756.23	$1,185.07
Approved indirect cost rate	31%	33%
Subtotal ****	$1,474.43	$391.07

Total Indirect Costs To Date for PS&E **$1,865.50** (this Amount is carried to the front of the invoice under the PS&E column)

Construction Engineering Indirect Costs:

	FY 1998-1999	FY 1999-2000
Direct Cost Base Expense	$6,000.00	$2,516.67
Approved indirect cost rate	31%	33%
Subtotal ****	$1,860.00	$830.50

Total Indirect Costs To Date for Construction Engineering **$2,690.50** (this Amount is carried to the front of the invoice under the Construction Engineering column)

I certify that the work covered by this invoice has been completed in accordance with approved plans and specifications; the costs shown in this invoice are true and correct; and the amount claimed, including retention as reflected above, is due and payable in accordance with the terms of the agreement.

_____ _____
Signature, Title and Unit of Local Agency Representative Phone No.

For questions regarding this invoice, please contact:

_____ _____
Name Phone No.

* Total retention amount withheld from contractor. At the end of the project and after all retention has been released, this amount should be zero.

** Show "liquidated damages" amount on final invoice.

*** Please round down the figures to the lowest cent. Federal rules do not allow rounding up.

**** • Indirect cost for this project equals the direct cost base expense (i.e., direct salaries & wages plus fringe benefits) for this project multiplied by the approved indirect cost rate.
• Indirect cost reimbursement will not apply to direct costs, i.e., payment of construction contracts and right of way purchases, not included in the direct cost base.
• An indirect rate must be approved by Caltrans every fiscal year to be used for only those costs incurred for that year.

Note: For R/W acquisition use Exhibit 5-D.

Distribution: **1**) (Original & 2 Copies) Local Program Accounting (progress invoices)
2) District Local Assistance Engineer (final invoices)

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Exhibit 5-F SAMPLE OF "STIP PROJECT" STATE INVOICE

(PREPARE ON LETTERHEAD OF LOCAL AGENCY)

Date of Invoice (For Progress Invoice)
Department of Transportation
Accounting Service Center - MS 33
Local Program Accounting Branch
P.O. Box 942874
Sacramento, CA 94274-0001

(For Final Invoice) Name, District Director
Attn: Name, District Local Assistance Engineer
Department of Transportation
Street or P.O. Box
City, CA Zip Code

Billing No: **1,2..., or Final**
Invoice No: **Local Agency's Invoice No.**
State Project No: **Prefix-Proj. No.**
Tax Identification No: **Agency IRS ID Number**
Date Project Accepted by City/County: **Final Date or "Ongoing" if not Final**
Project Location: **Project Limits**
Expenditure Authorization No.

Reimbursement for **State Program** funds is claimed pursuant to Local Agency-State Agreement No. **Number,** Program Supplement No., **Number**, executed on **Date** .

	Environmental Studies & Permits	PS&E	Right of Way/ Acquisition	Construction including CE
State participating costs from	**5/12/02**	**5/12/02**	**5/12/02**	**5/12/02**
To	**6/29/02**	**6/29/02**	**6/29/02**	**6/29/02**
Total Indirect Costs to Date	**$825.00**	**$1,865.50**	----------	**$4,323.22**
Total Direct Costs to Date	**$4,000.60**	**$8,400.30**	**$8,290.00**	**$150,652.00**
Less: Retention	----------	----------	----------	(20,000.00)*
Liquidated Damages	----------	----------	----------	0.00**
Nonparticipating Costs	(350.00)	(840.00)	(1,200.00)	(16,000.00)
Total State Participating Costs to Date	$4,475.60	$9,425.80	$7,090.00	$118,975.22
Less: Participating Costs on previous invoice	$2,120.95	$6,350.20	0.00	$98,231.00
Change in Participating Costs	$2,354.65	$3,075.60	$7,090.00	$20,744.22
Reimbursement ratio	75%	75%	75%	75%
Amount of this claim	$1,765.98	$2,306.70	$5,317.50	$12,315.75

TOTAL INVOICE AMOUNT **$24,946.10**

INDIRECT COST CALCULATION

Environmental Studies & Permits Indirect Costs:

	FY 1998-1999	FY 1999-2000
Direct Cost Base Expense	$1,944.00	$673.82
Approved indirect cost rate	31%	33%
Subtotal ***	$602.64	$222.36

Total Indirect Costs To Date for Environmental Studies & Permits **$825.00** (this Amount is carried to the front of the invoice under the Environmental Studies & Permits column)

PS&E Indirect Costs:

	FY 1998-1999	FY 1999-2000
Direct Cost Base Expense	$4,756.23	$1,185.07
Approved indirect cost rate	31%	33%
Subtotal ***	$1,474.43	$391.07

Total Indirect Costs To Date for PS&E **$1,865.50** (this Amount is carried to the front of the invoice under the PS&E column)

Construction Engineering Indirect Costs:

	FY 1998-1999	FY 1999-2000
Direct Cost Base Expense	$9,500.00	$4,176.43
Approved indirect cost rate	31%	33%
Subtotal ***	$2,945.00	$1,378.22

Total Indirect Costs To Date for Construction Engineering **$4,323.22** (this Amount is carried to the front of the invoice under the Construction Engineering column)

I certify that the work covered by this invoice has been completed in accordance with approved plans and specifications; the costs shown in this invoice are true and correct; and the amount claimed, including retention as reflected above, is due and payable in accordance with the terms of the agreement.

_____ _____
Signature, Title and Unit of Local Agency Representative Phone No.

For questions regarding this invoice, please contact:

_____ _____
Name Phone No.

* Total retention amount withheld from contractor. At the end of the project and after all retention has been released, this amount should be zero.

** Show "liquidated damages" amount on final invoice.

*** • Indirect cost for this project equals the direct cost base expense (i.e., direct salaries & wages plus fringe benefits) for this project multiplied by the approved indirect cost rate.
• Indirect cost reimbursement will not apply to direct costs, i.e., payment of construction contracts and right of way purchases, not included in the direct cost base.
• An indirect rate must be approved by Caltrans every fiscal year to be used for only those costs incurred for that year.

Distribution: 1) (Original & 2 Copies) Local Program Accounting (progress invoices)
2) District Local Assistance Engineer (final invoices)

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Exhibit 5-G Alternative Payment Procedure Sample

(PREPARE ON LETTERHEAD OF LOCAL AGENCY)

Date of Invoice (For Progress Invoice)
Department of Transportation
Accounting Service Center - MS 33
Local Program Accounting Branch
P.O. Box 942874
Sacramento, CA 94274-0001

(For Final Invoice) Name, District Director
Attn: Name, District Local Assistance Engineer
Department of Transportation
Street or P.O. Box
City, CA Zip Code

Billing No: **1,2..., or Final**
Invoice No: **Local Agency's Invoice No.**
Federal-aid Project No: **Prefix-Proj. No. (Fed. Agreement No.)**
Tax Identification No: **Agency IRS ID Number**
Date Project Accepted by City/County: **Final Date or "Ongoing" if not Final**
Project Location: **Project Limits**
Project Expenditure Authorization:

Reimbursement for federal funds is claimed pursuant to Local Agency-State Agreement No. **Number,** Program Supplement No., **Number**, executed on **Date** .

	Preliminary Engineering *****	Construction Engineering	Construction Contract	Total
Federal Appropriations Code	33D/33C	33D/33C	33D/33C	
Federal Authorization Date	1/15/99	2/10/99	2/10/99	
Federal/State participating costs From	3/1/99	3/1/99	3/1/99	
To	7/30/99	7/30/99	7/30/99	
Total Indirect Costs to Date	**$825.00**	**$1,865.50**	----------	
Total Direct Costs to Date	**$4,000.60**	**$8,400.30**	**$200,000.10**	
Less: Retention	----------	----------	(20,000.00)*	
Liquidated Damages	----------	----------	0.00**	
Nonparticipating Costs	(350.00)	(840.00)	(16,000.00)	
Total Federal Participating Costs to Date	$4,475.60	$9,425.80	$164,000.10	
Less: Participating Costs on previous invoice	$2,120.95	$6,350.20	$98,231.00	
Change in Participating Costs	$2,354.65	$3,075.60	$65,769.10	
Reimbursement Ratio (Federal and/or State)	88.53	88.53	88.53	
Federal Reimbursement	2,084.57	2,722.82	58,225.38	
State Reimbursement	2,084.57	2,722.82	58,225.38	
Amount of claim (expended funds)				**$63,032.77*** **

ADJUSTMENT OF STATE FUNDS FOR ESTIMATED CONTRACT PAYMENTS

	Total expended funds	$63,032.77
Less:	Estimate Previously Invoiced for the month	$80,000.00
	Difference (positive or negative amount)	($16,967.22)
Plus:	Estimate for next month	$100,000.00
	TOTAL INVOICE AMOUNT	**$83,032.77**

INDIRECT COST CALCULATION

Preliminary Engineering Indirect Costs:

	FY 1998-1999	FY 1999-2000
Direct Cost Base Expense	$1,944.00	$673.82
Approved indirect cost rate	31%	33%
Subtotal ****	$602.64	$222.36

Total Indirect Costs To Date for Preliminary Engineering **$825.00** (this Amount is carried to the front of the invoice under the Preliminary Engineering column)

Construction Engineering Indirect Costs:

	FY 1998-1999	FY 1999-2000
Direct Cost Base Expense	$4,756.23	$1,185.07
Approved indirect cost rate	31%	33%
Subtotal ****	$1,474.43	$391.07

Total Indirect Costs To Date for Construction Engineering **$1,865.50** (this Amount is carried to the front of the invoice under the Construction Engineering column)

I certify that the work covered by this invoice has been completed in accordance with approved plans and specifications; the costs shown in this invoice are true and correct; and the amount claimed, including retention as reflected above, is due and payable in accordance with the terms of the agreement.

_____ _____
Signature, Title and Unit of Local Agency Representative Phone No.

For questions regarding this invoice, please contact:

_____ _____
Name Phone No.

* Total retention amount withheld from contractor. At the end of the project and after all retention has been released, this amount should be zero.

** Show "liquidated damages" amount on final invoice.

*** Please round down the figures to the lowest cent. Federal rules do not allow rounding up.

**** • Indirect cost for this project equals the direct cost base expense (i.e., direct salaries & wages plus fringe benefits) for this project multiplied by the approved indirect cost rate.
• Indirect cost reimbursement will not apply to direct costs, i.e., payment of construction contracts and right of way purchases, not included in the direct cost base.
• An indirect rate must be approved by Caltrans every fiscal year to be used for only those costs incurred for that year.

***** If invoice is for a STIP project, PE has to be segregated into E&PP and PS&E.

Distribution: 1) (Original & 2 Copies) Local Program Accounting (progress invoices)
2) District Local Assistance Engineer (final invoices)

Exhibit 5-H Cognizant Federal Agencies

Federal Register / Vol. 51, No. 3 / Monday, January 6, 1986 / Notices 5

COGNIZANT AGENCY ASSIGNMENTS FOR COST ALLOCATION UNDER OMB CIRCULAR A-87 AND FOR SINGLE AUDIT UNDER OMB CIRCULAR A-128—Continued

	Cognizant Federal agency
Cities:	
Birmingham	HUD
Gadsden	HHS
Huntsville	DOL
Mobile	HUD
Montgomery	HUD
Tuscaloosa	HUD
ALASKA	
State agencies:	
Commerce and Economic Development	DOE
Community and Regional	DOL
Corrections	DOJ
Education	ED
Environmental Conservation	USDA
Fish and Game	DOI
Governor's Office	HHS
Health and Social Services	HHS
Housing Authority	HUD
Labor	DOL
Military and Veteran Affairs	DOD
Natural Resources	DOI
Public Safety	DOJ
Transportation and Public Facilities	DOT
Vocational Rehabilitation	HHS
Counties: Greater Anchorage	HHS
Cities: Anchorage	HHS
AMERICAN SAMOA	
State agencies: All departments and agencies	DOI
ARIZONA	
State Agencies:	
Corrections	DOJ
Economic Security	HHS
Education	ED
Emergency and Military Affairs	DOD
Game and Fish	DOI
Governor's Office	DOL
Health Services	HHS
Industrial Commission	DOL
Land	USDA
Mine Inspector	DOL
Public Safety	DOJ
State Parks	DOI
Transportation	DOT
Counties:	
Cochise	HHS
Maricopa	HUD
Pima	HHS
Pinal	HHS
Cities:	
Phoenix:	
Aviation	DOT*
Community Development	HUD
Housing	HUD
Human Resources/Relations	DOL
Parks and Recreation	DOI
Police	DOJ
Public Works	DOT
Sewer Utility	EPA
Transit	DOT
Tucson	HUD
ARKANSAS	
State agencies:	
Corrections	DOJ
Education	ED
Emergency Services Office	FEMA
Energy Office	DOE
Forestry Comission	USDA
Game and Fish Commission	DOI
Governor's Office	DOL
Health	HHS
Highway and Transportation	DOT
Human Services	HHS
Labor	DOL
Natural and Cultural Heritage	DOI
Parks and Tourism	DOI
Pollution Control and Ecology	EPA
Workers' Compensation Commission	DOL
Veterans Affairs	VA
Counties:	
Jefferson	HHS
Mississippi	HHS
Pulaski	HUD

COGNIZANT AGENCY ASSIGNMENTS FOR COST ALLOCATION UNDER OMB CIRCULAR A-87 AND FOR SINGLE AUDIT UNDER OMB CIRCULAR A-128—Continued

	Cognizant Federal agency
Sebastian	EPA
Washington	HHS
Cities:	
Fort Smith	HUD
Little Rock:	
Community Improvement	DOL
Human Resources	HUD
Parks	DOI*
North Little Rock	EPA
CALIFORNIA	
State agencies:	
Aging	HHS*
Air Resources Board	EPA
Alcohol and Drug Abuse Programs	HHS
Conservation	EPA
Corrections	HHS
Developmental Services	HHS
Economic and Business Development	DOC
Education	ED
Emergency Services Office	FEMA
Employment Development	DOL
Energy Commission	DOE
Finance	HUD
Fish and Game	DOI
Food and Agriculture	USDA
Forestry	USDA
Governor's Office	DOJ
Health Services	HHS
Housing and Community Development	HUD
Industrial Relations	DOL
Justice	DOJ
Mental Health	HHS
Military Department	DOD
Parks and Recreation	DOI
Post Secondary Education Commission	ED
Planning and Research Office	HUD
Rehabilitation	ED
Resources Agency	EPA
Social Services	HHS
Solid Waste Management Board	EPA
Transportation	DOT
Veterans Affairs	VA
Water Resources Control Board	EPA
Youth Authority	HHS
Counties:	
Alameda:	
District Attorney	HHS*
Health/Human Services	HHS
Planning	HUD
Probation	DOJ
Sheriff	DOJ
Social Services	HHS
Streets	DOT
Contra Costa	HHS
Fresno	HHS
Kern	HHS
Los Angeles:	
Community and Senior Citizens/Services	HHS*
Community Development Commission	HUD
Courts	DOJ
District Attorney	HHS
Health Services	HHS
Mental Health	HHS
Parks and Recreation	USDA
Public Social Services	HHS
Public Works	DOT
Regional Planning	DOT
Sheriff	DOJ
Merced	HHS
Monterey	HHS
Orange:	
Airport	DOT
Criminal Justice	DOJ
Courts	DOL
District Attorney	HHS*
Environmental Affairs/Protection	HUD
Health/Human Services	HHS
Probation	HHS
Senior Citizens/Services	HHS
Sheriff	HHS
Riverside	HHS
Sacramento	HHS
San Bernardino:	
Community Development	HUD
Environmental Public Works	EPA

COGNIZANT AGENCY ASSIGNMENTS FOR C ALLOCATION UNDER OMB CIRCULAR A AND FOR SINGLE AUDIT UNDER OMB CIF LAR A-128—Continued

	Cogn Fed age
Health/Human Services	HHS*
Human Resources/Relations	HHS
Law and Justice	DOJ
Manpower	DOL
San Buenaventura	HHS
San Diego	HHS
San Joaquin	HHS
San Luis Obispo	HHS
San Mateo	HHS
Santa Cruz	HHS
Sonoma	HHS
Stanislaus	HHS
Tulare	HHS
All other counties	HHS
Cities:	
Alameda	HUD
Alhambra	HHS
Anaheim	HHS
Bakersfield	EPA
Berkeley	HUD
Burbank	HHS
Butte	HHS
Carson	DOT
Compton	HUD
Downey	HHS
Fresno	HUD
Fullerton	HHS
Garden Grove	HHS
Glendale	HHS
Hayward	HUD
Inglewood	HHS
Lakewood	HHS
Long Beach	HUD
Los Angeles:	
Airport	DOT
Building and Safety	HUD
Community Development	HUD
Council	DOT
Fire Services	FEM
General Services	HUD
Housing Authority	HUD
Mayor's Office	DOC
Parks and Recreation	HUD
Personnel	DOL
Public Works	EPA
Redevelopment Agency	HUD
Transportation	DOT
Norwalk	HHS
Oakland	HUD
Palo Alto	EPA
Pasadena	HHS
Pomona	HUD
Richmond	HUD
Riverside	HUD
Sacramento	HUD
San Bernardino	HUD
San Diego:	
General Services	DOT
Housing Commission	HUD
Streets	HUD
Utilities	EPA*
San Francisco:	
Administrative Office	EPA
Arts	DOI
Health/Human Services	HHS
Mayor's Office	DOL*
Parks and Recreation	DOI
Planning	DOC
Police	DOJ
San Jose	USDA
San Leandro	HHS
San Mateo	HUD
Santa Ana	HUD
Santa Barabara	HUD
Santa Clara:	
Justice	DOJ
Planning	HUD
Santa Monica	HHS
Southgate	HHS
Stockton	HUD
Sunnyvale	HHS
Torrance	HHS
Vallejo	HUD
Ventura	HHS
West Covina	HHS

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Exhibit 5-I Sample Indirect Cost Rate Proposal

Local Agency name
Indirect Cost Plan

The indirect cost rate contained herein is for use on grants, contracts and other agreements with the Federal Government and California Department of Transportation (Caltrans), subject to the conditions in Section II. This plan was prepared by the ***Local Agency name*** and approved by Caltrans.

SECTION I: Rates

Rate Type	Effective Period	Rate*	Applicable To
Fixed with carry forward	7/1/96 to 6/30/97	40.49%	All Programs

*Base: Total Direct Salaries and Wages plus fringe benefits

SECTION II: General Provisions

A. Limitations:

The rates in this Agreement are subject to any statutory or administrative limitations and apply to a given grant, contract, or other agreement only to the extent that funds are available. Acceptance of the rates is subject to the following conditions: (1) Only costs incurred by the organization were included in its indirect cost pool as finally accepted: such costs are legal obligations of the organization and are allowable under the governing cost principles; (2) The same costs that have been treated as indirect costs are not claimed as direct costs; (3) Similar types of costs have been accorded consistent accounting treatment; and (4) The information provided by the organization which was used to establish the rates is not later found to be materially incomplete or inaccurate by the Federal Government or Caltrans. In such situations the rate(s) would be subject to renegotiations at the discretion of the Federal Government or Caltrans; (5) Prior actual costs used in the calculation of the approved rate are contained in the grantee's Single Audit, which was prepared in accordance with OMB Circular A-133. If a Single Audit is not required to be performed, then audited financial statements should be used to support the prior actual costs; and, (6) The estimated costs used in the calculation of the approved rate are from the grantee's approved budget in effect at the time of approval of this plan.

B. Accounting Changes:

This Agreement is based on the accounting system purported by the organization to be in effect during the Agreement period. Changes to the method of accounting for costs, which affect the amount of reimbursement resulting from the use of this Agreement, require prior approval of the authorized representative of the cognizant agency. Such changes include, but are not limited to, changes in the charging of a particular type of cost from indirect to direct. Failure to obtain approval may result in cost disallowance.

C. Fixed Rate with Carry Forward:

The fixed rate used in this Agreement is based on an estimate of the costs for the period covered by the rate. When the actual costs for this period are determined either by the grantee's Single Audit or if a Single Audit is not required, then by the grantee's audited financial statements any differences between the application of the fixed rate and actual costs will result in an over or under recovery of costs. The over or under recovery will be carried forward, as an adjustment to the calculation of the indirect cost rate, to the second fiscal year subsequent to the fiscal year covered by this plan.

D. Audit Adjustments:

Immaterial adjustments resulting from the audit of information contained in this plan shall be compensated for in the subsequent indirect cost plan approved after the date of the audit adjustment. Material audit adjustments will require reimbursement from the grantee.

E. Use by Other Federal Agencies:

Authority to approve this agreement by Caltrans has been delegated by the Federal Highway Administration, California Division. The purpose of this approval is to permit subject local government to bill indirect costs to Title 23 funded projects administered by the Federal Department of Transportation (DOT). This approval does not apply to any grants, contracts, projects, or programs for which DOT is not the cognizant federal agency. The approval will also be used by Caltrans in state-only funded projects.

F. Other:

If any federal contract, grant, or other agreement is reimbursing indirect costs by a means other than the approved rate(s) in this Agreement, the organization should (1) credit such costs to the affected programs, and (2) apply the approved rate(s) to the appropriate base to identify the proper amount of indirect costs allocable to these programs.

G. Rate Calculation

FY 1997 Budgeted Indirect Costs		$3,168,447
Carry Forward from FY 1995		(441,989)
Estimated FY 1997 Indirect Costs		$2,726,458
FY 1997 Budgeted Direct Salaries and Wages plus fringe benefits		$6,732,880
FY 1997 Indirect Cost Rate		40.49%

CERTIFICATION OF INDIRECT COSTS

This is to certify that I have reviewed the indirect cost rate proposal submitted herewith and to the best of my knowledge and belief:

(1) All costs included in this proposal to establish billing or final indirect costs rates for fiscal year 1997 (July 1, 1996 to June 30, 1997) are allowable in accordance with the requirements of the federal and state award(s) to which they apply and OMB Circular A-87, "Cost Principles for State, Local, and Indian Tribal Governments." Unallowable costs have been adjusted for in allocating costs as indicated in the cost allocation plan.

(2) All costs included in this proposal are properly allocable to federal and state awards on the basis of a beneficial or causal relationship between the expenses incurred and the agreements to which they are allocated in accordance with applicable requirements. Further, the same costs that have been treated, as indirect costs have not been

claimed as direct costs. Similar types of costs have been accounted for consistently and the Federal Government and Caltrans will be notified of any accounting changes that would affect the predetermined rate.

I declare that the foregoing is true and correct.

Governmental Unit: _____

Signature: _____

Reviewed, Approved and Submitted by:

Name of Official: _____

Title: _____

Date of Execution: _____

Signature: _____

Prepared by:

Name of Official: _____

Title: _____

Phone:_____

INDIRECT COST RATE APPROVAL

The State DOT has reviewed this indirect cost plan and hereby approves the plan.

_____
Signature

Reviewed and Approved by:
(Name of Audit Manager)

Title:_____

Date:_____

Phone Number:_____

_____
Signature

Reviewed and Approved by:
(Name of auditor)

Title:_____

Date:_____

Phone Number:_____

Local Agency Name
CARRY FORWARD CALCULATION

	FY 1994	FY 1995	FY 1996		FY 1997
APPROVED RATE	43.33%	50.10%	51.47%	Approved Rate (Indirect Costs/ Direct S&W+FB)	40.49%
INDIRECT CARRY FORWARD					
Carry Forward	(99,748)	(16,796)	20,794	Carry Forward	(441,989)
Indirect Costs from Single Audit	2,400,168	2,439,166		Estimated Indirect Costs (From FY97 Budget)	3,168,447
				Totals Estimated Indirect Costs	2,726,458
Total Indirect Costs	2,300,384	2,422,370			
				Estimated Direct S&W +FB	6,732,880
Recovered Costs				(From FY 97 Budget)	
Direct Salaries & Wages +Fringe Benefits	5,260,998	5,717,283			
(* Approved Rate)	43.33%	50.10%			
Total Recovered Indirect Costs	2,279,590	2,864,359			
Indirect Carry Forward	20,794	(441,989)			
DIRECT SALARIES & WAGES + FRINGE BENEFITS (Per Single-Audit)					
General Fund-S&W+FB	5,260,998	5,717,283			
Special Revenue Fund-S&W_FB	N/A	N/A			
Internal Service Fund-S&W+FB	N/A	N/A			
Total Direct Salaries & Wages + Fringe Benefits	5,260,998	5,717,283			

Local Agency Name
FY 1997 BUDGET

	DIRECT COSTS	INDIRECT COSTS	UNALLOWED COSTS	TOTAL BUDGET
Salaries	5,034,970	1,214,698		6,249,668
Fringe Benefits	1,697,910	417,485		2,115,395
Total	6,732,880	1,632,183		8,365,063
DIRECT COSTS	11,037,468			11,037,468
INDIRECT COSTS				
Printing		150,300		150,300
Computer Services		102,700		102,700
Conference & Training		104,475		104,475
Auto Expense		8,889		8,889
Travel / Local Mileage		45,000		45,000
Transit Tickets		1,050		1,050
Meeting Room Rentals		5,250		5,250
Office Supplies		46,620		46,620
Equipment Rental		6,217		6,217
Equipment Maintenance & Repair		16,370		16,370
Mailing & Postage		147,814		147,814
Communications		95,550		95,550
Insurance		64,279		64,279
Subscriptions / Library		29,400		29,400
Personnel Recruitment		26,250		26,250
Public Hearings		22,050		22,050
County Auditor		10,000		10,000
Law Library		17,850		17,850
Parking		22,050		22,050
Other Maintenance		26,250		26,250
Janitorial Services		32,970		32,970
Clippings/Newswire Services		13,125		13,125
Utilities		94,500		94,500
Storage Rental		8,295		8,295
Advertisement / Legal Notices		9,450		9,450
Advisory Committees		16,500		16,500
Miscellaneous Expense		7,560		7,560
Equipment less than $300		20,000		20,000
Independent Audit Fees		62,000		62,000
Memberships		39,900		39,900
Special Events		24,150		24,150
ADA Special Services		9,450		9,450
Subtotal	11,037,468	1,286,264		12,323,732
TOTAL BUDGET	17,770,348	2,918,447		$ 20,688,795
Depreciation		250,000		
TOTAL INDIRECT COSTS		$ 3,168,447 *		

* For the sake of simplicity, this sample does not include any central service costs carried forward from a Central Service Cost Allocation Plan. See ASMB C-10 for a sample Indirect Cost Rate Proposal which includes central service costs and a sample Central Service Cost Allocation Plan.

Local Agency Name

COMBINED STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 1995

	FY1995
REVENUES	
Sales Taxes under Transportation Development Act:	
Planning	$ 5,312,475
Administration	885,410
Grants:	
Federal Highway Administration	4,926,640
Federal Transit Administration	750,631
Federal Aviation Administration	510
State Department of Transportation	682,542
Project revenues from state and local agencies	2,813,359
Interest	349,160
Other	863,414
Total Revenues	16,584,141
EXPENSES:	
Operating:	
Salaries and benefits	7,082,555
Travel	243,331
Printing and reproduction	170.641
Professional fees	2,784,847
Computer charges	54,000
Overhead	1,482,291
Contributions to other agencies	1,044,402
Other	930,155
Total Expenses	13,792,222
EXCESS OF REVENUES OVER EXPENSES	2,791,919
FUND BALANCE, Beginning of Year	8,996,570
FUND BALANCE, End of year	$ 11,788,489
** Total Indirect Costs	2,847,563
Less Indirect Salaries	1,365,272
Overhead	1,482,291

Local Agency Name

SUPPLEMENTAL SCHEDULE OF OVERHEAD AND SALARIES AND BENEFITS EXPENSE
FOR THE FISCAL YEAR ENDED JUNE 30, 1995

	Direct Costs	Indirect Costs	Total Costs
Salaries	4,275,487	1,016,059	5,291,546
Benefits	1,441,796	349,213	1,791,009
Total salaries and benefits	$ 5,717,283	1,365,272	$ 7,082,555
REIMBURSABLE OVERHEAD			
Printing / reprographics		16,124	
Computer Services		89,306	
Conference & Training		63,625	
Auto Expense		6,328	
Travel / Local Mileage		2,280	
Transit Tickets		680	
Meeting Room Rentals		1,280	
Office Supplies		54,469	
Equipment Rental		2,147	
Equipment Maintenance & Repair		4,063	
Mailing & Postage		76,610	
Communications		89,868	
Insurance		45,990	
Subscriptions		16,915	
Library Acquisitions		11,950	
Personnel Recruitment		7,052	
Public Hearings		9,338	
County Auditor		7,488	
Press clippings		1,653	
Law Library		15,251	
Parking		13,934	
Legislative analysis services / supplies		2,230	
Other Maintenance		30,974	
Janitorial Services		29,892	
Newswire Services		1,212	
Utilities		85,404	
Storage Rental		8,197	
Advertisement / Legal Notices		5,980	
Advisory Services		5,676	
ADA Services		2,238	
Miscellaneous Expense		2,235	
Elderly and handicapped		3,776	
Audio reproduction / supply		2,068	
Equipment less than $300		10,634	
Independent Audit Fees		44,800	
Memberships		27,536	
Total Indirect G & A Costs		799,203	
Depreciation		274,691	
Total Overhead before carry forward		2,439,166	
Over (under) absorbed for FY 1995**		425,193	
carry forward (from FY 1993)		(16,796)	
Total Indirect Costs		$ 2,847,563	

Direct Salaries & Wages plus Fringe Benefits	5,717,283
Approved FY 1995 IC Rate	50.10%
Indirect Costs Recovered	2,864,359
Actual Indirect Costs	2,439,166
**Over absorbed costs	425,193

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CHAPTER 6 ENVIRONMENTAL PROCEDURES

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CHAPTER 6 ENVIRONMENTAL PROCEDURES

6.1 INTRODUCTION

One of the most important phases of the project development process is full and early compliance with the National Environmental Policy Act (NEPA) and other applicable federal environmentally related laws. Local agencies may not proceed with the final design of a project or request "Authorization to Proceed with Right of Way," or "Authorization to Proceed with Construction" until Caltrans has signed a Categorical Exclusion (CE), a Finding of No Significant Impact (FONSI), or a Record of Decision (ROD). Failure to follow this requirement will make the project ineligible for Federal Highway Administration (FHWA) reimbursement. Upon final environmental approval, it is incumbent upon the District Local Assistance Engineer (DLAE) to provide the local agency with immediate notification and a copy of the signed CE, FONSI, or ROD, so the local agency can commence with final design.

This chapter provides an overview of the NEPA process and contains procedural guidance for preparing and processing CEs, routine Environmental Assessments (EAs), complex EAs and Environmental Impact Statements (EISs) in support of local assistance projects (local agency federal-aid transportation projects "off" the State Highway System [SHS]). The local agency is required to complete the Preliminary Environmental Study (PES) Form first, and then follow the step-by-step procedures (set forth in Chapter 6 of the *Local Assistance Procedures Manual* [LAPM]) that are associated with the particular NEPA Class of Action recommended in the PES Form.

Local agency projects proposed on the SHS are called "Locally Sponsored Projects." For locally sponsored projects (local agency projects "on" the SHS), the local agency is required to prepare a Preliminary Environmental Analysis Report (PEAR) first, and then follow the procedures set forth in the Project Development Procedures Manual (PDPM). The content and format requirements of environmental technical studies/reports and NEPA documents prepared in support of either a local assistance project or a locally sponsored project must follow the guidance set forth in the Caltrans Standard Environmental Reference (SER) at: http://www.dot.ca.gov/ser/

AUTHORITY

National Environmental Policy Act (NEPA) and its supporting federal regulations establish certain requirements that must be adhered to for any project "...financed, assisted, conducted or approved by a federal agency...." In short, federal regulations require that a federal agency "...determine whether the proposed action may significantly affect the quality of the human environment." (http://www.law.cornell.edu/uscode/42/ch55.html)

Safe, Accountable, Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU). On August 10, 2005, President George W. Bush signed into law the new Federal Transportation Act for Federal Fiscal Years 2003-2009, (SAFETEA-LU). Title VI-Transportation Planning and Project Delivery (Sections 6002 through 6005) of the Act was, promulgated to improve the efficiency of environmental review and to streamline the federal environmental process. (http://www.fhwa.dot.gov/safetealu/index.htm).

Two provisions in particular, "**Section 6004** - State Assumption of Responsibility for Categorical Exclusions," and "**Section 6005** - Surface Transportation Project Delivery Pilot Program," have the potential to shorten the environmental processes for state and local assistance federal-aid transportation projects by formally assigning to the State Department of Transportation responsibility and authority for the federal environmental review process, thus eliminating the need for separate FHWA review of environmental documents. These two programs are together referred to in the Department as "NEPA Delegation," and Section 6005 is referred to as "Pilot Program."

Section 6004(a) of the SAFETEA-LU (P.L.109-59) (SAFETEA-LU), codified as Section 326 of amended Chapter 3 of Title 23, United States Code (23 U.S.C. 326) allows the Secretary of the United States Department of Transportation (USDOT Secretary) to assign and the State to assume:

- responsibility for determining whether certain designated activities are included within classes of action that are categorically excluded from requirements for an EA, or EIS pursuant to regulations promulgated by the Council on Environmental Quality under 40 CFR Part 1500 (as in effect on October 1, 2003).
- all or part of certain federal responsibilities for environmental review, consultation, or other related actions required.

Memorandum of Understanding (MOU) between FHWA, California Division and the California Department of Transportation State Assumption of Responsibility for Categorical Exclusions (effective June 7, 2007). USDOT Secretary, acting by and through the FHWA, officially assigns specific responsibilities with respect to designated CEs to the State in accordance with the terms of the MOU. A copy of the MOU is available at:
http://www.dot.ca.gov/ser/downloads/MOUs/nepa_delegation/6004_MOU_executed_6-7-07.pdf

The MOU stipulates that the CE responsibilities assigned to the State by FHWA include:

- Activities listed in 23 CFR 771.117(c)
- The example activities listed in 23 CFR 771.117(d)
- Additional actions listed in Appendix A of the MOU

The MOU transfers to the State all responsibilities for processing the CEs designated in Stipulation I(B) and any required reevaluations of CEs under 23 CFR 771.129. The MOU superseded the November 18, 2003, Programmatic Categorical Exclusion Agreement.

Section 6005(a) of the SAFETEA-LU (P.L. 109-59) (SAFETEA-LU), codified as Section 327 of amended Chapter 3 of Title 23, United States Code (23 U.S.C. 327), established a Surface Transportation Project Delivery Pilot Program that allows the Secretary of the USDOT to assign, and a State to assume, the USDOT Secretary's responsibilities under NEPA and all or part of the USDOT Secretary's responsibilities for environmental review, consultation, or other action required under any federal law (e.g., Section 106 of the National Historic Preservation Act, Section 7 of the Endangered Species Act, Section 4(f) of the Department of Transportation Act, etc.) with respect to one or more highway projects within the State.

Memorandum of Understanding Between the Federal Highway Administration and the California Department of Transportation Concerning the State of California's Participation in the Surface Transportation Project Delivery Pilot Program (effective July 1, 2007). USDOT Secretary, acting by and through the FHWA, officially assigns and the Department assumes all of the USDOT Secretary's responsibilities under

NEPA.A copy of the MOU is available at: http://www.dot.ca.gov/ser/downloads/MOUs/nepa_delegation/6005mou.pdf. It stipulates that pursuant to the MOU, the USDOT Secretary assigned, and the Department assumed, DOT Secretary responsibilities for environmental review, interagency consultation and regulatory compliance for the environmental review and/or approval of projects.

A list of all applicable federal environmental laws is provided below:

- 40 CFR 1500, "Regulations for Implementing the Procedural Provisions of the National Environmental Policy Act," (CEQ, November 29, 1978)
- U.S. DOT Order 5610.1C, (September 18, 1979)
- 23 CFR 771, "Environmental Impact And Related Procedures"
- Technical Advisory T6640.8A
- Clean Air Act (CAA) (42 U.S.C.7401-7671(q), except for Conformity Determinations required under Section 176 of the CAA (42 U.S.C.7506)
- Compliance with the Noise Regulations at 23 CFR 772
- Section 7 of the Endangered Species Act of 1973, 16 U.S.C. 1531-1544 and Section 1536
- Marine Mammal Protection Act, 16 U.S.C. 1361
- Anadromous Fish Conservation Act, 16 U.S.C. 757(a)-757(g)
- Fish and Wildlife Coordination Act, 16 U.S.C. 661-667(d)
- Migratory Bird Treaty Act, 16 U.S.C. 703-712
- Magnuson-Stevens Fishery Conservation and Management Act of 1976, as amended, 16 U.S.C. 1801 et seq.
- Section 106 of the National Historic Preservation Act of 1966, as amended, 16 U.S.C. 470(f) et seq.
- Archeological Resources Protection Act of 1977, 16 U.S.C. 470(aa)-11
- Archeological and Historic Preservation Act, 16 U.S.C. 469-469(c)
- Native American Grave Protection and Repatriation Act (NAGPRA), 25 U.S.C. 3001-3013
- American Indian Religious Freedom Act, 42 U.S.C. 1996
- Farmland Protection Policy Act (FPPA), 7 U.S.C. 4201-4209
- Clean Water Act, 33 U.S.C. 1251-1377: Section 404, Section 401, and Section 319
- Coastal Barrier Resources Act, 16 U.S.C. 3501-3510
- Coastal Zone Management Act, 16 U.S.C. 1451-1465
- Land and Water Conservation Fund Act (LWCF), 16 U.S.C. 4601-4604
- Safe Drinking Water Act (SDWA), 42 U.S.C. 300(f)-300(j)(6)
- Wild and Scenic Rivers Act, 16 U.S.C. 1271-1287
- Emergency Wetlands Resources Act, 16 U.S.C. 3921, 3931
- Mitigation of Impacts to Wetlands and Natural Habitat, 23 CFR 777
- TEA-21 Wetlands Mitigation, 23 U.S.C. 103(b)(6)(m), 133(b)(11)
- Flood Disaster Protection Act, 42 U.S.C. 4001-4128
- 23 U.S.C. 138 and Section 4(f) of the Department of Transportation Act of 1966

- 49 U.S.C. 303 and implementing regulations at 23 CFR 774
- Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), 42 U.S.C. 9601-9675
- Superfund Amendments and Reauthorization Act of 1986 (SARA)
- Resource Conservation and Recovery Act (RCRA), 42 U.S.C. 6901-6992(k)
- Executive Order 11990 - Protection of Wetlands
- Executive Order 11988 - Floodplain Management
- Executive Order 12898 - Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations
- Executive Order 13112 - Invasive Species

Refer to the SER (Chapter 1) for a description of each of the above statutes, regulations, policy and guidance.

ROLES AND RESPONSIBILITIES

LOCAL AGENCY

1. Develops a complete Project Description (including project limits, purpose and need, logical termini and independent utility) and prepares project area maps and cross-sections showing existing and proposed project.
2. Conducts a preliminary environmental investigation, requests technical information from resource and regulatory agencies, and completes the PES Form (Exhibit 6-A, "Preliminary Environmental Study [PES] Form") in accordance with the instructions provided in Exhibit 6-B, "Instructions for Completing the Preliminary Environmental Study (PES) Form" in this chapter.

   Note: Coordination with the State Historic Preservation Office (SHPO), the U.S. Fish and Wildlife Service (USFWS), and the National Marine Fisheries Service (NMFS) beyond information gathering is the responsibility of the Caltrans District Senior Environmental Planner (SEP) (or designee).
3. Ensures that where PES Form indicates no technical studies are required, the continuation sheet of the PES Form summarizes how the requirements of relevant federal environmentally related laws have been met.
4. Submits the PES Form to the DLAE in accordance with the Step-by-Step Procedures provided at Section 6.4 of this chapter.
5. Waits to initiate required technical studies until the PES Form has been fully signed by Caltrans.
6. Prepares a draft Area of Potential Effect (APE) map and identifies historic properties.
7. Ensures that the qualifications of consultants preparing Section 106 studies meet the Secretary of Interior Standards for the appropriate discipline.
8. Ensures that consultant contracts and scopes of work direct the development of technical studies and reports consistent with the fully signed PES Form, and that the format and content of all technical reports and NEPA documents is consistent with guidance set forth in the SER.
9. Performs the first Quality Control Review on all EAs and EISs and their supporting technical studies.

10. Completes the External Certifications (Environmental Document Quality Control Review Certification) form for all EAs and EISs.

11. Utilizes the NEPA-Only EA and EIS Annotated Outlines or the Joint EIR/EIS, Joint EIR/EA and Joint IS/EA Annotated Outlines.

12. Is responsible for complying with applicable state and local laws, obtaining necessary permits, and ensuring that mitigation commitments are fully incorporated into Final Plans, Specifications and Estimates (PS&E), and fully implemented during construction.

13. Provides Caltrans with a list of mitigation commitments required to comply with NEPA. *Note: Reference to mitigation is in a NEPA context, not CEQA.*
14. Provides Caltrans with a copy of all environmental permits, approvals and agreements from resource and regulatory agencies, including all terms and conditions of the permits, agreements and approvals.

15. Maintains copies of NEPA documentation and supporting technical reports for a period of three (3) years following FHWA reimbursement for final project costs. When mitigation is required, environmental documentation shall be maintained until all terms of required mitigation have been fully implemented. This includes the required monitoring period.

16. For major projects exceeding $500 million, a draft Project Management Plan (PMP) shall be submitted by the local agency to the DLAE prior to the ROD, FONSI, or CE determination. A final PMP shall be submitted within ninety (90) days after the environmental determination which determines the scope of the project. See Chapter 2, "Roles and Responsibilities," of the LAPM for details.

17. Notifies the DLAE of changes in project scope, cost, schedule, or project limits.

CALTRANS:

1. District Local Assistance:

1.1 District Local Assistance Engineer (DLAE) or designee when applicable

1.1.1. Reviews the PES Form and supporting documentation for all projects.
1.1.2. Verifies that project is properly listed in the Regional Transportation Program (RTP) and Federal Statewide Transportation Improvement Program (FSTIP) prior to signing PES Form and CE Form.
1.1.3. Indicates concurrence with recommended NEPA Class of Action (CE, EA, EIS) and required technical studies by signing the PES Form.
1.1.4. Ensures, that where the PES Form indicates that no technical studies are required, the continuation sheet of the PES Form summarizes how the requirements of relevant federal environmentally related laws have been met.
1.1.5. Arranges and attends Early Coordination Meeting.
1.1.6. Jointly approves CE Determinations (with District SEP).

1.1.7. Informs the District SEP (or designee) of the local agency project delivery schedule, tracks review of local agency technical reports and NEPA documents, and notifies the District SEP (or designee) when issues arise or any changes occur that may affect the NEPA process.

1.1.8. Reviews and signs APE map (in coordination with District Professionally Qualified Staff [PQS]) for undertakings when applicable.

1.1.9. Immediately notifies local agency of NEPA approval so that they may commence with final design.

1.1.10. Serves as the focal point (unless otherwise designated) between the local agency and Caltrans.

1.1.11. Serves as the focal point for coordination with FHWA regarding engineering decisions and design exceptions.

1.1.12. Transmits (unless otherwise delegated) all correspondence and documentation between local agency and Caltrans.

1.1.13. Transmits (unless otherwise delegated) all correspondence and documentation between Caltrans and FHWA.

1.1.14. Ensures all environmental fields in Local Assistance Database, Local Program 2000 (LP2000) are completed promptly in support of annual reporting requirements and compliance with performance measures.

1.1.15. Determines and approves Reasonable and Feasible Noise Abatement Measures.

1.1.16. Jointly approves Summary of Floodplain Encroachment Form (with District SEP).

1.1.17. Makes Only Practicable Alternative Finding (for significant Floodplain encroachments). *Note: If a significant floodplain encroachment is identified as a result of floodplains studies, FHWA will need to approve the encroachment and concur in the Only Practicable Finding. See Chapter 17 of the SER for additional information regarding floodplains.*

1.1.18. Attends and supports public hearings on EAs and EISs.

1.1.19. Determines in coordination with the District SEP (or designee) whether mitigation represents a reasonable and prudent expenditure of public funds and whether mitigation measures are eligible for federal funding.

1.1.20. Maintains project files and general administrative files.

1.1.21. Ensures project files and general administrative files are available for inspection by FHWA staff upon reasonable notice (*Note: the Section 6005 Pilot Program MOU defines reasonable notice as making documents available on-site in no less than five (5) days following a request by FHWA*).

1.1.22. Assists, as needed, with the self-assessment of the Caltrans Quality Control and Quality Assurance process in the identification of areas needing improvement and the implementation of corrective actions necessary to address areas needing improvement.

1.1.23. Assists, as needed, in the development of the 6005 Quarterly Report to FHWA.

1.1.24. Maintains adequate organizational resources and sufficient staff capability and expertise to carry out the responsibilities assigned under the 6004 and 6005 MOU effectively.

1.2 District Senior Environmental Planner (SEP) or Designee

1.2.1. Reviews the PES Form and supporting documentation for all projects.

1.2.2. Determines NEPA Class of Action (CE, EA, EIS) and required technical studies by signing PES Form.

1.2.3. Ensures that where PES Form indicates that no technical studies are required, the continuation sheet of the PES Form summarizes how the requirements of relevant environmentally related laws have been met.

1.2.4. Attends Early Coordination Meeting when requested.

1.2.5. Determines if the CE/CE Form is ready for signature. Jointly signs CE/CE Form with DLAE. *Note: District SEP's signature on CE/CE Form may not be delegated below the level of the District SEP.*

1.2.6. Reviews NEPA documents and supporting technical reports and determines if they are complete and sufficient in accordance with the guidance set forth in the SER.

1.2.7. Jointly signs the Summary of Floodplain Encroachment Form with DLAE.

1.2.8. Section 7 Conference Opinion for Endangered Species Act (ESA) Proposed Species or Proposed Critical Habitat.

1.2.9. Initiates Section 7 Formal and Informal Consultation with USFWS and/or NMFS for ESA listed species and/or their critical habitat.

1.2.10. Establishes the environmental project file utilizing the Caltrans Uniform Environmental File System as soon as environmental studies begin.

1.2.11. Completes all environmental fields in the LP2000 in support of annual reporting requirements and compliance with performance measures.

1.2.12. Monitors District Local Assistance environmental process relating to project determinations, environmental analysis and project file documentation, checks for errors and omissions, and takes corrective action as needed.

1.2.13. Provides training to both internal and external partners on environmentally related topics, as requested or as resources allow.

1.2.14. Cooperates in monitoring performance under the MOU and modifies practices as needed to assure quality performance.

1.2.15. Assists with the development of the Section 6005 Quarterly Reports and the Quarterly Performance Reports under Section 6004.

1.2.16. Cooperates fully with FHWA in all quality assurance activities.

1.2.17. Provides FHWA any information necessary in order for the FHWA to carry out its government-to-government consultation.

1.2.18. Provides FHWA with evidence that the NEPA compliance and any other environmental responsibilities assigned under the 6004 and 6005 MOUs have been completed in accordance with the MOU prior to request for authorization for funding or other action.

1.2.19. Carries out assigned consultation, review, and coordination activities in a timely and proactive manner.

1.2.20. Makes all reasonable and good faith efforts to identify and resolve conflicts with federal, State, and local agencies.

1.2.21. Performs Document Quality Control Review and signs Certification forms for EAs and EISs.

1.2.22. Makes Wetlands Only Practicable Alternatives Finding and Least Environmentally Damaging Practicable Alternative (LEDPA).

1.2.23. Makes determination that proposed action includes all Practicable Measures to Minimize Harm.

1.2.24. Signs Protection of Wetlands Statement.

1.2.25. Coordinates with the Army Corps of Engineers (ACOE), Environmental Protection Agency (EPA), USFWS, and NMFS prior to making Wetland Determination.

1.2.26. Approves Section 4(f) de minimis and Programmatic Section 4(f) Evaluations.

1.2.27. Approves Draft Section 4(f) Evaluations for Public Circulation.

1.2.28. Approves Individual Section 4(f) Evaluations.

1.2.29. Determines validity of approved CEs, EAs, and EISs for Reevaluations (memo or report) and Revalidations (form).

1.2.30. Approves Notice of Intent (NOI) to prepare an EIS, and sends to FHWA for publication in the Federal Register (FR). *Note: Only a federal agency can post in the FR.*

1.2.31. Attends public hearing on EAs and EISs.

1.3 District Professionally Qualified Staff (PQS)

1.3.1. Reviews the PES Form and supporting documentation for all projects.

1.3.2. Reviews the PES Form and indicates the results of their review in the PQS signature block of the PES Form.

1.3.3. Indicates appropriate response to Question #35 under Section A of the PES Form, completes Sections B, C, and D (regarding Section 106), and signs the Section G of the PES Form for all projects.

1.3.4. When applicable, reviews and signs (in concert with the DLAE) the local agency-prepared APE maps, indicating approval.

1.3.5. Attends Early Coordination Meetings when requested and provides the local agency with guidance on proper procedures and required format and content of all cultural reports.

1.3.6. Reviews and approves cultural resource reports and transmits them to the SHPO when required.

1.3.7. Provides the DLAE with periodic updates and copies of all transmittals to the SHPO.

1.4 District Local Assistance NEPA Delegation Coordinator

1.4.1. Assists as needed with the district review of EISs and routine and complex EAs.

1.4.2. Assists with new record-keeping and reporting to document whether Caltrans performs the federal functions responsibly and appropriately, and whether or not the programs in fact streamlined the project delivery process.

1.4.3. Assists with quarterly reporting on CEs approved under the Section 6004 assignment.

1.4.4. Assists with 15-month programwide Section 6004 report.

1.4.5. Assists with Section 6005 formal federal audits twice a year for the first two years and once a year thereafter.

1.4.6. Assists with internal self-assessments.

1.4.7. Assists with audit protocol.

1.4.8. Assists with report to Legislature on time-savings and qualitative measures.

1.4.9. Assists with FHWA process reviews.

1.4.10. Assists with training internal staff and local agencies on the new forms and procedures to implement Section 6004 and 6005 assignment; provides outreach to local agencies and their consultants to explain the NEPA Delegation programs.

1.4.11. Provides training to local agencies and internal staff on the new procedures under NEPA Delegation and assists them through the new processes.

1.4.12. Assists in maintaining consistency in document review, reporting, and training between cross-district allocations.

1.5. District NEPA Quality Control Reviewer

1.5.1. Reviews technical reports, administrative Draft, Final EISs and Complex EAs.

1.5.2. Signs Internal Certifications (Environmental Document Quality Control Review Certification) form.

1.6. Deputy District Director (DDD) for Environmental or Designee

1.6.1. Signs EA (NEPA-only) title page, FONSI, and Supplemental EIS.

1.7. District Director (DD) or Designee

1.7.1. Signs EIS title page and ROD.

1.7.2. Signs Section 106 MOAs as concurring party.

2) Division of Environmental Analysis (DEA)

2.1. HQ Division of Environmental Analysis Environmental Coordinator (HQ EC)

2.1.1. Resolves disputes on environmental findings in accordance with protocols in SER.

2.1.2. Reviews and comments on EISs, complex EAs and Individual Section 4(f) Evaluations for compliance per Quality Control/Quality Assurance procedures set forth in the MOU.

2.1.3. Provides expertise as needed.

2.1.4. Provides concurrence date (via e-mail) on PES Form for EAs and EISs.

2.2. Chief, HQ Division of Environmental Analysis

2.2.1. As the Department's designated Preservation Officer, signs Section 106 MOAs as signatory for Caltrans.

3) Division of Legal

3.1. Reviews local assistance administrative EISs to ensure their legal sufficiency.

3.2. Defends local assistance NEPA documents in a court of law.

3.3. Reviews Individual Section 4(f) Evaluations to ensure they are legally sufficient.

4) Division of Local Assistance (DLA)

4.1. Statewide NEPA Delegation Coordinator

4.1.1 Manages the implementation of the NEPA Delegation Pilot Program for Local Assistance.

4.1.2. Works with districts, cities, counties, Regional Transportation Planning Associations (RTPAs), Metropolitan Planning Organizations (MPOs),

other Headquarters units, and FHWA, as needed, to ensure a smooth transition.

4.1.3. Ensures RTPAs, MPOs, and regulatory agencies working on local assistance projects understand the NEPA Delegation Programs.

4.1.4. Addresses local agency questions and concerns throughout the program.

4.1.5. Serves on or leads statewide and corporate teams to ensure that the local assistance needs and issues are addressed under NEPA Delegation.

4.1.6. Ensures that the local assistance NEPA Delegation and environmental programs are continuously updated to be consistent with DEA's policies and procedures, including data-tracking, reporting and document standards, and ensures local assistance issues are addressed in those policies.

4.1.7. Participates in FHWA semi-annual and annual audits, as requested, and ensure statewide quality control of the reporting for these and for the reports to the State Legislature.

4.1.8. Ensures statewide consistency and quality in the program statewide, including informing the NEPA Delegation SEPs immediately of policy developments. Provides them with training, guidance and tools for performing their jobs, and facilitating their interaction as part of a statewide team.

4.1.9. Monitors local assistance financial resources necessary to carry out the responsibilities being assumed and takes appropriate action to obtain the additional financial resources needed to carry out the responsibilities assumed in the MOUs.

4.2. Statewide NEPA Compliance Coordinator

4.2.1. Serves or leads statewide and corporate teams to ensure that local assistance environmental needs and issues are addressed in the local assistance guidance and procedures.

4.2.2. Maintains and updates the NEPA compliance components of the LAPM, the LP2000 database, and relevant sections in the SER pertaining to local assistance to be consistent with DEA's policies and procedures, including data tracking, reporting, and document standards.

4.2.3. Develops and provides training to DLAEs, District, and Region environmental staff for local assistance and local agencies as needed.

4.2.4. Performs process reviews to assess compliance with federal requirements.

4.2.5. Assists with and/or coordinates the resolution of issues that cannot be resolved in the district.

4.2.6. Assists with FHWA process reviews, semi-annual and annual audits, and reports to the State Legislature.

5) FHWA

5.1. Posts NOI and ROD in FR.

5.2. Performs environmental review, consultation or other related action on:

- projects requiring FTA funding or approval
- projects involving international and state border crossings
- high priority projects under E.O. 13274

- projects funded by Federal Lands Highway Program unless Caltrans designs and constructs

5.3. Performs all government-to-government consultation with Indian Tribes as defined in 36 CFR Part 800.16(m).

5.4. Makes air quality conformity determinations as specified in the 6005 MOU.

5.5. Approves significant floodplain encroachments, identified as a result of floodplain studies, and concurs in the Only Practicable Alternative Finding.

5.6. Performs audits and process reviews to ensure Caltrans compliance with Section 6004 and 6005 MOUs.

5.7. Performs US DOT responsibilities for statewide and metropolitan planning.

5.8. Provides and assists with training as necessary.

6) Other State and Federal Responsible and Regulatory Agencies

6.1. Determine whether the local agency's action complies with the provisions of law germane to their statutory responsibility.

APPLICABILITY

Any local assistance project, "...financed, assisted, conducted, regulated or approved by a federal agency..." (FHWA), (40 CFR Part 1508.18[a]**)** is subject to compliance with the provisions of the NEPA. Any amount of federal involvement in a project requires that the entire project be included in the process, regardless of phases or segments not funded by FHWA. The scope of NEPA responsibility is not determined based on funding alone.

SCIENTIFIC AND COMMERCIAL DATA

NEPA requires that environmental information be "... of high quality based on accurate scientific analysis and expert agency comment…" (40 CFR Part 1500.1[b]). Local agencies are required to follow Caltrans policy and guidance set forth in the SER to ensure that NEPA determinations and documents reflect the most current scientific methodologies, and that analysis is of the highest quality.

6.2 AN OVERVIEW OF THE ENVIRONMENTAL PROCESS

This section provides a general overview of the NEPA process and the three classes of actions possible to achieve compliance with the requirements of NEPA. A brief overview of other applicable federal environmental requirements and general procedures for demonstrating compliance with these requirements is also provided.

A list of MOUs intended to expedite compliance with NEPA and other federal environmental requirements are provided later in this section. Information on the integration of California Environmental Quality Act (CEQA) and NEPA time frames for achieving environmental compliance, general information on permits, mitigation, scope change, and reevaluations are also discussed in this section.

NEPA

The NEPA process is guided by the National Environmental Policy Act and its implementing regulations, 23 CFR Part 771 (see Section 6-1, "Authority"). The process

helps determine the appropriate class of action (EIS, EA, or CE) based on the potential for "significant" impact as defined in 40 CFR Part 1508.27.

Other federal environmentally related laws are intended to protect a specific element of the environment. These include, but are not limited to, Section 4(f) (Protection of Publicly Owned Park, Recreation Area, Wildlife or Waterfowl Refuge or Land from Historic Sites), Section 106 (Protection of Cultural Resources & Historic Properties), Section 7 (Protection of Endangered Species), E.O. 11990 (Protection of Wetlands), E.O. 11998 (Protection of Floodplains), and E.O. 13112 (Invasive Species).

Federal actions must comply with the provisions of NEPA and all applicable federal environmentally related laws. The NEPA document is a summary of the findings made and conclusions reached during the environmental analysis of a proposed federal action. Therefore, when other federal environmentally related laws are involved, it is expected that compliance with these laws will be completed prior to completion of the NEPA process.

CATEGORICAL EXCLUSION (CE)

CEs are actions that meet the definition contained in 40 CFR Part 1508.4 based on past experience with similar actions that do not involve significant environmental impacts. They are actions: a) that do not induce significant impacts to plan growth or land use for the area, b) that do not require the relocation of significant numbers of people, c) that do not have a significant impact on any natural, cultural, recreational, historical or other resources, d) that do not involve significant air, noise, or water quality impacts, and e) that do not have significant impacts on travel patterns, or do not otherwise (either individually or cumulatively) have any significant environmental impacts (23 CFR Part 771.117[a]).

A CE is prepared and processed when environmental documentation supports the conclusion that no significant environmental impacts will occur as a result of the project. Refer to the SER, Chapter 30, for details on preparing CEs and Section 6.5 and 6.6 (in this chapter) for procedures on processing CEs.

Any action that normally would be classified as a CE, but would involve unusual circumstances will require FHWA (or Caltrans where assigned under Section 6004 or 6005) to conduct appropriate environmental studies to determine in cooperation with the local agency, if the CE classification is proper (23 CFR Part 771.117[b]).

Such unusual circumstances include:

a) significant environmental impacts
b) substantial controversy on environmental grounds
c) significant impacts on properties protected by Section 4(f) of the DOT Act
d) significant impacts on properties protected by Section 106 of the National Historic Preservation Act
e) inconsistencies with any federal, state, or local law, requirement or administrative determination relating to the environmental aspects of the action

A list of actions meeting the criteria for a CE in accordance with 40 CFR Part 1508.4 and 23 CFR Part 771.117(a), and normally not requiring any further NEPA approvals by Caltrans, where assigned under Section 6004 and 6005 MOUs, (or FHWA for projects not assigned) are provided in Exhibit 6-E, "Categorical Exclusion Checklist," in this chapter.

Additional actions meeting the criteria for a CE in accordance with 40 CFR Part 1508.4 and 23 CFR Part 771.117(a), may be designated as CEs only after approval by Caltrans, where assigned under Section 6004 and 6005 MOUs (or FHWA for projects not assigned). The local agency should refer to the CE Checklist provided at Exhibit 6-E "Categorical Exclusion Checklist," when preliminarily considering whether the action meets the criteria for a CE.

FHWA and Caltrans further determined pursuant to 23 CFR Part 771.117(d) that the list of actions provided in Appendix A of the 6004 MOU also satisfies the criteria for a CE based on documentation that demonstrates that the specific conditions or criteria for the CEs are satisfied, and that significant environmental effects will not occur.

ENVIRONMENTAL ASSESSMENT (EA)

An EA is an analysis of the impacts of a project and is used to determine if the project will have significant environmental impacts. When a project cannot be designated as a CE by Caltrans and yet does not clearly require preparation of an EIS, preparation of an EA will assist in determining whether an EIS is needed.

The requirement to prepare an EA may come about through one or more of the following situations:

a) based on information gathered during PES, where it is clear that the proposed project will not qualify for a CE, or where unusual circumstances are likely. The local agency identifies the potential for significance under Sections A and B of the PES Form and recommends the development of an EA (under Section G of the PES Form). The DLAE and District SEP determine that an EA is the appropriate NEPA Class of Action by signing the PES Form, and the HQ EC will concur via e-mail to the District SEP.

b) during or upon completion of technical studies when it becomes apparent that the proposed project will not qualify for a CE, or that unusual circumstances exist, the decision to prepare an EA is made by the District SEP in collaboration with the DLAE and with the written concurrence by e-mail of the HQ EC.

Depending upon the complexity of issues involved in the project, Caltrans may determine that the Draft EA be reviewed and processed as a "Complex EA." Complex EAs are projects that typically involved one or more of the following:

- multiple location alternatives
- debate related to purpose and need
- strong public controversy
- issues of logical termini or independent utility
- individual Section 4(f) determinations
- complex Endangered Species Act issues
- numerous cumulative impacts
- high mitigation costs

The DLAE and District SEP with concurrence of the HQ EC shall determine if the EA should be processed as a complex EA.

The local agency is responsible for conducting all required technical studies and for preparing the technical reports and the Draft EA in accordance with guidance set forth in

the SER. The EA is a summary of the findings and conclusions of technical reports and the results of regulatory and resource agency coordination, and should accurately reflect the outcome of both. Local agencies are required to use the:

- Initial Study/Environmental Assessment Annotated Outline, provided at: http://www.dot.ca.gov/ser/downloads/templates/IS-EAoutline aug06.doc
- Environmental Impact Report/Environmental Assessment Annotated - Outline provided at: http://www.dot.ca.gov/ser/downloads/templates/EIR-EA Outline Annotated aug06.doc, or
- NEPA-Only Environmental Assessment Annotated Outline provided at: http://www.dot.ca.gov/ser/downloads/templates/

The local agency is also responsible for performing the initial Quality Control Review of their Draft EA and supporting technical studies and for documenting their Quality Control Review on the External Certifications (Environmental Document Quality Control Review Certification) form, provided at: http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/External_QC_Certification.doc prior to submitting their Draft and Final EAs to Caltrans for review and approval.

Caltrans District SEP (or designee) and District technical specialists are responsible for performing the second Quality Control Review of the Draft EA, supporting technical studies, and documenting their Quality Control Review on the Internal Certifications (Environmental Document Quality Control Review Certification) form provided at: (http://www.dot.ca.gov/ser/vol1/sec6/cha38nepa/Internal_QC_Certification.doc).

Approval of the Draft EA may be subject to revisions being made by the local agency prior to circulation. When District Environmental Staff determines that deficiencies exist, the DLAE notifies the local agency.

Technical reports and Draft EAs that do not comply with FHWA policies and guidance, requirements of all applicable federal laws, executive orders and regulations, or are not internally consistent, or are not prepared consistent with the applicable SER annotated environmental document outlines, will be returned to the local agency by the DLAE with guidance on necessary revisions needed for a compliance and sufficiency determination.

Technical reports and Draft EAs that do comply with FHWA policies and guidance, the requirements of all applicable federal laws, executive orders and regulations, and are found to be internally consistent and prepared consistent with the applicable SER annotated environmental document outlines are approved for public availability by the Caltrans District Director or Deputy District Director (Environmental) or the Environmental Office Chief, if designated by District Director.

NEPA encourages public participation. However, because there is no formal scoping requirement for an EA, the degree of public participations and the means of soliciting public inputs are determined on a case-specific-basis, taking into consideration the degree of public interest or controversy. The local agency initiates public circulation of the draft EA following approval by Caltrans and following public involvement, responds to comments as necessary, and prepares the Final EA. Local agencies are responsible for performing the initial Quality Control on Final EAs. When an EA does not identify any significant impacts, and no significant impacts are identified during the public availability, the local agency submits the record of public comments, responses, and request for a FONSI to the DLAE.

Pursuant to tracking and reporting requirements stipulated in the 6005 MOU, the local agency is also responsible for providing the DLAE with a list of all mitigation commitments and a copy of environmental permits and permit conditions.

In accordance with the 6005 MOU, Caltrans is responsible for making the official "finding" that a proposed project will not significantly impact the environment. The Caltrans District Director or Deputy District Director (Environmental) or Environmental Office Chief, if designated by District Director, signs the FONSI making this "finding."

The DLAE notifies the local agency immediately upon Caltrans approval of the FONSI, so that they may commence with final design.

When an EA indicates that the project has the potential to result in a significant impact, an EIS must be prepared. An EA is not required when a decision has already been made to prepare an EIS. For details on preparing and processing an EA refer to the SER, Chapter 31.

Prior to submitting a "Request for Authorization" for new phases of work, the local agency will enter the appropriate coding and the date Caltrans signed the FONSI, under "Environmental Data." Refer to Chapter 3, Exhibit 3-E "Request for Authorization to Proceed Data Sheets," and Exhibit 3-F "Instructions for Request for Authorization Data Sheets," of the LAPM.

The District SEP (or designee) completes appropriate environmental fields in LP2000 for tracking, report, and performance monitoring.

ENVIRONMENTAL IMPACT STATEMENT (EIS)

An EIS is a full disclosure document and is the highest level of analysis required by NEPA. The determination to prepare an EIS may result from one or more of the following situations:

- based on information gathered during the PES, where it is clear that the proposed project will have significant impacts. The local agency indicates the potential for significance under Sections A and B of the PES Form, and the DLAE and District SEP (with written concurrence of HQ EC in e-mail) determine that EIS is the appropriate NEPA Class of Action, by signing the PES Form.
- based on the conclusions of the draft EA where the potential for "cumulative" significant adverse impacts are shown.

When it is determined that a proposal may have a significant environmental impact, the local agency drafts the NOI to prepare an EIS in collaboration with the DLAE and District SEP (or designee) and arranges for the Early Scoping Meeting.

The local agency conducts the Early Coordination Meeting, undertakes all required technical studies, and prepares the required technical reports and the Draft EIS in accordance with guidance set forth in the SER.

An EIS is a summary of the findings and conclusions of technical reports, the results of regulatory and resource agency coordination and should accurately reflect the outcome of both. The local agency is required to use the Environmental Impact Report/ Environmental Impact Statement Annotated Outline provided at: http://www.dot.ca.gov/ser/downloads/templates/EIR-EIS outline aug06.doc,

or the NEPA-Only Environmental Impact Statement Annotated Outline provided at: http://www.dot.ca.gov/ser/downloads/templates/.

The local agency is responsible for performing a quality control review of their EIS and supporting technical studies and completing the External Certifications (Environmental Document Quality Control Review Certification) form.

Details on preparing and processing EISs are provided in Section 6.9 of this chapter. The District SEP (or designee) tracks the review and processing of the EIS and records relevant dates and information in LP2000. The DLAE provides notification to the local agency of environmental document status and approval.

Prior to submitting a "Request for Authorization" for new phases of work, the local agency enters the appropriate coding and date of Caltrans District Director signature on the ROD under "Environmental Data." Refer to the Chapter 3, Exhibit 3-G, "Request for Authorization - Data Sheets," and Exhibit 3-H, "Request for Authorization - Application Instructions" in the LAPM.

OTHER FEDERAL ENVIRONMENTALLY RELATED PROCESSES

Every action that has federal involvement must comply with laws that protect particular elements of the environment. Although NEPA requirements have remained relatively unchanged over the years, environmentally related processes have increased in number and importance.

Following is a summary of those federal environmentally related laws processes most commonly required on local assistance transportation projects. Local agencies are required to comply with the provisions of these laws prior to finalizing NEPA documentation.

- **Section 4(f) - (Protection of Publicly Owned Park, Recreation Area, Wildlife or Waterfowl Refuge, or Land from Historic Sites)** - The Section 4(f) process was established in the U.S. Department of Transportation Act of 1966 to give certain protections to publicly owned public parks, recreational areas, wildlife and waterfowl refuges, and land from historic sites of national, state or local significance. Section 4(f) requires that the agency must show that there are no feasible or prudent alternatives to the use of these areas. If Section 4(f) land is required, a Section 4(f) avoidance alternative is required. If Section 4(f) land is still required, all possible planning must be taken to minimize the impact. Guidance on compliance with the provisions of Section 4(f) is provided in the SER, Chapter 20.
- **Section 106 - (Protection of Cultural Archaeological Resources & Historic Properties)** - The National Historic Preservation Act of 1966 declares a national policy of historic preservation and encourages preservation. It established the Advisory Council on Historic Preservation (ACHP) and required that federal agencies take into account the effect of their undertakings on historic properties and to afford the Advisory Council on Historic Preservation (Council) a reasonable opportunity to comment on the undertaking. ACHP promulgated procedures, codified in 36 CFR 800, et.seq., that must be followed on any federal project or action. Caltrans and FHWA entered into a Programmatic Agreement (PA) on how to implement 36 CFR Part 800 for California's federal-aid highway program. Guidance on compliance with the provisions of 36 CFR Part 800 and the PA is provided in the SER, Chapter 28.
- **Section 7 of the Endangered Species Act - (Protection of Endangered Species)** - The federal Endangered Species Act (ESA) provides a means to conserve the ecosystems upon which federally listed threatened and endangered species depend

and provide a program for the conservation of those species. The ESA requires federal agencies consult with the USFWS and NMFS to ensure that actions approved or funded by federal agencies (such as FHWA) are not likely to jeopardize the continued existence of threatened or endangered species, or result in the destruction or adverse modification of the critical habitat of such species. Compliance with Section 10 of the ESA does not meet Section 7 requirements. Guidance on compliance with the provisions of Section 7 of the U.S. ESA is provided in the SER, Chapter 14.

- **Presidential Executive Order 11990 (E.O. 11990) - Protection of Wetlands** - EO 11990 requires that when a construction project involves wetlands, a finding must be made, 1) that there is no practicable alternative to such construction, and 2) that the proposed action includes all practicable measures to minimize impacts to wetlands resulting from such use. The FHWA Division Administrator or Caltrans, where assigned under Section 6004 or 6005 makes the finding required by Executive Order 11990. Guidance on compliance with the provisions of EO 11990 is provided in the SER, Chapter 15.

- **Presidential Executive Order 11988 (E.O. 11988) - Floodplain Management** - In response to EO 11988, FHWA or Caltrans, where assigned under Section 6004 or 6005, requires a formal "Floodplain Finding" be made for federal actions involving significant encroachments in floodplains. The formal Floodplain Finding is based on information contained in the Location Hydraulic Report. The formal Floodplain Finding is included as part of the supporting documentation for the Final Environmental Impact Study (FEIS). Guidance on compliance with the provisions of E.O. 11988 is provided in the SER, Chapter 17.

- **Presidential Executive Order 12898 (EO 12898) - "Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations"-** This EO, issued on February 11, 1994, emphasizes the intent of Title VI of the Civil Rights Act of 1964. The EO requires federal agencies to ensure that their programs, policies and activities do not have the effects of: 1) excluding persons and populations from participation, 2) denying persons and populations the benefits of federal programs, or 3) subjecting persons and populations to discrimination because of race, color or national origin. Consideration of environmental justice impacts must be addressed in all NEPA classes of action. When preparing an EIS, local agencies must disclose disproportionate impacts on minority or low-income communities. Guidance on compliance with the provisions of EO 12898 is provided in the SER, Chapter 25.

- **Presidential Executive Order 13112 (EO 13112) - Invasive Species, issued on February 3, 1999 (effective November 15, 1999)** - This EO prohibits the use of federal-aid for construction, re-vegetation, or landscaping activities that purposely include the use of known invasive plant species. Until an approved national list of invasive plants is defined by the National Invasive Species Council, "known invasive plants," shall be consistent with the official noxious weed list of the State in which the activity occurs. Caltrans recommends use of federal-aid for new and expanded invasive species control efforts under each State's Department of Transportation roadside vegetation management program. Where the potential exists for the introduction or spread of invasive species, the environmental document should include a discussion of the potential impact of these species and any anticipated prevention or control measures to be taken. Guidance on compliance with the provisions of EO 13112 is available in the SER, Chapter 1.

- **Clean Air Act, as amended (42 U.S.C. 7401 et seq.)** - This Act requires that federally supported activities must conform to the State Implementation Plan (SIP), whose purpose is

that of attaining and maintaining the National Ambient Air Quality Standards (NAAQS). Section 176(c) of the Clean Air Act as amended in 1990, established the criteria and procedures by which FHWA (Title 23 U.S.C.) and MPOs determine the conformity of federally funded or approved highway and transit plans, programs, and projects to SIPs. The provisions of 40 CFR Part 51 and Part 93 (Final Rule effective November 24, 1993) shall apply in all non-attainment and maintenance areas for transportation-related criteria pollutants for which the area is designated non-attainment or has a maintenance plan. For additional information refer to the SER, Chapter 1.

- **Clean Water Act of 1977 & 1987 (33 U.S.C. 1251-1359) –** This Act protects the chemical, physical and biological integrity of the Nation's waters by regulating discharges of pollutants into waters of the U.S. Section 401 of the Clean Water Act (CWA) requires a water quality certification from the State or Regional Water Quality Control Board when a project requires a federal license or permit, and will result in a discharge into waters of the U.S. Section 402 of the CWA establishes a permitting system for the discharge of any pollutant into waters of the U.S. A National Pollutant Discharge Elimination System (NPDES) permit is required for all point discharges of pollutants to surface waters. Section 404 of the CWA establishes a permit program administered by the ACOE regulating the discharge of dredged or fill material into waters of the U.S. (including wetlands). For additional information refer to the SER, Chapter 1.

GENERAL PROCEDURES FOR DEMONSTRATING COMPLIANCE WITH THESE PROCESSES

The general procedures for demonstrating compliance with these Acts are provided below:

- The local agency consults current databases, reviews relevant literature and maps, requests technical information from resource and regulatory agencies, and determines whether compliance with any of the above federal requirements is necessary. The local agency considers the results of this preliminary research when completing the PES Form, and submits the PES Form with all supporting documentation to the DLAE.
- The DLAE and District SEP (or designee) confirm applicability of relevant laws for the project by signing the PES Form. The District PQS determines applicability of Section 106 and confirms the need for APE map. Prior to initiation of technical studies, the local agency prepares a draft APE map for Section 106 studies in accordance with guidance in the SER (and preferably with the assistance of the District PQS) and requests the DLAE to schedule a Coordination Meeting. The Coordination Meeting is the appropriate forum to meet the Caltrans District staff responsible for reviewing and determining the adequacy of the technical reports, obtain District PQS and DLAE signatures on the APE map, and discuss the format and content requirements for each technical report.
- Local agency completes the required technical studies, prepares the technical reports and submits the reports to the DLAE for review and processing. To ensure timely project delivery, local agency and consultants are responsible for ensuring that the format and content of required technical reports and environmental documents are consistent with guidance and annotated outlines set forth in the SER.
- The Caltrans District SEP (or designee) reviews the reports, facilitates consultation under regulation or interagency agreement (or makes the appropriate finding or determination required by law, regulation or EO), and forwards the results of their action to the DLAE for transmittal to the local agency.

- Caltrans District SEP (or designee) logs transmittal date in LP2000 and tracks Caltrans and resource and regulatory agency review time and various other milestones.
- The local agency prepares the appropriate NEPA document based on the results of Caltrans consultation and processes the document to the DLAE for review and approval

INTERAGENCY AGREEMENTS AND MEMORANDUMS OF UNDERSTANDING

Several Agreements have been developed to expedite compliance with NEPA. These Agreements require full documentation and demonstration that the required conditions have been met.

Programmatic Agreement among the FHWA, the Advisory Council on Historic Preservation, the California State Historic Preservation Officer, and the California Department of Transportation Regarding Compliance with Section 106 of the National Historic Preservation Act, as it Pertains to the Administration of the Federal-Aid Highway Program in California (Section 106 PA), effective January 1, 2004. - The Section 106 Programmatic Agreement (PA) implements Section 106 of the NEPA for the Federal-aid Highway Program in California, except when the undertaking is on federally recognized Native American tribal land, in which case the 36 CFR Part 800 procedures must be followed. This Agreement allows Caltrans to consult directly with the SHPO for all steps of the Section 106 process on projects assigned under NEPA Delegation and for most steps on projects exempted from delegation. The Agreement exempts certain property types from evaluation and exempts certain types of projects from any 106 involvements. It reemphasizes the use of Environmentally Sensitive Areas (ESAs) to avoid site excavations for evaluation, defines APE guidelines, and sets out qualifications for decision-making staff. Any project must be screened by the District PQS to determine applicability of Section 106. A copy of the Agreement and guidance on compliance with the terms of the Agreement are provided in the SER, Volume 2, Exhibit 1.1 at: (http://www.dot.ca.gov/ser/vol2/PA-04-EH.pdf)

Programmatic Agreement Regarding the Seismic Retrofit of Historic Bridge Structures in California (March 21, 1995) - This Agreement is for Section 106 process only and provides for the expeditious fulfillment of the requirements under Section 106. Additional assistance from the Caltrans PQS is required when utilizing this Agreement.

Memorandum of Understanding Among the Federal Highway Administration, California Department of Transportation, U.S. EPA, U.S. ACOE, USFWS and the NMFS, National Environmental Policy Act, and Clean Water Act, Section 404 Integration Process for Federal-aid Surface Transportation Projects in California (April 2006). The ACOE, USFWS, FHWA, EPA, NMFS and Caltrans agree on early and ongoing coordination for issues pertaining to waters of the U.S. and associated sensitive species and specifically for projects likely to require an EIS, an individual permit, impact special aquatic sites or impact greater than five (5) acres of other waters of the U.S. The MOU specifies written concurrences that must be obtained from the resource agencies.

If it is anticipated that the project will permanently impact more than five (5) acres of waters of the U.S. and is being processed with an EIS, the local agency, DLAE, and SEP (or designee) shall meet as early as possible to discuss MOU procedures and ensure conformity. A copy of the MOU and procedures for its use are provided in the

SER at: http://www.dot.ca.gov/ser/downloads/MOUs/NEPA404/nepa404_2006_final-mou.pdf

FHWA SECTION 4(F) NATIONWIDE PROGRAMMATICS

- **Independent Bikeway and Walkway Construction Projects, May 23, 1977**- For independent bikeway and pedestrian walkway projects that require the use of recreation and park areas http://environment.fhwa.dot.gov/projdev/4fbikeways.asp
- **FHWA Projects that Necessitate the Use of Historic Bridges, July 5, 1983** - For historic bridge replacement projects. Full historic evaluation and to meet Section 106 requirements are still required http://environment.fhwa.dot.gov/projdev/4fbridge.asp.
- **Federally aided Highway Projects with Minor Involvements with Public Parks, Recreation Lands, and Wildlife and Waterfowl Refuges, December 23, 1986** - This is for federal-aid projects that use minor amounts of land from publicly owned public parks, recreation areas, and wildlife and waterfowl refuges http://environment.fhwa.dot.gov/projdev/4fmparks.asp *Note: This Programmatic 4(f) type may be superseded for many projects by Section 6009 (a), De Minimis Impacts to Section 4(f) Resources (discussed in bullet 6 below).*
- **Federally aided Highway Projects with Minor Involvements with Historic Sites, December 23, 1986** - This is for federal-aid projects which use minor amounts of land from historic sites, which are eligible for inclusion on the National Register of Historic Places. This only applies when the use of the land does not constitute an adverse effect to the historic property at: http://environment.fhwa.dot.gov/projdev/4fmhist.asp *Note: This Programmatic 4(f) type is largely superseded by Section 6009 (a), De Minimis Impacts to Section 4(f) Resources (discussed in bullet 6 below).*
- **Projects that have a Net Benefit to a Section 4(f) Property** - For any project, regardless of NEPA Class of Action (CE, EA or EIS), where a net benefit, or overall enhancement is achieved to the Section 4(f) property. A project does not achieve a net benefit if it will result in a substantial diminishment of the function or value that made the property eligible for Section 4(f) protection. http://www.dot.ca.gov/ser/vol1/sec3/special/ch204f/chap20.htm
- **De Minimis Impacts to Section 4(f) Resources** - SAFETEA-LU Section 6009(a) amended existing Section 4(f) legislation to allow the U.S. DOT to determine that certain uses of Section 4(f) land will have no adverse effect on the protected resource. Under the NEPA assignment, Caltrans determines if a transportation use of Section 4(f) property results in a *de minimis* impact on that property at: http://www.dot.ca.gov/ser/vol1/sec3/special/ch204f/chap20.htm#deminimis
- **Interim Guidance on Applying Section 4(f) On Transportation Enhancement Projects and National Recreational Trails Projects (August 22, 1994)** - Section 4(f) should not be applied to the National Recreational Trails Funding Program and should only be applied to the "Transportation Enhancements Program" when certain conditions are not met by each project. The interim guidance issued in the FR as a final policy interpretation contains the basis for determinations and will be in effect until changes to 23 CFR Part 771 are disseminated through the regulatory

rulemaking process. Once 23 CFR Part 771 has been revised to address this subject, the interim guidance will become null and void.

INTEGRATING CEQA AND NEPA

While this chapter deals exclusively with federal environmental requirements, local agencies are responsible for ensuring full compliance with other state and local environmental laws, and to the fullest extent possible, integrating the NEPA process with the review processes established by these laws. Because state and federal requirements are similar, it is possible to perform only one environmental process that satisfies both state and federal requirements simultaneously when federal approval is required. The environmental document types for CEQA/NEPA (i.e., CE/CE, IS/EA, EIR/EIS) do not necessarily need to match up with each other. An EA may be the appropriate document to prepare under NEPA when an EIR is appropriate under CEQA and so on. Guidance on developing of Joint CEQA/NEPA documents is available in the SER, Chapter 37.

Following are some of the basic similarities and differences between the NEPA and CEQA.

- **Categorical Exclusion (NEPA)/Categorical Exemption (CEQA) Determination** - The list of projects exempt from the federal legislation is quite different from that of the State of California. Because NEPA requires that each federal agency identify its own list of CEs, the list of projects exempt from NEPA is specific to FHWA, unlike CEQA guidelines that list 32 standard categories for all agencies to use. Thus, a careful reading of 23 CFR 771.117 and the Section 6004 and 6005 MOUs is necessary to determine which actions are Categorically Excluded. Separate determinations must be made for the NEPA and CEQA. Section 6.5 "Categorical Exclusions," in this chapter describes this phase of the process.
- **Environmental Assessment/Initial Study** - The required contents of an EA are similar to that of an Initial Study (IS). However, NEPA requires that an EA discuss alternatives, whereas CEQA does not require a discussion of alternatives in an IS. Guidance on the development of Joint IS/EAs is available in the SER, Chapter 37.
- **Integrating Other Environmentally Related Processes (NEPA/CEQA)** - One of the more complex aspects of the EA or EIS preparation is the requirement for integrating NEPA with other federal environmental requirements. The local agency must identify and list in the EA or EIS all other federal environmental requirements that may be applicable to the proposed action and, to the fullest extent possible, integrate the NEPA process with the review processes established by these laws. See Section 6.2 "Other Federal Environmentally Related Processes" in this chapter for a brief overview of the other federal environmental requirements. This degree of integration of state and local environmental review is not required under CEQA.
- **Significant Impact (NEPA) vs. Significant Effect (CEQA)** - NEPA requires the identification of any impacts and the avoidance and minimization of them, with compensation considered when reasonable. NEPA does not focus on assessment of whether each and every adverse impact is significant or not. Presence or absence of "**significant impacts**" as defined by NEPA is the determining factor for what type of environmental document is appropriate. NEPA's definition of a significant impact does not necessarily correlate with CEQA identified "**significant effects**." Further, CEQA requires mitigation only when an impact is designated as "**significant**." This can result in measures to avoid or reduce impacts being identified under NEPA that would not be identified under CEQA.

In cases where the local agency project is processed with no federal involvement, the project will only require compliance with the CEQA.

TIMING FOR ENVIRONMENTAL PROCESSES

Estimating the time required for preparing and processing technical studies and environmental documents is very important when establishing a project delivery schedule. The amount of time needed to demonstrate full compliance with the provisions of NEPA and other federal environmental requirements varies depending upon project scope and the presence of federally protected environmental attributes within and immediately adjacent to the project area (direct), indirect (secondary), and cumulative impacts.

Compliance with the environmental requirements may occur simultaneously with Preliminary Engineering. However, the local agency may not commence with final design prior to obtaining the following environmental document approval: 1) a Caltrans signed CE, 2) FONSI, or 3) ROD. It is incumbent upon the DLAE to notify the local agency as soon as approval is granted and to forward a copy of the signed environmental approval.

The following time frames reflect best case scenarios and do not take into account the time involved in consultant selection, correction of inadequate studies, regulatory or advisory agency review and comment, projects involving large numbers of very complex, unusual environmental issues or controversy. The time frames also assume the various environmental studies and documents are performed and written simultaneously.

Below are some examples for estimating time frames:

- A project eligible for CE with "no required technical studies" can be processed in two (2) weeks, assuming the PES Form and supporting information are complete and sufficient.
- A CE "with required technical studies" may take from one (1) month to one (1) year depending upon the required technical studies that must be completed and the time of year the studies are initiated.
- It is important to identify and plan for critical survey periods when determining a project schedule. For example, surveys for certain plants species may have to be performed in spring or during their appropriate blooming/identifiable period.
- It is also important to factor in sufficient time for potentially lengthy processes such as Section 106. Depending upon the nature of the undertaking and its effects to historic properties, the Section 106 process can take less than one (1) week for screened undertakings to more than twenty (20) months for very complex projects involving multiple resources or requiring archaeological excavation.
- An EA that results in FONSI may take between six (6) months to a year for a project with few complications. The draft EA must undergo a thirty (30) day public availability period. Environmentally complicated or controversial projects may take more than one (1) year for the document to be completed and approved.
- Processing an EA which results in a FONSI with an Historic Property Survey Report (HSPR), or any other environmentally related process may require additional time because these environmentally related processes require separate studies and separate regulatory reviews. For example, a preliminary Finding of Effect to cultural or archaeological resources must be completed before a draft EA or an EIS can be

circulated for public review. Final Section 106 must be complete before the final EA or an FEIS can be approved.

- The local agency should start working on "required technical studies" as early as possible in order to avoid delays. ***Note: The local agency shall not begin "required technical studies" prior to obtaining DLAE and District SEP (or designee) concurrences on the PES Form and attending the Coordination Meeting***. Section 106 studies should not begin until the District PQS can provide guidance on appropriate kinds and level of work. This will minimize the potential for investing in studies that may not be required.

6.3 OTHER CONSIDERATIONS

PERMITS

The local agency is responsible for obtaining all necessary permits, agreements, and approvals from resource and regulatory agencies (401/404, Encroachment, and Coast Guard Bridge Permit, etc,) prior to advertisement for construction. The local agency shall transmit one (1) copy of each permit (with conditions) to the DLAE for submittal to the District SEP (or designee). The District SEP (or designee) shall enter permit data (as required) into the LP2000.

MITIGATION COMMITMENTS AND PLANS, SPECIFICATIONS & ESTIMATE

The local agency shall develop a list of all mitigation as related to NEPA and provide it along with the technical reports and draft environmental document to the DLAE.

The local agency shall certify that all required mitigation has been completed and/or is included in the Final Plans, Specifications and Estimate (PS&E), and that any required ongoing maintenance of mitigation is implemented (23 CFR Parts 635,771, and 772).

The DLAE (in coordination with the District SEP) ensures that mitigation is a reasonable expenditure of federal funds. Caltrans assures that mitigation measures and any required ongoing maintenance of mitigation are implemented by conducting periodic process reviews.

MITIGATION COMMITMENTS AND CONSTRUCTION

The local agency is responsible for ensuring that all required mitigation is included in the construction contract. The local agency checks plans in the field and certifies that all mitigation commitments have been completed and documentation to this effect has been prepared for inclusion in the project's final record/voucher.

SCOPE CHANGE

In advance of any mitigation commitment, the local agency notifies the DLAE of any changes in the project scope or project limits. Major changes may require a Transportation Improvement Program (TIP) amendment or air quality redetermination. The DLAE notifies the District SEP (or designee) of the changes, and the District SEP (or designee) determines if additional environmental studies will be required, or if any mitigation agreements will require modifications. When permits, approvals, and agreements from resource and regulatory agencies require modifications, the DLAE requests the District SEP (or designee) initiates re-consultation/reevaluation immediately. Scope changes shall be documented and appended to the PES Form.

REEVALUATION

There are three triggers that necessitate the initiation of the consultation or reevaluation process:

1. Project is proceeding to the next major federal approval
2. Project changes
3. Three year timeline for an EIS

Reevaluations may include a site visit and evaluation by a qualified environmental planner and any technical specialists deemed necessary. Assessments by technical specialists should be prepared for any topical areas affected by a change in the project, its surroundings, new information or requirements, or other factors that may cause the original evaluation to no longer be valid. Additional studies and/or coordination with other agencies should be conducted as appropriate.

The local agency is responsible for informing the DLAE of any changes in the project so that these changes can be evaluated, and the validity of the CE Determination can be re-evaluated.

The local agency, DLAE, and District SEP (or designee) will consult and depending on the circumstances, there will be one of three possible conclusions: (1) the original CE Determination remains valid, (2) a CE Determination which addresses the magnitude of change in the scope of work and/or impact is necessary, or (3) a different type of environmental document is needed. Documentation of the decision and supporting information as appropriate shall be prepared and signed by the DLAE and the District SEP and placed in the project file.

A copy of the NEPA/CEQA Revalidation Form is available at:
http://www.dot.ca.gov/ser/downloads/memos/nepa/Revalidationform6-13-07.doc

The FHWA/Caltrans policy memo regarding Reevaluations is available at:
http://www.dot.ca.gov/ser/downloads/memos/nepa/Signed%20Ltr-FHWA-NEPA-21June07.pdf

PROCESS REVIEW

FHWA and Caltrans periodically conduct process reviews to determine the adequacy of existing processes and monitor the process for compliance with applicable laws, regulations and procedures. This includes but is not limited to, monitoring compliance with the assurances stated in the NEPA Pilot Program application; stipulations of the 6004 and 6005 MOU; monitoring the quality of NEPA documents and supporting technical reports, and monitoring PS&E and project construction to ensure mitigation commitments are included in PS&E, constructed, and (in the case of long-term commitments) monitored by the local agency.

TRAINING

The DLAE and District Training Coordinator are responsible for notifying the local agency of available training and for assisting them with training registration. Training opportunities available through external agencies or other federal/state agencies are posted at: http://www.dot.ca.gov/hq/LocalPrograms/training/training.html

RECORD KEEPING

The District SEP (or designee) is responsible for establishing the environmental project file as soon as environmental studies begin and for converting existing environmental project files to the Uniform Environmental File System. Instructions for using the Uniform Environmental Filing System are provided at: http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/chap38.htm#instructions

CONSULTANT CONTRACTS FOR TECHNICAL STUDIES

Locally administered environmental consultant contracts for NEPA documents and technical studies shall comply with the provisions of the Brooks Act (40 U.S.C. 1101-1104), and the scope of services agreement negotiated between the local agency and its consultant shall be based on information contained in the complete and fully signed PES Form. The consultant's qualifications and the format and content of the technical reports shall be consistent with guidance set forth in the SER.

QUARTERLY REPORTING REQUIREMENT

In accordance with Stipulation IV.F.1 of the 6004 MOU, pertaining to performance monitoring and quality assurance, Caltrans shall submit to FHWA a list of all CE determinations made each fiscal quarter. The DLA will provide the DEA with a Discoverer Report on quarterly local assistance CE determinations based on information contained in LP2000. DLAE and District SEP (or designee) with assistance from the Local Assistance NEPA Delegation Coordinators are required to maintain all environmental fields in LP2000 consistent with the DLA July 20, 2007, Memo, Subject: Tracking Local Assistance NEPA Compliance Milestones, to ensure that information provided in the report is accurate and complete.

6.4 STEP-BY-STEP PROCEDURES – PES FORM

Following are step-by-step procedures for conducting a preliminary environmental investigation and completing the PES Form. It is important that the local agency and their consultants carefully follow and complete each step to avoid unexpected project costs or delays in project development and to ensure a "complete and sufficient" submittal. Local agency(ies) shall not commence with any required technical study until after the PES Form has been fully signed by all signatories.

The PES/Categorical Exclusion (CE) process is shown in Flowchart 6-1, "PES Form and Categorical Exclusion (CE) Process Flowchart," (page 6-29). The numbers on the flowchart correlate with the step-by-step procedures within this section.

1. Local Agency (LA) develops complete project description and project maps.
2. LA reviews relevant literature, maps and inventories.
3. LA requests technical information from resource and regulatory agencies.
4. LA verifies research findings in the field (site visit).
5. LA completes PES Form (LAPM, Exhibit 6-A) in accordance with the Instructions (LAPM, Exhibit 6-B). On the PES Continuation Sheet the LA provides, (1) additional information on project description, (2) a summary of how the requirements of federal laws have been satisfied for all "No" answers (i.e., identify

the steps that were taken to determine a "No" response), and (3) specific information for all "Yes" and "To Be Determined" answers (i.e., if question #.15 regarding Federally listed Threatened and Endangered Species is checked "Yes," identify the specific plant or animal species which was observed or which could potentially occur within the project).

6. LA signs PES Form and sends to DLAE with all supporting documentation.
7. DLAE date stamps the PES Form on day received and verifies that project is in the RTP and FSTIP, and that the scope of work is consistent with the project description in the FSTIP.
8. DLAE provides a review of the PES Form and maps to ensure that the project description matches what is programmed and that the packet is complete and sufficient. If the packet is incomplete, the DLAE returns the packet to the LA or schedules a field review to assist them with completion of the PES Form. DLAE invites the District SEP (or designee) and appropriate technical specialists (i.e., biologist, hazardous waste coordinator, PQS, etc.) to the field review. For complex projects, the DLAE may also want to invite the HQ EC and/or the Local Assistance NEPA Delegation Coordinator.
9. The District SEP (or designee) requests the District PQS review the PES Form and maps, and conduct Section 106 Screening. The District Biologist reviews the PES Form, maps and results of general reconnaissance surveys, and makes a "Finding of No Effect," if applicable. District SEP identifies which District PQS, biologist, and other technical specialist will assist with reviewing the PES Form.
10. District PQS reviews PES Form, screens project under Section 106, completes questions #35 & #36 in Section A, and Sections B, C, D, indicates results of screening in Section G, signs the PES Form and returns the signed PES Form to the District SEP (or designee).
11. If the District SEP concurs with the recommended NEPA Class of Action and the recommended required technical studies, the District SEP signs the PES Form.

6.5. STEP-BY-STEP PROCEDURES – CATEGORICAL EXCLUSION WITH NO TECHNICAL STUDIES

Are further technical studies required? If "Yes," GO TO STEP #17. If "No," GO TO STEP #12.

12. The District SEP (or designee) completes the CE Checklist (LAPM, Exhibit 6-E) and the CE Form (LAPM, Exhibit 6-F) and for Section 6004 CEs; ensures Caltrans makes the project-level conformity determination consistent with the guidance provided in Chapter 38 of the SER.

    Note: Projects covered under Section 6004 are processed using certain NEPA CEs categories only, and the conformity determination is made along with NEPA approval by Caltrans.

Does project meet the criteria for a CE? If "Yes," GO TO STEP #13. If "No," GO TO STEP #17.

13. District SEP signs the CE Form.
14. District SEP (or designee) forwards the signed PES Form and signed CE Form to the DLAE, and updates LP2000 as follows: On Project Environmental Milestones Screen: (1) enter date completed PES Form was received by the DLAE and use comments field to note, a) if the LA submitted a complete and sufficient PES Form or if Caltrans had to assist with completing the PES Form during the field review, and b) reason for delay, if excessive, between Authorization to Proceed and receipt of PES Form, (2) enter date of last signature on PES Form and use comments field to note if multiple iterations were needed to produce complete/accurate form, internal delays (if applicable), and/or LA delays (if applicable), (3) enter date of letter, email, or documented telephone conversation or meeting (if applicable) transmitting the signed PES form to the LA that transmitted the fully signed PES Form, and use comments field to capture internal and external delays associated with completing the PES Form, (4) enter date CE is received in the district or date CE is prepared by Caltrans, and use comments field to capture external/internal delays associated with the development of the NEPA determination, (5) enter date District SEP signs the CE Form and use comments field to note any delays or changes in scope from what was described in PES Form, (6) use Environmental Document drop-down arrow to select the environmental document identified on the PES Form, Section E. Preliminary Environmental Document Classification (NEPA) (i.e., 6004 CE(c), 6004 CE(d) or 6005 CE.
15. DLAE signs the PES Form and the CE Form. The DLAE retains the original PES Form and the original CE Form for the project files. The DLAE sends a copy of the signed CE and a copy of the fully signed PES Form to the LA, and informs the LA that compliance with NEPA is complete and they may now begin final design.
16. LA begins final design.

6.6 STEP-BY-STEP PROCEDURES – CATEGORICAL EXCLUSION WITH TECHNICAL STUDIES

17. When PES indicates that **further technical study is required,** District SEP (or designee) prepares transmittal letter or email to the LA, or documents telephone conversation or meeting with LA (if applicable), outlining:
    - All technical studies/reports required.
    - A SER link for each of the technical studies.
    - The LA's responsibility for ensuring that all required technical reports are prepared in accordance with guidance set forth in the SER.
    - The LA's responsibility for ensuring that the conclusions of all technical reports are clearly stated and consistently summarized in the environmental document.
    - How the project-level conformity determination will be made. (See Step #31)
    - The LA's responsibility for preparing a summary/list of mitigation commitments (avoidance, minimization and mitigation measures) identified in each required technical report and providing said list to the DLAE along with each technical report.

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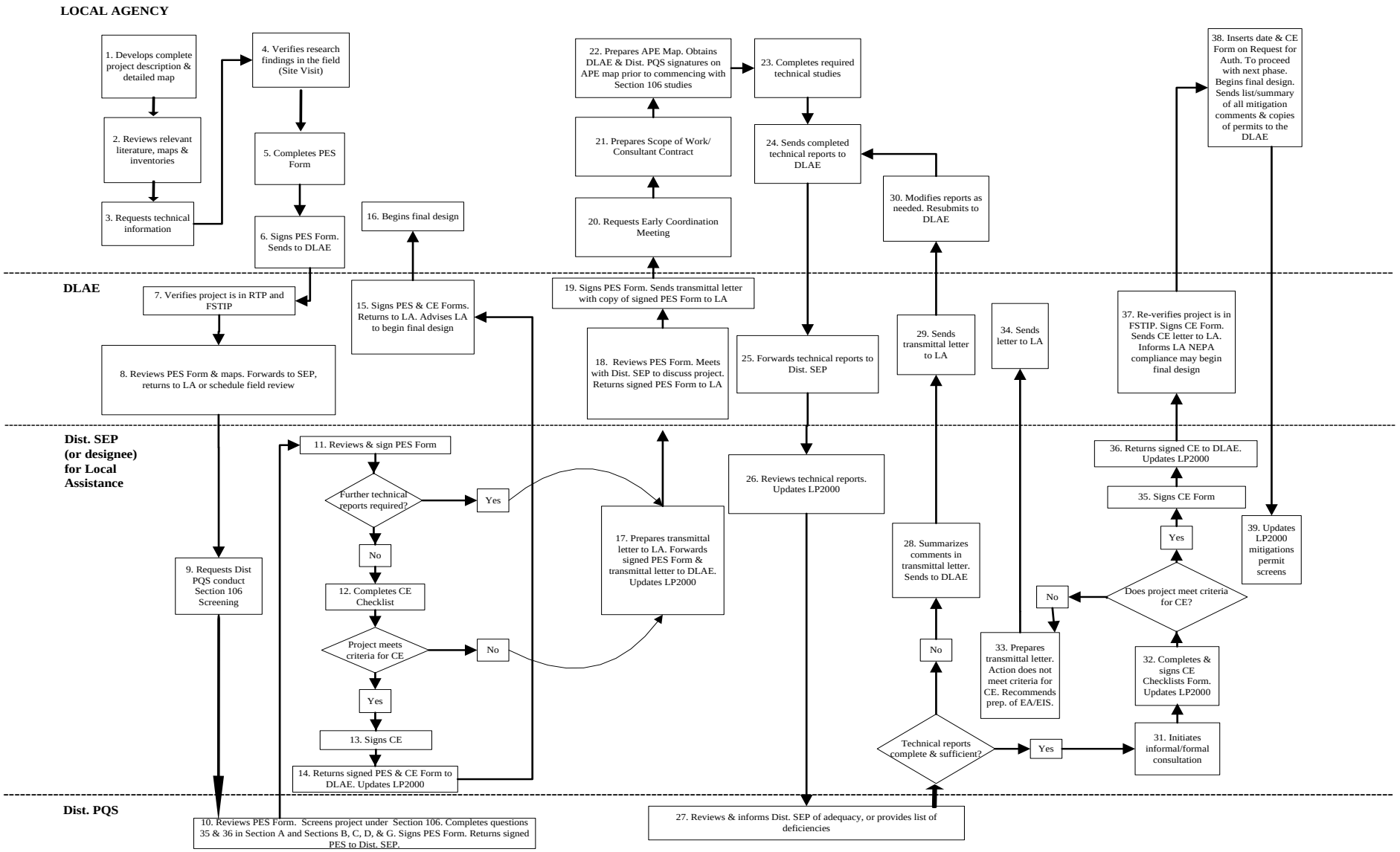
Flowchart 6-1 PES Form and Categorical Exclusion (CE) Process Flowchart



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- The LA's responsibility to incorporate all of the mitigation commitments (avoidance, minimization and mitigation measures) included on the list into their PS&E and be able to demonstrate that they have been incorporated into the project design.
- The LA's responsibility to provide a copy of all permits, when available, to the DLAE.

The District SEP (or designee) forwards the signed PES Form and the transmittal letter to the DLAE, and updates LP2000 for tracking compliance and annual reporting, as follows: On Project Environmental Milestones Screen, (1) enter date completed PES Form was received by the DLAE, and use comments field to note, a) whether the LA submitted a complete and sufficient PES Form, or if Caltrans had to assist with completing the PES Form during the field review, and b) reason for delay, if excessive, between Authorization to Proceed and receipt of PES Form, (2) enter date of last signature on PES Form and use comments field to note multiple iterations needed to produce complete/accurate form (if applicable), internal delays (if applicable) and/or LA delays (if applicable), (3) enter date of letter, email, or documentation of telephone conversation or meeting (if applicable) transmitting signed PES Form to Local Agency, (4) enter date the CE is received in the district, or date a CE is prepared by Caltrans, and use comments field to capture external/internal delays associated with the development of the NEPA determination, (5) enter date District SEP signs the CE Form, and use comments field to note any delays and if changes in project scope from what was described in PES Form, (6) use Environmental Document drop-down arrow to select the environmental document identified on the PES Form, Section G. Preliminary Environmental Document Classification (NEPA) (i.e., 6004 CE(c), 6004 CE (d) or 6005 CE, (7) on Environmental Studies – Environmental Study Milestones Screen, use Study Type drop-down arrow to select all required study types identified in Section B of the PES Form.

18. DLAE reviews project description, project maps, and PES Form to determine if the project is technically sound (adequate and feasible) from an engineering perspective. DLAE and the District SEP (or designee) meet to discuss the following:
    - Is the project technically sound from an engineering perspective?
    - Can the city or county get the project done in the amount of time indicated on the PES Form (i.e., have they missed any survey windows, or are the issues more complex than they anticipated)?
    - Will the funding need to be moved out to adjust for the schedule?
    - Do the technical studies/reports identified in the PES Form indicate that the LA may need to budget more money for NEPA compliance?
    - Is the LA's preliminary design on track?
    - Do the project maps make sense? Are the maps correct? Is the project footprint map consistent with the project, as identified in the FSTIP? Are the engineering drawings consistent with the project, as identified in the FSTIP?
    - Is the project likely to include mitigation commitments and/or mitigation that would warrant environmental review of the PS&E and project during/after construction?

19. DLAE signs the PES Form. District SEP (or designee) sends a copy of the fully signed PES Form and transmittal letter, hardcopy or electronically (if preferred) to the LA, outlining the requirements of each required technical study and report.

    (*Note: If DLAE authorizes the District SEP (or designee) to perform this step, a copy of the letter or email shall be provided to the DLAE.*)

20. LA may request an Early Coordination Meeting with the DLAE, District SEP (or designee) and others as needed, to discuss the specific requirements of each required technical report, etc. The District SEP (or designee), District PQS, and applicable technical specialists should be invited to participate in the meeting as needed, based on the environmental issues and the complexity of the project, etc.
21. LA prepares scope of work/consultant contract (if necessary) in accordance with LAPM, Chapter 10, "Consultant Selection," and the requirements contained in the PES Form and retains environmental consultant to undertake required technical studies. (*Note: Environmental Consultant scope of work must reference the SER and the LAPM*). The District SEP (or designee) is available to review the environmental scope of work to ensure that it accurately reflects Caltrans requirements.
22. LA prepares a draft APE Map (if applicable) according to the guidance in the SER and preferably after consultation with District PQS, and obtains DLAE and District PQS signatures on the APE map prior to commencing with any Section 106 studies.
23. LA/Consultant completes required technical studies in accordance with guidance in SER. (*Note: The LA is responsible for performing a quality assurance and quality control review of all technical reports, prior to submittal to the DLAE, to ensure that the format and content of each technical report is consistent with guidance prescribed in the SER.*)
24. LA sends the completed technical report(s) to the DLAE.
25. DLAE date stamps the report on the date received and forwards the technical report(s) to the District SEP (or designee).
26. District SEP (or designee) requests (in writing) appropriate District technical specialists (i.e., PQS, biologists, air, noise, hazardous materials, etc.) review the technical report and determine whether the report is complete and sufficient in accordance with the format and content requirements outlined in the SER. The District SEP (or designee) updates LP2000 as follows: On Environmental Studies – Environmental Study Milestones Screen, (1) enter the date each study/technical report was received by the DLAE, (2) enter the date each study/technical report was received by the District SEP (or designee), (3) using the agency drop-down arrow, select Caltrans as the agency, and indicate the date that each technical report is sent to the District technical specialist for review.
27. District technical specialists review technical reports and determine whether technical reports are complete and ready for resource/regulatory agency review (if applicable). (*Note: This service does not relieve LA's responsibility for quality assurance and quality control.)* When District technical specialists determine that the technical reports are not complete**,** they shall document all noted deficiencies in writing and submit them to the District SEP (or designee). When District technical specialists determine that the technical reports are complete and ready for resource/regulatory review (if applicable), they inform the District SEP (or designee).

(Note #1: Under NEPA Delegation, this can no longer be an "informal" or verbal process. All deficiencies must be documented in writing and project files must contain a documented record of deficiencies and demonstrate that any and all deficiencies have been corrected.) (Note #2: When there are no District technical specialists available to review a particular technical report, or when other priorities delay the review of technical reports in support of local assistance projects, the District SEP [or designee] shall inform the Environmental Branch Chief and request their assistance in resolving the issue.)

District SEP (or designee) considers: Are Technical Reports complete and sufficient? If "No," GO TO STEP #28. If "Yes," GO TO STEP #31.

28. District SEP (or designee) prepares a transmittal letter, email, or documentation of telephone conversation or meeting (if applicable) with LA summarizing all comments received from District technical specialists and provides a copy to the DLAE.
29. DLAE sends transmittal letter, outlining any deficiencies to the LA.
30. LA modifies the technical reports in accordance with the comments and resubmits the report(s) to the DLAE, beginning at Step #24.
31. When all technical reports are determined to be complete and sufficient, District SEP may in the case of Section 7 BAs, initiate informal/formal consultation with appropriate resource and regulatory agencies. **(*Note: For 6005 CEs, as soon as the Air Quality staff determine that the Air Quality Report is complete and sufficient, the District SEP [or designee] sends a request for Air Quality Conformity Determination to FHWA*).** District SEP (or designee) updates LP2000 as follows: On Environmental Studies – Environmental Study Milestones Screen, (1) using the "Agency" drop-down arrow, select the agency that the particular technical study/report was sent to for action, and (2) indicate the "Date Sent to Agency" *(Note: This will be the date on the District SEP's letter to the LA requesting consultation).* When the same technical study will be sent to multiple agencies (i.e., BA to USFWS and NMFS), list Study Type (BA) twice in the Study Type column and then under Agency, select USFWS for one and NMFS for the second.
32. When resource and regulatory agency action is complete, the District SEP (or designee) updates LP2000 as follows: On the Environmental Studies-Environmental Study Milestone Screen, 1) using the "Agency" drop-down arrow, select the agency that the particular technical report was sent to for actions, 2) enter the date of resource or regulatory agency letter, documenting their final correct opinion/ concurrence/agreement, etc., (3) use the Delay drop-down arrow to indicate "Yes" or "No." Enter "Yes" if USFWS or NMFS exceeded 135 days in issuing a Biological Opinion; if USFWS or NMFS exceeded thirty (30) days in issuing a Concurrence Letter; if the SHPO exceeds thirty (30) days in issuing concurrence on the HPSR or Finding of Effect (FOE) (if PA requires SHPO review); or if excessive delays occurred during any other agency review, (4) use the comments field to document number of iterations needed between Caltrans and LA to produce a complete and sufficient report and/or number of iterations needed between Caltrans and resource and regulatory agency to produce an acceptable report.

    The District SEP (or designee) also completes the CE Checklist and determines whether conclusions of the technical studies and the results of consultation indicate that the action qualifies for the CE.

Does project meet criteria for the CE? If "No," continue with STEP #33. If "Yes," GO TO STEP #35.

33. When the CE Checklist indicates that the action does not meet the criteria for a CE, the District SEP (or designee) prepares a transmittal letter, email, or documentation of telephone conversation or meeting (if applicable) with the LA explaining why the action does not meet the criteria for a CE and recommends preparation of an EA or an EIS, as appropriate. The District SEP forwards a copy of the letter, email, or documentation of telephone conversation with LA to the DLAE and updates LP2000 accordingly.
34. SEP (or designee) sends the letter, email, or documentation of telephone conversation to the LA.
35. District SEP (or designee) verifies, 1) that there are no scope changes, or 2) that technical studies address areas where all project scope changes will occur. District SEP signs CE Form.
36. District SEP (or designee) prepares a transmittal letter, email, or documentation of telephone conversation or meeting (if applicable) informing the LA that:
    - NEPA compliance is complete.
    - LA may commence with final design.
    - LA is responsible for incorporating all minimization, avoidance and mitigation measures, and the conditions of all permits agreements and approvals into final design.
    - LA is responsible for fully implementing all minimization, avoidance and mitigation measures, and the conditions of all permits during project construction.
    - A copy of all mitigation commitments and permits shall be sent to the DLAE prior to advertisement for construction.

    District SEP forwards the signed CE and transmittal, (letter, email, or documentation of telephone conversation or meeting), to the DLAE, and updates LP2000.
37. DLAE re-verifies that project is in the FSTIP and that there are no changes in project scope description, footprint; signs the CE Form; SEP (or designee) sends the signed CE Form and transmittal (letter, email, or documentation of telephone conversation or meeting), to the LA informing them that they may begin final design.
38. LA inserts the date the DLAE signed the CE/CE Determination Form in the LA/State Comments field when completing the Request for Authorization for the next phase of the project (see Chapter 3 "Project Authorization," in the LAPM). LA begins final design. Prior to advertisement for construction, LA sends the DLAE a copy of all permits (i.e., Coastal, 401, 404, 1602 Series, Sec 10, State or Federal Encroachment and/or Right of Entry).
39. Upon receipt of list of mitigation commitments and permits, the District SEP (or designee) updates LP2000 Environmental-Permits Screen and Mitigation Commitments Screens in accordance with instructions provided in July 20, 2007 DLA memo, Subject: Tracking Local Assistance NEPA Compliance Milestones.

6.7 STEP-BY-STEP PROCEDURES – ROUTINE ENVIRONMENTAL ASSESSMENT (EA)

The requirement to prepare an EA may come about through one or more of the following situations:

- Based on information gathered during PES, where it is clear that the proposed project will not qualify for a CE or where unusual circumstances are likely. The LA identifies the potential for significance under Sections A of the PES Form and recommends the development of an EA (under Section E of the PES Form). The DLAE and District SEP determine (with an e-mail concurrence from HQ EC) that an EA is the appropriate NEPA Class of Action, by signing the PES Form.
- During or upon completion of technical studies, when it becomes apparent that the proposed project will not qualify for a CE or that unusual circumstances exist; the decision to prepare an EA is made by the District SEP in collaboration with the DLAE with written e-mail concurrence from HQ EC, and must be clearly documented for the project file.

The Routine Environmental Assessment (EA) process is shown in Flowchart 6-2, "Routine Environmental Assessment (EA) Process Flowchart," (page 6-37). The numbers on the flowchart correlate with the step-by-step procedures within this section.

1. LA receives signed PES Form recommending an EA as the NEPA Class of Action.
2. LA consults with interested agencies and others to advise them of the scope of the project and potential social, economic, or environmental impacts identified in the PES Form.
3. LA identifies alternatives and measures which might mitigate adverse environmental impacts.
4. LA (or consultant) completes technical studies, and prepares technical reports and administrative Draft EA in accordance with the appropriate Caltrans Annotated Outline, provided at: http://www.dot.ca.gov/ser/forms.htm.
   LA completes the Environmental Document Review Checklist, provided at http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/ED_Checklist.doc. cross-referencing items on the checklist with the corresponding page numbers found in the Draft EA.
5. LA performs Quality Control Review of all technical reports and Draft EA in accordance with Caltrans standards provided at: http://www.dot.ca.gov/hq/env/nepa_pilot/pdf/policies/NEPADelegationQCProgram-2July07.pdf, and completes and signs External Certifications (Environmental Document Quality Control Review Certification) form provided at: http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/External_QC_Certification.doc, prior to submitting the Draft EA and technical studies to DLAE.
6. LA submits five (5) copies of technical reports and Draft EA, original ED Checklist, and signed External Certifications (Environmental Document Quality Control Review Certification) form to the DLAE.
7. DLAE date stamps the Draft EA on date received, re-verifies that project is in the RTP and FSTIP, and provides a review of packet to ensure that the original fully signed External Certifications (Environmental Document Quality Control Review Certification) form, and the appropriate number of copies of the Draft EA and technical reports have been provided. If the signed Environmental Document Quality Control Review Certification form is not present, the DLAE should return packet to the LA and request Quality Control Review. If signed Environmental Document Quality Control Review Certification form is present, the DLAE forwards packet to the District SEP (or designee). The DLAE submits packet (or CD, if acceptable by district) to the District SEP (or designee) and requests for review.

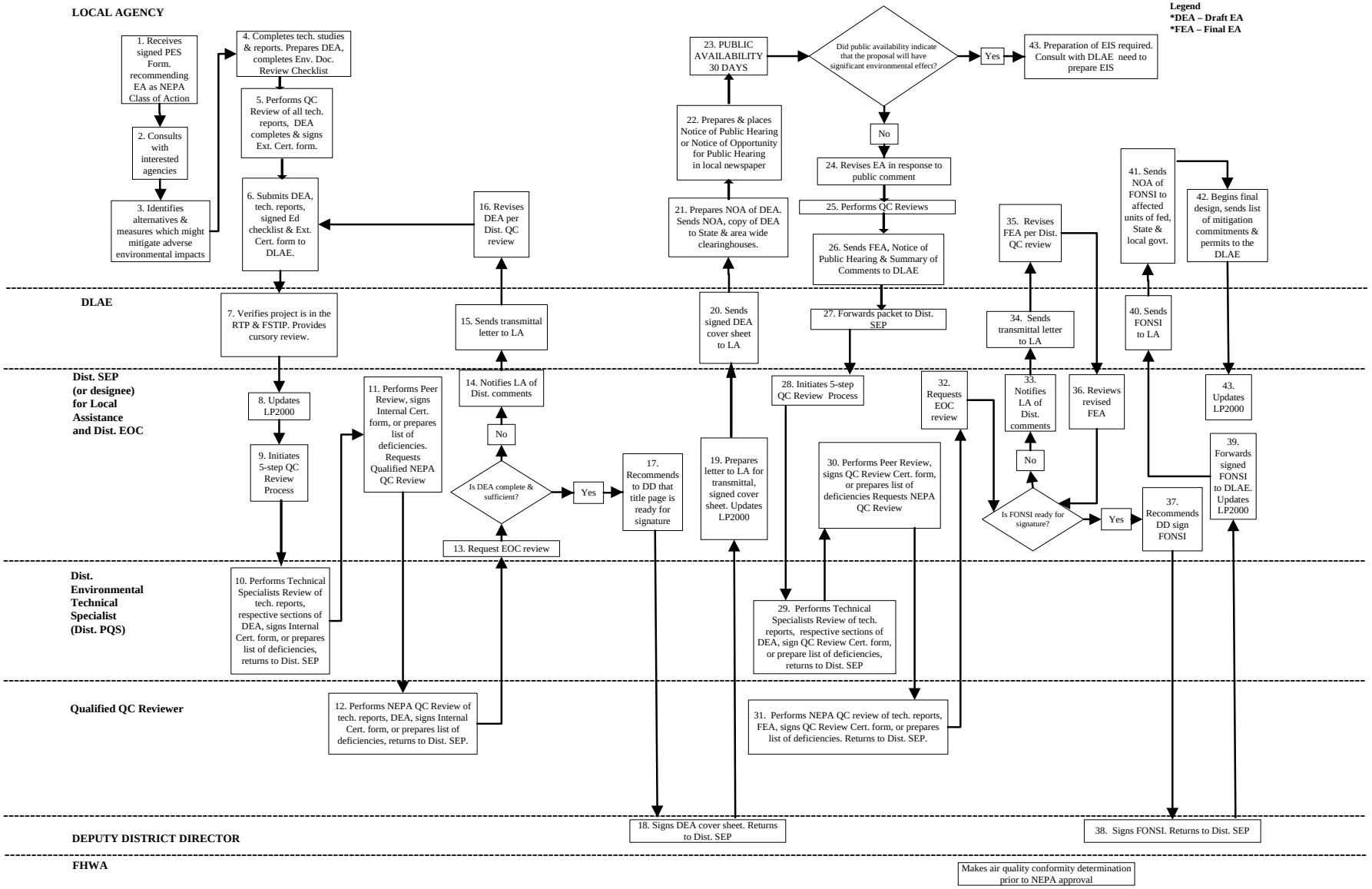
8. District SEP (or designee) completes appropriate fields in LP2000 as follows: On Environmental – Environmental Assessment (EA) Screen, (1) enter date District (DLAE or Environmental) received LA-prepared Draft EA and use comments field to *a) indicate whether a Joint NEPA/CEQA document was prepared, and if not, why not, b) document the number of iterations needed to produce an acceptable Draft EA, c) document delays at LA, d) document delays at Caltrans,* (2) indicate next to Local Agency Quality Assurance/Quality Control, whether LA submitted a completed External Certifications (Environmental Document Quality Control Review Certification) form with their Draft EA, and use drop-down arrow to select "Yes" or "No" and use comments field to note whether the LA's Quality Assurance Review was adequate
9. District SEP (or designee) initiates 5-step Quality Control Review by sending one (1) copy of the technical report and one (1) copy of the Draft EA to appropriate District environmental technical specialists and requests District technical specialists perform Quality Control Review.
10. District PQS and other environmental technical specialists review technical report(s) in their specialty area, and respective sections of Draft EA for technical accuracy and consistency between technical report and EA, and sign Internal Certifications (Environmental Document Quality Control Review Certification) form. *Note: The purpose of the Technical Specialist Review is to ensure the accuracy of specific resource studies and technical information summarized in the Environmental Document (ED). A Technical Specialist Review will be completed for each resource topic discussed in the ED as necessary.*

    The review will be conducted for those sections in each chapter that contain information about the individual resource or technical area under consideration (e.g., Summary, Affected Environment, Environmental Consequences, and Avoidance, Minimization and/or Mitigation Measures, Cumulative Impacts), and will provide comments to ensure the following:

    - *accuracy of the information in the ED*
    - *consistency between the technical study and the information as summarized in the ED*
    - *all avoidance, minimization and/or mitigation measures are appropriately characterized and are feasible to implement*
    - *all anticipated permit and/or approval actions have been accurately identified within the ED*

    The last District environmental technical specialist to review the Draft EA forwards the signed Internal Certifications (Environmental Document Quality Control Review Certification) form (if applicable) or list of deficiencies to the District SEP (or designee).
11. District SEP (or designee) performs Peer Review and generalist review of Draft EA, drafts list of deficiencies and requests District/Region Qualified NEPA Quality Control Review.
12. Qualified NEPA Quality Control Reviewer reviews Draft EA for compliance with FHWA's NEPA standards, requirements and policies, and signs the Internal Certifications (Environmental Document Quality Control Review Certification) form,

Flowchart 6-2 Routine Environmental Assessment (EA) Process Flowchart



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or prepares list of deficiencies, then provides comments to the District SEP (or designee). *Note: The NEPA Quality Control Reviewer must have the following qualifications: (1) at least two years of experience leading the development of, or performing consultant oversight for transportation environmental documents in California, (2) demonstrated experience in preparing complex environmental documents or supervisory experience in a unit that reviews EISs, and (3) Certificate of Completion in the Department's NEPA Compliance Training.*

13. District SEP requests District EOC review. If Individual Section 4(f) Evaluation is required, District SEP also requests HQ EC and Legal review the draft Individual Section 4(f) Evaluation, if applicable. Once reviewed and accepted by HQ EC, Legal and District Environmental Branch Chief/ Environmental Office Chief recommends to DDD (Environmental) that title page is ready for signature. *Note: Under the Pilot Program the DDD for Environmental is authorized to approve Individual Section 4(f) Evaluations. A stand-alone Individual Section 4(f) Evaluation and an Individual Section 4(f) Evaluation that is included with a Routine EA must be submitted to the appropriate HQ EC and Legal Office for review. No Individual Section 4(f) Evaluation may be approved until it has been reviewed and accepted by the HQ EC and a Legal review has been completed (for draft evaluation) or legal sufficiency determined (for final evaluation) by the appropriate Legal Office. The Department will coordinate with the FHWA prior to determining that any action constitutes a constructive use of land from a publicly owned park, public recreation area, wildlife refuge, waterfowl refuge, or historic site (MOU 8.1.5).*

Is Draft EA complete and sufficient? If "No," GO TO STEP #14. If "Yes," GO TO STEP #17.

14. District SEP (or designee) prepares transmittal letter or email to the LA, or documents telephone conversation or meeting (if applicable) with LA, summarizing all comments received from District technical specialists.
15. SEP (or designee) sends transmittal letter or, email outlining any deficiencies to the LA, files copy of the letter, email or documented telephone conversation or meeting with LA in the project file, and provides the DLAE with a copy.
16. LA modifies technical reports and/or Draft EA, in accordance with Caltrans comments, and resubmits report(s) and Draft EA to the DLAE beginning at Step #6. Steps #6 through #7 are repeated until the District determines that the document is completed and sufficient.
17. District SEP signs and transmits letters to resource and regulatory agency initiating formal consultation and recommends to DD (or DDD-Environmental or EOC, if designated) that title page is ready for signature.
    Note: Copies of the letters requesting formal consultation with resource and regulatory agencies and a copy of the letter requesting AQ Conformity Determination from FHWA shall be retained by District SEP (or designee) in order to complete the required fields in LP2000. Copies of response letters from resource and regulatory agencies are also transmitted to the DLAE and the District SEP (or designee).
18. DD (or DDD-Environmental or EOC, if designated) signs Draft EA cover sheet and returns to District SEP (or designee).
19. District SEP (or designee) prepares transmittal letter or email to the LA, or documents telephone conversation or meeting with LA (if applicable) confirming availability of the signed Draft EA cover sheet.

20. SEP (or designee) sends transmittal letter or email to the LA and files copy of the letter, email or documentation of telephone conversation or meeting, if applicable, with the LA regarding availability of the signed Draft EA in the project file.
21. LA prepares Notice of Availability (NOA) of EA and sends NOA and a copy of the EA to the State and area clearinghouses. If Joint IS/EA, the submissions required by CEQA fulfill the NEPA requirement.
22. LA prepares and places Notice of Public Hearing or Notice of Opportunity for Public Hearing in local newspaper. *Note: 23 CFR 771.119(e) requires that the EA be available for 15 days in advance of the public hearing.*
23. PUBLIC AVAILABILITY – 30 DAYS.

Did Public Availability indicate that the proposed action will have a significant environmental effect? If "No," GO TO STEP #24. If "Yes," GO TO STEP #43. An EIS will need to be prepared.

24. LA prepares Final EA in accordance with appropriate Caltrans Annotated Outline, provided at: http://www.dot.ca.gov/ser/forms.htm, and LA completes the Environmental Document Review Checklist, provided at: http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/ED_Checklist.doc. cross-referencing items on the checklist with the corresponding page numbers found in the Draft EA as necessary to respond to public comments received.
25. LA performs Quality Control review of the Final EA in accordance with Caltrans standards provided at: http://www.dot.ca.gov/hq/env/nepa_pilot/pdf/policies/NEPADelegationQCProgram-2July07.pdf, and completes and signs the External Certifications (Environmental Document Quality Control Review Certification) form provided at: http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/External_QC_Certification.doc .
26. LA sends Final EA, Environmental Document Review Checklist, Notice of Public Hearing, and summary of comments received to the DLAE.
27. DLAE forwards packet to the District SEP (or designee).
28. District SEP sends a request for AQ Conformity Determination to FHWA and the District SEP (or designee) initiates 5-step Quality Control Review process by sending Final EA to appropriate District technical specialists and requesting a Quality Control Review. *Note: The conformity determination cannot be completed until there is a public comment period on the analysis. Most of the time the public circulation of the environmental document serves as the public circulation for the conformity analysis.*
29. District technical specialists review technical report(s) and respective sections of Final EA for technical accuracy and consistency between technical report and EA; sign the Internal Certifications (Environmental Document Quality Control Review Certification) form, and forward the signed form or (if applicable) list of deficiencies to the District SEP (or designee).
30. District SEP (or designee) performs Peer Review of Final EA and technical report(s) to ensure clarity, consistency and readability; signs the Internal Certifications (Environmental Document Quality Control Review Certification) form, or prepares list of deficiencies, and requests NEPA Quality Control Reviewer review of Final EA.
31. NEPA Quality Control Reviewer reviews technical reports and Final EA for compliance with FHWA's NEPA standards, requirements and policies; signs the Internal Certifications (Environmental Document Quality Control Review Certification) form or (if applicable) prepares list of deficiencies, and forwards to the District SEP (or designee).

32. District SEP drafts FONSI and requests EOC review of Final EA and FONSI.

Is Final EA complete and sufficient, and is a FONSI appropriate? If "No," GO TO STEP #33. If "Yes," GO TO STEP #37

33. District SEP (or designee) prepares transmittal letter or email to the LA, or documents telephone conversation or meeting with LA, if applicable, outlining deficiencies, or reasons why a FONSI is not appropriate, and forwards a copy to the DLAE.
34. SEP (or designee) sends transmittal letter, or email outlining deficiencies to the LA, files the letter email or documented telephone conversation or meeting with the LA (if applicable), in the project file and provides the DLAE with a copy.
35. LA revises Final EA accordingly and resubmits to the District SEP (or designee) via the DLA, or if an EIS must be prepared, proceed to Section 6.9.
36. District SEP reviews the revised Final EA. If still deficient GO TO Step # 33. Steps 33 through 36 are repeated until the District determines that the document is complete and sufficient. Once sufficient, District SEP drafts the FONSI.
37. District SEP request legal review if an Individual Section 4(f) Evaluation is required either stand-alone or part of ED. Once Legal has determined that the Individual Section 4(f) Evaluation is legally sufficient, the District SEP recommends to the DD (or DDD or EOC, if designated) that the FONSI is ready for signature.
38. The DD (or DDD-Environmental or EOC, if designated) signs FONSI and returns the signed FONSI to the District SEP (or designee).
39. District SEP (or designee) forwards signed FONSI to the DLAE and updates LP2000 as follows: On Environmental Studies – Environmental Study Milestones Screen (1) enter the date of resource or regulatory agency letter, documenting their final opinion/concurrence/agreement, etc., (2) use the Delay drop-down arrow to indicate "Yes" or "No." *Note: "Yes" should be used if USFWS or NMFS exceeded 135 days in issuing a Biological Opinion; if USFWS or NMFS exceeded 30 days in issuing a Concurrence Letter; if there are delays in signatures on project MOA or project PA under Section 106 (if applicable); or if excessive delays occurred during any other agency review*, (3) use the comments field to document number of iterations needed (between Caltrans and LA) to produce a complete and sufficient report and/or number of iterations needed (between Caltrans and resource and regulatory agency) to produce an acceptable report.
40. DLAE sends signed FONSI to the LA and notifies LA that they may begin final design.
41. LA sends the NOA of the FONSI to the affected units of federal, state and local government, and distributes Final ED to anyone that commented.
42. LA begins final design and provides the DLAE with each of the following:
    - a list of all Mitigation Commitments
    - a copy of all environmental permits, agreements or approvals (i.e., Coastal, 401, 404, 1602 Series, Sec 10, State or Federal Encroachment and/or Right of Entry)
43. District SEP (or designee) updates Environmental-PERMITS Screen and Mitigation Commitments Screen in LP2000 in accordance with instruction provided in July 20, 2007, DLA memo, Subject: Tracking Local Assistance NEPA Compliance Milestones.

6.8 STEP-BY-STEP PROCEDURES – COMPLEX ENVIRONMENTAL ASSESSMENT (EA)

Complex EAs are projects that involve one or more of the following

- multiple location alternatives
- debate related to purpose and need
- strong public controversy
- issues of logical termini or independent utility
- individual Section 4(f) determinations
- complex Endangered Species Act issues
- numerous cumulative impacts
- high mitigation costs

The requirement to prepare an EA in general may come about through one or more of the following situations:

- Based on information gathered during the PES, where it is clear that the proposed project will not qualify for a CE or where unusual circumstances are likely. The LA identifies the potential for significance under Sections A of the PES Form and recommends the development of an EA (under Section E of the PES Form). The DLAE and District SEP determine that an EA is the appropriate NEPA Class of Action, with e-mail concurrence of the HQ EC, and sign the PES Form.
- During or upon completion of technical studies when it becomes apparent that the proposed project will not qualify for a CE or that unusual circumstances exist, the decision to prepare an EA is made by the District SEP in collaboration with the DLAE, and with e-mail concurrence of the HQ EC, and must be clearly documented for the project file. A meeting should be conducted with the LA to discuss why the project is not a CE and to advise the LA on the requirements for an EA. The decision to follow the Complex EA process will be made by the District SEP as soon as sufficient information is available.

The Complex Environmental Assessment (EA) process is shown in Flowchart 6-3, "Complex Environmental Assessment (EA) Process Flowchart," (page 6-47). The numbers on the flowchart correlate with the step-by-step procedures within this section.

1. LA receives the signed PES Form recommending a complex EA as the NEPA Class of Action.
2. LA prepares the Scope of Work/Consultant Contract (if necessary) in accordance with the LAPM, Chapter 10 "Consultant Selection," and the requirements identified in the PES Form and policy and guidance set forth in the SER.
3. LA identifies alternatives and measures to minimize the potential for adverse environmental impacts.
4. LA completes technical studies and reports, prepares the administrative Draft EA, and completes the Environmental Document Review Checklist, provided at http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/ED_Checklist.doc , cross-referencing items on the checklist with the corresponding page numbers found in the administrative Draft EA.

5. LA performs Quality Control Review of all technical reports and administrative Draft EA in accordance with Caltrans standards provided at: http://www.dot.ca.gov/hq/env/nepa_pilot/pdf/policies/NEPADelegationQCProgram-2July07.pdf, completes and signs the External Certifications (Environmental Document Quality Control Review Certification) form provided at: http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/External_QC_Certification.doc
6. LA signs administrative Draft EA title page and submits the following completed and original signed documents to the DLAE:
   - Environmental Document Review Checklist
   - External Certifications (Environmental Document Quality Control Review Certification) Form
   - Five (5) hard copies of administrative Draft EA (or an electronic copy, if requested)
   - Two (2) hard copies of each technical report
   - Electronic copy of each technical report
7. DLAE date stamps the administrative Draft EA on date received, re-verifies that the project is in the FSTIP. Provides a cursory review of packet to ensure that the original fully signed Environmental Document Review Checklist, the completed fully signed External Certifications (Environmental Document Quality Control Review Certification) form, and the appropriate numbers of copies of the administrative Draft EA and technical reports have been provided. Submits packet (or CD, if requested) to District SEP (or designee).
8. District SEP (or designee) updates LP2000 as follows: On the Environmental Assessments (EA) Screen (1) enter the date the DLAE received the LA prepared Draft EA, (2) use comments field to indicate whether a Joint NEPA/CEQA document was prepared, and if not, why, (3) indicate whether the LA submitted a "completed" Environmental Document Quality Control Review Certification form with the administrative Draft EA, by using the drop down arrow to select "Yes" or "No" (next to LA Quality Assurance/Quality Control).
9. District SEP (or designee) initiates and coordinates the 5-step Quality Control Review process of the administrative Draft EA and technical studies by distributing one (1) copy of the applicable technical report and one (1) copy of the administrative Draft EA to each appropriate District technical specialist, and requesting that each reviewer perform District Quality Control Review of the technical report(s) and the administrative Draft EA in accordance with Caltrans NEPA Delegation Quality Control Program standards provided at: http://www.dot.ca.gov/hq/env/nepa_pilot/pdf/policies/NEPADelegationQCProgram-2July07.pdf
10. District technical specialists review the technical report(s) and respective sections of administrative Draft EA. *Note: The purpose of the District technical specialist review is to ensure the accuracy of specific resource studies and technical information summarized in the ED. A technical specialist review will be completed for each resource topic discussed in the ED. The review will be conducted for those sections in each chapter that contain information about the individual resource or technical area under consideration (e.g., Summary, Affected Environment, Environmental Consequences, and Avoidance, Minimization and/or Mitigation*

Measures, Cumulative Impacts), and will provide comments to ensure the following:

- *accuracy of the information in the ED*
- *consistency between the technical study and the information as summarized in the ED*
- *all avoidance, minimization and/or mitigation measures are appropriately characterized and are feasible to implement*
- *all anticipated permit and/or approval actions have been accurately identified within the ED*

After reviewing the technical reports and administrative Draft EA, the District technical specialist will provide the District SEP (or designee) with either 1) a list of deficiencies, or 2) the signed Internal Certifications (Environmental Document Quality Control Review Certification) form.

11. District SEP (or designee) performs the Peer Review and signs Internal Certifications (Environmental Document Quality Control Review Certification) form, or prepares a list of deficiencies; provides administrative Draft EA to NEPA Quality Control Reviewer and requests reviewer perform District Quality Control Review of administrative Draft EA for compliance with FHWA's laws, regulations, Executive Orders and policy, and NEPA standards consistent with Caltrans NEPA Delegation Quality Control Program standards.

    Note: The Caltrans NEPA Quality Control Reviewer must have the following qualifications: 1) at least two (2) years of experience leading the development of, or performing consultant oversight for transportation environmental documents in California, 2) demonstrated experience in preparing complex environmental documents or supervisory experience in a unit that reviews EISs, and 3) Certificate of Completion in the Department's NEPA Compliance Training.

    The purpose of the NEPA Quality Control Review is to ensure that the project complies with the Council on Environmental Quality (CEQ) NEPA regulations and FHWA regulations, policies, and standards for the implementation of NEPA and all other applicable federal environmental laws. The NEPA Quality Control Review will provide comments to ensure the following:

    - adequacy of the project's purpose and need statement, logical termini, independent utility and project description
    - completeness of the alternatives analysis, including information supporting the range of alternatives selected for study in the document
    - all proposed avoidance, minimization and mitigation measures are properly identified, characterized and are reasonable and practicable to implement
    - evidence of coordination with any federal, state and local agencies necessary to comply with federal regulatory requirements
    - compliance with FHWA Environmental Impact and Related Procedures (23 CFR 771) and FHWA environmental policies and applicable guidance
    - compliance with other federal laws and regulations, such as Section 7 of the Endangered Species Act, Section 106 of the National Historic Preservation Act, Section 404 of the Clean Water Act, Executive Order 11990-Protection of Wetlands, Executive Order 11988-Floodplain Management, and Section 4(f) of the Department of Transportation Act

12. The District NEPA Quality Control Reviewer reviews the administrative Draft EA and either signs the Internal Certifications (Environmental Document Quality Control Review Certification) form or prepares a list of deficiencies and forwards to the District SEP overseeing local assistance environmental documents.
13. The EOC performs District Quality Control Review of administrative Draft EA in accordance with Caltrans NEPA Delegation Quality Control Program standards and considers whether the administrative Draft EA is ready for HQ review.

Is administrative Draft EA ready for HQ review? If "No," GO TO STEP #14. If "Yes," GO TO STEP #17.

14. When administrative Draft and/or technical reports are deficient, District SEP (or designee) prepares transmittal letter or email to the LA, or documents telephone conversation or meeting with the LA (if applicable) outlining all deficiencies, and requests that the administrative Draft EA be revised as necessary based on the District/NEPA Quality Control Reviewer's comments. Comments received from all five (5) levels of review will form the basis of revisions to the administrative Draft EA.
15. SEP (or designee) sends transmittal letter or email to the LA and files a copy of the letter, email, or documented telephone conversation or meeting (if applicable) with the LA in the project file, and provides a copy to the DLAE.
16. LA revises administrative Draft EA per District and NEPA Quality Control Reviewer's comments and resubmits at Step #6.
17. When administrative Draft EA and technical reports are complete and sufficient, the District SEP submits the following to the HQ EC and requests a Quality Assurance Review of the administrative Draft EA:
    - Transmittal Memo signed by the District/Region SEP requesting review
    - Five (5) copies of the administrative Draft EA or CD
    - One (1) copy of each technical study (or on CD, if requested)
    - One (1) copy of LA completed Environmental Document Review Checklist
    - One (1) copy of LA completed and signed External Certifications (Environmental Document Quality Control Review Certification) form
    - One (1) copy of completed and signed Internal Certification (Environmental Document Quality Control Review Certification) form

    The Legal Office will review EAs, as time is available, at the request of the District/Region. If an Individual Section 4(f) Evaluation is required, District SEP also requests HQ EC and Legal review the draft Individual Section 4(f) Evaluation. Once reviewed and accepted by HQ EC, Legal and the District EOC recommend to DDD-Environmental that the title page is ready for signature.
18. HQ EC performs a QA Review of the environmental document to determine if the administrative Draft EA is substantively complete and ready for interdisciplinary quality assurance review.

    Review period is thirty (30) days. In making this determination, the HQ EC will confirm that the administrative environmental document follows the annotated outline and includes the following:
    - Correct title page
    - All chapters and necessary resource topics are present and complete
    - All appendices are present and complete

- All required correspondence relative to procedural and regulatory requirements
- Complete, clear, legible and logical exhibits and figures

HQ EC will lead an interdisciplinary team of HQ technical specialists to review the document. Technical specialists will review pertinent portions of the document for accuracy to ensure that regulatory requirements are appropriately addressed. The project technical studies will be used in support of the review.

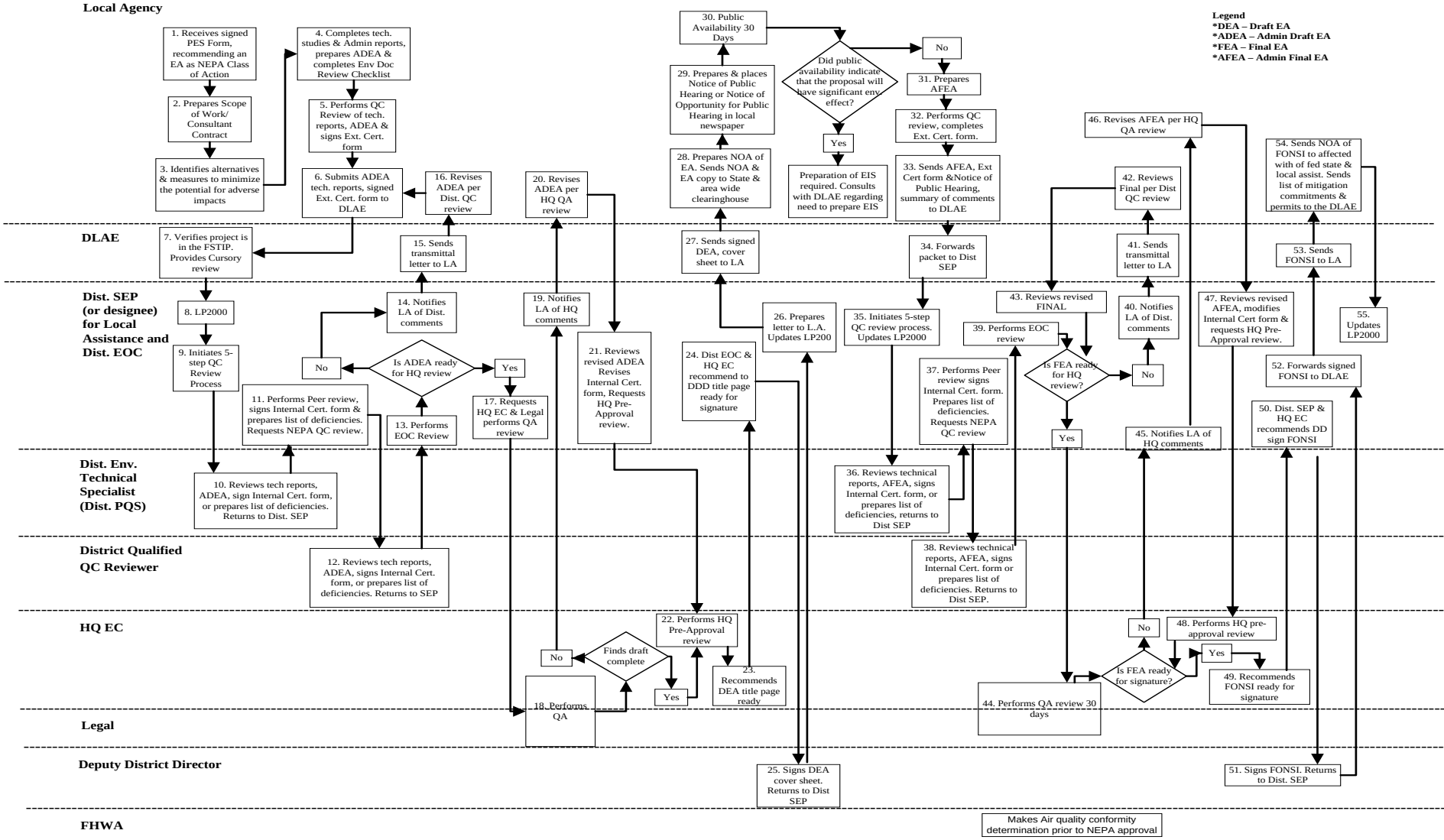
The HQ EC will review the entire environmental document and perform a NEPA Quality Assurance Review.

Did HQ EC find the administrative Draft EA complete? If "No," GO TO STEP #19. If "Yes," GO TO STEP #22.

19. When the HQ EC finds the administrative Draft EA incomplete, the HQ EC will consolidate and transmit comments on the administrative Draft EA to the District SEP (or designee), who in turn drafts a transmittal memo to the LA outlining HQ EC quality assurance comments and requesting the LA make the necessary revisions to the administrative Draft EA.
20. LA revises administrative Draft EA in response to HQ EC comments and resubmits revised Draft to District SEP (or designee).

    Note: District/Region and HQ EC staff are available to assist LA with (1) clarification regarding comments, (2) resolution of issues identified in the comments, and (3) in determining adequate response to comments, as needed. A meeting or workshop may be convened by the HQ EC or the District/Region/DLAE to facilitate this process.
21. District SEP (or designee) reviews the revised administrative Draft EA and revises the Internal Certifications (Environmental Document Quality Control Review Certification) form, as appropriate, to reflect that all comments have been appropriately addressed and submits the following materials to HQ EC for HQ Pre-Approval Review:
    - Transmittal Memo signed by the District/Region SEP stating that the document has been revised pursuant to HQ EC comments and requesting pre-approval review.
    - One (1) copy of the revised environmental document
    - One (1) copy of revised environmental document with track changes
    - One (1) copy of comments with a response key
    - One (1) copy of the completed Environmental Document Review Checklist, as revised
    - One (1) copy of the signed Internal Certifications (Environmental Document Quality Control Review Certification) form as revised
22. HQ EC reviews the revised administrative Draft EA to ensure that all comments have been adequately addressed and the administrative Draft EA is ready for signature. The review period is ten (10) days. HQ EC must concur that its comments have been addressed. At this point, the HQ EC will take one of the following actions:
    - Find that minor changes are needed and coordinate directly with the document preparer to make the changes. GO TO STEP #19

Flowchart 6-3 Complex Environmental Assessment (EA) Process Flowchart



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- Determine that substantive issues remain and inform the District SEP in writing of the deficiencies and instruct them to resubmit the document upon subsequent revision. GO TO STEP #19
- Conclude that the environmental document is adequate and ready for circulation. GO TO STEP #24

23. HQ EC recommends that the revised administrative Draft EA is ready for signature.
24. District EOC and the HQ EC will recommend to the DD (DDD- Environmental or EOC, if designated) that the title page is ready for signature.
25. DD (DDD-Environmental or EOC, if designated) signs the Draft EA cover sheet and returns the signed cover sheet to the District SEP (or designee). *Note: The DD may delegate signature authority to the DDD for Environmental or the EOC managing the environmental assessment unit that reviewed the document.*
26. District SEP (or designee) prepares and sends a letter or email to the LA, or contacts the LA via telephone to inform them that the Draft EA cover sheet has been signed and that they may begin public circulation.
27. SEP (or designee) provides a copy of the signed Draft EA cover sheet to the DLAE and includes a copy of the signed Draft EA cover sheet and transmittal in the project file.
28. LA prepares the NOA of the EA and sends NOA and a copy of the Draft EA to the State and area wide clearinghouses. If Joint IS/EA, the submissions required by CEQA fulfill the NEPA requirement.
29. LA prepares and places Notice of Public Hearing or Notice of Opportunity for Public Hearing in local newspaper. *Note: 23 CFR 771.119(e) requires that the EA be available for fifteen (15) days in advance of the public hearing.*
30. PUBLIC AVAILABILITY – 30 DAYS

Did Public Availability indicate that the proposal will have a significant environmental effect? If "No," GO TO STEP #31. If "Yes," discuss the need to prepare an EIS with DLAE and District SEP.

31. LA prepares administrative Final EA in accordance with Caltrans standards provided at: http://www.dot.ca.gov/hq/env/nepa_pilot/pdf/policies/NEPADelegationQCProgram-2July07.pdf.
    Completes and signs the External Certifications (Environmental Document Quality Control Review Certification) form provided at:
    http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/external_qc_certification.doc
33. LA drafts FONSI recommendation.
33. LA sends the administrative Final EA, Notice of Public Hearing, Summary of Comments received, and original signed External Certifications (Environmental Document Quality Control Review Certification) form to the DLAE.
34. DLAE date stamps and forwards administrative Final EA packet to the District SEP (or designee).
35. District SEP (or designee) initiates 5-step Quality Control Review of administrative Final EA by distributing the administrative Final EA to appropriate District technical specialists, and requesting Quality Control Review of the administrative Final EA,

in accordance with Caltrans NEPA Delegation Quality Control Program standards provided at:
http://www.dot.ca.gov/hq/env/nepa_pilot/pdf/policies/NEPADelegationQCProgram-2July07.pdf

District SEP updates LP2000 as follows: On the Environmental Assessments (EA) Screen, next to Public Circulation, enter date DD or designee signs Draft EA cover sheet, (2) use Comments Field to document internal/external delays/concerns, substantial controversy, requests for public hearing (*Note: EA must be available for a minimum of fifteen (15) days in advance of the public hearing)*, and (3) enter date District (DLAE or District SEP [or designee]) received the administrative Final EA.

36. District technical specialists conduct Quality Control Review of administrative Final EA and either sign the Internal Certifications (Environmental Document Quality Control Review Certification) form provided at:
http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/Internal_QC_Certification.doc, or (if applicable) provide list of deficiencies to the District SEP (or designee).
37. District SEP (or designee) performs Peer Review of administrative Final EA and either prepares a list of deficiencies or signs the Internal Certifications (Environmental Document Quality Control Review Certification) form, and requests District NEPA Quality Control Review.
38. NEPA Quality Control Reviewer reviews the administrative Final EA for compliance with FHWA's laws, regulations, Executive Orders and policy and NEPA standards, signs the Internal Certifications (Environmental Document Quality Control Review Certification) form provided at:
http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/Internal_QC_Certification.doc and forwards the signed Internal Certifications (Environmental Document Quality Control Review Certification) form, or a list of deficiencies (if applicable) to the District EOC .
39. District EOC reviews the administrative Final EA and determines whether the administrative Final EA is ready for HQ review.

Is administrative Final EA ready for HQ review? If "No," GO TO STEP #40. If "Yes," GO TO STEP #44.

40. District SEP (or designee) prepares a letter to the LA, or notifies the LA via email, telephone or meeting, regarding deficiencies in the Draft EA.
41. SEP (or designee) provides a copy of the letter, email, or documented telephone conversation outlining deficiencies to the DLAE and includes a copy of letter, email or telephone conversation in the project file.
42. LA revises the administrative Final EA accordingly and resubmits to the District SEP (or designee) at Step #43.
43. District SEP reviews the revised administrative Final EA and determines whether the revised administrative Final EA is ready for HQ review. If "Yes," District SEP forwards the revised administrative Final EA to HQ EC and requests Quality Assurance Review. If "No," District SEP (or designee) notifies LA of deficiencies. Steps #40, #41, #42 and #43 are repeated until document is ready for review.
44. HQ EC performs Quality Assurance Review (30 days)

Is administrative Final EA ready for signature? If "No," notify District SEP (or designee) and GO TO STEP #45. If "Yes," GO TO STEP #49.

45. HQ EC (or designee) notifies the LA of deficiencies.

46. LA revises administrative Final EA per HQ Quality Assurance Review and resubmits revised administrative Final EA to the District SEP (or designee).
47. District SEP (or designee) reviews revised administrative Final EA, modifies Internal Certifications (Environmental Document Quality Control Review Certification) form, as needed, and requests HQ pre-approval review.
48. HQ EC performs HQ pre-approval review.

Is administrative Final EA ready for signature? If "No," GO TO STEP #45. If "Yes," GO TO STEP #49.

49. HQ SEP recommends FONSI ready for signature.
50. District EOC and HQ EC recommend DD sign FONSI.
51. DD signs FONSI and returns signed FONSI to District SEP.
52. District SEP forwards signed FONSI to DLAE and updates LP2000 as follows: On the Environmental Assessments (EA) Screen, next to administrative Final EA, (1) use Comments Field to document number of iterations needed to produce an acceptable Final EA, document delays at LA, document delays at Caltrans, indicate sufficiency/deficiency of quality/completeness of Local Agency's Quality Assurance/ Quality Control Environmental Document Quality Control Review Certification form, (2) next to Final Quality Assurance/Quality Control (Complex EA) enter date of final signature (Chief, Environmental Branch) on Environmental Document Quality Control Review Certification form, (3) use Comments field to document delays/concerns associated with internal reviews, (4) next to FONSI, enter date DD or designee signature appears on FONSI, (5) use comments field to document internal and external delays associated with the FONSI.
53. DLAE sends signed FONSI to the LA and notifies them that they may begin final design.
54. LA sends the NOA of the FONSI to the affected units of federal, State and local government, begins final design, and provides the DLAE with each of the following:
    - a list of all Mitigation Commitments
    - a copy of all Environmental Permits (i.e., Coastal, 401, 404, Sec 10, Encroachment and/or Right of Entry)
55. District SEP updates LP2000 as follows: On Environmental Studies – Environmental Study Milestones Screen, (1) enter the date of resource or regulatory agency letter, documenting their final opinion/concurrence/agreement, etc., (2) use the Delay drop-down arrow to indicate "Yes" or "No." Enter "Yes" if USFWS or NMFS exceeded 135 days in issuing a Biological Opinion; if USFWS or NMFS exceeded thirty (30) days in issuing a Concurrence Letter; if there are delays in signing the project MOA or Project PA resolving effects under Section 106; or if excessive delays occurred during any other agency review, (3) use the comments field to document number of iterations needed between Caltrans and LA to produce a complete and sufficient report, and/or number of iterations needed between Caltrans and resource and regulatory agency to produce an acceptable report. District SEP also updates Environmental-PERMITS Screen and Mitigation-Commitments Screen in LP2000 in accordance with instruction provided in July 20, 2007, DLA Memo, Subject: Tracking Local Assistance NEPA Compliance Milestones.

6.9 STEP-BY-STEP PROCEDURES – ENVIRONMENTAL IMPACT STATEMENT (EIS)

The requirement to prepare an EIS may come about through one or more of the following situations:

- Based on information gathered during PES, it becomes clear that the proposed project will have a significant impact, or
- Technical studies and/or CE or EA conclude that the project will cause a significant impact.

The Environmental Impact Statement process is shown in Flowchart 6-4, "Environmental Impact Statement Process Flowchart" (page 6-57). The numbers on the flowchart correlate with the step-by-step procedures within this section.

1. LA receives signed PES Form recommending EIS.
2. LA requests a meeting with DLAE, District SEP, and HQ EC (if available) to discuss the EIS process, EIS document requirements, and identify potential cooperating and participating agencies.
3. LA prepares letters to cooperating and participating agencies and inviting them to participate in the development of the environmental document. Agencies that may have an interest in the project are listed under Section C of the PES Form. FHWA's *Revised Guidance on Cooperating Agencies* provides examples of letters inviting agencies to participate in the environmental process. LA also drafts NOI. Typically, federal agencies have accepted their role (as Cooperating Agencies) prior to publication of the NOI and are listed in the NOI.
4. LA transmits NOI and invitation letters to the DLAE.
5. DLAE forwards letters and draft NOI to the District SEP (or designee).
6. District SEP sends the invitation letters to federal agencies.
7. District SEP forwards draft NOI to FHWA for publication in the FR.
8. FHWA publishes the NOI in the FR.
9. LA arranges and conducts the scoping meeting to determine the scope of issues to be addressed, and identify significant issues related to the proposed actions.
10. LA undertakes technical studies and prepares technical reports (as required) in accordance with guidance set forth in the SER.
11. LA prepares administrative Draft EIS consistent with Caltrans Annotated Outline in the SER provided at: http://www.dot.ca.gov/ser/downloads/templates/eir_eis.doc
12. LA completes the Environmental Document Review Checklist, provided at: http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/ED_Checklist.doc
13. LA performs Quality Control Review of all technical reports and administrative Draft EIS in accordance with Caltrans standards provided at: http://www.dot.ca.gov/hq/env/nepa_pilot/pdf/policies/NEPADelegationQCProgram-2July07.pdf, and completes and signs the External Certifications (Environmental Document Quality Control Review Certification) form provided at: http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/External_QC_Certification.doc.

14. LA submits the following completed and original signed documents to DLAE:
    - Environmental Document Review Checklist
    - External Certifications (Environmental Document Quality Control Review Certification) Form
    - Five (5) hard copies of administrative Draft EIS
    - Electronic copy of administrative Draft EIS
    - Two (2) hard copies of each Technical Report
    - Electronic copy of each Technical Report
15. DLAE (1) date stamps administrative Draft EIS on date received, (2) re-verifies that project is in the FSTIP, (3) provides cursory review of packet to ensure that the original fully signed External Certifications (Environmental Document Quality Control Review Certification) form and the appropriate number of copies of the administrative Draft EIS and technical reports have been provided, and (4) submits packet (or CD, if requested) to District SEP (or designee).
16. District SEP (or designee) updates the LP2000 as follows: On EIS Screen, (1) enter the date the NOI is published in the FR, use comments field to indicate date Caltrans sent the NOI to FHWA for publication in the FR, (2) enter date administrative Draft EIS received by the district (either the DLAE or Environmental); use comments field to indicate whether a Joint CEQA/NEPA document was prepared, and if not, why not; (3) next to LA Quality Control/Quality Assurance, indicate whether LA submitted a "completed" External Certifications (Environmental Document Quality Control Review Certification) form with the administrative Draft EIS, by selecting "Yes" or "No."
17. District SEP initiates and coordinates 5-step Quality Control Review process of administrative Draft EIS and technical studies by distributing one (1) copy of the applicable technical report and one (1) copy of the administrative Draft EIS to each appropriate District technical specialist, and request that each reviewer perform District Quality Control Review of the technical report(s) and the administrative Draft EIS in accordance with Caltrans NEPA Delegation Quality Control Program standards provided at: http://www.dot.ca.gov/hq/env/nepa_pilot/pdf/policies/NEPADelegationQCProgram-July07.pdf
18. District technical specialists conduct Quality Control Review of technical report(s) and respective sections of the administrative Draft EIS in accordance with Caltrans NEPA Delegation Quality Control Program standards provided at: http://www.dot.ca.gov/hq/env/nepa_pilot/pdf/policies/NEPADelegationQCProgram-2July07.pdf

    After reviewing the technical report and the administrative Draft EIS, the technical specialist signs the Internal Certifications (Environmental Document Quality Control Review Certification) form provided at: http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/Internal_QC_Certification.doc, and forwards the signed form or list of deficiencies (if applicable) to the District SEP.

    Note: The purpose of the Technical Specialist Review is to ensure the accuracy of specific resource studies and technical information summarized in the administrative draft EIS. A Technical Specialist Review will be completed for each resource topic discussed in the ED. The review will be conducted for those sections in each chapter that contain information about the individual resource or technical area under

consideration (e.g., Summary, Affected Environment, Environmental Consequences, and Avoidance, Minimization and/or Mitigation Measures, Cumulative Impacts), and will provide comments to ensure the following:

- *accuracy of the information in the ED*
- *consistency between the technical study and the information as summarized in the ED*
- *all avoidance, minimization and/or mitigation measures are appropriately characterized and are feasible to implement*
- *all anticipated permit and/or approval actions have been accurately identified within the ED*

After reviewing the technical reports and administrative Draft EIS, District technical specialist(s) provides District SEP with either (1) a list of deficiencies, or (2) the signed Internal Certifications (Environmental Document Quality Control Review Certification) form.

19. District SEP performs Peer Review of administrative Draft EIS in accordance with Caltrans NEPA Delegation Quality Control Program standards provided at: http://www.dot.ca.gov/hq/env/nepa_pilot/pdf/policies/NEPADelegationQCProgram-2July07.pdf. Signs the Internal Certifications (Environmental Document Quality Control Review Certification) form provided at: http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/Internal_QC_Certification.doc or (if applicable) prepares list of deficiencies. District SEP (or designee) requests NEPA Quality Control Review of administrative Draft EIS and technical studies.
20. District NEPA Quality Control Reviewer reviews the administrative Draft EIS in accordance with Caltrans NEPA Delegation Quality Control Program standards provided at: http://www.dot.ca.gov/hq/env/nepa_pilot/pdf/policies/NEPADelegationQCProgram-2July07.pdf . Signs the Internal Certifications (Environmental Document Quality Control Review Certification) form provided at: http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/Internal_QC_Certification.doc, or (if applicable) prepares list of deficiencies and forwards signed form or list of deficiencies to the District SEP.

    Note: The Caltrans NEPA Quality Control Reviewers must have the following qualifications: (1) at least two (2) years of experience leading to the development of, or performing consultant oversight for transportation environmental documents in California, (2) demonstrated experience in preparing complex environmental documents or supervisory experience in a unit that reviews EISs, and (3) Certificate of Completion in the Department's NEPA Compliance Training.

    The purpose of the NEPA Quality Control Review is to ensure that the project complies with the Council of Environmental Quality (CEQ) NEPA regulations and FHWA regulations, policies and standards for the implementation of NEPA, and all other applicable federal environmental laws. The NEPA Quality Control Review will provide comments to ensure the following:

    - adequacy of the project's purpose and need statement, logical termini, independent utility and project description
    - completeness of the alternatives analysis, including information supporting the range of alternatives selected for study in the document

- all proposed avoidance, minimization and mitigation measures are properly identified, characterized and are reasonable and practicable to implement
- evidence of coordination with any federal, State and local agencies necessary to comply with federal regulatory requirements
- compliance with FHWA Environmental Impact and Related Procedures (23 CFR 771) and FHWA environmental policies and applicable guidance
- compliance with other federal laws and regulations, such as Section 7 of the Endangered Species Act, Section 106 of the National Historic Preservation Act, Section 404 of the Clean Water Act, Executive Order 11990-Protection of Wetlands, Executive Order 11988-Floodplain Management, and Section 4(f) of the Department of Transportation Act

21. District SEP requests Environmental Branch Chief perform District Quality Control Review of administrative Draft EIS.
22. Environmental Branch Chief performs District Quality Control Review in accordance with Caltrans NEPA Delegation Quality Control Program standards provided at: http://www.dot.ca.gov/hq/env/nepa_pilot/pdf/policies/NEPADelegationQCProgram-2July07.pdf. Signs the Internal Certifications (Environmental Document Quality Control Review Certification) form provided at: http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/Internal_QC_Certification.doc, or (if applicable) prepares list of deficiencies (if applicable) and forwards signed form or list of deficiencies to the District SEP.
23. District SEP reviews Internal Certifications (Environmental Document Quality Control Review Certification) form and considers all comments received during District Quality Control Review.

Is administrative Draft EIS complete and sufficient from the District's perspective? If "No," GO TO STEP #24. If "Yes," GO TO STEP #26.

24. When administrative Draft EIS and/or technical reports are deficient, the District SEP (or designee) prepares a transmittal letter or email to the LA, or contacts the LA via telephone to inform them of all deficiencies and requests that the administrative Draft EIS be revised as necessary, based on the District Quality Control Review. Comments received from all five levels of review will form the basis of revisions to the administrative environmental document. The District SEP sends the letter, or email, to the LA, provides a copy to the DLAE and updates appropriate fields in LP2000.

25. The LA revises the administrative Draft EIS in accordance with comments received and resubmits the draft from STEP #14.

26. When the administrative Draft EIS and technical reports are complete and sufficient, the District SEP notifies HQ EC and the Legal Office that an administrative Draft EIS will be submitted for their review in one week. To initiate HQ EC review, District SEP submits the following to the HQ EC and requests a Quality Assurance Review of administrative Draft EIS:

    - Transmittal Memo signed by the District SEP, requesting review
    - Five (5) copies of the administrative Draft EIS (on CD, if requested)
    - Two (2) copies of each technical study or technical study on CD
    - Two (2) copy of LA completed Environmental Document Review Checklist
    - One (1) copy of LA completed and signed External Quality Control Certification Sheet

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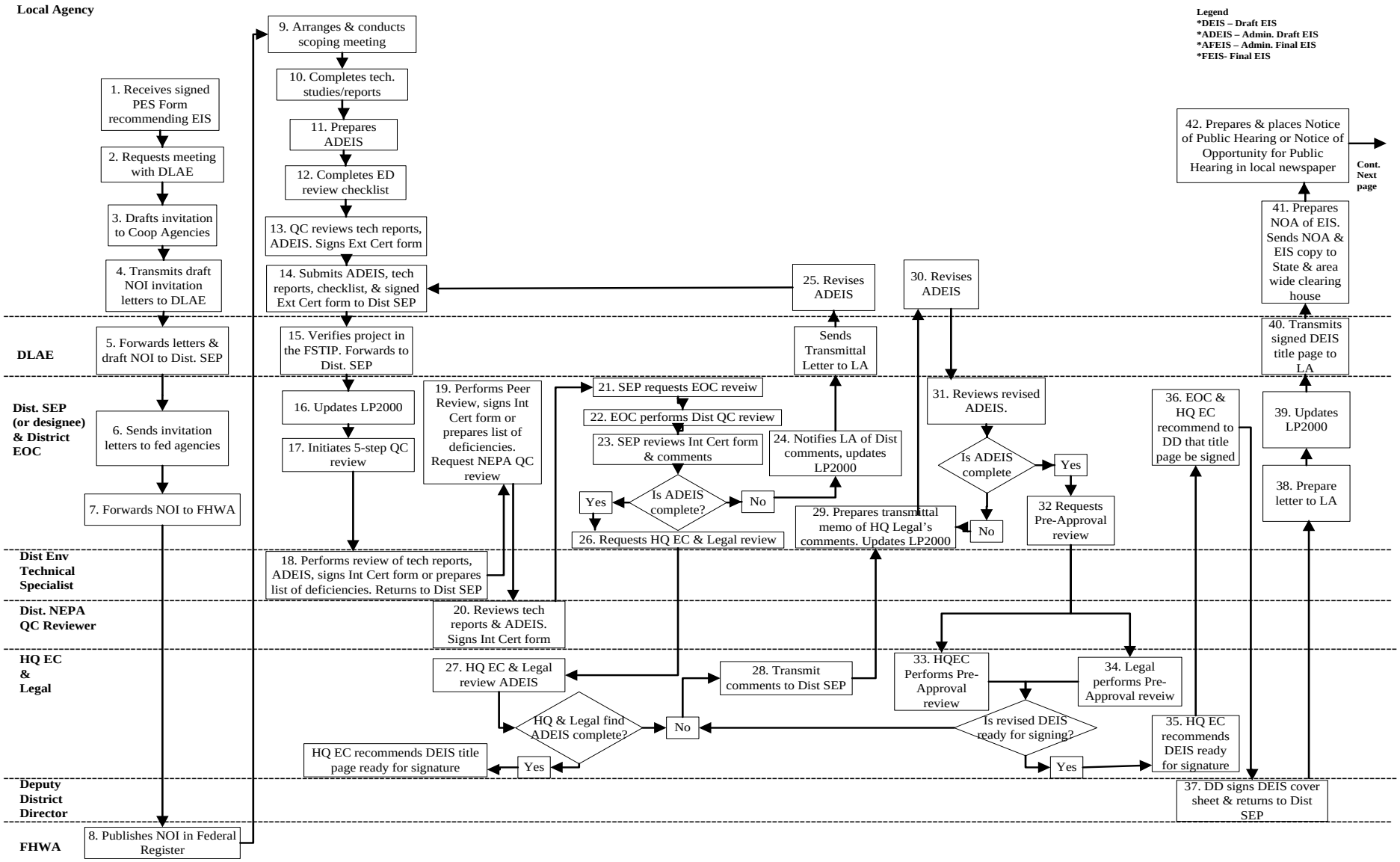
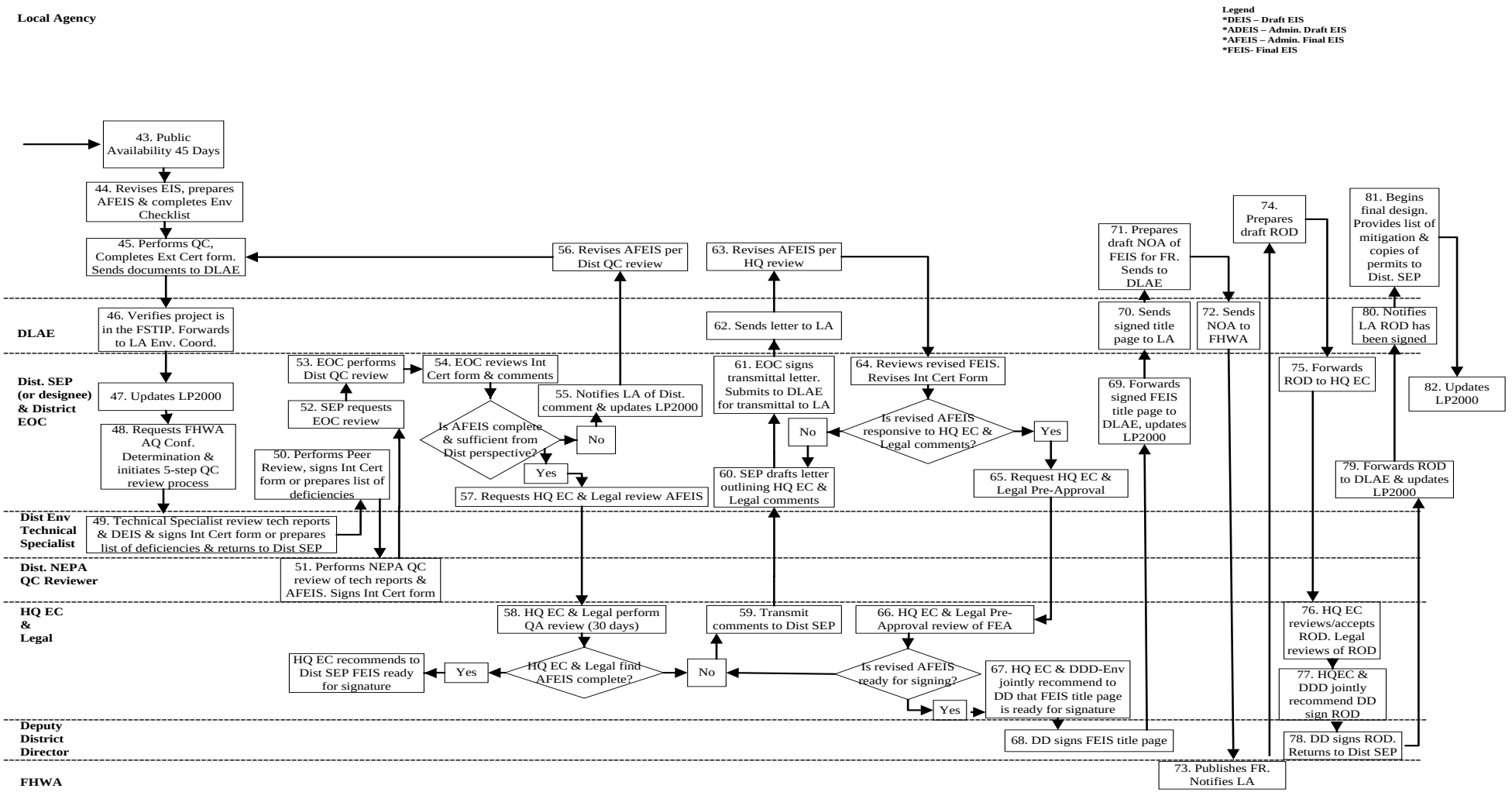
Flowchart 6-4 Environmental Impact Statement (EIS) Process Flowchart




Local Agency
Legend
*DEIS – Draft EIS
*ADEIS – Admin. Draft EIS
*AFEIS – Admin. Final EIS
*FEIS- Final EIS
43. Public Availability 45 Days
44. Revises EIS, prepares AFEIS & completes Env Checklist
45. Performs QC, Completes Ext Cert form. Sends documents to DLAE
56. Revises AFEIS per Dist QC review
63. Revises AFEIS per HQ review
71. Prepares draft NOA of FEIS for FR. Sends to DLAE
74. Prepares draft ROD
81. Begins final design. Provides list of mitigation & copies of permits to Dist. SEP
DLAE
46. Verifies project is in the FSTIP. Forwards to LA Env. Coord.
62. Sends letter to LA
70. Sends signed title page to LA
72. Sends NOA to FHWA
80. Notifies LA ROD has been signed
Dist. SEP (or designee) & District EOC
47. Updates LP2000
48. Requests FHWA AQ Conf. Determination & initiates 5-step QC review process
53. EOC performs Dist QC review
54. EOC reviews Int Cert form & comments
55. Notifies LA of Dist. comment & updates LP2000
61. EOC signs transmittal letter. Submits to DLAE for transmittal to LA
64. Reviews revised FEIS. Revises Int Cert Form
75. Forwards ROD to HQ EC
82. Updates LP2000
52. SEP requests EOC review
Is AFEIS complete & sufficient from Dist perspective?
No
Yes
Is revised AFEIS responsive to HQ EC & Legal comments?
No
Yes
69. Forwards signed FEIS title page to DLAE, updates LP2000
50. Performs Peer Review, signs Int Cert form or prepares list of deficiencies
57. Requests HQ EC & Legal review AFEIS
60. SEP drafts letter outlining HQ EC & Legal comments
65. Request HQ EC & Legal Pre-Approval
79. Forwards ROD to DLAE & updates LP2000
Dist Env Technical Specialist
49. Technical Specialist review tech reports & DEIS & signs Int Cert form or prepares list of deficiencies & returns to Dist SEP
Dist. NEPA QC Reviewer
51. Performs NEPA QC review of tech reports & AFEIS. Signs Int Cert form
HQ EC & Legal
58. HQ EC & Legal perform QA review (30 days)
59. Transmit comments to Dist SEP
66. HQ EC & Legal Pre-Approval review of FEA
76. HQ EC reviews/accepts ROD. Legal reviews of ROD
HQ EC recommends to Dist SEP FEIS ready for signature
Yes
HQ EC & Legal find AFEIS complete?
No
Is revised AFEIS ready for signing?
67. HQ EC & DDD-Env jointly recommend to DD that FEIS title page is ready for signature
77. HQEC & DDD jointly recommend DD sign ROD
Yes
Deputy District Director
68. DD signs FEIS title page
78. DD signs ROD. Returns to Dist SEP
FHWA
73. Publishes FR. Notifies LA

- One (1) copy of completed and signed Internal Quality Control Certification Sheet

To initiate Legal Division review, the District SEP submits the following to HQ Legal and requests a legal review on the administrative Draft EIS.

- Transmittal Memo signed by the District SEP, requesting review
- One (1) copy of the administrative Draft EIS
- One (1) electronic copy of the administrative Draft EIS
- One (1) electronic copy of each technical study
- One (1) copy of the LA completed Environmental Document Review Checklist
- One (1) copy of the completed and signed Internal Certification Form
- One (1) copy of the LA completed and signed External Certification Form

27. HQ EC performs a quality assurance review of the administrative Draft EIS to determine if the administrative Draft EIS is substantively complete and ready for interdisciplinary quality assurance review. The review period is thirty (30) days. In making this determination, the HQ EC will confirm that the administrative environmental document follows the annotated outline and includes the following:

    - Correct title page
    - All chapters and necessary resource topics are present and complete
    - All appendices are present and complete
    - All required correspondence relative to procedural and regulatory requirements
    - Complete, clear, legible and logical exhibits and figures

    HQ EC will then lead an interdisciplinary team of HQ technical specialists to review the administrative Draft EIS. HQ technical specialists will review pertinent portions of the administrative Draft EIS for accuracy to ensure that regulatory requirements are appropriately addressed. The project technical studies will be used in support of the review. HQ EC will review the entire administrative Draft EIS, perform the NEPA Quality Assurance Review in accordance with Caltrans NEPA Delegation Quality Control Program standards provided at: http://www.dot.ca.gov/hq/env/nepa_pilot/pdf/policies/NEPADelegationQCProgram-2July07.pdf. Signs the Internal Certifications (Environmental Document Quality Control Review Certification) form provided at: http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/Internal_QC_Certification.doc or (if applicable) prepares list of deficiencies. HQ EC will also request HQ Legal review of the administrative Draft EIS.

    The responsible Legal Office performs a legal review of the administrative Draft EIS, concurrently and independently of HQ review, to determine if significant environmental issues are being appropriately addressed. The Legal Office will provide its legal review comments to the District SEP with a copy to HQ EC. Comments from the Legal Office are independent from HQ EC comments.

Did HQ EC and Legal find the administrative Draft EIS complete? If "Yes," HQ EC will recommend to the District SEP that the administrative Draft EIS title page is ready for signature. If "No," GO TO STEP #28.

28. When HQ EC and/or HQ Legal find administrative Draft EIS incomplete, HQ EC will consolidate all comments received from the interdisciplinary team and transmit comments on administrative Draft EIS to the District SEP for local assistance. A copy of HQ EC comments will be provided to the responsible Legal Office. The Legal Office will also transmit its comments to the District SEP for local assistance with a copy to HQ EC. Comments from Legal are independent from HQ EC comments.
29. District SEP (or designee) for local assistance prepares a letter or email to the LA, or contacts the LA via telephone to inform them of HQ EC and HQ Legal's comments and requests LA make the necessary revisions to the administrative Draft EIS. District SEP (or designee) provides the DLAE with a copy of the letter, or email, and updates LP2000.

    Note: HQ Legal comments remain internal to Caltrans. Only a summary of HQ Legal comments shall be provided to the LA. District and HQ EC staff should assist the LA with (1) clarification regarding comments, (2) resolution of issues identified in the comments, and (3) in determining adequate response to comments, as needed. A meeting or workshop may be convened by the HQ EC or the District/Region/DLAE to facilitate this process.
30. LA revises administrative Draft EIS in response to all comments received and resubmits revised administrative Draft EIS to the DLAE/District SEP.
31. District SEP (or designee) reviews revised administrative Draft EIS and revises Internal Certifications (Environmental Document Quality Control Review Certification) form, as appropriate, to reflect that all comments have been appropriately addressed.

Is revised administrative Draft EIS responsive to HQ comments and ready for HQ EC pre-approval review? If "No," GO TO STEP #29. Steps #29 through #31 are repeated until all comments are adequately addressed. If "Yes," GO TO STEP #32.

32. District SEP submits the following materials to the HQ EC and requests HQ Pre-Approval Review:
    - Transmittal Memo signed by the District/SEP stating that the administrative Draft EIS has been revised pursuant to HQ EC comments and requesting pre-approval review
    - One (1) copy of the revised ED
    - One (1) copy of revised ED with track changes
    - One (1) copy of comments with a response key
    - One (1) copy of the completed Environmental Document Review Checklist, as revised
    - One (1) copy of the completed and signed Internal Certifications (Environmental Quality Control Review Certification) form, as revised

    District SEP also submits the following materials to the Legal Office:
    - Transmittal memo signed by the District SEP stating that the document has been revised pursuant to the legal review and requested Pre-Approval Review
    - One (1) copy of the revised ED
    - One (1) copy of the revised ED with track changes
    - One (1) copy of the comments with a response key
    - One (1) copy of the completed Environmental Document Checklist, as revised

- One (1) copy of the signed Internal Certifications (Environmental Document Quality Control Review Certification) form, as revised

33. HQ EC performs Pre-Approval Review of revised administrative Draft EIS to ensure that all comments have been adequately addressed and that administrative Draft EIS is ready for signature. Review period is ten (10) working days. *(Note: Ten (10) working day review period is a goal. Actual review time may vary depending upon complexity of issues and current workload.)*
34. HQ Legal performs Pre-Approval Review of the revised administrative Draft EIS concurrently and independently of HQ EC, to ensure all comments have been adequately addressed and that administrative Draft EIS is ready for signature. Review period is ten (10) working days. *(Note: Ten (10) working day review period is a goal. Actual review time may vary depending upon complexity of issues and current workload.)*

    Both HQ EC and Legal must concur that their comments have been addressed. At this point, HQ EC will take one of the following actions:

    - Find that minor changes are needed and coordinate directly with the document preparer to make the changes.
    - Determine that substantive issues remain and inform the District in writing of the deficiencies and instruct them to resubmit the document upon subsequent revision.
    - Conclude that the ED is adequate and ready for circulation.

    No approval action may be taken until both HQ EC quality assurance and legal review are satisfied.

Did HQ EC and Legal find revised administrative Draft EIS complete and ready for signature? If "No," HQ EC prepares a memorandum for the District detailing deficiencies requiring correction. GO TO STEP #29. Steps #29 through #34 will be repeated until document is ready for signature. If "Yes," Go to Step #35.

35. HQ EC recommends in writing to the District SEP that administrative Draft EIS is ready for signature. An Administrative Draft EIS may not be signed until the ready for signature recommendation is received by District.
36. When HQ EC recommends that revised administrative Draft EIS is ready for signature, the District Environmental Branch Chief and HQ EC jointly recommend to the DD that title page should be signed.
37. DD signs Draft EIS title page and returns the signed Title Sheet to the District SEP.
38. District SEP (or designee) prepares a letter or email to the LA transmitting the signed Draft EIS title page and informing the LA that they may begin public circulation.
39. District SEP updates LP2000 as follows: On the EIS Screen, next to Draft HQ Quality Control/Quality Assurance, (1) enter the date of final signature (Chief, Environmental Branch) on Environmental Document Quality Control Review Certification Form, (2) use Comments Field to document delays/concerns associated with internal reviews; (3) next to Draft Legal Sufficiency, enters date of Legal's letter of sufficiency, and (4) use comments field to document delays/concerns associated with Legal's review of administrative Draft EIS.
40. District SEP (or designee) transmits the letter, or email, with signed Draft EIS title page to the LA and provides a copy to the DLAE.

41. Following receipt of the signed Draft EIS title page and notification to begin public circulation, the LA prepares the NOA of Draft EIS and sends the NOA and a copy of the administrative Draft EIS to the State and area wide clearinghouses. If Joint EIS/EIR, the submissions required by CEQA fulfill the NEPA requirement.
42. LA prepares and places the Notice of Public Hearing or Notice of Opportunity for Public Hearing in local newspaper. (*Note: 23 CFR 771.123(h) requires that the draft be available for a minimum of 15 days prior to the public hearing.)*
43. PUBLIC AVAILABILITY – 45 DAYS.
44. LA responds to public comments, revises the EIS (as needed), prepares the administrative Final EIS consistent with Caltrans Annotated Outline in the SER at: http://www.dot.ca.gov/ser/downloads/templates/eir_eis.doc, and completes the Environmental Document Review Checklist, provided at http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/ED_Checklist.doc
45. LA performs Quality Control review of all technical reports and administrative Final EIS in accordance with Caltrans standards provided at: http://www.dot.ca.gov/hq/env/nepa_pilot/pdf/policies/NEPADelegationQCProgram-2July07.pdf

    LA completes and signs the External Certifications (Environmental Document Quality Control Review Certification) form provided at: http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/External_QC_Certification.doc

    LA submits the following completed and original signed documents to the DLAE:

    - One (1) hardcopy and CD of the administrative Final EIS
    - Notice of Public Hearing
    - Summary of comments received
    - Original signed External Certifications (Environmental Document Quality Control Review Certification) form
46. DLAE re-verifies that project is in the FSTIP and forwards packet to the District SEP (or designee).
47. District SEP updates LP2000 as follows: On EIS Screen, next to Public Circulation, enter date DD or designee signed cover of administrative Draft EIS, and use comment field to record beginning and ending date of public availability/comment (not less than 45 days), any internal/external delays concerns, and any substantial controversies over the project. Next to Public Hearing, enter date Public Hearing is conducted (if applicable) *(Note: EIS must be available for a minimum of fifteen (15) days in advance of the public hearing)*. Use comments field to document whether there is a substantial controversy over the project and the nature of the controversy.
48. District SEP sends a request for Air Quality Conformity Determination to the FHWA and the District SEP initiates and coordinates the 5-step Quality Control Review process of the administrative Final EIS in accordance with Caltrans NEPA Delegation Quality Control Program standards provided at: http://www.dot.ca.gov/hq/env/nepa_pilot/pdf/policies/NEPADelegationQCProgram-2July07.pdf

    (*Note: The conformity determination cannot be completed until there is a public comment period on the analysis. Most of the time the public circulation of the environmental document serves as the public circulation for the conformity analysis.)*

49. District technical specialists conduct Quality Control Review of technical report(s) and respective sections of the administrative Final EIS in accordance with Caltrans NEPA Delegation Quality Control Program standards provided at: http://www.dot.ca.gov/hq/env/nepa_pilot/pdf/policies/NEPADelegationQCProgram-2July07.pdf, sign the Internal Certifications (Environmental Document Quality Control Review Certification) form provided at: http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/Internal_QC_Certification.doc, and forward the signed form or list of deficiencies to the District SEP (if applicable).
50. District SEP performs Peer Review of administrative Final EIS in accordance with Caltrans NEPA Delegation Quality Control Program standards provided at: http://www.dot.ca.gov/hq/env/nepa_pilot/pdf/policies/NEPADelegationQCProgram-2July07.pdf, and signs the Internal Certifications (Environmental Document Quality Control Review Certification) form provided at: http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/Internal_QC_Certification.doc, or (if applicable) prepares list of deficiencies, and requests NEPA Quality Control Review of administrative Final EIS and technical studies.
51. NEPA Quality Control Reviewer reviews administrative Final EIS in accordance with Caltrans NEPA Delegation Quality Control Program standards provided at: http://www.dot.ca.gov/hq/env/nepa_pilot/pdf/policies/NEPADelegationQCProgram-2July07.pdf, and signs the Internal Certifications (Environmental Document Quality Control Review Certification) form provided at: http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/Internal_QC_Certification.doc , or (if applicable) prepares list of deficiencies and forwards signed form or list of deficiencies to the District SEP (or designee).
52. District SEP requests the District EOC for local assistance to perform the District Quality Control Review of administrative Final EIS.
53. Environmental Branch Chief performs District Quality Control Review in accordance with Caltrans NEPA Delegation Quality Control Program standards provided at: http://www.dot.ca.gov/hq/env/nepa_pilot/pdf/policies/NEPADelegationQCProgram-2July07.pdf, signs the Internal Certifications (Environmental Document Quality Control Review Certification) form provided at: http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/Internal_QC_Certification.doc, or (if applicable) prepares list of deficiencies and forwards signed form or list of deficiencies to the District SEP (or designee.)
54. District SEP reviews Internal Certifications (Environmental Document Quality Control Review Certification) form and considers all comments received during District Quality Control Review.

Is administrative Final EIS complete and sufficient from the District's perspective? If "No," GO TO STEP #55. If "Yes," GO TO STEP #57.

55. When administrative Final EIS and/or technical reports are deficient, the District SEP prepares a letter to the LA informing them of all deficiencies and requests that the administrative Final EIS be revised as necessary, based on the District Quality Control Review. Comments received from all five (5) levels of review will form the basis of revisions to the administrative Final EIS document.
56. LA revises the administrative Final EIS and resubmits document from Step #45.

57. District SEP notifies the HQ EC and Legal Office that the administrative Final EIS will be submitted for their review and determination of legal sufficiency, respectively, in one week.

    To initiate HQ review, District SEP submits the following to the HQ EC and requests a Quality Assurance Review of the administrative Final EIS: *(DLAE shall be copied on all correspondence between the District, HQ EC and Legal).*

    - Transmittal Memo signed by the District SEP requesting review of Final EIS
    - Five (5) hardcopies of the Final EIS and one (1) CD
    - One (1) hardcopy of revised technical reports and one (1) CD
    - One (1) copy of LA completed Environmental Document Review Checklist (for Final)
    - One (1) copy of LA completed and signed External Certifications (Environmental Document Quality Control Review Certification) form
    - One (1) copy of completed and signed Internal Certifications (Environmental Document Quality Control Review Certification) form

    District SEP will also request the Legal Office to conduct a Legal Sufficiency Review of the administrative Final EIS. The HQ EC Review and the Legal Sufficiency Review typically occur in parallel.

    To initiate Legal Sufficiency Review, District SEP submits the following to the Legal Office and requests determination of legal sufficiency:

    - Transmittal Memo signed by the District SEP, requesting review
    - One (1) copy of the administrative Draft EIS
    - One (1) electronic copy of the administrative Draft EIS
    - One (1) electronic copy of each technical study
    - One (1) copy of the LA completed Environmental Document Review Checklist
    - One (1) copy of the completed and signed Internal Certifications (Environmental Document Quality Control Review Certification) Form
    - One (1) copy of the LA completed and signed External Certifications (Environmental Document Quality Control Review Certification Form

58. HQ EC performs a Quality Assurance Review of the administrative Final EIS to determine if the document is substantively complete and ready for interdisciplinary quality assurance review.

    The review period is thirty (30) days. In making this determination, the HQ EC will confirm that the Final EIS follows the annotated outline and includes the following:

    - Correct title page
    - All chapters and necessary resource topics are present and complete
    - All appendices are present and complete
    - All required correspondence relative to procedural and regulatory requirements
    - Complete, clear, legible and logical exhibits and figures

    HQ EC will then lead an interdisciplinary team of HQ technical specialists to review the administrative Final EIS. HQ technical specialists will review pertinent portions of the administrative Final EIS for accuracy and to ensure that regulatory

requirements are appropriately addressed. The project technical studies will be used in support of the review. The HQ EC will review the entire administrative Final EIS, performing the NEPA Quality Assurance Review in accordance with Caltrans NEPA Delegation Quality Control Program standards provided at: http://www.dot.ca.gov/hq/env/nepa_pilot/pdf/policies/NEPADelegationQCProgram-2July07.pdf. Signs the Internal Certifications (Environmental Document Quality Control Review Certification) form provided at: http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/Internal_QC_Certification.doc, or (if applicable) prepares list of deficiencies.

The Legal Office performs a Legal Sufficiency Review of the revised administrative EIS. The Legal Office will provide its Legal Sufficiency Review comments to the District SEP with a copy to the HQ EC. Comments from the Legal Sufficiency Review are independent from HQ EC comments.

Did HQ EC and Legal find the administrative Final EIS complete? If "Yes," HQ EC will recommend to the District SEP that the Final EIS title page is ready for signature. The title page may not be signed until the ready-for-signature recommendation is received by the District/Region. If "No," GO TO STEP #59.

59. If HQ EC and/or HQ Legal find administrative Final EIS incomplete, the HQ EC will transmit comments on the environmental document to the District SEP with a copy to the DLAE and to the responsible Legal Office. Legal Office will transmit its Legal Sufficiency Review comments to the District SEP and DLAE if applicable, with a copy to the HQ EC.
60. District SEP (or designee) prepares memo summarizing HQ EC and Legal's comments and requests LA make the necessary revisions to the administrative Final EIS.

    Note: Legal's comments remain internal to Caltrans. Only summarized version is sent to the LA. The District staff and HQ EC should assist LA with (1) clarification regarding comments, (2) resolution of issues identified in the comments, and (3) in determining adequate response to comments, as needed. A meeting or workshop may be convened by the HQ EC or the District/Region/DLAE to facilitate this process.
61. District EOC signs the letter.
62. District SEP (or designee) sends the letter to the LA, provides a copy to the DLAE, includes a copy in the project file, and updates appropriate fields in LP2000.
63. LA revises administrative Final EIS in response to all HQ comments and resubmits revised administrative Final EIS to the District SEP (or designee).
64. District SEP (or designee) reviews the revised administrative Final EIS and revises the Internal Certifications (Environmental Document Quality Control Review Certification) form, as appropriate, to reflect that all comments have been appropriately addressed.

Is revised administrative Final EIS responsive to HQ EC and Legal comments? If "No," GO TO STEP #60. Steps #60 through #64 shall be repeated until document is adequate. If "Yes," GO TO STEP #65.

65. To initiate HQ EC Pre-Approval Review, District SEP submits the following materials to HQ EC and requests HQ Pre-Approval Review.
    - Transmittal Memo signed by the District SEP stating that the administrative Final EIS has been revised pursuant to HQ EC comments and requested pre-approval review
    - One (1) copy of the revised administrative Final EIS

- One (1) copy of revised administrative Final EIS with track changes
- One (1) copy of comments with a response key
- One (1) copy of the completed Environmental Document Review Checklist, as revised
- One (1) copy of the signed Quality Review Certification Sheet (Final)

To initiate Pre-Approval Legal Sufficiency Review, the District SEP submits the following materials to the Legal Office:

- Transmittal memo signed by the District SEP stating that the document has been revised pursuant to the legal review and requested pre-approval review
- One (1) copy of the revised environmental document
- One (1) copy of the revised environmental with track changes
- One (1) copy of the comments with a response key
- One (1) copy of the completed Environmental Document Checklist, as revised
- One (1) copy of the signed Internal Certifications (Environmental Document Quality Control Review Certification) Form, as revised

66. HQ EC and Legal Office review revised administrative Final EIS to ensure that all comments have been adequately addressed and that administrative Final EIS is ready for signature. Review period is ten (10) days. Both HQ EC and Legal Office must concur that their comments have been addressed. At this point, the HQ EC will take one of the following actions:

    - Find that minor changes are needed and coordinate directly with the document preparer to make the changes
    - Determine that substantive issues remain and inform the District in writing of the deficiencies and instruct them to resubmit the document upon subsequent revision
    - Conclude that the environmental document is adequate and ready for circulation

    No approval action may be taken until both HQ EC quality assurance and Legal Office review or legal sufficiency are satisfied.

    The Legal Office will provide Pre-Approval Legal Sufficiency comments to the District SEP with a copy to the HQ EC.

Is the revised administrative Final EIS ready for signature? If "No," GO TO STEP #59. Steps #59 through #66 are repeated until HQ determines document is ready for signature. If "Yes," GO TO STEP #67.

67. When HQ EC and Legal Office find revised administrative Final EIS complete, the HQ EC and DDD (Environmental) jointly recommend (in writing) to the DD that the Final EIS title page is ready for signature.

68. DD signs the Final EIS title page and returns the signed Final EIS title sheet to the District SEP.

69. District SEP (or designee) forwards the signed Final EIS title page to the DLAE, and updates LP2000 as follows: On the EIS Screen, next to Final EIS, enter date stamp received by either the DLAE or District SEP (or designee); use comments field to identify preferred alternative, document number of iterations needed to produce an acceptable Final EIS; document delays at LA; document delays at Caltrans; indicate

sufficiency/deficiency of quality/completeness of the External Certifications (Environmental Document Quality Control Review Certification) form. Next to Final HQ Quality Control/Quality Assurance, enter date of final signature (EOC) on the Internal Certifications (Environmental Document Quality Control Review Certification) form, use comments field to document any delays/concerns. Next to Final Legal Sufficiency, enter date of Legal's letter of sufficiency, and use comments field to document delays/concerns associated with Legal's review of Final EIS. Next to Public Circulation of Final EIS, enter date DD or designee signed cover of Final EIS. Use comments field to document date request sent to the FHWA to publish Final EIS in FR, actual date of publication in FR, the beginning and ending date of public availability/comment (not less than 45 days), any internal/external delays/concerns, and whether there is continuing substantial controversy over the project.

70. DLAE sends the signed Final EIS title page to the LA.
71. LA prepares NOA of the Final EIS to affected units of federal, State and local government and sends to the DLAE.
72. DLAE sends NOA to the FHWA.
73. FHWA published NOA in the FR.
74. LA prepares draft ROD and sends to the District SEP (or designee).
75. District SEP forwards draft ROD to the HQ EC for review and acceptance.
76. HQ EC and Legal Office review ROD.
(Note: The ROD shall be reviewed and accepted by the HQ EC before it is approved by the District. While Legal Office review of the ROD is not required by regulation, it is recommended.)
77. When HQ EC determines that the ROD is ready for signature, the HQ EC and DDD (environmental) jointly recommend to the DD that ROD is ready for signature.
78. DD signs ROD and returns to the District SEP. *(Note: This signature may not be delegated.)*
79. District SEP forwards signed ROD to the DLAE, ensures environmental files are in Uniform Environmental File System, and updates LP2000 as follows: On the EIS Screen, next to Approval of ROD, enter date DD signature appears on the ROD. *(Note: Date of ROD should be no sooner than thirty (30) days after publication of the Final EIS notice in the FR or ninety (90) days after publication of a notice for the Draft EIS, whichever is later.)* The comments field should be used to document internal and external delays associated with bringing about the ROD.
80. DLAE notifies the LA that ROD has been signed and that they may begin final design.
81. LA begins final design and provides the DLAE with each of the following:
    - a list of all Mitigation Commitments
    - a copy of all environmental permits , agreements, or approvals (i.e., Coastal, 401, 404, 1602 Series, Sec 10, State or Federal Encroachment and/or Right of Entry)
82. District SEP updates Environmental-PERMITS Screen and Mitigation-Commitments Screen in LP2000 in accordance with instruction provided in July 20, 2007, DLA Memo, Subject: Tracking Local Assistance NEPA Compliance Milestones.

6.10 REFERENCES

- National Environmental Policy Act of 1969, as amended (42 USC, 4321-4347)
- Council of Environmental Quality (CEQ), 40 CFR Part 1500, Regulations for Implementing the Procedural Provisions of the National Environmental Policy Act," November 29, 1978
- U.S. DOT Order 5610.1C, September 18, 1979, Considering Environmental Impacts by Agencies within the U.S. DOT
- 23 CFR 771, Environmental Impact and Related Procedures (April 1, 1994)
- FHWA Technical Advisory T6640.8A, October 30, 1987 re: Guidance on Environmental and Section 4(f) Documents
- Programmatic Agreement Among the Federal Highway Administration, the Advisory Council on Historic Preservation, the California State Historic Preservation Office, and the California Department of Transportation Regarding Compliance with Section 106 of the National Historic Preservation Act as it Pertains to the Administration of the Federal-Aid Highway Program in California (Section 106 PA) effective January 1, 2004
- http://www.arb.ca.gov/bluebook/bb06/40cfr/40cfr93_126.htm
- http://a257.g.akamaitech.net/7/257/2422/12feb20041500/edocket.access.gpo.gov/cfr_2004/julqtr/40cfr93.127.htm
- http://www.dot.ca.gov/ser/downloads/ce/CE-CECheklist.doc
- http://www.dot.ca.gov/ser/downloads/ce/CE-CE-form.doc
- http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/External_QC_Certification.doc
- http://www.dot.ca.gov/ser/vol1/sec6/ch38nepa/Internal_QC_Certification.doc

Exhibit 6-A Preliminary Environmental Study (PES) Form

Federal Project No.: _____ *(Federal Program Prefix-Project No., Agreement No.)* **Final Design:** _____ *(Expected Start Date)*

To: _____ *(District Local Assistance Engineer)*

_____ *(District)*

_____ *(Address)*

_____ *(E-mail Address)*

From: _____ *(Local Agency)*

_____ *(Project Manager's Name and Telephone No.)*

_____ *(Address)*

_____ *(E-mail Address)*

Is this Project "ON" the State Highway System? ☐ Yes ☐ No **IF YES, STOP HERE** and contact the District Local Assistance Engineer regarding the completion of other environmental documentation.

Federal State Transportation Improvement Program (FSTIP) http://www.dot.ca.gov/hq/transprog/fedpgm.htm**:** _____ *(Currently Adopted Plan Date)* _____ *(Page No.___ attach to this form)*

Programming for FSTIP:

Preliminary Engineering		Right of Way		Construction	
_____ *(Fiscal Year)*	$ _____ *(Dollars)*	_____ *(Fiscal Year)*	$ _____ *(Dollars)*	_____ *(Fiscal Year)*	$ _____ *(Dollars)*

Project Description as Shown in RTP and FSTIP:

Detailed Project Description: *(Describe the following, as applicable: purpose and need, project location and limits, required right of way acquisition, proposed facilities, staging areas, disposal and borrow sites, construction activities, and construction access.)*

(Continue description on "Notes" sheet, last page of this Exhibit, if necessary)

Preliminary Design Information:

Does the project involve any of the following? Please check the appropriate boxes and delineate on an attached map, plan, or layout including any additional pertinent information.

Yes	No		Yes	No		Yes	No	
☐	☐	Widen existing roadway	☐	☐	Ground disturbance	☐	☐	Easements
☐	☐	Increase number of through lanes	☐	☐	Road cut/fill	☐	☐	Equipment staging
☐	☐	New alignment	☐	☐	Excavation: anticipated maximum depth _____	☐	☐	Temporary access road/detour
☐	☐	Capacity increasing—other (e.g., channelization)				☐	☐	Utility relocation
						☐	☐	Right of way acquisition (if yes, attach map with APN)
☐	☐	Realignment	☐	☐	Drainage/culverts			
☐	☐	Ramp or street closure	☐	☐	Flooding protection			
☐	☐	Bridge work	☐	☐	Stream channel work	☐	☐	Disposal/borrow sites
☐	☐	Vegetation removal	☐	☐	Pile driving	☐	☐	Part of larger adjacent project
☐	☐	Tree removal	☐	☐	Demolition	☐	☐	Railroad

Required Attachments:

☐ Regional map ☐ Project location map ☐ Project footprint map (existing/proposed right of way)
☐ Engineering drawings (existing and proposed cross sections), if available ☐ Borrow/disposal site location map, if applicable
(Note: all maps (except project location map and regional maps) should be consistent with the project description (minimum scale: 1" = 200').)

☐ Notes to support the conclusions of this checklist/project description continuation page (attached)

Examine the project for potential effects on the environment, direct or indirect and answer the following questions. The "construction area," as specified below, includes all areas of ground disturbance associated with the project, including staging and stockpiling areas and temporary access roads.

Each answer must be briefly documented on the "Notes" pages at the end of the PES Form.

A. Potential Environmental Effects	Yes	To Be Determined	No
General			
1. Will the project require future construction to fully utilize the design capabilities included in the proposed project?	☐	☐	☐
2. Will the project generate public controversy?	☐	☐	☐
Noise			
3. Is the project a Type I project as defined in 23 CFR 772.5(h); "construction on new location or the physical alteration of an existing highway, which significantly changes either the horizontal or vertical alignment or increases the number of through-traffic lanes"?	☐	☐	☐
4. Does the project have the potential for adverse construction-related noise impact (such as related to pile driving)?	☐	☐	☐
Air Quality			
5. Is the project in a NAAQS non-attainment or maintenance area?	☐	☐	☐
6. Is the project exempt from the requirement that a conformity determination be made? (If "Yes," state which conformity exemption in 40 CFR 93.126, Table 2 applies): _____	☐	☐	☐
7. Is the project exempt from regional conformity? (If "Yes," state which conformity exemption in 40 CFR 93.127, Table 3 applies): _____	☐	☐	☐
8. If project is not exempt from regional conformity, (If "No" on Question #7)			
Is project in a metropolitan non-attainment/maintenance area?	☐	☐	☐
Is project in an isolated rural non-attainment area?	☐	☐	☐
Is project in a CO, PM10 and/or PM2.5 non-attainment/maintenance area?	☐	☐	☐
Hazardous Materials/Hazardous Waste			
9. Is there potential for hazardous materials (including underground or aboveground tanks, etc.) and/or hazardous waste (including oil/water separators, waste oil, asbestos-containing material, lead-based paint, ADL, etc.) within or immediately adjacent to the construction area?	☐	☐	☐
Water Quality/Resources			
10. Does the project have the potential to impact water resources (rivers, streams, bays, inlets, lakes, drainage sloughs) within or immediately adjacent to the project area?	☐	☐	☐
11. Is the project within a designated sole-source aquifer?	☐	☐	☐
Coastal Zone			
12. Is the project within the State Coastal Zone, San Francisco Bay, or Suisun Marsh?	☐	☐	☐
Floodplain			
13. Is the construction area located within a regulatory floodway or within the base floodplain (100-year) elevation of a watercourse or lake?	☐	☐	☐
Wild and Scenic Rivers			
14. Is the project within or immediately adjacent to a Wild and Scenic River System?	☐	☐	☐
Biological Resources			
15. Is there a potential for federally listed threatened or endangered species, or their critical habitat or essential fish habitat to occur within or adjacent to the construction area?	☐	☐	☐
16. Does the project have the potential to directly or indirectly affect migratory birds, or their nests or eggs (such as vegetation removal, box culvert replacement/repair, bridge work, etc.)?	☐	☐	☐
17. Is there a potential for wetlands to occur within or adjacent to the construction area?	☐	☐	☐

18. Is there a potential for agricultural wetlands to occur within or adjacent to the construction area?	☐	☐	☐
19. Is there a potential for the introduction or spread of invasive plant species?	☐	☐	☐
Sections 4(f) and 6(f)			
20. Are there any historic sites or publicly owned public parks, recreation areas, wildlife or waterfowl refuges (Section 4[f]) within or immediately adjacent to the construction area?	☐	☐	☐
21. Does the project have the potential to affect properties acquired or improved with Land and Water Conservation Fund Act (Section 6[f]) funds?	☐	☐	☐
Visual Resources			
22. Does the project have the potential to affect any visual or scenic resources?	☐	☐	☐
Relocation Impacts			
23. Will the project require the relocation of residential or business properties?	☐	☐	☐
Land Use, Community, and Farmland Impacts			
24. Will the project require any right of way, including partial or full takes? Consider construction easements and utility relocations.	☐	☐	☐
25. Is the project inconsistent with plans and goals adopted by the community?	☐	☐	☐
26. Does the project have the potential to divide or disrupt neighborhoods/communities?	☐	☐	☐
27. Does the project have the potential to disproportionately affect low-income and minority populations?	☐	☐	☐
28. Will the project require the relocation of public utilities?	☐	☐	☐
29. Will the project affect access to properties or roadways?	☐	☐	☐
30. Will the project involve changes in access control to the State Highway System (SHS)?	☐	☐	☐
31. Will the project involve the use of a temporary road, detour, or ramp closure?	☐	☐	☐
32. Will the project reduce available parking?	☐	☐	☐
33. Will the project construction encroach on state or federal lands?	☐	☐	☐
34. Will the project convert any farmland to a different use or impact any farmlands?	☐	☐	☐
Cultural Resources			
35. Is there National Register listed, or potentially eligible historic properties, or archaeological resources within or immediately adjacent to the construction area? *(Note: Caltrans PQS answers question #35)*	☐	☐	☐
36. Is the project adjacent to, or would it encroach on Tribal land?	☐	☐	☐

For Sections B, C, and D, check appropriate box to indicate required technical studies, coordination, permits, or approvals.

B. Required Technical Studies and Analyses	C. Coordination	D. Anticipated Actions/Permits/Approvals
☐ **Traffic**		
Check one:		
☐ Traffic Study	☐ Caltrans	☐ Approval
☐ Technical Memorandum	☐ Caltrans	☐ Approval
☐ Discussion in ED Only	☐ Caltrans	☐ Approval
☐ **Noise**		
Check as applicable:		
☐ Traffic Related		
☐ Construction Related		
Check one:		
☐ Noise Study Report	☐ Caltrans	☐ Approval
☐ NADR	☐ Caltrans	☐ Approval
☐ Technical Memorandum	☐ Caltrans	☐ Approval
☐ Discussion in ED Only	☐ Caltrans	☐ Approval
☐ **Air Quality**		
Check as applicable:		
☐ Traffic Related		
☐ Construction Related		
Check one:		
☐ Air Quality Report	☐ Caltrans	☐ Approval
☐ Technical Memorandum	☐ Caltrans	☐ Approval
☐ Discussion in ED Only	☐ Caltrans	☐ Approval
	☐ FHWA	☐ Conformity Finding (6005 CEs, EAs, EISs)
	☐ Caltrans	☐ Conformity Finding (6004 CEs)
	☐ Regional Agency	☐ PM10/PM2.5 Interagency Consultation
☐ **Hazardous Materials/ Hazardous Waste**		
Check as applicable:		
☐ Initial Site Assessment (Phase 1)	☐ Caltrans	☐ Approval
☐ Preliminary Site Assessment (Phase 2)	☐ Caltrans	☐ Approval
☐ Discussion in ED Only	☐ Caltrans	☐ Approval
	☐ Cal EPA DTSC	☐ Review Database
	☐ Local Agency	☐ Review Database
☐ **Water Quality/Resources**		
Check as applicable:		
☐ Water Quality Assess. Report	☐ Caltrans	☐ Approval
☐ Technical Memorandum	☐ Caltrans	☐ Approval
☐ Discussion in ED Only	☐ Caltrans	☐ Approval
☐ **Sole-Source Aquifer (Districts 5, 6 and 11)**	☐ EPA (S.F. Regional Office)	☐ Approval of Analysis in ED
☐ **Coastal Zone**	☐ CCC	☐ Coastal Zone Consistency Determination

B. Required Technical Studies and Analyses	C. Coordination	D. Anticipated Actions/Permits/Approvals
☐ **Floodplain**		
Check as applicable:		
☐ Location Hydraulic Study	☐ Caltrans	☐ Approval
☐ Floodplain Evaluation Report	☐ Caltrans	☐ Approval
☐ Summary Floodplain Encroachment Report	☐ Caltrans	☐ Approval
	☐ Caltrans	☐ Only Practicable Alternative Finding
	☐ FHWA	☐ Approves significant encroachments and concurs in Only Practicable Alternative Findings
☐ **Wild and Scenic Rivers**	☐ River Managing Agency	☐ Wild and Scenic Rivers Determination
☐ **Biological Resources**		
Check as applicable:		
☐ NES, Minimal Impact	☐ Caltrans	☐ Approval
☐ NES		
☐ BA	☐ Caltrans	☐ Approves for Consultation
	☐ USFWS ☐ NOAA Fisheries	☐ Section 7 Informal/Formal Consultation
☐ EFH Evaluation	☐ NOAA Fisheries	☐ MSA Consultation
☐ Bio-Acoustic Evaluation	☐ NOAA Fisheries	☐ Approval
☐ Technical Memorandum	☐ Caltrans	☐ Approval
☐ **Wetlands**		
Check as applicable:		
☐ WD and Assessment	☐ Caltrans	☐ Approval
	☐ ACOE	☐ Wetland Verification
	☐ NRCS	☐ Agricultural Wetland Verification
	☐ Caltrans	☐ Wetlands Only Practicable Alternative Finding
☐ **Invasive Plants**		
☐ Discussion in ED Only	☐ Caltrans	☐ Approval
☐ **Section 4(f)**		
Check as applicable:		
	☐ Caltrans	☐ Determine Temporary Occupancy
☐ De minimis	☐ Caltrans	☐ De minimis finding
☐ Programmatic 4(f) Evaluation Type: _____	☐ Caltrans	☐ Approval
☐ Individual 4(f) Evaluation	☐ Caltrans	☐ Approval
	☐ Agency with Jurisdiction ☐ SHPO ☐ DOI ☐ HUD ☐ USDA	

B. Required Technical Studies and Analyses	C. Coordination	D. Anticipated Actions/Permits/Approvals
☐ **Section 6(f)**	☐ Agency with Jurisdiction ☐ NPS	☐ Determines Consistency with Long-Term Management Plan
	☐ NPS	☐ Approves Conversion
☐ **Visual Resources**		
Check one:		
☐ Visual Impact Assessment	☐ Caltrans	☐ Approval
☐ Technical Memorandum	☐ Caltrans	☐ Approval
☐ Discussion in ED Only	☐ Caltrans	☐ Approval
☐ **Relocation Impacts**		
Check one:		
☐ Relocation Impact Memo	☐ Caltrans	☐ Approval
☐ Relocation Impact Study	☐ Caltrans	☐ Approval
☐ Relocation Impact Report	☐ Caltrans	☐ Approval
☐ **Land Use and Community Impacts**		
Check one:		
☐ CIA	☐ Caltrans	☐ Approval
☐ Technical Memorandum	☐ Caltrans	☐ Approval
☐ Discussion in ED Only	☐ Caltrans	☐ Approval
☐ **Construction/Encroachment on State Lands**		
Check as applicable:		
☐ SLC Jurisdiction	☐ SLC	☐ SLC Lease
☐ Caltrans Jurisdiction	☐ Caltrans	☐ Encroachment Permit
☐ SP Jurisdiction	☐ SP	☐ Encroachment Permit
☐ **Construction/Encroachment on Federal Lands**	☐ Federal Agency with Jurisdiction	☐ Encroachment Permit
☐ **Construction/Encroachment On Indian Trust Lands**	☐ Bureau of Indian Affairs	☐ Right of Way Permit
☐ **Farmlands**		
Check one:		
☐ CIA	☐ Caltrans	☐ Approval
☐ Technical Memorandum	☐ Caltrans	☐ Approval
☐ Discussion in ED Only	☐ Caltrans	☐ Approval
Check as applicable:		
☐ Form AD 1006	☐ NRCS	☐ Approves Conversion
	☐ CDOC	☐ Approves Conversion
☐ Conversion to Non-Agri Use	☐ ACOE	

B. Required Technical Studies and Analyses	C. Coordination	D. Anticipated Actions/Permits/ Approvals
☐ **Cultural Resources** (PQS completes this section) ***Check as applicable:***	☐ Caltrans PQS	☐ Screened Undertaking
☐ APE Map	☐ Caltrans PQS and DLAE	☐ Approves APE Map
	☐ Local Preservation Groups and/or Native American Tribes	☐ Provides Comments Regarding Concerns with Project
☐ HPSR ☐ ASR ☐ HRER	☐ Caltrans	☐ Approves for Consultation
☐ Finding of Effect Report	☐ Caltrans	☐ Concurs on No Effect, No Adverse Effect with Standard Conditions
	☐ SHPO	☐ Letter of Concurrence on Eligibility, No Adverse Effect without Standard
☐ MOA	☐ Caltrans	☐ Approves MOA
	☐ SHPO	☐ Approves MOA
	☐ ACHP (if requested)	☐ Approves MOA
☐ **Permits** Copies of permits and a list of mitigation commitments are mandatory submittals following NEPA approval.	☐ ACOE	☐ Section 404 Nationwide Permit
	☐ ACOE	☐ Section 404 Individual Permit
	☐ Caltrans/ACOE/EPA ☐ USFWS ☐ NOAA Fisheries	☐ NEPA/404 Integration MOU
	☐ ACOE	☐ Rivers and Harbors Act Section 10 Permit
	☐ USCG	☐ USCG Bridge Permit
	☐ RWQCB	☐ Section 401 Water Quality Certification
	☐ CDFG	☐ Section 1602 Streambed Alteration Agreement
	☐ RWQCB	☐ NPDES Permit
	☐ CCC ☐ Local Agency	☐ Coastal Zone Permit
	☐ BCDC	☐ BCDC Permit

Notes: Additional studies may be required for other federal agencies.

ACHP = Advisory Council on Historic Preservation
ACOE = U.S. Army Corps of Engineers
ADL = Aerially Deposited Lead
APE = Area of Potential Effect
APN = Assessor Parcel Number
ASR = Archaeological Survey Report
BA = Biological Assessment
BCDC = Bay Conservation and Development Commission
BE = Biological Evaluation
BO = Biological Opinion
Cal EPA = California Environmental Protection Agency
CCC = California Coastal Commission
CDFG = California Department of Fish and Game
CDOC = California Department of Conservation
CE = Categorical Exclusion
CIA = Community Impact Assessment
CWA = Clean Water Act
DLAE = District Local Assistance Engineer
DOI = U.S. Department of Interior
DTSC = Department of Toxic Substances Control
EA = Environmental Assessment
ED = Environmental Document
EFH = Essential Fish Habitat
EIS = Environmental Impact Statement
EPA = U.S. Environmental Protection Agency
FEMA = Federal Emergency Management Agency
FHWA = Federal Highway Administration
FONSI = Finding of No Significant Impacted
FTIP = Federal Transportation Improvement Program
HPSR = Historic Property Survey Report
HRER = Historical Resources Evaluation Report
HUD = U.S. Housing and Urban Development
MOA = Memorandum of Agreement
MSA = Magnuson-Stevens Fishery Conservation and Management Act
NEPA = National Environmental Policy Act
NADR = Noise Abatement Decision Report
NES = Natural Environment Study
NHPA = National Historic Preservation Act
NOAA = National Oceanic and Atmospheric Administration
NMFS National Marine Fisheries Service
NPDES = National Pollutant Discharge Elimination System
NPS = National Park Service
NRCS = Natural Resources Conservation Service
PM10 = Particulate Matter 10 Microns in Diameter or Less
PM2.5 = Particulate Matter 2.5 Microns in Diameter or Less
PMP = Project Management Plan
PQS = Professionally Qualified Staff
ROD = Record of Decision
RTIP = Regional Transportation Improvement Program
RTP = Regional Transportation Plan
RWQCB = Regional Water Quality Control Board
SER = Standard Environmental Reference
SEP = Senior Environmental Planner
SHPO = State Historic Preservation Officer
SLC = State Lands Commission
SP = State Parks
TIP = Transportation Improvement Program
USCG = U.S. Coast Guard
USDA = U.S. Department of Agriculture
USFWS = U.S. Fish and Wildlife Service
WD = Wetland Delineation

E. Preliminary Environmental Document Classification (NEPA)

Based on the evaluation of the project, the environmental document to be developed should be:

Check one:

☐ Environmental Impact Statement (*Note: Engagement with participating agencies in accordance with SAFETEA-LU Section 6002 required)*

- ☐ Compliance with SAFETEA-LU Section 6002 regarding Participating Agencies required

☐ Complex Environmental Assessment

☐ Routine Environmental Assessment

☐ Categorical Exclusion without required technical studies.

☐ Categorical Exclusion with required technical studies

(if Categorical Exclusion is selected, check one of the following):

- ☐ Section 6004
  - ☐ 23 CFR 771 activity (c)(_____)
  - ☐ 23 CFR 771 activity (d) (_____)
  - ☐ Activity _____ listed in the Section 6004 MOU
- ☐ Section 6005

F. Public Availability and Public Hearing

Check as applicable:

☐ Not Required

☐ Notice of Availability of Environmental Document

☐ Public Meeting

☐ Notice of Opportunity for a Public Hearing

☐ Public Hearing Required

G. Signatures

Local Agency Staff and/or Consultant Signature

_____	_____	_____
(Signature of Preparer)	*(Date)*	*(Telephone No.)*

_____
(Name)

Local Agency Project Engineer Signature

This document was prepared under my supervision, in accordance with the *Local Assistance Procedures Manual,* Exhibit 6-B, "Instructions for Completing the Preliminary Environmental Study Form."

_____	_____	_____
(Signature of Local Agency)	*(Date)*	*(Telephone No.)*

Caltrans District Professionally Qualified Staff (PQS) Signature

☐ Project does not meet definition of an "undertaking"; no further review is necessary under Section 106 ("No" Section A, #35).

☐ Project is limited to the type of activity listed in Attachment 2 of the Section 106 PA and based on the information provided in the PES Form, the project does not have the potential to affect historic properties ("No" Section A, #35).

☐ Project is limited to the type of activity listed in Attachment 2 of the Section 106 PA, but the following additional procedures or information is needed to determine the potential for effect ("To Be Determined" Section A, #35):
☐ Records Search ☐ _____ ☐ _____ ☐ _____

☐ Project meets the definition of an "undertaking"; all properties in the project area are exempt from evaluation per Attachment 4 of the Section 106 PA ("No" Section A, #35).

☐ The proposed undertaking is considered to have the potential to affect historic properties; further studies for 106 compliance are indicated in Sections B, C, and D of this PES Form ("Yes" Section A, #35).

_____ _____ _____
(Signature of Professionally Qualified Staff) *(Date)* *(Telephone No.)*

The following signatures are required for all CEs, routine and complex EAs, and EISs:

Caltrans District Senior Environmental Planner (or Designee) and DLAE Signatures

I have reviewed this Preliminary Environmental Study (PES) Form and determined that the submittal is complete and sufficient. I concur with the studies to be performed and the recommended NEPA Class of Action.

_____ _____ _____
(Signature of Senior Environmental Planner or Designee) *(Date)* *(Telephone No.)*

_____
(Name)

_____ _____ _____
(Signature of District Local Assistance Engineer or Designee) *(Date)* *(Telephone No.)*

_____
(Name)

☐ HQ DEA Environmental Coordinator concurrence _____. E-mail concurrence attached.
(*date*)

Preliminary Environmental Investigation
Notes to Support the Conclusions of the PES Form
(May Also Include Continuation of Detailed Project Description)

Brief Explanation of How Project Complies, or Will Comply with Applicable Federal Mandate (Part A):

1.

2.

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Distribution 1) Original - DLAE, 2) Local Agency Project Manager, 3) DLA Environmental Coordinator
4) Senior Environmental Planner (or designee), 5) District PQS

Updated: 05/15/08

EXHIBIT 6-B INSTRUCTIONS FOR COMPLETING THE PRELIMINARY ENVIRONMENTAL STUDY (PES) FORM

A Preliminary Environmental Study (PES) Form must be completed for **all** local agency federal-aid projects "**off**" the State Highway System (SHS). If a local agency desires federal reimbursement for National Environmental Protection Act (NEPA) compliance, then the local agency must submit a "Request for Authorization to Proceed with Preliminary Engineering" form (*Local Assistance Procedures Manual* (LAPM), Chapter 3, "Project Authorization" Exhibit 3-A) to the DLAE prior to commencing with the PES Form. The local agency may not proceed with any reimbursable activities prior to the project's inclusion in a federally approved Federal Statewide Transportation Improvement Program (FSTIP) and receipt of "Authorization to Proceed" notification from Caltrans. (See LAPM, Chapter 3, "Project Authorization," Section 3.2)

Detailed instructions for completing the Preliminary Environmental Study (PES) Form are provided below.

Federal-Aid Project No: (Federal Program Prefix-Project No., Agreement No.) Example: RPSTPLE 5017(020). Obtain federal-aid project number from your District Local Assistance Engineer (DLAE). This number is required in order for the District SEP (or designee) to process PES Form.

Final Design: Indicate the date the local agency expects to begin final design. The 23 CFR 771.113 (Timing of Administration activities) prohibits final design activities until NEPA approval has been obtained; this is the date by which NEPA clearance is needed.

To: (Self explanatory)

From: (Self explanatory)

Is the Project "ON" the SHS? Check "Yes" or "No." If Yes, **STOP**, and contact the DLAE regarding the Departmental policy on local agency projects "on" the SHS.

Note: The current and long-standing policy is for the Department to be California Environmental Quality Act (CEQA) lead agency for improvement projects "on" the SHS. The Department's practice of acting as CEQA Lead for projects on the SHS is based on the Department's statutory obligation to plan, design, construct, operate and maintain the SHS as well as its actual ownership of the SHS. Further, as owner of the right of way, the Department is the entity ultimately responsible for property stewardship of all resources within State right of way. This stewardship obligation cannot be delegated to others. This applies even if the project is financed by others. See Departmental policy memo provided at:

http://www.dot.ca.gov/ser/downloads/memos/CEQA_Lead_Agency_24Jun04.pdf

Based on information contained in the above referenced policy memo, local agency projects "**on**" the SHS are processed as State Highway Projects in accordance with procedures set forth in the *Caltrans Project Development Procedures Manual*.

Federal Statewide Transportation Improvement Program (FSTIP): Enter the currently adopted FSTIP date and page number on which project is identified, and attach a copy of the FSTIP page (showing the project) to the PES Form. The FSTIP is available at:

http://www.dot.ca.gov/hq/transprog/fedpgm.htm

Note: The California FSTIP is a multi-year, statewide, intermodal program of transportation projects that is consistent with the statewide transportation plan and planning processes, metropolitan plans, and Federal Transportation Improvement Programs (FTIPs) and processes. The FSTIP is prepared by Caltrans in cooperation with the Metropolitan Planning Organizations (MPOs) and the Regional Transportation Planning Agencies (RTPAs). The FTIPs/FSTIP contains all capital and non-capital transportation projects, or identified phases of transportation projects proposed for funding under the Federal Transit Act and Title 23 of the United States Code including federally funded projects.

Programming for FSTIP: Identify the fiscal year and dollar amount programmed in the FSTIP for each phase of the project (preliminary engineering, right of way, and construction).

Project Description as Shown in FSTIP: Enter the project description exactly as it appears in the FSTIP.

Detailed Project Description: Describe all aspects of the project including project location and limits, proposed facilities, and required right of way acquisition. Discuss the main transportation problem or problems that point to the need for the project and describe how the project will solve the identified problem or need (i.e., is the project necessary in order to correct existing roadway deficiencies, such as substandard geometry or lane width?). How will the project correct these deficiencies? Describe any design deficiencies, such as substandard cross section or horizontal or vertical alignment. Is the new or upgraded facility needed to serve a new housing development, or shopping complex? Discuss the logical termini of the project.

Note: 23 CFR 771.111(f) requires that federal-aid projects:

- *Connect logical termini and be of sufficient length to address environmental matters on a broad scope;*
- *Have independent utility or independent significance, i.e., be usable and be a reasonable expenditure even if no additional transportation improvements in the area are made; and*
- *Not restrict consideration of alternatives for other reasonably foreseeable transportation improvements.*

Provide as much detail as possible for all boxes checked "Yes" under Preliminary Design Information.

Preliminary Design Information: Check all applicable boxes and provide as much pertinent information on engineering drawings and maps as possible. If project will involve excavation, delineate location of excavation on map and indicate maximum depth of excavation. If right of way will be acquired, provide a map of the project area with the location of each parcel to be acquired. Provide Assessor Parcel Numbers for all parcels.

Required Attachments: Please note that all of the maps listed on the PES Form are **required**. Maps should be consistent with the project description and at a minimum scale of 1" = 200'.

A. Potential Environmental Effects:

Section A of the PES Form should not be completed until after the local agency has completed Steps 1 through 4 in the LAPM, Chapter 6, Section 6.7, Step-by-Step Procedures, as follows:

- Develop Complete Project Description and Detailed Map
- Review Relevant Literature Maps and Inventories
- Request Technical Information from Resource and Regulatory Agencies
- Verify Research Findings in the Field (Site Visit)

Following completion of Steps #1 through #4, answer each of the following questions. For "No" response, explain in the "Preliminary Investigation Notes to Support the Conclusions of the PES Form" how the mandate of federal law has been met (i.e., The Preliminary Environmental Investigation [Steps #1- 4 above] concluded that the resource is not present within the project area or that the resource is present, but will not be affected by the project. A technical memo explaining how the project will not affect the resource in question is attached, or a "No Effect" determination by a Caltrans Biologist is attached, etc.).

For "No" response, check the "No" box next to the appropriate question in Section A of the PES Form, and in the "Preliminary Investigation Notes to Support the Conclusions of the PES Form" briefly discuss how the mandates of federal law have been met.

For "Yes" response, indicate in Section B whether a technical study, technical memo or discussion in the ED will be prepared to comply with the federal requirements. Local Agency should consult the DLAE and District SEP (or designee) when determining the appropriate level of analysis. Required technical reports shall be prepared in accordance with guidance and procedures set forth in the *Standard Environmental Reference* (SER). Local agency shall not commence with technical studies until after the PES Form is fully signed by local agency and Caltrans staff.

All environmental contracts shall be prepared in accordance with guidance and procedures set forth in the LAPM, Chapter 10, "Consultant Selection." The contract shall be consistent with requirements set forth in the PES Form and shall direct the preparation of reports in accordance with guidance set forth in the SER.

http://www.dot.ca.gov/hq/LocalPrograms/lam/prog_p/p10consult.pdf.

General

1. Will the project require future construction to fully utilize the design capabilities included in the proposed project?

Note: This question is designed to address independent utility and segmentation. The Council on Environmental Quality (CEQ) regulations (40 CFR 1502.13) are directed at avoiding improper segmentation, wherein the significance of the environmental impact of an action as a whole would not be evident, if the action were to be broken into component parts and the impact of those parts analyzed separately.

If "No," check the "No" box next to Question #1 in Section A of the PES Form. In the "Preliminary Investigation Notes to Support the Conclusions of the PES Form," briefly discuss the transportation problem, traffic and transportation conditions that the project is intended to address and clearly state the rationale supporting the project's end points.

If "Yes," or "To Be Determined," check the appropriate box next to Question #1 in Section A of the PES Form. *(Note: Projects must satisfy the provisions of 23 CFR 771.111[f] in order to be eligible for federal reimbursement.)* Under Section B of the PES Form, indicate whether a Traffic Study, Technical Memorandum, or Discussion in ED Only will be prepared to clearly show how the action shall:

- Connect logical termini and be of sufficient length to address environmental matters on a broad scope.
- Have independent utility or independent significance, i.e., be usable and be a reasonable expenditure even if no additional transportation improvements in the area are made.
- Not restrict consideration of alternatives for other reasonably foreseeable transportation improvements.

2. Will the project generate any public controversy?

Consider whether there is any public controversy associated with the project and if so, on what grounds.

If "No," check the "No" box next to Question #2 in Section A of the PES Form. In the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form" indicate what steps were taken to determine the potential for public controversy.

If "Yes," or "To Be Determined," check the appropriate box next to Question #2 in Section A of the PES Form. In the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form" indicate the grounds on which the controversy exists.

Note: Projects involving substantial public controversy on environmental grounds require additional environmental study (23 CFR 771.117[b] [2]).

If the basis for controversy is environmental, complete Section F of the PES Form as appropriate.

Consult with the DLAE and District SEP or designee when determining the extent of public involvement that may be necessary.

Noise:

3. Is the project a Type 1 project as defined in 23 CFR 772.5(h)… "construction on new location or the physical alteration of an existing highway, which significantly changes either the horizontal or vertical alignment, or increases the number of through-traffic lanes"?

Note: Federal law and state policy require that every project that adds through-lanes or significantly realigns roadways must receive a noise evaluation.

If "No," check the "No" box next to Question #3 in Section A of the PES Form. Check all applicable boxes under Preliminary Design Information (i.e., widen existing roadway, increase number of through-lanes, new alignment, capacity increasing, etc). In the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form," briefly discuss the scope of the project and how this type of work will not result in significant changes in the horizontal or vertical alignment nor increase the number of through-traffic lanes.

If "Yes," or "To Be Determined," check the appropriate box next to Question #3 in Section A of the PES Form. Indicate under Section B of the PES Form that a Noise Study Report, Technical Memorandum or Discussion in the ED Only will be prepared. Consult with the DLAE and District SEP (or designee) when determining which level of analysis will be necessary based on project scope and potential for impact.

The Noise Study Report shall be completed in accordance with guidance set forth at:

http://www.dot.ca.gov/ser/vol1/sec3/physical/ch12noise/chap12noise.htm

If a sound wall is needed, a Noise Abatement Decision Report will be required.

4. Does the project have the potential for adverse construction-related noise impacts (such as related to pile driving)?

Consider whether the construction of the project will involve pile driving, structure demolition, blasting, etc. Will the project have the potential for adverse construction-related noise impacts either on land or underwater?

If "No," check the "No" box next to Question #4 in Section A of the PES Form. Check all applicable boxes under Preliminary Design Information (i.e., bridge work, equipment staging, excavation, pile driving road cuts, stream channel work, etc.) that could result in excessive noise. In the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form" briefly discuss how these types of activities will not result in excessive construction noise or generate underwater noise.

If "Yes," or "To Be Determined," check the "Yes" or "To be Determined" box as appropriate, next to Question #4 in Section A of the PES Form. Under Section B of the PES Form indicate whether a Technical Memorandum or Discussion in the ED will be prepared. Consult with the DLAE and District SEP (or designee) when determining which level of analysis will be necessary based on the potential for impact.

"Guidance on Transportation and Construction-Induced Vibration" is provided in the SER at:

http://www.dot.ca.gov/ser/vol1/sec3/physical/ch12noise/chap12noise.htm.

5. Is the project in a National Ambient Air Quality Standard (NAAQS) non-attainment or maintenance area?

Check the Table of Conformity Areas provided at:

http://www.dot.ca.gov/hq/env/air/pages/conftable.htm

Is the county that the project is located in, listed in the Table of Conformity Areas?

If "Yes," check the "Yes" box as appropriate, next to Question #5 in Section A of the PES Form and proceed to Question #6.

If "No," no further Air Quality (AQ) studies are needed because transportation conformity only applies in federal non-attainment and maintenance areas. Check the "No" box next to Question #5 in Section A of the PES Form and proceed to Question #9.

6. Is the project exempt from the requirement that a conformity determination be made?

Review the list of project types in 40 CFR Part 93, Sec. 93.126, Table 2 Exempt Projects, provided as Exhibit 6-C of this chapter, or electronically at:

http://a257.g.akamaitech.net/7/257/2422/12feb20041500/edocket.access.gpo.gov/cfr_2004/julqtr/pdf/40cfr93.126.pdf

Is project one of the project types included in the 40 CFR 93.126, Table 2?

If "Yes," no conformity determination is required. Check the "Yes" box next to Question #6 in Section A of the PES Form, and state which conformity exemption in Table 2 applies. Skip Questions #7 & #8.

If "No," a project level conformity determination may be required. Continue with Question #7.

7. Is the project exempt from regional conformity?

Review list of project types listed in 40 CFR Section 93.127, Table 3 Projects Exempt from Regional Analysis, provided as Exhibit 6-D of this chapter, or electronically at:

http://a257.g.akamaitech.net/7/257/2422/12feb20041500/edocket.access.gpo.gov/cfr_2004/julqtr/pdf/40cfr93.127.pdf.

Is project one of the project types included in 40 CFR 93.127, Table 3?

If **"Yes," and project is located in a non-attainment/maintenance area for ONLY ozone**, no project-level conformity determination is required. Check the "Yes" box next to Question #7 under Section A of the PES Form, and state which conformity exemption in Table 3 applies. In the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form" state: "A regional emissions analysis is not required because project is one of the project types included in Table 3, and a localized hot spot analysis is not required because project is located in an area that is attainment/unclassified for ALL of CO, PM10 and PM2.5. Skip to Question #9.

If **"Yes," and the project is located in an area that is non-attainment/attainment-maintenance for CO, PM10 and/or PM2.5, a project-level conformity determination is required.** Check the "Yes" box next to Question #7 under Section A of the PES Form and state which conformity exemption in Table 3 applies. Under Section B of the PES Form check Air Quality Report, Technical Memorandum, or Discussion in ED Only. Consult with the District SEP (or designee) to determine the appropriate level of analysis and documentation needed. Indicate coordination with and approval by Caltrans under Sections C and D of the PES Form. In the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form" state: "A regional emissions analysis is not required because project is one of the project types included in Table 3, however, a localized hot spot analysis is required because project is located in an area that is non-attainment/maintenance for CO, PM10 and PM2.5 (indicate which)." Guidance on conducting a Localized Hotspot Analysis is provided at:

http://www.dot.ca.gov/ser/vol1/sec3/physical/ch11air/chap11.htm#Conformity.
Do not begin technical studies until after the PES Form is fully signed. Skip to Question #9.

If "**No**," **a project-level conformity determination is required including both a regional emissions analysis and hot spot analysis regional level conformity analysis (e.g. dispersion modeling).** Check the "No" box next to Question #7 in Section A of the PES Form. In Section B of the PES Form, check Air Quality Report, Technical Memorandum, or Discussion in ED Only. Consult with the District SEP (or designee) to determine the appropriate level of analysis and documentation needed. Indicate coordination with and approval by Caltrans under Sections C and D of the PES Form. Guidance on project-level conformity determinations and regional emissions analysis and hot spot analysis is provided at:

http://www.dot.ca.gov/ser/vol1/sec3/physical/ch11air/chap11.htm#Conformity.
Do not begin technical studies until after the PES Form is fully signed. Continue with Question #8.

8. If project is not exempt (i.e., if "No" on Question #6 and Question #7) a project-level conformity determination is required. The project-level conformity determination would include both the regional emissions analysis and a hot spot analysis (in PM2.5, PM10 and CO non-attainment and/or maintenance areas).

For the regional emissions analysis **in a metropolitan non-attainment/maintenance area**, the project needs to be included in the MPOs currently conforming Regional Transportation Plan (RTP) and Transportation Improvement Program (TIP). To be "included" in the currently conforming RTP and TIP, there must be no significant changes in the project's design concept and scope from those assumed in regional emissions analysis. Additionally, the assumed open-to-traffic date must be correct. On the first page of the PES Form identify the date of the currently adopted RTP and FTIP within which the project is included and provide the page numbers wherein the project is specifically listed.

For regional emissions in **an "isolated rural" non-attainment area** (non-attainment area with no MPO within the non-attainment area boundaries), a regional emissions analysis would be performed as part of the project-level conformity determination. Refer to 40 CFR 93.109 for guidance on projects not included in a conforming RTP and TIP. Specific Isolated Rural area requirements are in 40 CFR 93.109(1). Under Section B of the PES Form, check Air Quality Study and under Section C and D, check coordination with and approval by Caltrans respectively. Guidance on project-level conformity determinations and Regional Emissions analysis is provided at:

http://www.dot.ca.gov/ser/vol1/sec3/physical/ch11air/chap11.htm#Conformity.
Do no begin technical studies under after the PES Form is fully signed.

For projects in **CO, PM10, and/or PM2.5 non-attainment/maintenance areas**, a localized hot spot analysis also needs to be completed. Check Air Quality Study, Technical Memorandum, or Discussion in ED Only. Consult with the District SEP (or designee) to determine the appropriate level of analysis and documentation needed. Indicate coordination with and approval by Caltrans under Sections C and D of the PES Form. Guidance on conducting a localized hot spot analysis is provided at:

http://www.dot.ca.gov/ser/vol1/sec3/physical/ch11air/chap11.htm#Conformity.
Do not begin technical studies until after the PES Form is fully signed.

Hazardous Materials/Hazardous Waste

9. Is there a potential for hazardous materials (including underground or aboveground tanks, etc.) and/or hazardous waste (including oil/water separators, waste oil, asbestos-containing material, lead-based paint, ADL, etc.) within or immediately adjacent to the construction area?

Conduct screening in accordance with the procedures set forth in the SER, provided at:

http://www.dot.ca.gov/ser/vol1/vol1.htm

Note: Screening typically includes a review of local records of prior land uses and local and state-maintained databases of hazardous materials sites and underground tanks. During the site visit, note existing land uses (i.e., gas stations, auto wrecking yards, railroad yard or tracks, landfills, etc.) and any evidence of past land uses (i.e., above ground tanks, stained soil, 50-gallon drums, etc.).

Are there any signs of past or present hazardous materials or waste uses, or any known hazardous materials within or immediately adjacent to the construction area?

If "No," check the "No" box next to Question #9 in Section A of the PES Form. On the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form" include the steps taken to determine whether any hazardous materials or wastes could potentially occur within or immediately adjacent to the construction area. Include field notes from site visit, documenting observations, (i.e., surrounding land uses [current and historic], general characteristics of area/soil, absence of staining on soil, proximity to gas station, landfill or rail yard, etc.)

If "Yes," or "To Be Determined," check the appropriate box next to Question #9 in Section A of the PES Form. Further study will be required. Check ISA (Phase I) in Section B of the PES Form and indicate coordination and permit requirements under Sections C and D of the PES Form.

The ISA (Phase I) shall be undertaken in accordance with guidance set forth in the SER, Chapter 10, "Hazardous Wastes," provided at: http://www.dot.ca.gov/ser/vol1/vol1.htm

Water Quality/Resources

10. Does the project have the potential to impact water resources (rivers, streams, bays, inlets, lakes, drainage sloughs) within or immediately adjacent to the project area?

Review maps to determine if there are water resources (i.e., rivers, streams, lakes, reservoirs, impoundments, bays, inlets, estuaries, wetlands, drainage sloughs, vernal pools, swales, CWA Section 303d impaired water bodies, etc.) within or immediately adjacent to the project area. Confirm and note presence or absence on the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form." Are there water resources in the immediate project vicinity that may be affected by the project?

If "No," check the "No" box next to Question #10 under Section A of the PES Form. Under "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form" briefly discuss the project's potential for impacting water quality. Include a vicinity map (clearly showing project's proximity to water resources) and a copy of the field notes confirming the absence of water resources.

If "Yes," or "To Be Determined," check the appropriate box next to Question #10 in Section A of the PES Form. Check "Yes" next to "Bridge Work," "Stream Channel Work" or "Flooding," as appropriate. Under Preliminary Design Information on the first page of the PES Form, check "Water Quality Assessment Report," "Technical Memorandum," "Analysis in ED or Permit Only," (as applicable). Under Section B of the PES Form and under "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form" specifically identify the water resources that may be affected by the project.

The technical report shall be prepared in accordance with guidance set forth in the SER, Chapter 9, "Hydrology, Water Quality and Stormwater," provided at:

http://www.dot.ca.gov/ser/vol1/vol1.htm

Projects involving the dredging or filling in of waters of the US (including wetlands) will require coordination with the U.S. Army Corps of Engineers (ACOE) and may require water quality permits, such as Section 404 Individual or Nationwide Permit, Section 401 from Regional Water Quality Control Board (RWQCB), and/or 1600 permit from the California Department of Fish and Game (CDFG).

Projects involving work in navigable waters, such as the demolition or construction of bridges or docks and bulkheads, or that result in obstructions to navigation, or in the dumping of trash, or sewage into navigable waterways (Rivers & Harbors Act [Section 10]) will also require a Section 10 Permit.

Projects involving the construction of a bridge over a Navigable River will require coordination with the U.S. Coast Guard (USCG) and may require a USCG Bridge Permit. Check USCG (bottom of Section C of the PES Form) indicating that coordination with the USCG is required during the environmental and design phases of the project and check USCG Bridge Permit (bottom of Section D of PES Form) indicating that a Coast Guard Bridge Permit may be needed.

Since two to three months is normally required to process a routine application involving a public notice, local agencies should apply for permits as early as possible to allow sufficient time to obtain all necessary approvals prior to beginning construction. For large or complex projects, local agencies should request a "pre-application consultation" or informal meeting with the ACOE during the early planning phase of your project to minimize the potential for delays later.

Projects with five (5) acres or more of permanent impacts to waters of the US and processed with an EIS, will require an Individual Section 404 Permit. Local agency should consult with the DLAE (or designee) as early as possible to ensure compliance with all provisions of the Memorandum of Understanding, among the FHWA, California Department of Transportation(Caltrans), United States Environmental Protection Agency (US EPA), United States Army Corps of Engineers (USACOE), United States Fish and Wildlife Service (USFWS), and the National Marine Fisheries Service(NMFS), National Environmental Policy Act (NEPA) and Clean Water Act Section 404 Integration Process for Federal Aid Surface Transportation Projects in California (April 2006) AKA: NEPA/404 MOU. MOU provided at: http://www.dot.ca.gov/ser/downloads/MOUs/NEPA404/nepa404_2006_final_mou.pdf.

11. Is the project within a designated Sole-Source Aquifer?

A Sole-Source Aquifer is an aquifer upon which a community depends exclusively for its fresh water supply. The U.S. Environmental Protection Agency's Sole-Source Aquifer Program was established under Section 1424(e) of the U.S. Safe Drinking Water Act (SDWA) in 1977 to help prevent contamination of groundwater from federally funded projects. The Sole-Source Aquifer Program allows for EPA environmental review of any project which is financially assisted by federal funds to determine whether the project has the potential to contaminate a Sole-Source Aquifer. If there is such a potential, the project would need to be modified to reduce or eliminate the risk, or federal (FHWA) financial support may be withdrawn.

Four (4) aquifers in California have been designated as "Sole-Source Aquifers" by the EPA. These include:

- Santa Margarita Aquifer, Scotts Valley, Santa Cruz County
- Fresno Aquifer, Fresno County
- Ocotillo-Coyote Wells Aquifer, Imperial County
- Campo/Cottonwood Creek Aquifer, San Diego County

Consider if the project is located within or near one of the four EPA-designated Sole-Source Aquifers. Additional information regarding each aquifer is provided at:

http://www.epa.gov/region09/water/groundwater/ssa.html

If "No," check the "No" box next to Question #11 under Section A of the PES Form. No further study is needed. If the project is proposed within Santa Cruz, Fresno or Imperial Counties, or where proximity is questionable, state distance of project from Sole-Source Aquifer in the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form" and attach map showing project's relation to Sole-Source Aquifer boundary.

If "Yes," or "To Be Determined," check the appropriate box next to Question #11 under Section A of the PES Form. Additional study will be needed. Check Sole-Source Aquifer box under Section B of the PES Form. If the project is being processed with an EA or an EIS, EPA review of the NEPA document will be required prior to the public availability period. Check EPA box under Section C of the PES Form. If the project is being processed with a CE, and the project will involve a well or sewage disposal, or result in a threat of aquifer contamination or hazard to public health, EPA review will also be required prior to Caltrans approval of the CE. Check Sole-Source Aquifer under Section C of the PES Form, and check Coordination with EPA under Section C of the PES Form.

If the project is within a designated Sole-Source Aquifer, but does not involve a well or sewage disposal, or result in a threat of aquifer contamination or hazard to public health and will be processed with a CE, project is exempt from a project-by-project review by EPA. Documentation of research and impacts on the aquifer shall be prepared in accordance with guidance set forth in the SER, Chapter 9, "Hydrology, Water Quality and Stormwater," provided at:

http://www.dot.ca.gov/ser/vol1/vol1.htm

Coastal Zone

12. Is the project within the State Coastal Zone, San Francisco Bay or Suisun Marsh?

If "No," check the "No" box next to Question #12 under Section A of the PES Form. Reiterate location of project in the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form." Where proximity is questionable, state distance of project (in miles) from State Coastal Zone jurisdiction. Attach a regional map showing location of project relative to State Coastal Zone.

If "Yes," or "To Be Determined," check the appropriate box next to Question #12 under Section A of the PES Form. Check Coastal Zone under Section B of the PES Form. Preparation of a separate technical report for coastal resources is not required. However, other technical reports may be needed to confirm project's consistency with the State Coastal Zone Management Plan. As part of the permitting process, the following technical reports are often used to support the permit application: **water quality reports**, **visual assessments**, **community impact assessments**, **natural environment studies**, **biological assessments**, and **geotechnical reports**. In addition, the permitting agencies will require a copy of the approved final ED as well as

documentation of consultation with resource and regulatory agencies including permits and approvals from these agencies.

Local agencies are responsible for obtaining a Coastal Consistency Determination or Waiver (required under the Federal Coastal Zone Management Act) from the California Coastal Commission (CCC). However, in order to obtain the consistency determination/waiver, the local agency must demonstrate that the project is consistent with the California Coastal Act and any Local Coastal Plan (LCP). The CCC Consistency Office will require a Coastal Development Permit (CDP) from the Local Coastal Agency (LCA), or at least a letter documenting consistency with the LCP before they will provide a consistency determination/waiver. Check Coordination boxes next to LCA and CCC (Federal Consistency Office) under Section C and check Action/Permit/Approval box next to CDP and Coastal Zone Consistency Determination under Section D of the PES Form.

Projects located within the San Francisco Bay Area and involving the construction, remodel or repair of structures, or the dredging or extraction of materials from within the San Francisco Bay, or in certain tributaries that flow into the Bay will also need to obtain a Bay Conservation and Development Commission (BCDC) permit prior to commencing any work within BCDC's jurisdiction. Check Coordination with BCDC under Section C of the PES Form and check BCDC Permit under Section D of the PES Form.

Projects located within coastal areas outside San Francisco Bay will need to obtain a Coastal Zone Permit from the CCC prior to commencing any work within CCC's jurisdiction. Check Coordination with CCC under Section C of the PES Form and check Coastal Zone Permit under Section D of the PES Form.

Consult with the DLAE and District SEP (or designee) to determine the best course of action.

Refer to the SER, Chapter 18, for additional guidance on compliance in Coastal Zone areas, at:

http://www.dot.ca.gov/ser/vol1/sec3/special/ch18coastal/chap18.htm

Floodplain

13. Is the construction area located within a regulatory floodway or within the base floodplain (100-year) elevation of a watercourse or lake?

Check current Federal Management Agency (FEMA) maps and current National Flood Insurance Program (NFIP) maps available from public libraries, State Department of Water Resources, city and county flood control managers, or public works departments.

Will the project encroach on the base (100 year) floodplain? If "No," check the "No" box next to Question #13 in Section A of the PES Form. Attach a copy of relevant FEMA or NFIP map, showing location of project. In the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form," cite FEMA and/or NFIP map number and date. Also indicate whether or not all work will occur within existing right of way.

If "Yes," or "To Be Determined," check the appropriate box next to Question #13 in Section A of the PES Form. Further study will be required to determine if the action would support base floodplain development and/or if the action will involve any work permanently encroaching on a regulatory floodway, or if the action will involve any work affecting the base floodplain (100-year) elevations of a watercourse or lake. Check Location Hydraulic Study under Section B of the PES Form. The conclusion of the Location Hydraulic Study will determine whether a Floodplain Evaluation Report or a Summary of Floodplain Encroachment Report will be needed.

The Location Hydraulic Study shall be prepared in accordance with guidance set forth in the SER, Chapter 17, "Floodplains," provided at:

http://www.dot.ca.gov/ser/vol1/sec3/special/ch17flood/chap17.htm

Wild and Scenic Rivers

14. Is the project within or immediately adjacent to a Wild and Scenic River System?

Look up the river on the following web site to determine if it is designated wild and scenic. Consider the project's proximity to these rivers. *(Note: Designation protects river and a 0.25-mile corridor from development. Consider whether the action involves any construction in, across, or adjacent to a river, designated as a component of, or proposed for inclusion in the National System of Wild and Scenic Rivers published by the U.S. Department of the Interior/U.S. Department of Agriculture.)*

If "No," check the "No" box next to Question #14 in Section A of the PES Form. In the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form" indicate in miles of closest designated Wild and Scenic River. When the project is in the general vicinity of a Wild and Scenic River, indicate that the project is not within the 0.25-mile protected corridor. Attach Regional Map showing project's relation to river in question.

If "Yes," or "To Be Determined," check the appropriate box next to Question #14 in Section A of the PES Form. Further study will be required to determine if the construction, operation or maintenance of the project will affect the river and whether the effect will be significant. Check Wild and Scenic Rivers Study under Section B, coordination with River Managing Agency under Section C, and Wild and Scenic Rivers Determination under Section D of the PES Form.

Consult with the DLAE and District SEP (or designee) to determine the level of analysis that will be necessary based on the potential for impact.

The Wild and Scenic River Studies shall be undertaken in accordance with guidance set forth in the SER, Chapter 19, "Wild and Scenic Rivers," provided at:

http://www.dot.ca.gov/ser/vol1/sec3/special/ch19wsrivers/chap19.htm

Early coordination with the River Managing Agency is strongly encouraged to expedite the Wild and Scenic Rivers Determination.

Biological Resources

15. Is there a potential for federally listed threatened or endangered species or their designated critical habitat to occur within or adjacent to the construction area? Note: The Federal Endangered Species Act, Sections 7, 9 and 10 protect federally listed threatened and endangered species and their designated critical habitat.

Consult the U.S Fish and Wildlife Service (USFWS), Division of Endangered Species web site (http://www.fws.gov/endangered/listdata.html) to determine whether there are any federally listed threatened or endangered species, or their designated critical habitat in the county within which the project is located.

If "No," check the "No" box next to Question #15 in Section A of the PES Form and request the Caltrans District Biologist prepare a finding of "No Effect" for the project file.

If "To Be Determined," check the "To Be Determined" box next to Question #15 in Section A of the PES determining if there is a potential for federally listed plant and animal species and/or their critical habitat to occur within the project area. *Note: Caltrans staff assistance will depend on current workload and staff availability. When Caltrans District Biologists are not available, the local agency will need to retain a qualified biologist to survey the project area and prepare a Technical Memo summarizing the following:*

- Description of project setting
- USFWS list of the federally listed plant and animal species and their critical habitat occurring within the county
- Brief discussion of the habitat needs of each species on the list
- General reconnaissance survey notes and conclusion as to whether or not any of the species on the USFWS list exist or could occur within the project area

- Caltrans District Biologists will review the Technical Memo, when appropriate, make a finding of "No Effect"

If "Yes," or "To Be Determined," check the appropriate box next to Question #15 in Section A of the PES Form. Further study will be required. Check the appropriate technical report (NES or BA) under Section B of the PES Form. Consult with the DLAE and the District SEP (or designee) to determine the appropriate study based on the potential for impact(s). When a NES or NES (Minimal Impacts) is required, encircle the appropriate one in Section B, check coordination with Caltrans under Section C, and check Approval by Caltrans under Section D. When a BA is required, encircle the appropriate study under Section B, check coordination with Caltrans under Section C, and check approval for consultation by Caltrans under Section D. For BAs and BEs for federal-listed plants, animals or their critical habitat, check coordination with USFWS under Section C and Section 7 Informal/Formal Consultation under Section D. For BAs for federal-listed species protected by the NOAA, NMFS, check coordination with NOAA Fisheries under Section C.

Consult the following web sites to determine if the project has the potential to affect fish species covered by a Fisheries Management Plan at:

http://www.nmfs.noaa.gov/habitat/efh/Consultation/TOC.html

http://www.nmfs.noaa.gov/sfa/magact/

If the project has the potential to affect fish species covered by a Fisheries Management Plan, an Essential Fish Habitat (EFH) Evaluation will be required. Check EFH Evaluation under Section B, coordination with NOAA under Section C, and Magnuson-Stevens Fishery Conservation and Management Act (MSA) Consultation under Section D of the PES Form.

If the project will involve pile driving, structure demolition, explosives, or blasting, or will generate other forms of underwater noise, a Bio-Acoustic Evaluation, to assess the effects of this noise or sound pressure levels on fish, diving birds and other underwater species, will be required. Check Bio-Acoustic Evaluation under Section B, coordination with NOAA Fisheries under Section C, and approval by Caltrans under Section D of the PES Form. The NES (Minimal Impacts), NES or BA shall be prepared in accordance with guidance set forth in the SER, Chapter 14, "Biological Resources," provided at:

http://www.dot.ca.gov/ser/vol1/sec3/natural/Ch14Bio/ch14bio.htm

Templates for the NES (Minimal Impacts), NES and BA and Quality Control guidance for Standard Biological Technical Documents and Reports are provided at:

http://www.dot.ca.gov/ser/forms.htm

16. Does the project have the potential to directly or indirectly affect migratory birds or their nests or eggs (such as vegetation removal, box culvert replacement/repair, bridge work etc.)?

Note: The Migratory Bird Treaty Act implements various treaties between the United States and Canada, Mexico, former Soviet Union, Japan protecting migratory birds by making it unlawful at any time, by any means or in any manner, to pursue, hunt, take, capture, or kill said species. The law applies to the removal of nests (such as swallow nests on bridges) occupied by migratory birds during the breeding season.

If "No," check the "No" box next to Question #16 in Section A of the PES Form. No further study is required.

If "Yes," or "To Be Determined," check the appropriate box next to Question #16 in Section A of the PES Form and indicate under Section B of the PES Form that a NES (Minimal Impacts), NES, BA or BE will be prepared.

Coordinate with Caltrans District Biologist under Sections C & D.

The NES (Minimal Impacts), NES, BE or BA shall be prepared in accordance with guidance set forth in the SER, Chapter 14, "Biological Resources," provided at:

http://www.dot.ca.gov/ser/vol1/sec3/natural/Ch14Bio/ch14bio.htm

17. Is there a potential for wetlands to occur within or adjacent to the construction area?

Begin by reviewing National Wetland Inventory (NWI) maps available through the appropriate Natural Resource Conservation Service (NRCS) field office(s). Where NWI maps indicate a potential for wetlands, a biologist, or someone with knowledge of wetlands should field review the project area. If a biologist is not available, photos of the project area should be taken and submitted with the completed PES Form. Is there potential for wetlands?

If "No," check the "No" box next to Question #17 in Section A of the PES Form. No further study is needed. Indicate the soil classification in the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form." Attach a copy of the relevant NWI map, showing location of project relative to wetland designations and include any field notes from the site visit and photographs of project area with project limits delineated.

If "Yes," or "To Be Determined," check the appropriate box next to Question #17 in Section A of the PES Form. Further study will be required to determine the exact boundary of the wetland (based on the ACOE three-parameter definition 330 CFR 323.2[c]), and to quantify the project related impacts on the wetland. Check Wetlands and Wetland Delineation (WD) and Assessment under Section B, check coordination with Caltrans and USACE under Section C, and check approval of assessment by Caltrans, Wetland Verification by USACE, and Wetlands Only Practicable Alternative Finding by Caltrans under Section D.

The Wetland Delineation shall be prepared in accordance with guidance set forth in the SER, Chapter 15, "Wetlands and Other Waters of the U.S.," provided at:

http://www.dot.ca.gov/ser/vol1/sec3/natural/ch15wetland/ch15wet.htm

18. Is there a potential for agricultural wetlands to occur within or adjacent to the construction area?

Note: The 404 Regulatory Program covers discharges of dredged or fill material to wetlands on agricultural lands and requires authorization by the ACOE (either an individual permit or NWP) unless the activity has a CWA statutory exemption, or the area is prior converted cropland. Field staff of the NRCS determines whether an agricultural site is a wetland.

Review relevant maps and information available from the appropriate National Resources Conservation Service field office to determine if any agricultural wetlands are present within the project area.

If "No," check the "No" box next to Question #18 in Section A of the PES Form. No further study is needed. Indicate the types of land uses immediately surrounding the project area and whether all work will occur

within existing right of way, etc., in the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form." Attach a copy of any field notes from the site visit and/or any photographs of project area with project limits delineated.

If "Yes," or "To Be Determined," check the appropriate box next to Question #18 in Section A of the PES Form. Further study will be required to determine the exact boundary of the agricultural wetland (based on the ACOE three-parameter definition 33 CFR 323.2[c]) and to quantify the project related impacts on the agricultural wetland. Check Wetlands and Wetland Delineation (WD) and Assessment under Section B, check coordination with Caltrans and NRCS under Section C, check approval of the WD and Assessment by Caltrans and Agricultural Wetland Verification by NRCS under Section D.

The WD shall be prepared in accordance with guidance set forth in the SER, Chapter 15, Wetlands and Other Waters of the U.S., provided at:

http://www.dot.ca.gov/ser/vol1/sec3/natural/ch15wetland/ch15wet.htm

19. Is there a potential for the introduction or spread of invasive plant species?

Note: Presidential Executive Order 13112 prohibits the use of federal-aid for construction, revegetation or landscaping activities that purposely include the use of known invasive plant species. This Order is concerned with plant material being used in revegetation, and with the spread of invasive from or to a project area. If the project area is infested with Star Thistle, for example, the project needs to include measures to ensure that material is not being spread to other areas by disposal off-site or by tracking seed on equipment. Also, if

equipment/material is being brought in from areas of invasive plants, this must be identified to ensure that invasive plants are not inadvertently being spread to the project area.

Review the California official noxious weed list and the California Invasive Plant Council (Cal-IPC) Invasive Plant Inventory at: http://www.cal-ipc.org/ to determine if invasive plants are in the project area, or if any plants proposed for project landscaping are included on the list.

If "No," check the "No" box next to Question #19 in Section A of the PES Form. No further action regarding invasive plants is needed. In the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form" clearly state that the project will not involve construction, revegetation or landscaping activities that use known invasive plant species. If landscaping is proposed, list plant species proposed for use, or if invasive plants exist within the project area, list those plants in the "Preliminary Environmental Investigations Notes to Support the Conclusions of the PES Form."

If "Yes," or "To Be Determined," check the appropriate box next to Question #19 in Section A of the PES Form. Check "Invasive Species" and "Discussion in ED Only" under Section B, check coordination with Caltrans in Section C, and check "Approval" (of Discussion in ED) under Section D. If an NES is being prepared for impacts to biological species, noxious weed management and invasive species would be addressed in the NES. An NES template is provided at:

http://www.dot.ca.gov/ser/vol1/sec3/natural/Ch14Bio/files/nes_10_4_05.doc

Sections 4(f) and 6(f)

20. Are there any historic sites or publicly owned public parks, recreation areas, wildlife or waterfowl refuges (Section 4(f)) within or immediately adjacent to the construction area?

Review right of way and parcel maps prior to conducting a site visit to determine property ownership. During the site visit note all land uses surrounding the project limits. If "No," check the "No" box next to Question #20 in Section A of the PES Form. No further study is needed. In the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES" list all surrounding land uses. Attach Project Footprint Map.

If "Yes," or "To Be Determined," check the appropriate box next to question #20 in Section A of the PES Form. Further study will be required. Check Section 4(f) in Section B and write in specific Programmatic Section 4(f) Evaluation, if applicable. Consult with the DLAE and District SEP (or designee) to determine whether a Programmatic Section 4(f) Evaluation, or an Individual Section 4(f) Evaluation is appropriate, or if the action constitutes a Temporary Occupancy, or qualifies for a de minimis finding. Programmatic and Individual Section 4(f) Evaluations shall be prepared.

Do not begin the Section 4(f) Evaluation until after the PES Form is fully signed. The consultant contract for the Evaluation shall be prepared in accordance with guidance and procedures set forth in the LAPM, Chapter 10, "Consultant Selection," provided at:

http://www.dot.ca.gov/hq/LocalPrograms/lam/prog_p/p10consult.pdf

Guidance on determining de minimis impacts to Section 4(f) properties, or on preparing an Individual Section 4(f), or one of the five (5) Programmatic Section 4(f) Evaluations:

- Parklands, Recreation Areas and Wildlife and Waterfowl Refuges
- Minor Involvement with Historic Sites
- Historic Bridges
- Bikeways and Walkways
- Projects that have a Net Benefit to Section 4(f) properties

Refer to SER, Chapter 20, Section 4(f) and Related Requirements, at:

http://www.dot.ca.gov/ser/vol1/sec3/special/ch204f/chap20.htm

21. Does the project have the potential to affect properties acquired or improved with Land and Water Conservation Fund Act (Section 6(f)) funds?

Review right of way and/or parcel maps prior to conducting a site visit to determine if there are any parks adjacent to, or that would be affected by the project. In order to determine whether Land and Water Conservation Fund (L&WCF) were involved in the acquisition or improvement of a 4(f) property, the park authority having jurisdiction over the property should be interviewed.

If "No," check the "No" box next to Question #21 in Section A of the PES Form. No further study is needed. In the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form" list all surrounding land uses. When one of the surrounding land uses is a park, identify ownership.

If "Yes," *(L&WCF funds were utilized for acquisition or improvement),* further study will be needed and all practical alternatives to the proposed conversion must be evaluated.

Check the "Yes," or "To Be Determined," box next to Question #21 in Section A of the PES Form. Check Section 6(f) in Section B, check coordination with Agency with Jurisdiction under Section C, and if the project will result in the conversion of the Section 6(f) property, check coordination with National Park Service (NPS) under Section C, and check Approves Conversion under Section D. The NPS Regional Office must concur that all environmental review requirements related to the proposed project have been met.

Section 6(f) study procedures are outlined in the SER, Chapter 20, provided at:

http://www.dot.ca.gov/ser/vol1/sec3/special/ch204f/chap20.htm#consider

Approval of a Section 6(f) conversion/replacement property shall be documented in the Section 4(f) Evaluation and Environmental Document.

Visual Resources

22. Does the project have the potential to affect any visual or scenic resources?

Refer to the Visual Impact Assessment (VIA) Guide in the SER, provided at:

http://www.dot.ca.gov/ser/vol1/sec3/community/ch27via/VIAChecklistGuidefinal.doc

Consider each of the ten (10) questions and select the response that most closely applies to the project in question. *Refer to Preliminary Design Information provided on the first page of the PES Form when answering questions.* Each response has a corresponding point value. After the checklist is completed the total score will indicate the potential for impact and the level of detail needed to adequately address visual impacts in the PES Form.

Note: This scoring system should only be used as a preliminary guide and should not be used as a substitute for objective analysis on the part of the user. Although the collective score may direct the user toward a certain level of analysis, circumstances associated with any one of the ten question-areas may necessitate elevating the VIA to a greater level of detail.

Scores between 10-14 indicate a low potential for the project to affect a visual or scenic resource. If this is the case, check the "No" box next to Question #22 in Section A of the PES Form. No further study is needed. In the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form" briefly summarize the outcome of the ten (10) questions or attach a copy of the questions.

If "Yes," or "To Be Determined," check the appropriate box next to Question #22 in Section A of the PES Form and indicate under Section B of the PES Form whether a VIA Technical Memorandum or Discussion in the ED will be prepared. Refer to the scores from the ten (10) questions when determining which level of analysis is appropriate based on the potential for impact.

- Score 20-30 – potentially high adverse impacts, prepare VIA
- Score 15-19 – potential impacts, prepare abbreviated VIA
- Score 10-14 – little or no potential for impacts, prepare Technical Memorandum or Discussion in the ED.

When a VIA is needed, indicate Coordination with Caltrans in Section C of the PES Form, and Approval by Caltrans under Section D of the PES Form.

The VIA shall be prepared in accordance with guidance provided in the SER, Chapter 27, "Visual and Aesthetics Review," at:
http://www.dot.ca.gov/ser/vol1/sec3/community/ch27via/chap27via.htm#eval

Keep in mind that the Administration has determined (23 CFR 771.135, Section 4[f] [49 U.S.C. 303]) that a Section 4(f) Constructive Use occurs when: (ii) The proximity of the proposed project substantially impairs aesthetic features or attributes of a resource protected by Section 4(f), where such features or attributes are considered important contributing elements to the value of the resource. Examples of substantial impairment to visual or aesthetic qualities would be the location of a proposed transportation facility in such proximity that it obstructs or eliminates the primary views of an architecturally significant historical building, or substantially detracts from the setting of a park or historic site which derives its value in substantial part due to its setting.

Relocation Impacts

23. Will the project require the relocation of residential or business properties?

Note: The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 provides important protections and assistance for people affected by federally funded projects. This law was enacted by Congress to ensure that people whose real property is acquired, or who move as a result of projects receiving federal funds, will be treated fairly and equitably and will receive assistance in moving from the property they occupy. Responsibility for the enforcement of this Act has been delegated to the FHWA and is carried out by the Office of Real Estate Services. Title 49: Transportation, Part 24—Uniform Relocation Assistance And Real Property Acquisition For Federal and Federally Assisted Programs, Section 24.205, Relocation Planning, Advisory Services and Coordination, requires that during the early stages of development, an agency shall plan federal and Federally Assisted Programs or projects in such a manner that recognizes the problems associated with the displacement of individuals, families, businesses, farms, and nonprofit organizations and develop solutions to minimize the adverse impacts of displacement. Such planning, where appropriate, shall precede any action by an agency which will cause displacement, and should be scoped to the complexity and nature of the anticipated displacing activity including an evaluation of program resources available to carry out timely and orderly relocations.

Will the project require the relocation of residential or business properties?

If "No," check the "No" box next to Question #23 in Section A of the PES Form. No further study is needed.

If "Yes," or "To Be Determined," check the appropriate box next to Question #23 in Section A of the PES Form. Under Section B of the PES Form indicate whether a Relocation Impact Memo, Relocation Impact Study or Relocation Impact Report will be prepared. Consult with the DLAE and District SEP (or designee) when determining which level of analysis will be necessary based on the scope of the project. Indicate coordination with and approval by Caltrans under Section C and P of the PES Form.

The Relocation Impact Study or Report shall be prepared in accordance with guidance provided in the SER, Chapter 24, "Community Impacts," at:

http://www.dot.ca.gov/ser/vol1/sec3/community/ch24cia/chap24cia.htm#laws

Land Use, Community and Farmland Impacts

24. Will the project require any right of way, including partial or full takes? Consider construction easements and utility relocations.

Note: As mentioned earlier, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 provides important protections for people whose real property is acquired as a result of projects receiving federal funds.

If "No," check the "No" box next to Question #24 in Section A of the PES Form. Also check "No" next to Right of Way Acquisition under Preliminary Design Information on the first page of the PES Form.

In the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form" indicate that "all work (i.e., trenching, slope stabilization, etc.), if applicable, will occur within existing right of way" next to #23.

If "Yes," or "To Be Determined," check the appropriate box next to Question #24 in Section A of the PES Form. Further study will be needed. Indicate under Section B of the PES Form whether a Community Impact Assessment (CIA), Technical Memorandum, or Discussion in ED Only will be prepared. Consult with the DLAE and District SEP (or designee) when determining which level of analysis is appropriate based on scope of project and potential for impacts. Under Sections C & D of the PES Form indicate that coordination with and approval by Caltrans will be required.

On the first page of the PES Form, under Preliminary Design Information, check the "Yes" box next to Right of Way Acquisition and attach a map showing all affected APNs. On the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form" indicate the total acreage to be acquired and the purpose for the acquisition next to Question #23.

The Relocation Impact Study or Report shall be prepared in accordance with guidance provided in the SER, Chapter 24, "Community Impacts," at:

http://www.dot.ca.gov/ser/vol1/sec3/community/ch24cia/chap24cia.htm#laws

Note: 23 CFR 771.111(h)(2)(iii) requires one or more public hearings or the opportunity for a public hearing for any federal-aid project which requires significant amounts of right of way, substantially changes the layout or functions of connecting roadways, or if the facility being improved has a substantial adverse impact on abutting properties.

25. Is the project inconsistent with plans and goals adopted by the community?

Note: NEPA requires that when a proposed federal action, normally classified as a CE, involves an unusual circumstance, such as "…likely to cause substantial division or disruption of an established community, disrupt orderly and planned development, or is likely to be not reasonably consistent with plans or goals that have been adopted by the community…," the project shall be the subject of an EA or EIS.

Check comprehensive development plan, general plan and/or community plan and goals adopted by the community. Is project inconsistent?

If "No," check the "No" box next to Question #25 in Section A of the PES Form. No further study is needed. In the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form" indicate steps taken to ensure consistency with local plans.

If "Yes," or "To Be Determined," check the appropriate box next to Question #25 in Section A of the PES Form. Additional study will be needed. Under Section B, Land Use and Community Impacts, indicate whether a CIA, Technical Memorandum, or Discussion in ED Only will be prepared. Consult with the DLAE and District SEP (or designee) when determining which level of analysis will be necessary based on the scope of the project and potential for impact.

The CIA shall be undertaken in accordance with guidance provided in the SER, Chapter 24, "Community Impacts," at:

http://www.dot.ca.gov/ser/vol1/sec3/community/ch24cia/chap24cia.htm#laws

26. Does the project have the potential to divide or disrupt neighborhoods/communities?

Note: The U.S. DOT Order clarifies and reinforces Title VI responsibilities as well as addresses effects on low-income populations. The goal of the U.S. DOT Order is to ensure that programs, policies, and other activities do not have a disproportionately high and adverse effect on minority or low-income populations. This goal is to be achieved, in part, by implementing both Title VI and NEPA during the development and implementation of transportation activities. All reasonably foreseeable adverse social, economic, and environmental effects on minority populations and low-income populations must be identified and addressed. As defined in the Appendix of the DOT Order, adverse effects include, but are not limited to the "destruction or disruption of community cohesion or a community's economic vitality."

Consult demographic data (i.e., age, ethnicity, and income) from most recent census, consider:

- sense of neighborhood and community cohesion relative to project
- community resources (parks, churches, shopping, schools, emergency services, libraries) travel patterns
- types of housing and businesses
- employment and tax base

Does the project have the potential to divide or disrupt neighborhoods?

If "No," check the "No" box next to Question #26 in Section A of the PES Form. No further study is needed. In the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form" briefly describe the steps taken to support a "No" answer and briefly describe surrounding land uses.

If "Yes," or "To Be Determined," check the appropriate box next to Question #26 in Section A of the PES Form. Additional study will be needed. Under Section B, Land Use and Community Impacts, indicate whether a CIA, Technical Memorandum, or Discussion in ED Only will be prepared. Consult with the DLAE and District SEP (or designee) when determining the most appropriate level of analysis based on the scope of the project and potential for impact.

The CIA shall be undertaken in accordance with guidance provided in the SER, Chapter 24, Community Impacts, at:

http://www.dot.ca.gov/ser/vol1/sec3/community/ch24cia/chap24cia.htm#laws

27. Does the project have the potential to disproportionately affect low-income or minority populations?

Note: The U.S. DOT Order clarifies and reinforces Title VI responsibilities as well as addresses effects on low-income populations. The goal of the U.S. DOT Order is to ensure that programs, policies, and other activities do not have a disproportionately high and adverse effect on minority or low-income populations. This goal is to be achieved, in part, by implementing both Title VI and NEPA during the development and implementation of transportation activities. When the project will affect a Minority or Low-Income Community, Presidential E.O. 12898 (on Environmental Justice) requires federal agencies to assure that their actions do not result in disproportionate adverse environmental impacts on minority or low-income populations.

Check the Census to see which census tracts the project goes through and see if they are identified as "minority" or "low-income".

If the project does not go through "minority" or "low-income" census tracts, no further study will be needed. Check the "No" box next to Question #27 in Section A of the PES Form. In the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form" state the date of the Census consulted.

If the project does go through "minority" or "low-income" census tracts, then further study may be required. Check the "Yes" or "To Be Determined" box next to Question #27 in Section A of the PES Form and consult with the DLAE and District SEP (or designee) to determine the appropriate level of analysis needed based on the scope of the project and the potential for impact. Under Sections C and D of the PES Form, indicate that coordination with Caltrans and approval by Caltrans is required.

The CIA shall be undertaken in accordance with guidance provided in the SER, Chapter 24, "Community Impacts," at:

http://www.dot.ca.gov/ser/vol1/sec3/community/ch24cia/chap24cia.htm#laws

28. Will the project require the relocation of public utilities?

Note: Relocation of public utilities can disrupt public services to an established community. NEPA requires consideration of impacts associated with disruption of established communities. Additionally, the LAPM, Chapter 14, "Utility Relocations," requires that the E-76 include a list of every utility facility anticipated to be adjusted along with the utility company name and best available estimate of the total local agency costs involved.

Review public services and utilities presently available to the project area and determine whether relocation will be necessary.

If "No," check the "No" box next to Question #28 in Section A of the PES Form. If "Yes," or "To Be Determined," check the appropriate box next to Question #28 in Section A of the PES Form. Under Section B indicate whether a CIA, Technical Memorandum or Discussion in ED Only will be prepared. Consult with the DLAE and District SEP (or designee) when determining the appropriate level of analysis based on the scope of the project and the potential for impact. Under Sections C and D of the PES Form, indicate that coordination with Caltrans and approval by Caltrans is required.

The CIA shall be undertaken in accordance with guidance provided in the SER, Chapter 24, "Community Impacts," at:

http://www.dot.ca.gov/ser/vol1/sec3/community/ch24cia/chap24cia.htm#laws

29. Will the project affect access to properties or roadways?

Note: 23 CFR 771.111(h)(2)(iii) requires consideration of potential impacts associated with any federal-aid project which substantially changes the layout or functions of connecting roadways or of the facility being improved, or has a substantial adverse impact on abutting properties. One or more public hearings of the opportunity for a public hearing may be required when substantial adverse impacts result.

If "No," check the "No" box next to Question #29 in Section A of the PES Form. No further study will be needed. In the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form," briefly list adjacent land uses and proposed access to those land uses during project construction.

If "Yes," or "To Be Determined," check the appropriate box next to Question #29 in Section A of the PES Form. Under Section B, indicate whether a CIA, Technical Memorandum or Discussion in ED Only will be prepared. Consult with the DLAE and District SEP (or designee) when determining the appropriate level of analysis based on the scope of the project and the potential for impact. Under Sections C and D of the PES Form, indicate that coordination with Caltrans and approval by Caltrans is required.

The CIA shall be undertaken in accordance with guidance provided in the SER, Chapter 24, "Community Impacts," at: http://www.dot.ca.gov/ser/vol1/sec3/community/ch24cia/chap24cia.htm#laws

Keep in mind that the Administration has determined (23 CFR 771.135, Section 4[f][49 U.S.C. 303]) that a Section 4(f) Constructive Use occurs when: (iii) the project results in a ***restriction on access,*** *which substantially diminishes the utility of a significant publicly owned park, recreation area, or a historic site.*

30. Will the project involve changes in access control to the State Highway System?

Note: 23 CFR 771.117 includes in the definition of an "Action" activities such as joint and multiple use permits and changes in access control which may or may not involve a commitment of federal funds.

A change in access control can come about from either:

- New connection to mainline freeway lanes.
- Addition of entrance or exit ramps that complete basic existing interchange.
- Major reconstruction where existing interchanges are being modified and/or dislocated ramps are being added or deleted.
- Removal of existing connection points.

Where the change in access control occurs on an interstate, FHWA concept approval will be needed. Where the change in access control occurs on a non-interstate, no FHWA involvement is needed.

If the project will not involve a change in access control to the SHS, check the "No" box next to Question #30 in Section A of the PES Form. No further study is needed. Briefly discuss project's location relative to the SHS in the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form." Include a Vicinity Map to showing the project's relationship to the SHS.

If the project will involve a change in access control, check the "Yes" or "To Be Determined" box next to Question #30 as appropriate in Section A of the PES Form and consult the DLAE regarding the process for obtaining FHWA concept approval.

31. Will the project involve the use of a temporary road, detour, or ramp closure?

If "No," check the "No" box next to Question #31 in Section A of the PES Form. No further study is needed.

If "Yes," or "To Be Determined," check the appropriate box next to Question #31 in Section A of the PES Form. Additional study will be needed to determine whether:

- Provisions have been made for access by local traffic.
- Through-traffic dependent business will be adversely affected.
- The detour or ramp closure will interfere with a local special event or festival.
- The temporary road, detour or ramp closure will substantially change the environmental consequences of the action.
- There is a substantial controversy associated with the temporary road, detour or ramp closure.

Under Section B of the PES Form, indicate whether a CIA, Technical Memorandum or Discussion in ED Only will be prepared. Consult with the DLAE and District SEP (or designee) when determining the appropriate level of analysis based on the scope of the project and the potential for impact. Under Sections C and D of the PES Form indicate that coordination with Caltrans and approval by Caltrans is required.

The CIA shall be undertaken in accordance with guidance provided in the SER, Chapter 24, "Community Impacts," at:

http://www.dot.ca.gov/ser/vol1/sec3/community/ch24cia/chap24cia.htm#laws

Keep in mind that the Administration has determined (23 Section 4[f] [49 U.S.C. 303]) that a Section 4(f) Constructive Use occurs when: (iii) the project results in a restriction on access which substantially diminishes the utility of a significant publicly owned park, recreation area, or a historic site.

32. Will the project reduce available parking?

If "No," check the "No" box next to Question #32 in Section A of the PES Form. In the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form" briefly describe parking within the construction area and quantify the number of parking spaces that will be temporarily impacted during project construction. Delineate location of parking spaces on Project Footprint Map.

If "Yes," or "To Be Determined," check the appropriate box next to Question #32 in Section A of the PES Form. Further study will be required. Under Section B of the PES Form, indicate whether a CIA, Technical Memorandum or Discussion in ED Only will be prepared. Consult with the DLAE and District SEP (or designee) when determining the appropriate level of analysis based on the scope of the project and the potential for impact. Under Sections C and D of the PES Form, indicate that coordination with Caltrans and approval by Caltrans is required.

The CIA shall be undertaken in accordance with guidance provided in the SER, Chapter 24, "Community Impacts," at:

http://www.dot.ca.gov/ser/vol1/sec3/community/ch24cia/chap24cia.htm#laws Section 4-6.7 of the *Environmental Handbook Volume 4*, "Community Impact Assessment" provides guidance on Parking Impacts at: http://www.dot.ca.gov/ser/vol4/envhb4.pdf

33. Will the project construction encroach on state or federal lands?

If "No," check the "No" box next to Question #33 in Section A of the PES Form.

If "Yes," or "To Be Determined," check the appropriate box next to Question #33 in Section A of the PES Form. For Construction/Encroachments on State Lands, check the box next to State Lands under Section B of the PES Form and indicate the agency with jurisdiction (i.e., SLC, Caltrans, or SP), check coordination with the respective agency under Section C, and mark the appropriate box under Section D indicating the action that the agency will take.

For Construction/Encroachments on Federal Lands, check the box next to Federal Lands under Section B of the PES Form. Under Section C, check the box next to Federal Agency with Jurisdiction, indicating the need for ongoing coordination throughout the NEPA process. Under Section D check the box beside Encroachment Permits, indicating the action the federal agency with jurisdiction will take.

Note: Early and continued coordination with other agencies is crucial for smoothing the process of completing projects in a timely and efficient manner. Chapter 16 of the FHWA, Office of Real Estate Services Project Development Guide, provides guidance on coordination with other state and federal agencies. The guide is provided at:

http://www.fhwa.dot.gov/realestate/coordnt.pdf

34. Will the project convert any farmland to a different use or impact any farmlands?

Consult maps provided at: http://www.consrv.ca.gov/DLRP/fmmp/pubs/Order%20Form_1-4-07.pdf

If "No," check the "No" box next to Question #34 in Section A of the PES Form. No further study will be needed. List surrounding land uses in the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form" or attach field notes from site visit, indicating surrounding land uses (i.e., farmlands).

If "Yes," or "To Be Determined," check the appropriate box next to Question #34 in Section A of the PES Form. Further study will be required. Check the appropriate study to be undertaken (i.e., CIA, Technical Memorandum, Discussion in ED Only, Form AD 1006). Consult with the DLAE and District SEP (or designee) when determining the appropriate level of analysis.

No technical reports are mandated by state or federal law concerning farmlands. However, it may be appropriate to prepare a separate CIA if any farmland will be affected by the proposed project. Guidance on preparing the farmland section of a CIA is provided at: http://www.dot.ca.gov/ser/vol1/sec3/community/ch23farm/chap23farm.htm. Otherwise, a Technical Memorandum and/or Discussion in the ED Only addressing the following should suffice: (1) Identification of impacts on agricultural lands and on prime or unique farmland in the project area; (2) Form AD-1006 evaluation, if appropriate; (3) Evidence of coordination with USDA and/or California Department of Conservation (CDOC), as appropriate; and (4) Identification of possible mitigation measures for significant impacts. Under Section C of the PES Form check coordination with Caltrans, NRCS or CDOC and under Section D check action the respective agency will take.

Local agency should complete Parts I and III of U.S. Department of Agriculture Form AD 1006, "Farmland Conversion Impact Rating," and submit it with maps showing location of alternatives to the appropriate Natural Resources Conservation Service field office for verification of prime and unique farmlands.

Are lands subject to the Farmland Protection Policy Act? If "No," no further study will be required. If "Yes," any conversions to non-agricultural use will require coordination with the ACOE. Check coordination with ACOE under Section C of the PES Form. Document results of the Form AD 1006 in the "Preliminary Environmental Investigation Notes to Support the Conclusions of the PES Form."

Note: Regarding the Farmland Conversion Impact Rating Form (AD–1006), sites with the highest combined scores are regarded as most suitable for protection and sites with the lowest scores, least suitable. Sites receiving a total score of less than 160 need not be given further consideration for protection and no additional sites need to be evaluated. Sites receiving scores totaling 160 or more shall be given increasingly higher levels of consideration for protection.

Cultural Resources

35. Is there National Register listed or potentially eligible historic properties or archaeological resources within or immediately adjacent to the construction area?

All federal-aid transportation projects require screening by a District Professionally Qualified Staff (PQS) in order to satisfy the requirements of Section 106 Programmatic Agreement, which became effective on January 1, 2004.

For this reason, there is no need for local agencies to undertake any research on the potential presence of historic or cultural resources unless advised to do so by the District PQS. A completed PES Form (including a detailed Project Description, Preliminary Design Information and Sections A and B) is needed by the PQS in order to perform the Section 106 screening.

The District PQS will indicate on the PES Form whether a record search, an APE map or technical studies are needed. The local agency should not initiate cultural studies until such time that the District PQS has determined the appropriate study areas for archaeology and historic architecture. The APE must be finalized and signed by the DLAE and District PQS prior to the completion and submittal of the Section 106 documentation. The local agency should request the DLAE to schedule an Early Coordination Meeting to discuss required format and content of required cultural reports.

36. Is the project adjacent to, or would it encroach on Tribal Land?

Note: In accordance with the 6004 MOU and Section 106 PA, the FHWA reserves any responsibility for all government-to-government consultation with Indian tribes as defined in 36 CFR 800.16(m). However, notice from the State to an Indian tribe advising the tribe of a proposed activity is not considered "government-to-government consultation" within the meaning of this MOU.

If the State adequately resolves any project-specific tribal issues or concerns, then the FHWA's role in the environmental process shall be limited to carrying out any government-to-government consultation process, if needed.

If "No," check the "No" box next to Question #36 in Section A of the PES Form. No further coordination is needed.

If "Yes," or "To Be Determined," check the appropriate box next to Question #36 in Section A of the PES Form and consult with the DLAE, District SEP (or designee) and District PQS on the most current procedures/guidance pertaining to encroachments on Tribal Land. Provide to the FHWA any information necessary in order for the FHWA to carry out its consultation, evaluation, or decision-making activities stipulated in the 6004 MOU, Section II(B)(1).

Sections B, C, & D

Section B: Section C: Section D: Check action, approval or permit coordinating agency will provide.

B. Required Technical Studies and Analyses

Local agency considers the results of the preliminary environmental investigation and the responses to the questions under Section A of the PES Form. Additional technical studies or documentation will be necessary for each "Yes" or "To Be Determined" response in Section A. Consult with the DLAE and District SEP (or designee) when determining the appropriate level of analysis under Section B.

C. Coordination

Local agency checks appropriate Coordinating Agency for each required study.

D. Anticipated Actions/Permits/Approvals

The local agency checks action, approval or permit needed. Note that a list of permits is provided at the bottom of Section D. The permit issuing agency will be the Coordinating Agency (in Section C) listed adjacent to the permit (in Section D). Consult the *California Permit Handbook*.

E. Preliminary Environmental Document Classification (for NEPA)

Based on the answers provided in Section A through D of the PES Form, the local agency makes a preliminary recommendation as to the appropriate NEPA class of action.

Environmental Impact Statement: When the action has the potential to significantly affect the environment an EIS should be prepared. Examples of actions that normally require an EIS include:

- a new controlled access freeway
- a highway project of four or more lanes on a new location
- new construction or extension of fixed rail transit facilities

- new construction or extension of a separate roadway for buses or high occupancy vehicles not located within an existing highway facility

Complex Environmental Assessment: An action involving one or more of the following should be classified as a Complex EA:

- multiple location alternatives
- debate related to purpose and need
- strong public controversy
- issues of logical termini or independent utility
- individual Section 4(f) determinations
- complex Endangered Species Act issues
- numerous cumulative impacts
- high mitigation costs

Routine Environmental Assessment: An action that cannot be classified as a CE and yet it does not clearly require preparation of an EIS, or an action in which the significance of the environmental impact is not clearly established.

Categorical Exclusion with or without required technical studies: Review the list of activities provided at 23 CFR 771 (c), 23 CFR 771 (d) and Appendix A of the Section 6004 MOU to find the activity most closely resembling the project. Place a check mark next to the list that contains the similar activity and indicate the specific activity number.

Section 6005

The Section 6005 Pilot Program MOU, in addition to assigning Caltrans the authority to approve EISs and EAs, also assigned Caltrans approval of those CE activities not covered under the provisions of the Section 6004 MOU. The District SEP will ultimately determine the applicable MOU under which the CE determination shall be made.

Public Hearing and Public Availability

Local agency indicates whether a Public Hearing or Public Availability may be required. When determining whether a public hearing is necessary, note that all draft EISs require a public hearing, and NEPA requires a public hearing on EDs when there is:

- Substantial environmental controversy concerning the proposed action.
- Substantial interest in holding a hearing.
- A request for hearing by another agency with jurisdiction over the action.

Public Involvement for other federal environmental processes includes:

- Section 106 - notification to potentially interested parties if the project will affect a historic property
- E.O. 11990 (Wetlands) - a public notice, if the project will affect a wetland
- E.O. 11998 (Floodplain) - a public notice, if the project involves a of floodplain encroachment
- E.O. 12898 (Environmental Justice) - a public notice, if the project will adversely affect a minority or low-income community

G. Signatures:

Local Agency Staff and/or Consultant Signature: This is the name and telephone number of the person that performed the preliminary environmental investigation and completed the PES Form.

Local Agency Project Engineer Signature: This is the name of the local agency representative (typically the person having responsible charge for the project, i.e., Public Works Director or City Engineer). They sign the PES Form when they are satisfied that the form and all supporting documentation is "complete and sufficient."

Caltrans District Professionally Qualified Staff (PQS) Signature: The District PQS will indicate the results of their screening in the PQS signature block of the PES Form, indicate appropriate response to Question 35 under Section B of the PES Form, complete Sections C, D, and E, (regarding Section 106), and sign the PES Form for all projects.

Caltrans District Senior Environmental Planner (or Designee) and DLAE (or Designee) Signatures: A Caltrans District Environmental signature is required on the PES Forms for all projects. Their signature means the submittal is complete and sufficient and that they concur with the studies to be performed and the recommended NEPA Class of Action. The DLAE or designee must also sign all PES Forms when they are satisfied that the form and supporting documentation are complete and sufficient, and when they concur with the studies to be performed and the recommended NEPA Class of Action.

Headquarters Environmental Coordinator Signature: The Headquarters (HQ) DEA (Regional) Environmental Coordinator concurrence is a required attachment to the PES Form when the recommended NEPA Class of Action is an EA or an EIS. The HQ DEA Environmental Coordinator concurrence means that they have reviewed the PES Form and concur with the recommended NEPA Class of Action. The HQ DEA Environmental Coordinator will concur via e-mail to the District SEP (or designee), who shall attach the e-mail to the PES Form and check the box below and enter the date of concurrence on the PES Form.

Distribution: The original signed PES Form and appropriate guidance memo shall be maintained in the DLAE's project file. A copy of the signed PES Form shall be retained by the Local Agency Project Manager, and the District SEP (or designee). Additional copies of the PES Form may be retained by the District SEP (or designee) and the District PQS.

Updated: 05/15/08

EXHIBIT 6-C TABLE 2 -EXEMPT PROJECTS

CODE OF FEDERAL REGULATIONS
TITLE 40 -- PROTECTION OF ENVIRONMENT

§ 93.126 Exempt projects.

Notwithstanding the other requirements of this subpart, highway and transit projects of the types listed in Table 2 of this section are exempt from the requirement to determine conformity. Such projects may proceed toward implementation even in the absence of a conforming transportation plan and TIP. A particular action of the type listed in Table 2 of this section is not exempt if the MPO in consultation with other agencies (see § 93.105(c)(1)(iii)), the EPA, and the FHWA (in the case of a highway project) or the FTA (in the case of a transit project) concur that it has potentially adverse emissions impacts for any reason. States and MPOs must ensure that exempt projects do not interfere with TCM implementation. Table 2 follows:

TABLE 2. -- EXEMPT PROJECTS

SAFETY

Railroad/highway crossing.
Hazard elimination program.
Safer non-Federal-aid system roads.
Shoulder improvements.
Increasing sight distance.
Safety improvement program.
Traffic control devices and operating assistance other than signalization projects.
Railroad/highway crossing warning devices.
Guardrails, median barriers, crash cushions.
Pavement resurfacing and/r rehabilitation.
Pavement marking demonstration.
Emergency relief (23 U.S.C. 125).
Fencing.
Skid treatments.
Safety roadside rest areas.
Adding medians.
Truck climbing lanes outside the urbanized area.
Lighting improvements.
Widening narrow pavements or reconstructing bridges (no additional travel lanes).
Emergency truck pullovers.

MASS TRANSIT

Operating assistance to transit agencies.
Purchase of support vehicles.
Rehabilitation of transit vehicles fn1.
Purchase of office, shop, and operating equipment for existing facilities.
Purchase of operating equipment for vehicles (e.g., radios, fareboxes, lifts, etc.).
Construction or renovation of power, signal, and communications systems.
Construction of small passenger shelters and information kiosks.

Reconstruction or renovation of transit buildings and structures (e.g., rail or bus buildings, storage and maintenance facilities, stations, terminals, and ancillary structures).
Rehabilitation or reconstruction of track structures, track, and trackbed in existing rights of way.
Purchase of new buses and rail cars to replace existing vehicles or for minor expansions of the fleet **fn1**.
Construction of new bus or rail storage/maintenance facilities categorically excluded in 23 CFR Part 771.

Air Quality

Continuation of ride-sharing and van-pooling promotion activities at current levels.
Bicycle and pedestrian facilities.

Other

Specific activities which do not involve or lead directly to construction, such as:
- Planning and technical studies.
- Grants for training and research programs.
- Planning activities conducted pursuant to titles 23 and 49 U.S.C.
- Federal-aid systems revisions.

Engineering to assess social, economic, and environmental effects of the proposed action or alternatives to that action.
Noise attenuation.
Emergency or hardship advance land acquisitions (23 CFR 710.503).
Acquisition of scenic easements.
Plantings, landscaping, etc.
Sign removal.
Directional and informational signs.
Transportation enhancement activities (except rehabilitation and operation of historic transportation buildings, structures, or facilities).
Repair of damage caused by natural disasters, civil unrest, or terrorist acts, except projects involving substantial functional, locational or capacity changes.

fn1 In PM [10] nonattainment or maintenance areas, such projects are exempt only if they are in compliance with control measures in the applicable implementation plan.

[58 FR 62246, Nov. 24, 1993; 62 FR 43780, 43816, Aug. 15, 1997; 69 FR 40004, 40081, July 1, 2004]

[EFFECTIVE DATE NOTE: 69 FR 40004, 40081, July 1, 2004, amended Table 2, effective Aug. 2, 2004.]

EXHIBIT 6-D TABLE 3 - EXEMPT PROJECTS

[Code of Federal Regulations]
[Title 40, Volume 19]
[Revised as of July 1, 2004]
From the U.S. Government Printing Office via GPO Access
[CITE: 40CFR93.127]

[Page 583]

TITLE 40--PROTECTION OF ENVIRONMENT

CHAPTER I--ENVIRONMENTAL PROTECTION AGENCY (CONTINUED)

PART 93_DETERMINING CONFORMITY OF FEDERAL ACTIONS TO STATE OR FEDERAL IMPLEMENTATION PLANS--Table of Contents

Subpart A_Conformity to State or Federal Implementation Plans of

Sec. 93.127 Projects exempt from regional emissions analyses.

Notwithstanding the other requirements of this subpart, highway and transit projects of the types listed in Table 3 of this section are exempt from regional emissions analysis requirements. The local effects of these projects with respect to CO or PM10 concentrations must be considered to determine if a hot-spot analysis is required prior to making a project-level conformity determination. These projects may then proceed to the project development process even in the absence of a conforming transportation plan and TIP. A particular action of the type listed in Table 3 of this section is not exempt from regional emissions analysis if the MPO in consultation with other agencies (see Sec. 93.105(c)(1)(iii)), the EPA, and the FHWA (in the case of a highway project) or the FTA (in the case of a transit project) concur that it has potential regional impacts for any reason. Table 3 follows:

Table 3--Projects Exempt From Regional Emissions Analyses

Intersection channelization projects.
Intersection signalization projects at individual intersections.
Interchange reconfiguration projects.
Changes in vertical and horizontal alignment.
Truck size and weight inspection stations.
Bus terminals and transfer points.

EXHIBIT 6-E - CATEGORICAL EXCLUSION CHECKLIST

District/Co/Route/P.M.	Fed.-Aid No.:	EA:

1. Project is a CE under Section 6004 of 23 U.S.C. 326 Yes ☐ No ☐ If " yes," check applicable activity below.

Activity Listed in 23 CFR 771.117(c)			
☐ 1	Activities which do not involve or lead directly to construction.	☐ 11	Determination of payback under 23 CFR part 480 for property previously acquired with federal-aid participation.
☐ 2	Utility installations along or across a transportation facility.	☐ 12	Improvements to existing rest areas and truck weigh stations.
☐ 3	Bicycle and pedestrian lanes, paths, and facilities.	☐ 13	Ridesharing activities.
☐ 4	Activities included in the State's *highway safety plan* under 23 U.S.C. 402.	☐ 14	Bus and rail car rehabilitation.
☐ 5	Transfer of Federal lands pursuant to 23 U.S.C. 317 when the subsequent action is not an FHWA action.	☐ 15	Alterations to facilities or vehicles in order to make them accessible for elderly and handicapped persons.
☐ 6	Installation of noise barriers or alterations to existing publicly owned buildings to provide for noise reduction.	☐ 16	Program administration, technical assistance activities, and operating assistance to transit authorities to continue existing service or increase service to meet routine changes in demand.
☐ 7	Landscaping.	☐ 17	Purchase of vehicles by the applicant where the use of these vehicles can be accommodated by existing facilities or by new facilities which themselves are within a CE.
☐ 8	Installation of fencing, signs, pavement markings, small passenger shelters, traffic signals, and railroad warning devices where no substantial land acquisition or traffic disruption will occur.	☐ 18	Track and railbed maintenance and improvements when carried out within the existing right of way.
☐ 9	Emergency repairs under 23 U.S.C. 125.	☐ 19	Purchase and installation of operating or maintenance equipment to be located within the transit facility and with no significant impacts off the site.
☐ 10	Acquisition of scenic easements.	☐ 20	Promulgation of rules, regulations, and directives.

Activity Listed in Examples in 23 CFR 771.117(d)			
☐ 1	Modernization of a highway by resurfacing, restoration, rehabilitation, reconstruction, adding shoulders, or adding auxiliary lanes (e.g., parking, weaving, turning, climbing).	☐ 7	Approvals for changes in access control.
☐ 2	Highway safety or traffic operations improvement projects including the installation of ramp metering control devices and lighting.	☐ 8	Construction of new bus storage and maintenance facilities in areas used predominantly for industrial or transportation purposes, not inconsistent with existing zoning and located on or near a street with adequate capacity to handle anticipated bus and support vehicle traffic.
☐ 3	Bridge rehabilitation, reconstruction or replacement or the construction of grade separation to replace existing at-grade railroad crossings.	☐ 9	Rehabilitation or reconstruction of existing rail and bus buildings and ancillary facilities where only minor amounts of additional land are required and there is not a substantial increase in the number of users.
☐ 4	Transportation corridor fringe parking facilities.	☐ 10	Construction of bus transfer facilities when located in a commercial area or other high activity center in which there is adequate street capacity for projected bus traffic.
☐ 5	Construction of new truck weigh stations or rest areas.	☐ 11	Construction of rail storage and maintenance facilities in areas used predominantly for industrial or transportation purposes where such construction is not inconsistent with existing zoning and where there is no significant noise impact on the surrounding community.
☐ 6	Approvals for disposal of excess right of way or for joint or limited use of right of way, where the proposed use does not have significant adverse impacts.	☐ 12	Acquisition of land for hardship or protective purposes; advance land acquisition loans under section 3(b) of the UMT Act.

Activity Listed in Appendix A of the MOU for State Assumption of Responsibilities for Categorical Exclusions			
☐ 1	Construction, modification, or repair of storm water treatment devices, protection measures such as slope stabilization, and other erosion control measures.	☐ 5	Routine seismic retrofit of facilities to meet current seismic standards and public health and safety standards without expansion of capacity.
☐ 2	Replacement, modification, or repair of culverts or other drainage facilities.	☐ 6	Air space leases that are subject to Subpart D, Part 710, Title 23, Code of Federal Regulations.
☐ 3	Projects undertaken to assure the creation, maintenance, restoration, enhancement, or protection of habitat for fish, plants, or wildlife.	☐ 7	Drilling of test bores/soil sampling to provide information for preliminary design and for environmental analyses and permitting purposes.
☐ 4	Routine repair of facilities due to storm damage, including permanent repair to return the facility to operational condition that meets current standards of design and public health and safety without expanding capacity (e.g., slide repairs, construction or repair of retaining walls).		

2. Project is a CE for a highway project under Section 6005 of 23 U.S.C. 327. **Yes** ☐ **No** ☐ *(Use only if project does not qualify under Section 6004.)*

3. Unusual Circumstances (23 CFR 771.117[b]). Project does not include any:

☐	Significant environmental impacts.
☐	Substantial controversy on environmental grounds.
☐	Significant impact on properties protected by Section 4(f) of the DOT Act or Section 106 of the National Historic Preservation Act.
☐	Inconsistencies with any federal, state, or local law, requirement or administrative determination relating to the environmental aspects of the action.

4. Air Quality. (SER Chapter 38)

A. Air Quality Checklist is complete and project meets all applicable air quality requirements. ☐
Identify who completed the Air Quality Checklist and the date it was completed.

B. Project is exempt from regional air quality conformity. (40 CFR 93.127, Table 3) **Yes** ☐ **No** ☐
If "no", list the current RTP and RTIP including dates and page numbers that contain the project.

C. For Section 6005 CE, FHWA determination of air quality conformity is complete. ☐
Provide name of FHWA contact and date of determination letter here:

Attach FHWA conformity determination letter.

5. Project complies with all other federal environmental laws, regulations, and executive orders on the PES form.

Environmental Statutory or Regulatory Compliance	Does Project Trigger Statute or Regulation?	Date and type of Technical Study or Memo to File or Field Survey	Outcome of Agency Coordination (Concurrence Type and Date)	Notes, Documentation Reference &/or Explanation
Historic Preservation (Section 106)	Yes ☐ No ☐			
Executive Order on Floodplains	Yes ☐ No ☐			
Wetland Protection	Yes ☐ No ☐			
Coastal Zone	Yes ☐ No ☐			
Wild and Scenic Rivers	Yes ☐ No ☐			
Farmland Protection	Yes ☐ No ☐			
Noise (23 CFR 772)	Yes ☐ No ☐			
Hazardous Waste/Material	Yes ☐ No ☐			
Environmental Justice	Yes ☐ No ☐			
Project-Level Air Quality (CO, PM Hot spot and MSAT)	Yes ☐ No ☐			
Water Quality	Yes ☐ No ☐			
Relocation	Yes ☐ No ☐			
Land Use	Yes ☐ No ☐			
Other (i.e., Visual)	Yes ☐ No ☐			

5. Project complies with all other federal environmental laws, regulations, and executive orders on the PES Form.*(Continued)*

Environmental Statutory or Regulatory Compliance	**Does Project Trigger Statute or Regulation?**	**Date and type of Technical Study or Memo to File or Field Survey**	**Outcome of Agency Coordination (Concurrence Type and Date)**	**Notes, Documentation Reference &/or Explanation**
Section 4(f) (23 CFR 774) ☐ De minimis ☐ Programmatic _____*(type)* ☐ Individual. Legal sufficiency complete: Yes ☐ No ☐	Yes ☐ No ☐			
Section 6(f) ☐ De minimis ☐ Programmatic _____*(type)* ☐ Individual. Legal sufficiency complete: Yes ☐ No ☐	Yes ☐ No ☐			
Endangered Species (Section 7 FESA) Effect Determination: ☐ No effect ☐ Not likely to adversely affect ☐ Likely to adversely affect	Yes ☐ No ☐			
Essential Fish Habitat (Section 7 FESA) Effect Determination				

Based on all of the above, the project is determined to be a categorical exclusion pursuant to the National Environmental Policy Act and all other applicable federal environmental laws, regulations and executive orders have been complied with.

Prepared by: _____ Date: _____

_____
Signature

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EXHIBIT 6-F CATEGORICAL EXEMPTION/CATEGORICAL EXCLUSION DETERMINATION FORM

Revised September 6, 2007

Dist.-Co.-Rte. (or Local Agency)	P.M/P.M.	E.A. (State project)	Federal-Aid Project No. (Local project)/ Proj. No.

PROJECT DESCRIPTION: (Briefly describe project, purpose, location, limits, right of way requirements, and activities involved.)

Enter project description in this text box. Use Continuation Sheet, if necessary.

CEQA COMPLIANCE *(for State Projects only)*

Based on an examination of this proposal, supporting information, and the following statements (See 14 CCR 15300 et seq.):

- If this project falls within exempt class 3, 4, 5, 6 or 11, it does not impact an environmental resource of hazardous or critical concern where designated, precisely mapped and officially adopted pursuant to law.
- There will not be a significant cumulative effect by this project and successive projects of the same type in the same place, over time.
- There is not a reasonable possibility that the project will have a significant effect on the environment due to unusual circumstances.
- This project does not damage a scenic resource within an officially designated state scenic highway.
- This project is not located on a site included on any list compiled pursuant to Govt. Code § 65962.5 ("Cortese List").
- This project does not cause a substantial adverse change in the significance of a historical resource.

CALTRANS CEQA DETERMINATION

☐ **Exempt by Statute.** (PRC 21080[b]; 14 CCR 15260 et seq.)

Based on an examination of this proposal, supporting information, and the above statements, the project is:

☐ **Categorically Exempt**. **Class ___**. (PRC 21084; 14 CCR 15300 et seq.)

☐ **Categorically Exempt**. **General Rule exemption.** (This project does not fall within an exempt class, but it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment CCR 15061[b][3]).

Signature: Environmental Branch Chief	Date	Signature: Project Manager	Date

NEPA COMPLIANCE

In accordance with 23 CFR 771.117, and based on an examination of this proposal and supporting information, the State has determined that this project:

- Does not individually or cumulatively have a significant impact on the environment as defined by NEPA and is excluded from the requirements to prepare an Environmental Assessment (EA) or Environmental Impact Statement (EIS).
- Has considered unusual circumstances pursuant to 23 CFR 771.117(b) (http://www.fhwa.dot.gov/hep/23cfr771.htm#sec.771.117)

In non-attainment or maintenance areas for Federal Air Quality Standards, the project is either exempt from all conformity requirements, or conformity analysis has been completed pursuant to 42 USC 7506(c) and 40 CFR 93.

CALTRANS NEPA DETERMINATION

☐ **Section 6004:** The State has been assigned and hereby certifies that it has carried out the responsibility to make this determination pursuant to Chapter 3 of Title 23, United States Code, Section 326 and a Memorandum of Understanding (MOU) dated June 7, 2007, executed between the FHWA and the State. The State has determined that the project is a Categorical Exclusion under:

- 23 CFR 771 activity (c)(___)
- 23 CFR 771 activity (d)(___)
- Activity ___ listed in the MOU between FHWA and the State

☐ **Section 6005:** Based on an examination of this proposal and supporting information, the State has determined that the project is a CE under Section 6005 of 23 U.S.C. 327.

Signature: Environmental Branch Chief	Date	Signature: Project Manager/DLA Engineer	Date

Briefly list mitigation commitments on continuation sheet. Reference additional information, as appropriate (e.g., air quality studies, documentation of conformity exemption, FHWA conformity determination if Section 6005 project; §106 commitments; § 4(f); § 7 results; Wetlands Finding; Floodplain Finding; additional studies; and design conditions). **Revised September 6, 2007**

CATEGORICAL EXEMPTION/CATEGORICAL EXCLUSION DETERMINATION FORM
Continuation Sheet

Distribution: 1) District Local Assistance Engineer-Original copy
2) District Senior Environmental Planner (for Local Assistance) - copy
3) Local Agency Project Files

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EXHIBIT 6-G NEPA/CEQA REVALIDATION FORM

DIST./CO./RTE.	*Enter District, County & Route (State projects) or the County & Route (Local projects) here.*
PM/PM	*Enter the beginning and ending postmiles here (State projects).*
E.A. or Fed-Aid Project No.	*Enter the Expenditure Authorization (State projects) or Federal-Aid Project # (Local projects) here.*
Other Project No. (specify)	*Enter any other project number here, and specify the type.*
PROJECT TITLE	*Enter project title here.*
ENVIRONMENTAL APPROVAL TYPE	*Enter type of original environmental document/CE Determination here.*
DATE APPROVED	*Enter date that environmental document/CE Determination was originally approved here.*
REASON FOR CONSULTATION (23 CFR 771.129)	*Check reason for consultation:* ☐ *Project proceeding to next major federal approval* ☐ *Change in scope, setting, effects, mitigation measures, requirements* ☐ *3-year timeline (EIS only)*
DESCRIPTION OF CHANGED CONDITIONS	*Briefly describe the changed conditions or new information on page 2. Append continuation sheet(s) as necessary. Include a revised Environmental Commitments Record (ECR) when applicable.*

NEPA CONCLUSION - VALIDITY

Based on an examination of the changed conditions and supporting information: (*Check ONE of the three statements below, regarding the validity of the original document/determination [23 CFR 771.12]). If document is no longer valid, indicate whether additional public review is warranted and whether the type of environmental document will be elevated.*

_____ The original environmental document or CE remains valid. No further documentation will be prepared.

_____ The original environmental document or CE is in need of updating; further documentation has been prepared and ☐ is included on the continuation sheet(s) or ☐ is attached.

_____ (Yes/No) Additional public review is warranted (23 CFR 771.111[h][3])

_____ The original document or CE is no longer valid.

_____ (Yes/No) Additional public review is warranted (23 CFR 771.111[h][3])

_____ (Yes/No) Supplemental environmental document is needed.

_____ (Yes/No) New environmental document is needed. (If "Yes," specify type: _____)

CONCURRENCE WITH NEPA CONCLUSION

I concur with the NEPA conclusion above.

_____	_____	_____	_____
Signature: Environmental Branch Chief	Date	Signature: Project Manager/DLAE	Date

CEQA CONCLUSION : *(Only mandated for projects on the State Highway System.)*

Based on an examination of the changed conditions and supporting information (Check ONE of the three statements below, regarding the validity of the original document/determination [23 CFR 771.129]. If document is no longer valid, indicate whether additional public review is warranted and whether the type of environmental document will be elevated.)

_____ **Original document remains valid. No further documentation is necessary.**

_____ **Only minor technical changes or additions to the previous document are necessary. An addendum has been or will be ☐ prepared and is ☐ included on the continuation sheets or ☐ will be attached. It need not be circulated for public review.** ***(CEQA Guidelines, §15164)***

_____ **Changes are substantial, but only minor additions or changes are necessary to make the previous document adequate. A Supplemental environmental document will be prepared, and it will be circulated for public review.** ***(CEQA Guidelines, §15163)***

_____ **Changes are substantial and major revisions to the current document are necessary. A subsequent environmental document will be prepared, and it will be circulated for public review.** ***(CEQA Guidelines, §15162)***

(Specify type of subsequent document, e.g., subsequent FEIR:)

_____

CONCURRENCE WITH CEQA CONCLUSION

I concur with the CEQA conclusion above.

_____	_____	_____	_____
Signature: Environmental Branch Chief	Date	Signature: Project Manager	Date

CONTINUATION SHEET(S)

Address only substantial changes or substantial new information since approval of the original document and only those areas that are applicable. Use the list below as section headings as they apply to the project change(s). Use as much or as little space as needed to adequately address the project change(s) and the associated impacts, minimization, avoidance and/or mitigation measures, if any.

Changes in project design, e.g., substantial scope change; a new alternative; change in project alignment.

Changes in environmental setting, e.g., new development affecting traffic or air quality.

Changes in environmental circumstances, e.g., a new law or regulation; change in the status of a listed species.

Changes to environmental impacts of the project, e.g., a new type of impact, or a change in the magnitude of an existing impact.

Changes to avoidance, minimization, and/or mitigation measures since the environmental document was approved.

Changes to environmental commitments since the environmental document was approved, e.g., the addition of new conditions in permits or approvals. When this applies, append a revised Environmental Commitments Record (ECR) as one of the Continuation Sheets.

Distribution: 1) District Local Assistance Engineer - Original copy
2) District Senior Environmental Planner (for Local Assistance) – copy
3) Local Agency Project Files

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EXHIBIT 6-H EXTERNAL CERTIFICATIONS ENVIRONMENTAL DOCUMENT QUALITY CONTROL REVIEWS

Project Name: _____ ☐ **Local Assistance** ☐ **SHS**

DIST-CO-RTE-PM: _____ **EA:** _____

Federal-Aid No.: _____

Document Type: ☐ EA ☐ EIS ☐ IS ☐ EIR ☐ Draft ☐ Final

District Local Assistance Engineer (DLAE): _____

Local Agency: _____ **Contact:** _____ **Phone No:** _____

Caltrans Oversight Coordinator: _____

Environmental Consultant: _____ **Contact:** _____ **Phone No:** _____

I have performed the quality control review required by Caltrans and hereby find that this environmental document satisfactorily meets State and federal requirements, as applicable, in my area of expertise and is consistent with the applicable technical study (State "NA" if the technical area is not applicable).

Type of Review	Reviewer (Print Name)	Reviewer's Signature	Verification Date
Technical Specialist Reviewers:			
o Biology			
o Cultural			
o CIA			
o Visual			
o Hazardous Waste			
o Floodplain			
o Water Quality			
o Air Quality			
o Noise			
o Traffic			
o Section 4(f)			
o Other: _____			
Technical Edit Reviewer			

Required signatures may appear on multiple versions of this form to allow concurrent reviews by specialists and technical editor.

I have reviewed this environmental document and hereby find that it is internally consistent and was prepared consistent with Caltrans and FHWA requirements and guidance and the applicable SER annotated environmental document outline.

Environmental Consultant: _____ **Date:** _____

I have reviewed this environmental document and hereby find that the required quality control reviews shown above have been satisfactorily completed and that the environmental document meets all Caltrans and FHWA requirements.

Local Agency: _____ **Date:** _____

Date form sent to project file: _____

Distribution: 1) District Senior Environmental Planner (for Local Assistance) - Original copy
2) District Local Assistance Engineer - copy
3) Local Agency Project Files

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EXHIBIT 6-I INSTRUCTIONS FOR COMPLETING THE EXTERNAL CERTIFICATIONS (ENVIRONMENTAL DOCUMENT QUALITY CONTROL REVIEW CERTIFICATION) FORM

The following quality control review process is required by the local agency/consultant for all draft and final EA and EIS documents.

Technical Specialist Reviewers:

The purpose of the technical specialist review is to ensure the accuracy of specific resource studies and technical information summarized in the environmental document. A technical specialist review will be completed for each resource topic discussed in the environmental document. The review will be conducted for those sections in each chapter that contain information about the individual resource or technical area under consideration (e.g., Summary, Affected Environment, Environmental Consequences, and Avoidance, Minimization and/or Mitigation Measures; Cumulative Impacts).

The local agency's or consultant's technical specialists who are responsible for conducting the technical studies and preparing the technical reports shall review the technical report(s) to ensure that:

- the technical reports were required in the fully signed PES form
- the format and content of each technical report is consistent with the format and content requirements set forth in the SER
- the qualifications of the preparer of the technical report are consistent with the qualifications set forth in the SER
- technical report is accurate and regulatory requirements are appropriately addressed
- the technical report clearly summarizes/concludes how the mandates of the applicable federal law have been met
- there is consistency between the technical study and the information as summarized in the environmental document
- all mitigation commitments are appropriately characterized and are feasible to implement
- all anticipated permit and/or approval actions have been accurately identified within the environmental document

The technical specialist signs the External Certifications (Environmental Document Quality Control) form certifying that they have performed the quality control review and the environmental document meets State and federal requirements in their area of expertise and is consistent with the applicable technical study.

Technical Edit Reviewer:

The local agency or consultant (environmental project manager), responsible for preparing, or overseeing the preparation of the NEPA document, shall review the technical reports and the NEPA document to ensure that:

- the NEPA document prepared is consistent with the NEPA class of action identified in the PES Form
- the format and content of the NEPA document is consistent with the applicable Annotated Outline:
    - Correct Title Page
    - All chapters and necessary resource topics are present and complete
    - All appendices are present and complete
    - All required correspondence relative to procedural and regulatory requirements
    - Complete, clear, legible and logical exhibits and figures
- the conclusions of the technical reports are consistently stated in the NEPA document
- the NEPA document is written in a clear and concise manner
- grammar, punctuation and spelling are correct

- the Environmental Document Review Checklist is complete, providing cross-referenced page numbers on the checklist
- the External Certifications (Environmental Document Quality Control) form is signed, certifying that the document is adequate within his or her area of expertise

The technical edit reviewer signs the External Certifications (Environmental Document Quality Control) form certifying that they have performed the quality control review and the environmental document meets State and federal requirements in their area of expertise and is consistent with the applicable technical study.

Environmental Consultant:

The local agency (principal engineer/project manager) shall review the technical reports and NEPA document to ensure that:

- the reports and NEPA document meet the requirements set forth in the Scope of Work
- the reports/document prepared are consistent with the PES Form
- the content and format of the reports and document is consistent with guidance set forth in the SER/annotate outline
- adequacy of the project's purpose and need statement, logical termini independent utility and project description
- completeness of the alternative analysis, including information supporting the range of alternatives selected for study in the document
- all proposed mitigation commitments are properly identified, characterized and are reasonable and practicable to implement
- correspondence from resource and regulatory agencies is included and clearly indicates that the mandates of law have been met
- compliance with FHWA Environmental Impact and Related Procedures (23 CFR 771) and FHWA environmental policies and applicable guidance
- compliance with other federal laws and regulations, such as Section 7 of the Endangered Species Act, Section 106 of the National Historic Preservation Act, Section 404 of the Clean Water Act, Executive Order 11990-Protection of Wetlands, Executive Order 11988-Floodplain Management, and Section 4(f) of the Department of Transportation Act
- the consultant's technical specialist and environmental project manager have signed the External Certifications form
- a copy of the complete Environmental Review Checklist with cross-referenced page numbers has been provided

The environmental consultant signs the External Certifications (Environmental Document Quality Control) form certifying that the document is internally consistent and was prepared consistent with Caltrans and FHWA requirements and guidance and the applicable SER annotated environmental document outline.

Local Agency:

The local agency (principal engineer/project manager) reviews the technical reports and environmental document to ensure that:

- the technical reports and environmental document prepared are consistent with the information required in the approved and signed PES Form and meet the requirements set forth in the scope of work
- the content and format of the technical reports and environmental document is consistent with guidance set forth in the SER/annotated outline:
    - all chapters and necessary resource topics are present, complete and the NEPA document is written in a clear and concise manner

  - adequacy of the project's purpose and need statement, logical termini independent utility and project description
  - completeness of the alternative analysis
  - all proposed mitigation commitments are properly identified, characterized and are reasonable and practicable to implement
  - correspondence from resource and regulatory agencies is included and clearly indicates that the mandates of law have been met
  - compliance with FHWA Environmental Impact and Related Procedures (23 CFR 771) and FHWA environmental policies and applicable guidance
  - compliance with other federal laws and regulations, such as Section 7 of the Endangered Species Act, Section 106 of the National Historic Preservation Act, Section 404 of the Clean Water Act, Executive Order 11990-Protection of Wetlands, Executive Order 11988-Floodplain Management, and Section 4(f) of the Department of Transportation Act if applicable
- the consultant's technical specialist and environmental project manager have signed the External Certification form
- a copy of the complete Environmental Review Checklist, with cross-referenced page numbers has been provided
- correspondence from resource and regulatory agencies in included and clearly indicates that the mandates of federal law have been met

The principle engineer/project manager signs the External Certifications (Environmental Document Quality Control) form certifying that the above statements are true and submits the following to the DLAE:

- Transmittal Memo, signed by the local agency (principle engineer/project manager) stating that the document and supporting technical studies have been prepared
- Five (5) hard copies of the administrative environmental document
- One (1) electronic copies of the administrative environmental document
- One (1) copy of each technical study
- One (1) electronic copy of each technical study
- One (1) copy of the completed Environmental Document Review Checklist
- Completed and signed External Certifications (Environmental Document Quality Control Review Certification) form

Following Caltrans' review, the local agency is responsible for revising the document consistent with Caltrans' comments.

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CHAPTER 7 FIELD REVIEW

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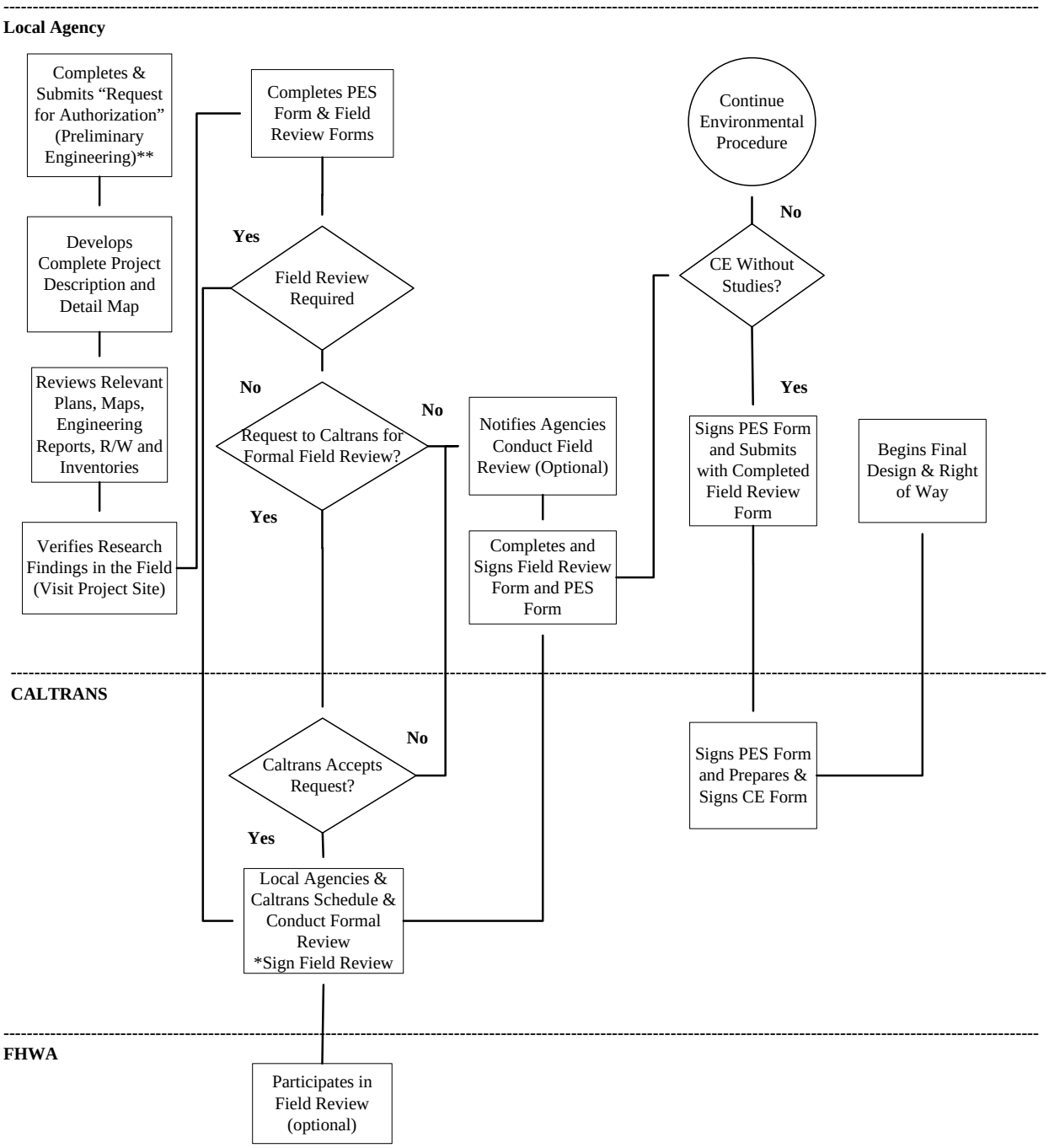
Field Review Procedures for Developing Local Federal-aid Projects*



***For all state highway projects, consult the Caltrans *Project Development Procedures Manual*, the DLAE and project manager to fully coordinate development responsibilities. Projects on or impacting the Interstate require FHWA project-by-project review.**

**** Authorization(s) must precede any federally reimbursable work. Agency may self-fund field review and delay Authorization for later activities.**

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CHAPTER 7 FIELD REVIEW

7.1 INTRODUCTION

In conjunction with the preliminary environmental investigation, an important early action in developing a local transportation project financed with federal-aid funds is the methodical and systematic collection of initial engineering and related project data and information. For this manual, this data gathering project-scoping step is called the "Field Review."

Each agency should establish a process for clearly defining the location, scope, cost, and the other parameters considered when developing a project. This step is very important in guiding the project development team to the successful production of the Plans, Specifications and Estimate (PS&E).

The field review for local agency transportation projects off the State Highway System (SHS) serves the same purpose as the Project Study Report serves for state highway projects. It is intended to bring together all interested parties and come to an agreement on the project requirements necessary to comply with federal and state laws and regulations. For local agency projects on the SHS, consult the Caltrans *Project Development Procedures Manual (*http://www.dot.ca.gov/hq/oppd/pdpm/pdpmn.htm), the District Local Assistance Engineer (DLAE), and the project manager to coordinate development responsibilities.

The field review process considers and documents the following actions:

- Assigns a local agency project manager to oversee the project studies, PS&E development and/or construction.
- Brings together representatives from various involved or interested agencies, including, but not limited to, the agency, Caltrans, other regional and local agencies, transit districts, other state or federal permitting agencies, public utilities, and railroads. FHWA may also be represented.
- Affords an opportunity for discussions of alternative proposals.
- Secures agreement on general design features and exceptions to American Association of State Highway and Transportation Officials (AASHTO) standards, or 3R,or local standards selected for the project.
- Identifies pedestrian facilities within the project area that will or may need to be brought up to current federal, state and/or local standards to be Americans with Disabilities Act (ADA) compliant.
- Determines if the project is a federal-aid Intelligent Transportation Systems (ITS) project. If so, determines if it is a High-Risk (formerly "Major"), Low-Risk (formerly "Minor") or Exempt ITS project.
- Determines timing and costs associated with preparing and processing required technical studies and the NEPA document (see "Environmental Procedures" included in Chapter 6, "Environmental Procedures," of the *Local Assistance Procedures Manual* (LAPM) and Caltrans *Standard Environmental Reference* [SER] at this web site: http://www.dot.ca.gov/ser/vol1/vol1.htm).

- Determines right of way and relocation assistance requirements.
- Discusses and evaluates proposed funding, eligibility requirements, and federal or state participation.
- Determines who advertises, awards, administers (AAA), and maintains the proposed project.
- Defines the project schedule and target advertising date.
- Discusses value engineering analysis, for each federal-aid project on the federal-aid system with an estimated total cost of $25 million or more and bridge projects with an estimated total cost of $20 million or more. For more information on this subject, please see Chapter 12 "Plans, Specifications & Estimate," Section 12.5 "Value Engineering Analysis," of the LAPM.

7.2 TYPE AND REQUIREMENT FOR FIELD REVIEW

The type of field review chosen for a project depends on many factors including: highway system, project type (Delegated or High Profile), project complexity, total cost, and type of funds. The two types of field reviews are formal and informal.

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FORMAL FIELD REVIEW

A formal field review can be accomplished by:

- A site (field) inspection, or
- An office meeting or both.

All parties involved in the project development decisions should be invited to a formal field review. The DLAE should take the lead in the field reviews, take Minutes of the Field Review and circulate the notes to all affected parties afterward.

INFORMAL FIELD REVIEW

Informal field reviews can be accomplished by:

- Small group meetings
- Interagency correspondence
- Phone discussions
- Individual research and data gathering

Exception: Emergency Relief (ER) projects use the FHWA Damage Assessment Form (DAF) in lieu of any other field review form. An on-site field assessment is required for all these projects.

REQUIRED REVIEW

Caltrans will determine if a field review is required for all projects on the National Highway System (NHS). Generally, a field review will only be required for significant NHS projects. A project will be considered to be significant if:

- The total cost is over $10 million, or
- It involves an unusual structure (see definitions in Section 2.4 of this manual), or
- It involves multiple projects on a corridor involving more than one agency, or
- Any other complicating factors require a field review.

All required reviews would be formal. In consultation with the local agency, the Caltrans DLAE determines how the formal field review will be accomplished.

Exceptions to the above are as follows:

- A site visit, or "early coordination meeting" may be required, on the grounds of environmental sensitivity for protected resources, controversy, or consequences (impacts) of the proposed action (see Chapter 6, "Environmental Procedures"). This meeting may be part of the formal or informal field review discussed in this chapter or held separately.
- For seismic safety retrofit projects, a field review is mandatory as described in Section 7.8 of the *Local Assistance Program Guidelines* (LAPG*)*

PS&E AND CONSTRUCTION ADMINISTRATION PROCEDURES

When Caltrans requires a field review for significant NHS projects, PS&E and construction administration procedures (standards, agencies involved, use of consultants, project management, value engineering analysis, specifications, materials testing, etc.) will be discussed. The PS&E procedures will be put in writing for Caltrans' and FHWA's approval before the local agency starts final design (see Chapter 12, "Plans, Specifications & Estimate," of the LAPM).

The construction administration procedures will also be put in writing. The procedures must be approved by Caltrans and FHWA before construction will be authorized (see Chapter 15, *Advertise and Award Project* of the LAPM).

NHS projects that are not considered "significant" will not require these approvals.

OPTIONAL REVIEW

A field review is optional for all projects off the NHS (non-NHS). The field review is also optional for all NHS projects determined by Caltrans to be minor in nature. It is a suggested practice for all projects.

7.3 NOTIFICATION

The local agency contacts the DLAE to discuss when and how they wish to proceed with project implementation, if this was not already done as part of the initial project authorization process.

REQUIRED REVIEWS

For required field reviews, the DLAE determines the type of field review required and coordinates, as appropriate, with the local agency on scheduling. The DLAE notifies Caltrans and FHWA attendees. The local agency is responsible for making other review preparations and notifying other interested parties. Each attendee should receive a copy of the draft Field Review Form before the actual field review.

In addition to the District Local Assistance (DLA) representative, Caltrans attendees, when applicable, should include an environmental reviewer, a right of way reviewer, and a representative from the Office of Structure Design (if a structure is involved). In order to optimize their value to the local agencies, these Caltrans specialists should become familiar with the project prior to attending the field reviews. Others may attend as appropriate. If the project involves a state highway, a representative from the appropriate District Project Development or Traffic Branch must be contacted to determine their involvement in the project development, and the need for a Project Report and encroachment permit.

A representative from FHWA should be consulted for all High Profile projects. Request for FHWA consultation should be coordinated through the DLAE (see Chapter 2, "Roles and Responsibilities," and Chapter 6, "Environmental Procedures," for further details).

OPTIONAL FIELD REVIEWS

For projects that Caltrans has determined a field review is not required, the local agency is responsible for deciding whether to perform a field review (formal or informal) and for notifying all potentially affected agencies, utility companies, etc. and making arrangements for any on-site or office meetings. In deciding whether and how to conduct a review, an agency should consider the following factors: functional classification, project type and Delegated/High Profile status, project complexity, total cost, interested, and affected parties and type of funds.

If a local agency wishes Caltrans (or FHWA) staff to participate in the field review process, a request must be made to the DLAE. Caltrans participation is based on the following factors:

- Availability of Caltrans staff and time requirements
- Experience of local agency staff
- Complexity of project, type of structures
- Funding program
- Right of way and design issues

For railroad crossing projects, the PUC participates in the review process.

Discussions with the DLAE should also indicate whether Caltrans participation in any subsequent phases of the project is expected. This is especially important if PS&E reviews are needed for structures. Caltrans and the agency should reach a clear agreement early in the process on the extent of Caltrans staff participation in any phase of project development.

7.4 TENTATIVE PLANS

The local agency should have a tentative plan as well as horizontal and vertical alignment sketches available for review by participants, either prior to, or at the field review. On projects that involve bridges, the agency should also provide preliminary hydrologic and hydraulic data (see Exhibit 11-D). This information need not be in great detail, but sufficient to make an engineering review of the proposal.

7.5 PREPARATION OF FIELD REVIEW FORM

The local agency shall prepare and complete the Field Review Form (Exhibit 7-B [or DAF for ER projects]) for all federal-aid projects, even if a Field Review were not required. (For ER projects, the DAF is used in lieu of the Field Review Form, see Chapter 11 of the LAPG) The field review form documents the results and decisions of the field review and other initial project research. It also provides data necessary to prepare the "Request for Authorization" and the Program Supplement Agreement.

The field review process and documents should be completed, as early as possible. For Highway Bridge Program (HBP) funded (Bridge) projects, the field review documents, including major structure data sheets, must be completed prior to any request for authorization. For other types of projects, authorization for preliminary engineering may be granted prior to submittal of the field review to Caltrans when federal reimbursement is needed, to hire consultants or others in order to obtain information needed to complete the field review. The field review document must be completed and submitted prior to, or concurrently with the first occurrence of either step below:

- Initial submittal of the PES form (completed and with supporting information attached) for Caltrans review and approval (see Chapter 6, "Environmental Procedures," of the *Local Assistance Procedures Manual* (LAPM)).
- Submittal of the Agreements Checklist requesting a Supplemental Agreement.

FIELD REVIEWS ATTENDED BY CALTRANS AND THE FHWA

For projects on the NHS, early review and discussions should be held with the DLAE and the FHWA engineer. Similar early discussions should occur for HBP funded (Bridge) projects to ensure funding eligibility.

If a field review is required, Caltrans and the FHWA will attend. Caltrans and the FHWA may also attend optional field reviews, if requested. The local agency shall fill out the Field Review Form as completely as possible prior to the field review and send a copy with a location map to each of the interested parties attending the field review. This allows the participants to come to the meeting prepared to discuss the specific issues and methodologies, which can lead to successful project implementation. The earliest date for the field review should be two weeks after the receipt of the draft Field Review Form by the district. Copies for the FHWA, DLA, and Office of Structure Design must be submitted to the district for further transmittal.

Caltrans has delegated design exception approval authority to the City/County Public Works Director (see Chapter 11, "Design Standards," of the LAPM). However, proposed design exceptions should be identified and discussed at the field review.

The Field Review Form should be updated and signed by the local agency, district, and FHWA representatives, as appropriate, at the field review even if some of the questions remain unanswered. Information determined after the field review is to be provided by the local agency as a supplement to the Field Review Form and may require FHWA concurrence.

OPTIONAL FIELD REVIEWS NOT ATTENDED BY CALTRANS OR THE FHWA

If the field review is optional and Caltrans and the FHWA will not be attending, the local agency may complete the Field Review Form without a formal or informal review or meeting. An on-site visit by the project engineer and project manager is recommended as good practice to verify the data and information used to complete the forms. The forms should be transmitted to the DLAE as soon as they are complete.

7.6 FIELD REVIEW DATA

SCOPE

The project must be defined in sufficient detail to accurately specify where it is, why it is necessary and what will be done. This process of project definition began with the planning and programming process. Now, further details are needed to clarify the limited FSTIP information with the specific project location, system and conditions as they currently exist and as they will be upon project completion. If the scope changes significantly from the approved FSTIP description, now or at any time during project development, a FSTIP amendment may be necessary. Items 1 to 5 on the "Field Review Form" (Exhibit 7-B) and Exhibits 7-C ("Roadway Data"), 7-D ("Major Structure Data"), 7-E ("Railroad Grade Crossing Data"), vicinity maps, typical section(s), alternative sketches, signal warrants, and collision diagrams, as appropriate, provide data related to the general scope of the project. For non-roadway projects, the Field Review Form and

attachments would be modified as appropriate for the project activity and scope, e.g., site plans, work plans, building sketches.

ENVIRONMENTAL PROCESS

All federal-aid projects must follow the federal environmental process (NEPA) described in Chapter 6, "Environmental Procedures," of the LAPM. NEPA approval (Caltrans signed Categorical Exclusion [CE], Finding of No Significant Impact [FONSI] or Record of Decision [ROD must be obtained prior to commencing with final design, Right of Way acquisition or construction. The Preliminary Environmental Study (PES) Form documents the requirements for technical studies and the NEPA Class of Action (CE, EA, EIS) and is equally as important as the environmental approval. Environmental requirements and procedures for processing required technical studies and the NEPA document are discussed in Chapter 6 of this manual. Specific information regarding the format and content of required technical studies and NEPA documents (CE, EA, EIS) is contained in the SER.

The "Preliminary Environmental Study (PES) Form," Exhibit 6-A is designed to identify:

- The scope of the project
- The existing condition of the project area
- The potential existence of sensitive environmental resources within the project area
- Required technical studies
- The responsible or regulatory agencies where early coordination or consultation is necessary or where approvals and permits are needed
- NEPA Class of Action

RIGHT OF WAY

The need to acquire right of way or relocate utilities can significantly affect project development, especially costs and scheduling. Activity within Caltrans right of way requires coordination and an encroachment permit. Federal laws and regulations must be followed if there is FHWA participation in any project phase, whether in R/W phase or only in the construction phase**.** The acquisition and relocation program will be conducted in accordance with the Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970, as amended (42 US Code 4801, et. seq.). Item 7 of the "Field Review Form" (Exhibit 7-B) highlights the possible right of way activities with a cost estimate breakdown. The need for utility relocation should be identified.

PROJECT COST

Good initial estimates are needed to define whether there are sufficient funds available to implement the project. Item 7 of the Field Review Form provides for an overview by phase and anticipated federal participation. Item 8 can be used to further break this down by federal fund type and state funding. State or local funds are normally required to match the federal funds. To the greatest extent possible, FHWA funded projects should be funded at the full federal participating ratio (see Chapter 3, "Project Authorization," Section 3.6 "Underfunded Policy").

PROJECT ADMINISTRATION

The agency submitting the request is normally responsible for administering all phases of the project. If another arrangement is expected, this should be noted. If the agency plans to hire a consultant to assist with any phase, this should be noted. This allows the agency

to work sufficient time into their schedule for consultant selection (see Chapter 10, "Consultant Selection"). If the state is expected to administer any phase or to review the PS&E, hold early discussions with the appropriate Caltrans district to ensure that the required staff is available when needed. A cooperative agreement is needed to define work and cost sharing responsibilities.

PROJECT SCHEDULE

A federal project is normally scheduled for a specific year in the FHWA approved FSTIP document. While the funds are usually carried forward into new FTIP and FSTIP adoptions, this is at the discretion of the MPO. For State funded projects, the specific program guidelines define the year or years the program funds are available. The delivery schedule for advertising should be reviewed to see if the project could be developed in a timely manner. The items discussed above define some of the critical steps in this effort. For federally funded projects, if there will be significant delays, the agency should work with the MPO to reschedule the work through a current FSTIP amendment or into the next FSTIP. State program guidelines define the appropriate actions for the State funded projects. In non-MPO areas, contact the Caltrans District FSTIP coordinator for necessary amendments.

7.7 SUBMITTAL OF FIELD REVIEW FORM

As soon as formal or informal discussions and review are complete, the local agency prepares the final Field Review Form and attachments (see Section 7.5 above for the latest times for completion). If a field review is required for NHS projects, all appropriate forms and attachments shall be completed. If the field review is optional, the two page Field Review summary (Exhibit 7-B) must be completed, as a minimum. See the brackets ("[ ]") notation under Item 12 of Exhibit 7-B for additional attachments.

The local agency consults with the district regarding the number of copies to be sent. The district forwards a Field Review Form (two if a bridge is involved) with the required attachments to the Division of Local Assistance. The local agency may wish to provide copies to their MPO and other interested parties.

The project engineer and project manager should periodically review the Field Review Form and data to ensure that the project development is proceeding as initially proposed or that significant changes have been approved.

The field review document must be completely filled out and submitted prior to or concurrently with the first occurrence of either step below:

- Initial submittal of the PES form (completed and with supporting information attached) for Caltrans review and approval (see Chapter 6, "Environmental Procedures")
- Submittal of the Agreements Checklist requesting a Supplemental Agreement

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INSTRUCTIONS FOR FIELD REVIEW FORM

The Applicant shall complete the Field Review Form in accordance with Chapter 7, "Field Review" of this manual. The District Local Assistance Engineer (DLAE) should be consulted for clarification. If Caltrans or other interested parties are to be involved in meetings, to assist in completion, the applicant should fill out the form as completely as possible prior to any meeting(s). The form must be completely filled out prior to submission of the PES Form.

Item 1. PROJECT LIMITS

Briefly describe the physical limits or nature of project. Attach a list, as needed, for multiple or various locations. Indicate length of project to nearest one-tenth of mile. Use 0.1, if a spot location. Include additional sheets, if needed, to clearly define the project location or scope of work.

Item 2. WORK DESCRIPTION

Briefly describe major components of the proposed work, e.g., signals, bridge replacement, ridesharing, pedestrian features, etc.

Item 3. PROGRAMMING DATA

All federal-aid funded projects (except Emergency Relief unless additional capacity is being added) are required to be included in a Regional Transportation Plan and the most current FHWA/FTA approved FSTIP. If project is within an MPO area, indicate the MPO or RTPA's FTIP[1] that includes the project and the fiscal years of the FTIP. Also list the page of the FTIP or Amendment Project Planning Number (PPNO), if available and the FHWA/FTA approval date. For non-MPO areas include the same information from FSTIP.

Indicate the federal funds and phases listed in the FTIP/FSTIP. For CMAQ projects name the Air Basin.

Item 4. FUNCTIONAL CLASSIFICATION

For a roadway project, check appropriate functional classification category. See the discussions of specific fund programs in the *Local Assistance Program Guidelines* (LAPG*)* for system eligibility. Indicate N/A for projects not related to a specific road or street system.

Item 5. STEWARDSHIP CATEGORY

For roadway projects, indicate if project is on the National Highway System (NHS), and whether project is FHWA Delegated or High Profile per Stewardship Agreement. With some exceptions, projects on the State Highway System are subject to Caltrans Oversight, and High Profile projects are subject to FHWA oversight; otherwise, the project is subject to DLAE oversight. Refer to Chapter 2 of this manual.

Item 6. CALTRANS ENCROACHMENT PERMIT REQUIRED

An encroachment permit is required for projects encroaching within the state highway right of way. The applicant should contact the District Permit Officer early in the process.

[1] The FTIP must be incorporated into an FHWA approved FSTIP.

Item 7. COST BREAKDOWN ESTIMATE

List estimated breakdown of all project phases and indicate phases for which federal participation will be requested. Include all known costs, but include each cost in only one group. Check whether "Value Engineering Analysis" is required for this project. (For structures-related projects financed with Highway Bridge Program [HBP] funds, the current HBP operating procedures limit preliminary engineering costs including environmental costs to twenty-five (25%) percent of the total construction cost. Any exceptions must be approved in writing by the HBP program manager.)

Item 8. PROPOSED FUNDING

Fill in total cost of federal-funded project, type, and amount of federal-aid funds, i.e. STP, CMAQ, etc., and the matching-fund breakdown.

If state funds are involved, indicate source such as STIP.

Item 9. PROJECT ADMINISTRATION

Indicate name of agency that will be responsible for administering each project phase. Also indicate the use of a consultant for any phase. Indicate if Caltrans' review of PS&E will be requested. If Yes, begin discussions with DLAE on availability of staff. All PS&E documents to be reviewed must be in Caltrans format.

Item 10. SCHEDULES

The local agency should indicate their proposed advertisement date. This will give the involved parties a date for scheduling. However, the discussion of requirements and time frames may require adjustment of the advertisement date. Critical dates in the schedule should be noted in the remarks.

ITEM 11. PROJECT MANAGER'S CONCURRENCE

The local agency project manager shall sign and date the field review form to signify agreement on the parameters proposed for development of the project. The DLAE and FHWA representative shall sign the document when attending field reviews. This document is then a guidance reference for further development of the project to assure that it adheres to the programmed concept, or that any changes is approved by the manager (and/or DLAE and FHWA, if appropriate).

Item 12. LIST OF ATTACHMENTS

The first two items are appropriate for all reviews. Others to be added depend on the type of project. For required field reviews, all applicable attachments must be submitted. For optional field reviews, see the "[ ]" notations for attachments required for specific types of projects. All existing federal, state, or local Americans with Disabilities Act (ADA) deficiencies, if not identified on other Attachments, should be listed here

Note: The Federal Damage Assessment Form (DAF) shall be used as the field review document for Emergency Relief projects.

EXHIBIT 7-B FIELD REVIEW FORM

Local Agency _____ Field Review Date _____
Project Number _____ Locator _____
(Dst/Co/Rte/PM/Agncy)
Project Name _____ Bridge No.(s) _____

1. PROJECT LIMITS (see attached list for various locations) _____
_____
_____ Net Length _____ (mile)
2. WORK DESCRIPTION _____
_____
ITS project or ITS element: Yes ____ No ____
If yes, choose: High-Risk (formerly "Major") ITS ___, Low-Risk (formerly "Minor") ITS ___, Exempt ITS ___
3. PROGRAMMING DATA FTIP (MPO/RTPA) _____ FY _____ Page ____
Amendment No. _____ FTIP PPNO _____ FHWA/FTA Approval Date _____
Federal Funds $_____ Phases PE _____ R/W _____ Const ____
Air Basin: _____ (CMAQ only)
4. FUNCTIONAL CLASSIFICATION:

URBAN _____		RURAL _____	
Principal Arterial:	_____	Principal Arterial:	_____
Minor Arterial:	_____	Minor Arterial:	_____
Collector:	_____	Major Collector:	_____
Local:	_____	Minor Collector:	_____
		Rural Local:	_____

5. STEWARDSHIP CATEGORY
High Profile (Stewardship): Yes __ No __

Delegated (Stewardship): Yes __ No __ (a) DLAE oversight: Yes __ No __
(b) District Construction Yes __ No __
ITS High-Risk project or element requiring FHWA oversight per stewardship: Yes __ No __
6. CALTRANS ENCROACHMENT PERMIT Is it required? Yes _____ No _____
7. COST ESTIMATE BREAKDOWN (Including Structures)

		$1,000's	Fed. Participation			
PE	Environmental Process	_____	Yes	____	No	____
	Design	_____	Yes	____	No	____
	ITS System Manager or Integrator	_____	Yes	____	No	____
CONST	Const. Contract	_____	Yes	____	No	____
	Const. Engineering	_____	Yes	____	No	____
R/W	Preliminary R/W Work	_____	Yes	____	No	____
	Acquisition:		Yes	____	No	____
	(No. of Parcels ____)	_____	Yes	____	No	____
	(Easements ____)	_____	Yes	____	No	____
	(Right of Entry ____)	_____	Yes	____	No	____
	RAP (No. Families)	_____	Yes	____	No	____
	RAP (No. Bus. ____)	_____	Yes	____	No	____
	Utilities (Exclude if included in contract items)	_____	Yes	____	No	____
	TOTAL COST	$ _____				

7a. Value Engineering Analysis Required? Yes _____ No _____
(Yes, if total project costs are $25M or more on the Federal-aid System, or $20M or more for bridges)

8. PROPOSED FUNDING

		Total Cost		Cost Share	
Grand Total		$ _____			
Federal Program	#1_____	$ _____ Fed.	$ _____	Reimb. Ratio	_____
(Name/App. Code)	#2_____	$ _____ Fed.	$ _____	Reimb. Ratio	_____
Matching Funds Breakdown	Local:		$ _____	_____%	
	State:		$ _____	_____%	
	Other:		$ _____	_____%	

State Highway Funds? Yes _____ Source _____ No _____
State CMAQ/RSTP Match Eligible Yes _____ No _____ Partial _____
Is the Project Underfunded? (Fed $ < Allowed Reimb.) Yes _____ No _____

9. PROJECT ADMINISTRATION

		Agency	Consultant	State
PE	Environ Process	_____	_____	_____
	Design	_____	_____	_____
	System Man./Integ. _____	_____	_____	_____
R/W	All Work	_____	_____	_____
CONST ENGR	Contract	_____	_____	_____
CONSTRUCTION	Contract	_____	_____	_____
MAINTENANCE		_____	_____	_____
		_____		_____

Will Caltrans be requested to review PS&E? Yes _____ No _____

10. SCHEDULES: PROPOSED ADVERTISEMENT DATE _____
Other critical dates: _____
_____

11. PROJECT MANAGER'S CONCURRENCE

Local Entity Representative: _____ Date: _____

Signature & Title: _____ Phone No. _____

Is field review required? Yes _____ No _____

Caltrans (District) Representative: _____ Date: _____
(if attended Field Review)

Signature & Title: _____

FHWA Representative: _____ Date: _____
(if attended Field Review)

Signature & Title: _____

12. LIST OF ATTACHMENTS (Include all appropriate attachments if field review is required. See the "[ ]" notation for minimum required attachments for non-NHS projects)

_____ Field Review Attendance Roster or Contacts Roster
_____ Vicinity Map (Required for Construction Type Projects)

IF APPLICABLE (Complete as required depending on type of work involved)

_____ Roadway Data Sheets [Req'd for Roadway projects]
_____ Typical Roadway Geometric Section(s) [Req'd for Roadway projects]
_____ Major Structure Data Sheet [Req'd for HBP]
_____ Railroad Grade Crossing Data Sheet
_____ Sketch of Each Proposed Alternate Improvement
_____ TE Application Document
_____ Existing federal, state, and local ADA deficiencies not included on other Attachments
_____ Signal Warrants
_____ Collision Diagram
_____ CMAQ/RSTP State STIP Match
_____ Systems Engineering Review Form (SERF) Req'd for High-Risk (formerly "Major") and Low-Risk (formerly "Minor") ITS projects

13. DLAE FIELD REVIEW NOTES:

A. MINUTES OF FIELD REVIEWS

B. ISSUES OR UNUSUAL ASPECTS OF PROJECT

(Attachment to Field Review Form)
Distribution: Original with attachments – Local Agency
Copy with attachments (2 copies if HBP) - DLAE

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ROADWAY DATA

1. TRAFFIC DATA

Current ADT ____ Year 20 __ Future ADT _____ Year 20___ DHV ____ Trucks __%
Terrain (Check One) ____ Flat _____ Rolling ____ Mountainous
Design Speed _____
Proposed Speed Zone ____ Yes mph _____ ____ No

2. GEOMETRIC INFORMATION

ROADWAY SECTION

Facility	Year Constr.	Min. Curve Radius	Thru Traffic Lanes			Shoulders		Median Width
			No. of Lanes	Total Width	Type	Each Width Lt/Rt	Type	
Exist.								
Prop.								
Min. Stds. selected: AASHTO____ 3R ____ Local ____								
	N/E Contig. Sect.							
	S/W Contig Sect.							

Remarks (If design standard exception is being sought, cite standard and explain fully how it varies):
_____
_____

3. DEFICIENCIES OF EXISTING FACILITY (Mark appropriate one(s))

_____ Pavement Surface
_____ Alignment
_____ Crossfall
_____ Pavement Structure
_____ Drainage
_____ Bridge
_____ Safety (Attach collision diagram or other documentation)
_____ Federal Americans w/ Disabilities Act (ADA), State or Local accessibility requirements
_____ Other (describe below)

Remarks _____
_____

4. TRAFFIC SIGNALS ____Yes ___New (attach warrants) ___Modified _____No

5. MAJOR STRUCTURES Structure No.(s) _____ (attach structure data sheet)
_____

6. OTHER TRANSPORTATION FACILITIES (Name)

_____ None
_____ Railroad _____ (attach railroad data sheet)
_____ Airports _____ (attach airport data sheet)
_____ Transit _____
_____ Bicycle _____

7. AGENCIES AFFECTED

Utilities [mark appropriate one(s)] _____ Telephone _____ Electrical _____ Gas
_____ Water _____ Irrigation
_____ Other _____ Sanitary

Major Utility Adjustment: _____
_____

High Risk Facilities: _____
_____

Other: _____
_____

Remarks: _____
_____

MAJOR STRUCTURE DATA

(Attach a separate sheet for each structure)

Project Number _____

Bridge Name (facility crossed) _____

State Br. No. _____ Date Constructed _____ Historical Bridge Inv. Category _____

Road Name _____ Location _____

STRUCTURE DATA

	Existing	**Proposed**	**Minimum AASHTO Standards**
Structure Type	_____	_____	_____
Structure Length	_____	_____	_____
Spans (No. & Length)	_____	_____	_____
Clear Width (curb to curb)	_____	_____	_____
Shoulder Width	_____Lt _____Rt	_____Lt _____Rt	_____Lt _____Rt
Sidewalks or bikeway width	_____Lt _____Rt	_____Lt _____Rt	_____Lt _____Rt
Total Br. Width	_____	_____	_____
Total Appr. Rdwy. Width	_____	_____	_____

1. Preliminary Engineering by _____
2. Design by _____
3. Foundation Investigation by _____
4. Hydrology Study by _____

Detour, Stage construction, or Close Road _____

Length of Detour _____

Resident Engineer for Bridge Work: ____ Agency ____ Consultant (On Retainer as City/County Engineer)

Responsible Local Official _____

Discuss any special conditions; for example, federal ADA, state or local accessibility requirements, or proposed design exceptions.

_____

_____

_____

ESTIMATED STRUCTURE AND RELATED COSTS:

		Federally Participating **Yes**	**No**
Bridge Cost			
Construct Bridge	_____	_____	_____
Bridge Removal	_____	_____	_____
Slope Protection	_____	_____	_____
Channel Work	_____	_____	_____
Detour - Stage Construction	_____	_____	_____

Approach Roadway	_____	_____	_____
Preliminary Engineering	_____	_____	_____
Construction Engineering	_____	_____	_____
Right of Way Costs	_____	_____	_____
Utility Relocation	_____	_____	_____
Mobilization	_____	_____	_____
Total	_____		

Type of HBP funds: Check one (Major type if more than one)

- ☐ Seismic/Voluntary (88.53% Fed. Share)
- ☐ Rehabilitation (80%)
- ☐ Replacement (80%)
- ☐ Railing (88.53%)
- ☐ Painting (88.53%)
- ☐ Painting (80%)
- ☐ Special (80%)
- ☐ Low Water Xing (80%)

Summarize HBP funded costs of above estimate:
(HBP Federal-aid + local match for HBP only)

Indicate the estimated date for Federal-aid Authorization & Obligation or Check the box:

	Date:	
Prelim. Eng. $_____	_____	☐ Not needed for this project
Right of Way $_____	_____	☐ Not needed for this project
Construction. $_____	_____	☐ Not needed for this project
Total $_____		

VALUE ENGINEERING ANALYSIS

Required (Yes, if total project costs for bridge are $20M or more) ☐ Yes ☐ No

Remarks _____
_____
_____

******* The following must be attached if the project is funded by the HBP:**

1. Plan view of proposed improvements.
2. Typical Section.

******* The following is recommended:**

1. Right of way map to determine whether right of way acquisition or construction easements are necessary.

(Attachment to Field Review Form)

RAILROAD GRADE CROSSING DATA

(Separate Sheet for each crossing)

Project Number /Name: _____

Name of Railroad: _____

Location (Road, City, or County, and Xing No.): _____

Vehicular Traffic: Daily Traffic using crossing ____ No. of Lanes _____ Speeds (mph) _____

No. of Exist. Tracks: Main Line _____ Branch Line _____ Passing _____ Other _____

No. of Future Tracks: _____ No. of Daily Trains; Passenger ____ Freight ____ Total _____

Maximum Speeds: Passenger _____ Freight _____

Protection in Place: _____

Protection Proposed: _____

Skew of Xing _____ Min. Sight Dist. (along track when driver is 100 feet from Xing) _____

Trains at Night? (Y/N) _____ Seasonal Train Traffic? (Y/N) _____

Ten-Year Accident Record Accidents _____ Killed _____ Injured _____

Has local agency requested or received PUC decision concerning:

Crossing Protection required: _____
_____

Protective devices proposed by local agency: _____
_____

Proposed financing of crossing protection: _____
_____

Does local agency propose to finance automatic crossing protection as a "G" (safety) project using 100% Federal funds? _____
_____

NOTE: Attach sketch showing relationship of old and new crossing.

Remarks: _____
_____
_____
_____

Distribution: Original with attachments-Local Agency
Copy with attachments (2 copies if HBP) - DLAE

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AIRPORT DATA

(Separate Sheet for each airport)

Agency : _____
Locator (Dist.-Co.-Route-Agcy. Abbreviation): _____
Project Number /Name: _____

NAME _____

LOCATION _____

RUNWAY
Direction _____

Distance from Project _____

SLOPE RATIO _____

FAA FORM 7460-1* _____
(Indicate status, attach if available)

REMARKS _____

_____

_____

* Notice of Proposed Construction or Alteration: Required per FAA Regulations 14 CFR, Part 77

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FIELD REVIEW ATTENDANCE ROSTER

Date _____ Project No./Name _____

Project Location _____

	Name (Please Print)	(Organization)	(Phone Number)
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			
14.			
15.			
16.			
17.			
18.			
19.			
20.			

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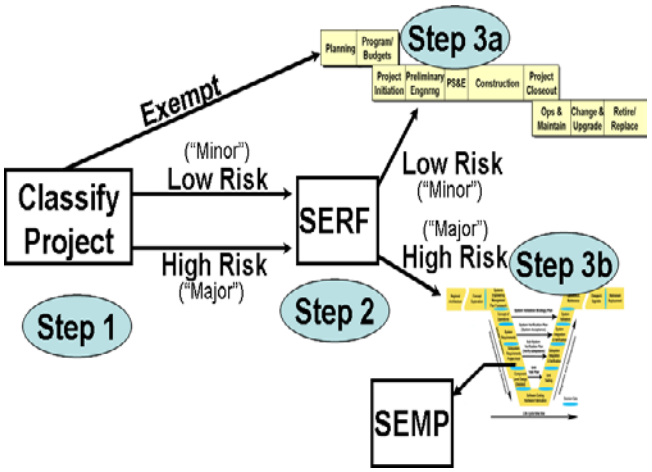
EXHIBIT 7-I SYSTEMS ENGINEERING REVIEW FORM (SERF)
Part 1. General Project Information

The SERF is normally submitted as part of the E-76 package when initial funding is requested. A full description of funding steps for ITS projects appears in Section 13.1 of the LAPG. The SERF must be filled out for **all** ITS projects unless they are "**Exempt**." For definitions of an Exempt ITS project, see LAPG Section 13.2. A full discussion of how a local agency uses the SERF during the programming and funding steps is in LAPG Section 13.4, in the section titled "Local agency (include consultants in project management role)". That process is summarized in the figure at the right.



Please provide the following background information. In most cases, 1-3 sentences will be sufficient for each item, but you may include as much as you feel needed. If you need more space, the field will expand automatically.

A. Project Contact – Name, position, phone, email.

B. Project Objectives – What is the purpose of the project? What needs (deficiencies) are being addressed?

C. Project Summary – What solutions will address the needs? What major elements will be installed? What major function(s) will be performed?

D. Work to Date – Any preliminary planning, investigation of options, associated internal or external systems examined, etc.?

E. Risk Assessment Guidance – Although this assessment is not a regulatory requirement, the answers to these questions will help you understand the extent of risk involved in this project. A full discussion of risk factors is available in LAPG Section 13.2, with a summary in Table 13-1.
For each question, check Yes or No or Not Sure.

Question:	Yes	No	Not Sure
1. Will the project depend on ***only your agency*** to implement and operate?			
2. Will the project use only software proven elsewhere, with ***no*** new software writing?			
3. Will the project use only hardware and communications ***proven*** elsewhere?			
4. Will the project use only ***existing interfaces*** (no new interfaces to other systems)?			
5. Will the project use only ***existing system requirements*** that are defined in writing?			
6. Will the project use only ***existing operating procedures*** that are defined in writing?			
7. Will the project use only technologies with service life ***longer*** than 2-4 years?			

If all of the above are Yes, that is a preliminary indication that your project is **Low-Risk**.

Part 2. Regulatory Compliance Information

Please answer each question briefly (often one paragraph is enough). If the question cannot be fully answered *now*, but will be answered during the project implementation, please indicate the step at which it will be answered. As you respond to each question on this form, the field will expand as you type. Examples of SERF's can be found at: http://www.fhwa.dot.gov/cadiv/segb/examples/del.htm (then click on "FHWA Rule/FTA Policy Compliance Documents").

1. Identification of portions of the Regional ITS Architecture (RA) being implemented:
*Instructions: Contact your MPO to get this information from your Regional ITS Architecture ("RA"). In the RA, the project might be identified specifically by name and agency, or by a more generic description (e.g. "Arterial Traffic Management"). If listed in the RA, document which inventory elements, market packages, subsystems, and//or information flows are being completed in this project. If there is **no** information in your RA, arrange with your MPO to provide them this information when your project is designed; they will use it in the next update of the RA.*

Please enter your response here (the field will expand as you type):

2. Identification of participating agencies roles and responsibilities:
Instructions: Can you identify all stakeholders that must participate in the implementation phase of this project? What are their roles/responsibilities? Have they committed to the responsibilities? Some of this information might appear in your RA (e.g., "Operational Concepts" or other sections). If this will be defined in later phase of the project (e.g., Concept of Operations), the RA may be a good source to start definition.

Please enter your response here (the field will expand as you type):

3. Procedures and resources necessary for operations and management of the system:
Instructions: Can you identify all stakeholders that must participate in operations, management and maintenance of the system throughout its life cycle? What are the roles, responsibilities, and resources required from each stakeholder? Examples include: money, special equipment, staff time, special expertise, provision of data, and many more. You should consider hardware, software, and communications issues.

Please enter your response here (the field will expand as you type):

4. Requirements definitions:
*Instructions: Are the system requirements (functional and performance) already well-defined **in writing**?*
*If yes, indicate where they can be found (e.g., Std. Specs). If they will be defined in later phase of the project, the applicable high-level functional requirements in the RA may be a good starting point for writing them. The focus is on **"what"** functions must be performed – **not** on **"how"** the technology will be used to perform them.*

Please enter your response here (the field will expand as you type):

5. Identification of applicable ITS standards and testing procedures:
Instructions: Do you know yet if any ITS Communications Standards are applicable to this project? If they are applicable, will you use them? If your RA identifies specific Architecture Flows, you can ask your MPO to produce a "Standards Report" for those Flows; it will identify ITS Standards to consider.

Please enter your response here (the field will expand as you type):

6. Analysis of alternative system configurations and technology options to meet requirements:
Instructions: Have you considered alternative designs yet? This could include system configurations, different organizational roles; alternative hardware, software, or communications technology; If you can not yet make a choice of available alternatives, this analysis will occur in later phase of the project (High-Level Design).

Please enter your response here (the field will expand as you type):

7. Procurement options:
Instructions: Have you considered different procurement options for each of the project phases (design, implementation, operation, and management)? These options could include: off-the-shelf vs. custom, lease vs. buy, fixed-price vs. cost-reimbursable, etc. Procurement options must consider the level of staff technical expertise, existing agency procurement practices, who will be the project manager, and whether you need a systems engineer and/or system integrator.

Please enter your response here (the field will expand as you type):

Comments or Additional Information (if needed):

Note: If you were able to answer all seven questions above completely and with certainty, then please self-certify this project as "Low-Risk" in the E-76. Otherwise, it should be classified as "High-Risk." However, if you feel this is not justified, you may request a review of this SERF by Caltrans and FHWA.

CHAPTER 8 PUBLIC HEARINGS

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SECTION/SUBJECT PAGE NUMBER

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FORMAL PUBLIC HEARING 8-1

OPEN FORUM PUBLIC HEARING 8-1

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FEDERAL REGULATIONS 8-2

Categorical Exclusion 8-2

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NOTICE OF PUBLIC HEARING 8-4

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EXHIBITS

SECTION/SUBJECT PAGE NUMBER

EXHIBIT 8-A SAMPLE NOTICE OF PUBLIC HEARING 8-9

EXHIBIT 8-B SAMPLE NOTICE OF OPPORTUNITY FOR PUBLIC HEARING 8-11

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CHAPTER 8 PUBLIC HEARINGS

8.1 INTRODUCTION

Community involvement is essential to developing local transportation projects that fully consider social, economic, environmental and other impacts and minimize the effects on the community and environment. All affected interests must be aware of the project's impact. Community involvement must be an integral part of the overall project development process.

Generally, the most productive interaction with the public and other agencies takes place through informal meetings, conferences, and direct correspondence rather than through formal public hearings. The number and extent of these informal meetings will vary greatly depending on the proposal, impacts, location, etc. A basic strategy for securing community involvement should be determined early in the project development process. Who to contact, size of groups, area of interest, details of presentation, how to contact, etc. must be decided on a project by project basis. Individuals, businesses, neighborhood associations and other officials and institutions may be affected by the project and interested in participating in the development process.

As a culmination of the project and environmental information gathering and development, a public hearing is required for certain federal-aid projects (discussed later). This public hearing process may be satisfied through either a "formal" or an "open forum" public hearing.

FORMAL PUBLIC HEARING

The formal public hearing process provides a structured forum in which to test the conclusions reached during the preliminary stages of project development, specifically needed for the project, project alternatives and major design features, social, economic, environmental and other impacts, and consistency with local, regional and state planning goals and objectives.

The formal public hearing is conducted as a structured meeting between the project authorities and the "public" audience. A presiding officer has the project team of experts explain the project to the audience and then the audience, one at a time, responds with comments and questions. All these activities are formally recorded and entered into a hearing record. The record is held open after the formal meeting for 10 to 30 days for additional written comments.

The formal hearing or opportunity for a hearing occurs during circulation of the draft environmental document prior to making any commitment to a specific design alternative or location.

OPEN FORUM PUBLIC HEARING

The open forum hearing is conducted in an open meeting format similar to a map showing or project briefing. Individuals may arrive at various times, be given a brief orientation and then directed to project team members for one-on-one explanations and discussions about their specific concerns and questions. The opportunity is provided to have their comments and questions recorded verbally or in writing for the hearing

record. The less formal atmosphere of this type hearing can contribute to a better understanding of the project features, provide for a more direct response to specific individual questions and concerns and move toward the solution of problems.

The open forum hearing also occurs during circulation of the draft environmental document prior to making any commitment to a specific design alternative or location. The public notices of the hearing and a hearing record are required as in the formal hearing process.

Chapter 11 of Caltrans *Project Development Procedures Manual* outlines the general concept and features for the two types of hearings. A review of these sections may assist the local agency in deciding which type is most appropriate for its project.

8.2 NECESSITY FOR A PUBLIC HEARING

FEDERAL REGULATIONS

The agency shall hold or sponsor public hearings or public meetings whenever appropriate or in accordance with statutory requirements applicable to the agency (40 CFR 1506.6(c)). The criteria shall include whether there is:

- Substantial environmental controversy concerning the proposed action,
- Substantial interest in holding the hearing, or
- A request for a hearing by another agency with jurisdiction over the action, supported by reasons why a hearing will be helpful.

CATEGORICAL EXCLUSION

Projects processed with a Categorical Exclusion (CE) are actions which will not have any significant social, economic, or environmental effects, and therefore, do not require a public hearing.

ENVIRONMENTAL ASSESSMENT

Projects processed with an Environmental Assessment (EA), must involve environmental agencies, applicants and the public to the extent practicable (40 CFR 1501.4[b]). 23 CFR 771.111(h) requires that one or more public hearings or opportunities for hearings be provided for any federal-aid project which:

- Requires significant amounts of right of way
- Substantially changes the layout or functions of connecting roadways or the facility being improved
- Has a substantial adverse impact on abutting property
- Otherwise has a significant social, economic, environmental or other effect, or
- For those projects that Caltrans (under National Environmental Policy Act [NEPA] Delegation) determines a public hearing is in the public interest

ENVIRONMENTAL IMPACT STATEMENT

A public hearing is required during the circulation period of all Draft Environmental Impact Statements (EIS) when it is determined to be in the public interest.

The Caltrans *Project Development Procedures Manual* (PDPM) Chapter 11 sets forth Department policy and procedures regarding public hearings. The manual provides explicit information and instructions regarding when public hearings are necessary; how to conduct a public hearing; Title V1 compliance documentation, open forum versus formal hearing, coordination with DED availability; public notices and publicity; map showings; hearing room arrangements; presiding officers, briefings; presentations; handouts; exhibits and interpreters, and hearings for local projects. Refer to the guidelines and samples for public hearing notices, PDPM Appendix HH.

EXCEPTION TO THE PUBLIC HEARING PROCESS

Compliance with the public hearing process is not required for emergency opening work on disaster assistance projects (see Chapter 11 "Emergency Relief" of the *Local Assistance Program Guidelines* [LAPG]).

8.3 OPPORTUNITY FOR HEARING AND WITHDRAWAL OF REQUEST FOR HEARING

If there is reason to believe that the project is noncontroversial and that it is unlikely that a hearing would be requested, either by the public or any agency, a Notice of Opportunity for a Public Hearing may be utilized rather than directly scheduling a hearing.

When only a small number of requests for a hearing are received, it is permissible to meet with the parties at a convenient time and location, explain the project and answer any questions. These meetings shall be very carefully documented and made a part of the project record. If satisfied, the requesting party may withdraw the request for a hearing in writing. If the requesting party does not wish to withdraw the request, a hearing shall be held.

8.4 PUBLIC NOTIFICATION

Public notices are published as a means to inform the public of various proposals and to invite public participation. Methods of public notification include:

- Paid public notice in a local newspaper
- Supplemental news releases and special paid notices
- Flyers or bulk rate circulars distributed to residents
- Notices on bulletin boards in public places such as city halls, libraries, supermarkets
- Television and radio
- Distribution of notices through schools and service clubs
- Indication in the draft environmental document that a hearing will be held or a notice of opportunity for a hearing will be published.

40 CFR 1506.6(b) requires that a public notice of NEPA related hearings, public meetings, and the availability of environmental documents be provided to inform those persons and agencies who may be interested or affected. This includes groups, agencies or individuals who:

- Have requested notification, or

- By nature of their function, interest, or responsibility may be interested in or affected by the proposal

In all cases where non-English speaking people are affected by the proposal, the local agency determines if the language barrier is of such magnitude as to warrant special publicity in the language of those affected. Particular effort is to be made to seek out and invite minority leaders and representatives of low mobility groups. In lieu of sending the representatives of low mobility groups the notice, a letter containing the pertinent data can be sent.

In the case of an action with effects primarily of local concern, notification may include:

- Notice to state and area wide clearinghouses
- Notice to Indian tribes when effects occur on reservations
- Publication in local newspapers (in papers of general circulation rather than legal papers)
- Notice through other local media
- Notice to potentially interested community organizations including small business associations
- Publication in newsletters that may be expected to reach potentially interested persons
- Direct mailing to owners and occupants of nearby of affected property
- Posting of notice on and off site in the area where the action is located

CONTENT OF THE NOTICE

Both the Notice of Public Hearing and the Notice of Opportunity for Public Hearing shall include:

- Sufficient detail of the surrounding area to enable the reader to readily identify the proposal location
- An appropriate schematic map depicting the proposal limits. Alternative design features are to be either displayed by schematic inserts or described in the notice. Indicate if any alternatives would be located in wetlands.
- A statement to the effect that project maps, drawings, the environmental assessment or draft environmental impact statement, and other pertinent information received and/or developed by the local agency will be available for inspection and copying at the local agency's office or other convenient location in the vicinity of the proposal. In addition to the required information, any other data that will make the notice more informative should be included.
- A specific note that an open forum format will be used when this is the case

To ensure widespread and comprehensive project notification, the local agency shall establish and maintain a list upon which any federal agency, local official, public advisory group or agency, civic association, community group, or individual may enroll to receive notices of proposals in the area specified.

NOTICE OF PUBLIC HEARING

The Notice shall be published at least twice in a newspaper having a general circulation in the vicinity of the proposal and in any newspaper having a substantial circulation in the

area concerned such as foreign language and community newspapers. The first Notice shall be published at least 30 days prior to the scheduled hearing. The second Notice should be published approximately one week before the hearing. The timing of additional publication is optional.

If a draft EIS is to be considered at a public hearing the agency shall make the statement available to the public at least 15 days in advance of the hearing (unless the purpose of the hearing is to provide information for the draft EIS (40 CFR 1506.6(c)(2)).

In addition to the items noted in the above "Content of the Notice," each notice of public hearing shall specify:

- The date, time, and place of the hearing
- That tentative schedules for right of way and construction will be discussed
- That relocation assistance programs will be discussed
- That written statements and exhibits may be submitted up to a specified date at least 10 days after the hearing with the procedure for submissions

On projects of particular local interest or great complexity, the local agency may wish to consider the use of bulk-rate type circulars in addition to the published notices.

The local agency shall furnish the District Local Assistance Engineer (DLAE) with a clipping or legible copy (identify newspaper and date published) of the notice of public hearing at the time of first publication. Copies of all notices shall be incorporated into the hearing record.

- A sample public hearing notice is shown in Exhibit 8-A.

NOTICE OF OPPORTUNITY FOR PUBLIC HEARING

The notice of opportunity for public hearing shall explain the procedure and specify the deadline for requesting a public hearing. The deadline for requesting a public hearing shall not be less than 21 days after the date of publication of the first Notice, or less than 14 days after the date of publication of the second notice.

The local agency shall furnish the DLAE with a clipping or legible copy (identify newspaper and date published) of the Notice of Opportunity for Public Hearing at the time of first publication.

A sample notice of opportunity is shown in Exhibit 8-B.

8.5 JOINT PUBLIC HEARINGS

The local agency shall cooperate with State and other local agencies to the fullest extent possible to reduce duplication between NEPA, State and local requirements unless the agencies are specifically barred from doing so by some other law (40 CFR 1506.2). This procedure provides for concurrent compliance with the public review requirements, including joint public hearings of both NEPA and CEQA.

If a joint NEPA and CEQA environmental document is being prepared for a local agency project, and it has been determined that the criteria for deciding whether to hold a hearing has been met (40 CFR 1506.6[c]), a combined public hearing should be considered.

8.6 SCHEDULING

Federal regulation 40 CFR 1502.6(c)(2) states that if a Draft EIS is to be considered at a public hearing, the agency shall make the Draft EIS available to the public at least 15 days in advance (unless the purpose of the hearings is to provide information for preparing the Draft EIS).

Formal or open forum public hearings are held after the EA or Draft EIS has been approved for circulation by the Caltrans District Director (DD) and prior to commitment to any of the alternatives to be presented at the hearing.

8.7 HEARING PROCEDURES

Public hearings are held at a place and time convenient for persons affected by the proposal.

Whether a hearing is conducted by representatives of the local agency or of a cooperating agency, the local agency arranges to have suitable personnel available to respond to questions which may arise. The local agency is responsible for successful completion of all hearing requirements.

A presiding officer shall be identified for the hearing. If the hearing covers controversial issues, the agency should consider selecting a neutral person, who has no interest in the project, to act as presiding officer.

At each public hearing, it shall be announced that:

- The hearing is being held to present studies to date on the location and/or design features of the proposal, and to provide a forum for public discussion of the major features, including social, economic and environmental effects of the proposal.
- The hearing is being held prior to making any commitment to the various alternatives being presented at the hearings that no studies or plans will be finalized until the complete public record has been analyzed including data gathered at the public hearing and received in response to the draft environmental document.
- The final deadline for submitting written statements and exhibits will be no later than 10 days after the hearing or for more complex or controversial proposals, a longer and clearly specified period. Written material should be submitted to the local agency at the address given in the handout.
- Subsequent to the hearing and prior to requesting approval, all data gathered at the hearing or submitted for the record will be available for inspection and copying at the local agency's office or other location.

The items to be covered in the presentation and/or hearing handouts are:

- A discussion of the local, State and federal roles for developing the proposal.
- A summary of coordination and interaction to date.

- The major features of the proposal and alternatives thereto.
- The location of any wetlands crossed by a project shall be identified.
- A discussion on the feasibility of providing a means of public access to any navigable river over which a new bridge is to be constructed.
- A discussion on the requirements for California Transportation Commission approval of any proposed new connections to freeways, where applicable.
- A discussion on tentative right of way requirements, the schedule of acquisition, the estimated number of families, business and other concerns to be relocated, housing availability, and the relocation assistance program.
- A discussion on the tentative time schedule for construction noting any significant items that may affect the schedule.
- A discussion of any other items that may be informative because of the particular conditions of the proposal.

8.8 RECORD OF PUBLIC HEARING

Whenever a formal or open forum public hearing is held, a Record of Public Hearing is prepared to provide documentation of the proceeding. The Record of Public Hearing includes a title page, table of contents, resume of the hearing, index of speakers, a verbatim transcript, reproductions of displays, documents submitted for the record, reproductions of publicity items (including public hearing notices) and a list of invitations. The open forum hearing record shall also include a synopsis of the comments, concerns and questions discussed with the public but not entered into the formal "verbatim" transcript.

Copies of the Record of Public Hearing shall be forwarded to the DLAE. Additional copies may be requested by the DLAE. Requests for additional copies normally are made at the time of the hearing.

8.9 REHEARING

The findings and conclusions of the public hearing are valid only as long as the conditions surrounding the original hearing remain constant.

Federal regulations (40 CFR 1502.9 [c]) require that the local agency prepares supplements to either draft or final environmental impact statement if:

- The agency makes substantial changes in the proposed action that are relevant to environmental concerns, or
- There are significant new circumstances or information relevant to environmental concerns and bearing on the proposed action or its impacts (e.g., substantial unanticipated development in the area affected by the proposal)

A new public hearing or opportunity for a public hearing is required under either of the above scenarios.

The local agency is responsible for reassessing changes in project location and design features and changes in the surrounding area and shall prepare, circulate, and file a supplement to an environmental impact statement in the same fashion (exclusive of scoping) as a draft and final statement, and schedule rehearing as necessary.

8.10 LOCATION AND DESIGN APPROVAL

Caltrans District Director's approval of the final environmental document constitutes location and design approval.

EXHIBIT 8-A SAMPLE NOTICE OF PUBLIC HEARING

CITY OF LOS AMIGOS

NOTICE OF PUBLIC HEARING

TO CONSIDER THE LOCATION, DESIGN FEATURES AND ENVIRONMENTAL EFFECTS OF THE PROPOSED IMPROVEMENT OF BUNDY DRIVE FROM OCEAN AVENUE TO 325 FEET SOUTH OF LA ORANGE AVENUE

WHERE: Los Amigos Municipal Building, Room 200
1645 Corinth Avenue
Los Amigos, California

WHEN: March 10, 1996 at 7:00 PM

LOCATION MAP

Notice is hereby given that the City of Los Amigos, Department of Public Works, Division of Engineering will conduct a public hearing to discuss the proposed location, right of way and major design features; and social, economic, environmental other effects of the proposed improvement of Bundy Drive from Ocean Avenue to 325 feet south of La Orange Avenue. The 1.1 mile section of Bundy Drive from Wilshire Boulevard to 325 feet south of La Orange Avenue will be widened to a roadway width of 66 to 70 feet and from an existing 40 to 55 foot width. The transition section from Wilshire Boulevard to Ocean Avenue will be widened to 58 feet from an existing 40 foot width. This widening will be accomplished in two phases: Phase 1 -- 250 feet north of Santa Monica Boulevard to 325 feet south of La Orange Avenue: Phase 2 -- Ocean Avenue to 250 feet north of Santa Monica Boulevard.

The purpose of the hearing is to provide local government officials, civic groups and all interested persons an opportunity to become fully acquainted with the proposed project; and to obtain their input to ensure that the transportation decisions reflect and are consistent with Federal, State, and City goals and objectives. The hearing is being held prior to making any commitment to the alternatives to be presented; no plans will become final until the complete public record has been analyzed including data gathered at the hearing. After the City has made its decision regarding the proposal, approval will be requested of the Federal Highway Administration for reimbursement under the Surface Transportation Program.

Detailed maps, drawings, the environmental document (Environmental Assessment), and other pertinent information received and/or developed by the City will be available for inspection and copying beginning February 5, 1996, at the following locations:

Los Amigos Municipal Building
1645 Corinth Avenue, Room 209
Los Amigos, California 70023
Telephone: 123-0732

Brentwood Public Library
11820 San Vicente Boulevard
Los Amigos, California 70049

Los Amigos Regional Library
11360 Santa Monica Boulevard
Los Amigos, California 70025

Tentative schedules for right of way acquisition and construction will be discussed as well as relocation assistance programs.

Written and oral statements from any interested person or group regarding the proposed improvements will be received at the hearing for entry into the hearing record.

The hearing records will remain open until March 24, 1996 (2 weeks). During this time, written statements and exhibits concerning this project may be submitted to the Division of Engineering for inclusion into the hearing record. Statement should be mailed to:
Mr. Seymour Hearings, City Engineer
Department of Public Works
Division of Engineering
200 North Fall Street, Room 800
Los Amigos, California 70012

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EXHIBIT 8-B SAMPLE NOTICE OF OPPORTUNITY FOR PUBLIC HEARING

NOTICE OF OPPORTUNITY FOR PUBLIC HEARING PROPOSAL

This is to inform all interested persons that the City of Ontario and the City of Rancho Cucamonga propose to improve Vineyard Avenue from Fourth Street to Arrow Highway. This project will be financed with funds from the Federal Surface Transportation Program.

The proposed construction includes the widening within the right of way of those portions of Vineyard Avenue presently having a roadway width of two or three lanes to four lanes, reconstruction or rehabilitation of existing pavement and the installation of traffic signals at Fourth Street, Sixth Street, Eighth Street and Arrow Highway.

VICINITY MAP

INFORMATION

Further information regarding this project may be obtained by contacting Mr. Peter S. Principle, Associate Engineer, of the City of Ontario Engineering Department at City Hall, 303 East B Street, Ontario, California 91234, in person by correspondence, or by telephone (987-6543 extension no. 210). Hours are Monday through Friday, 8:00 a.m. to 5:00 p.m. or at other times by special arrangement. Preliminary data is available for inspection.

The Environmental Assessment for the improvement of Vineyard Avenue was approved for circulation by the Federal Highway Administration on December 10, 1995 and is available at the Engineering Department. Persons having comments concerning this improvement, including objections to the basis of determination set forth in the Environmental Assessment, are invited to furnish their comments summarizing the specific substantive and factual basis for such opposition, in writing to the City of Ontario or the Federal Highway Administration. Such comments are to be furnished no later than February 16, 1996.

PUBLIC HEARING

If requested by an interested agency or member of the general public, a public hearing will be conducted. The hearing will provide the public an opportunity to consider major design features of the project. Request for a hearing should be submitted, in writing, no later that February 9, 1996, to me at the above address.

If there are no requests for a hearing, the department will proceed with the project as planned.

Seymour Roads
City Engineer
City of Ontario

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CHAPTER 9 CIVIL RIGHTS AND DISADVANTAGED BUSINESS ENTERPRISE

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CHAPTER 9 CIVIL RIGHTS AND DISADVANTAGED BUSINESS ENTERPRISE

9.1 INTRODUCTION

This chapter provides guidance for the local agency in complying with the Civil Rights requirements (Title VI, Accessibility, Equal Employment Opportunity [EEO] Contractor Compliance) and Disadvantaged Business Enterprise (DBE) requirements for federal-aid transportation projects. Each of these areas is addressed in more detail in the following sections. The information contained in this section has been extracted from other documents and should not be considered as a replacement or substitute for the laws, rules and regulations, agreements, circulars, and other guidance available.

The Division of Local Assistance (DLA) web site at: http://www.dot.ca.gov/hq/LocalPrograms/ provides additional information and resources that complements guidance in this chapter.

9.2 NONDISCRIMINATION: TITLE VI OF THE CIVIL RIGHTS ACT

Nondiscrimination provisions apply to all programs and activities of federal-aid recipients, sub-recipients, and contractors, regardless of tier (49 Code of Federal Regulations (CFR), Part 21). The obligation not to discriminate is based on the objective of Congress not to have funds, which were collected in a nondiscriminatory manner used in ways that subsidize, promote, or perpetuate discrimination based on race, color, national origin, sex, age, or physical or mental disability, sexual orientation or retaliation.

The reach of Title VI in the areas of Environmental Justice and the needs of Limited English Proficient populations has expanded jurisdiction, clients, and complexity. Environmental Justice (EJ) Executive Order 12898, amplifies Title VI by identifying and addressing, as appropriate, disproportionately high and adverse human health, or environmental effects of federal-aid projects on minority populations and low-income populations. The order is also intended to promote nondiscrimination in federal programs substantially affecting human health and the environment, and to provide minority communities and low-income communities access to public information and an opportunity for public participation in matters relating to human health or the environment.

Limited English Proficiency (LEP), Executive Order 13166, clarifies national origin discrimination as it affects persons with limited proficiency in English. The order requires federal-aid recipients to take reasonable steps to ensure that LEP persons have meaningful access to programs, services, and information free of charge.

Language barriers prohibit LEP persons from:

- Obtaining services and information relating to transportation services, programs, and projects.
- Taking advantage of the transit system, which could affect their jobs and social opportunities.

- Understanding the benefits to which they are entitled when their home or business property is acquired through eminent domain.

IMPLEMENTING TITLE VI

The DLA is responsible for developing policies and procedures in order for local agencies to implement Title VI. DLA has included checks and balances throughout its processes including legal review of major agreements and documents.

Title VI Assurances: Local agencies sign this assurance as part of their Master Agreement with Caltrans (see Exhibit 4-C "Master Agreement-Sample," Chapter 4 of the *Local Assistance Procedures Manual* [LAPM]). The Program Supplement Agreement for each project includes the local agency's reaffirmation of the Nondiscrimination Assurances contained in the Master Agreement.

Environmental: Presidential Executive Order 12898 (EJ) is considered during the preliminary environmental investigation process and completion of the Preliminary Environmental Study (PES) Form. See Exhibits 6-A "Preliminary Environmental Study (PES) Form," and B "Instructions for Completing the Preliminary Environmental Study (PES) Form," Chapter 6 of the LAPM or refer to this web site: http://www.dot.ca.gov/hq/LocalPrograms/lam/prog_p/p06envrp.pdf)

If a project requires that a Relocation Impact Study and/or Community Impact Assessment be conducted, the local agency follows the guidance set forth in the *Standard Environmental Reference* (SER). The SER is an on-line electronic reference that sets forth document content and format, as required by law or regulation and recommended format, if not specified by law or regulation. Chapter 25 of the SER addresses Environmental Justice (EJ) and LEP requirements: http://i80.dot.ca.gov/ser/vol1/sec3/community/ch25ej/chap25ej.htm

Public Hearings and Public Involvement Meetings: The attendance and concerns of LEP persons, persons with disabilities, minority populations, and low income populations at public involvement meetings and hearings must be carefully documented to comply with Title VI of the Civil Rights Act of 1964, including statistics of participants by race and gender. Public hearing announcements must be made available in languages understood by the affected population. Public hearings should be held at locations that are both geographically and structurally accessible. Interpreters should be made available for LEP persons and for the hearing impaired (see Chapter 8, "Public Hearings," of the LAPM.).

Local Agency Contact with LEP Persons: Each local agency receiving federal-aid funds shall perform an annual assessment to determine if modifications are needed to their program and activities to ensure full access by LEP persons. See LEP Plan at the following Caltrans Title VI website: http://www.dot.ca.gov/hq/bep/title_vi/LEP/index.htm

Right of Way: On federal-aid projects, all Right of Way (R/W) activities are conducted in accordance with the *Caltrans Right of Way Manual*, unless the local agency has adopted its own procedures, which Caltrans has approved. The *Caltrans Right of Way Manual* requires that the public be provided with Title VI information and complaint procedures within each of the following R/W functions: Appraisals, Acquisition, Relocation Assistance Program (RAP) and Property Management (see Chapter 13, "Right of Way," of the LAPM).

Construction: Federal-aid construction contracts must include provisions, which require compliance with Title VI. The specific contract provision language is included in the Federal Highway Administration (FHWA) Form 1273 that is physically inserted in the federal-aid construction contract (see Chapter 12, "Plans, Specifications and Estimate," of the LAPM).

Additional Resources for Title VI Implementation: You may access additional information on implementing Title VI (including Potential Title VI Issues, Self Monitoring, Good Practices and Mitigation Measures) in the electronic version of the Caltrans Title VI Guide Book: http://www.dot.ca.gov/hq/bep/title_vi/t6_guidelines_choice.htm.

Title VI brochures in ten languages are available on the DLA web site under Title VI: http://www.dot.ca.gov/hq/LocalPrograms/DBE_CRLC/DBE_CRLC.html#TitleVI

MONITORING TITLE VI

There are a number of actions that have been developed for the local agencies in meeting federal requirements. Attendance at public meetings by the District Local Assistance Engineer (DLAE) and receiving copies of the meeting minutes during the planning stages of local agency projects help to ensure nondiscrimination and EJ are properly being addressed at these early stages of a project.

To ensure continued compliance by the local agencies, checklists along with a review of the Plans, Specifications & Estimate (PS&E) and attendance at public meetings are some of the tools that are used initially, and then used later to facilitate the DLA in performing process reviews and other quality assurance functions. The local agency checklists and PS&Es are reviewed by the DLAE upon receipt to ensure compliance with Title VI as well as other federal and state regulations.

Plans, Specifications & Estimate (PS&E) Checklist: This checklist ensures that the federal and state contract requirements are being implemented. Specifically, it confirms the implementation of the mandatory requirements of FHWA Form 1273, EEO Certification, DBE provisions, and applicable wage rates, etc. The local agency submits the checklist to the DLAE along with the request for authorization to proceed with construction for federal-aid construction contracts.

Local agency PES, technical reports, Environmental Assessment (EA) and Environmental Impact Statements (EIS) provide for data collection and analysis on the demographics of neighborhoods and communities. The DLAEs and Caltrans Environmental Specialists review the environmental documents to ensure that no disproportionate adverse impacts occur on minority and low-income neighborhoods or communities.

Both the DLAE and the Caltrans District Right of Way staff monitor R/W activities on local projects (see Chapter 12, "Plans, Specifications & Estimate," of the LAPM.) to ensure compliance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

Local Agency Construction Contract Administration Checklist: This checklist confirms that DBE and Labor/EEO compliance requirements are performed and documented in the project files. This checklist documents that the local agency will meet all of these requirements prior to the award of the construction contract (see Chapter 15, "Advertise and Award Project," of the LAPM).

Resident Engineer's Construction Administration Checklist: This checklist is completed by the local agency Resident Engineer. The purpose of the checklist is to assist the local agencies in administering federal-aid highway construction projects. This checklist documents that the data is similar to the Local Agency Construction Contract Administration Checklist. It also provides a record that the EEO/Wage Rate/False Statements Posters are being posted at specific locations, that employee interviews will be conducted in accordance with the Labor Compliance/EEO Interview form, and that DBE requirements are met. The local agency submits the checklist along with the award package shortly after award of the construction contract (see Chapter 15, "Advertise and Award Project," of the LAPM).

TITLE VI COMPLAINTS

The procedures in this section have been established to receive and resolve alleged civil rights discrimination complaints concerning a local agency project or projects constructed with federal-aid funds. Caltrans will investigate and submit a report of findings to FHWA within 60 days of receipt of the complaint. The complainant will be informed by the Caltrans Discrimination Complaint Investigation Unit (DCIU) staff of his/her right to appeal the Caltrans findings to FHWA California Division. An appeal will be accepted by FHWA up to 180 days FROM THE DATE OF RECEIPT OF THE DECISION.

Caltrans will include a summary report of its findings on all Title VI complaints in its annual Title VI update report to FHWA.

9.3 ACCESSIBILITY

Section 504 of the Rehabilitation Act of 1973 (codified as 29 USC Subsection 791 et seq.) requires that any entity receiving federal financial assistance must ensure that persons with disabilities are not discriminated against in any and all aspects of employment, or denied access to the goods or services that these federal fund recipients provide.

The intent of the Americans with Disability Act (ADA) (Public Law 101-336, codified as 42 USC 12101 et seq.) is to "assure equality of opportunity, full participation, independent living, and economic self-sufficiency for persons with disabilities." This law extended the protections offered for persons with disabilities.

28 CFR, Part 35 requires that facilities constructed by on behalf of, or for the use of a public entity shall be designed and constructed so that the facility is accessible to and usable by persons with disabilities.

49 CFR, Part 27 requires nondiscrimination on basis of disability in programs and activities receiving or benefiting from federal financial assistance.

The State of California has also adopted regulations −Title 24 of the California Government Code, specifying that all buildings, structures, sidewalks, curbs, and related facilities constructed in California by the use of State, county or municipal funds, or the funds of any political subdivision of the State, shall be accessible to and usable by persons with disabilities.

IMPLEMENTATION

Assurances: Administering agencies sign this assurance as part of their Master Agreement with Caltrans (see Exhibit 4-C "Master Agreement-Example," Chapter 4 of the LAPM). The Program Supplement Agreement for each project includes the administering agency's reaffirmation of the Nondiscrimination Assurances contained in the "Local Agency-State Agreement for Federal-Aid Projects."

Self Evaluation and Transition Plan: 49 CFR, Part 27 requires local agencies as part of receiving US DOT federal financial assistance to:

1. evaluate their current policies and practices to ensure nondiscrimination on the basis of disability in the design, construction, and maintenance of transportation and pedestrian facilities within their respective jurisdictions.
2. identify deficiencies and remedies to correct deficiencies.
3. develop a transition plan or schedule that includes milestones or measures of achievement.
4. develop a system for periodically reviewing and updating the evaluation and transition plan.

Designation of an ADA Coordinator: As part of receiving US DOT federal financial assistance, each local agency shall designate an ADA Coordinator, who coordinates the efforts of the administering agency to comply with 49 CFR, Part 27.

Adoption of Grievance Procedures: A local agency that employs fifteen (15) or more persons and is receiving US DOT federal financial assistance is required to adopt procedures that incorporate appropriate due process standards and provide for the prompt and equitable resolution of complaints alleging discrimination on basis of disability.

Design: State and local governments, regardless of whether they receive federal financial assistance, are required to comply with the Federal ADA Accessibility Guidelines (ADAAG), Title 24, or local code, whichever provides the greatest access. Private-funded improvements are required to comply with the ADAAG and with Title 24, whichever code offers the greatest access or protections to individuals with disabilities.

All new and existing altered pedestrian facilities such as, but not limited to, highway rest area facilities, sidewalks, crosswalks, pedestrian overpasses, underpasses and ramps, shall be made accessible to persons with disabilities in accordance with federal and state accessibility standards on all local agency federal-aid projects (see Chapter 11, "Design Standards," of the LAPM).

Certification: Local agencies certify compliance with federal and state laws in the PS&E checklist (see Chapter 12, Section 12.15, and Exhibits 12-D and 12-E, of the LAPM).

MONITORING

Local Agency Annual ADA Submittal Form: Each local agency must provide the Caltrans DLAE a completed "ADA Annual Submittal Form for Local Agencies," (see Exhibit 9-C in this chapter) by June 1 of each year for the following Federal Fiscal Year (FFY) (October 1 – September 30). This form must be received prior to submitting a "Request for Authorization" to proceed with a federal-aid project.

This form includes:

1. Designated ADA Coordinator information (name, address, phone number, and e-mail address).
2. Certification that the local agency has an updated Self Evaluation and Transition Plan. (If the local agency does not have an updated Self Evaluation and Transition Plan, then the local agency provides an estimated date that they will have one.)
3. Certification of the adoption of a grievance procedure. (If the local agency does not have a grievance procedure, then the local agency provides an estimated date that they will have one.)

Field Reviews: During the field review, agreement is reached among all interested parties (local agency, DLAE, FHWA) on the general design features and exceptions for the project. ADA deficiencies are discussed and agreed upon at this time (see Chapter 7, "Field Reviews," of the LAPM.).

Plans Specifications & Estimate (PS&E) Checklist: Local agencies certify that their project's PS&E complies with all applicable federal and state regulations and codes. A PS&E checklist form helps to ensure local agency compliance. ADA compliance is included in this checklist (see Chapter 12, "Plans, Specifications & Estimate," of the LAPM).

Final Inspection: The local agency conducts the final inspection and certifies on the Final Inspection Form that the project was constructed in accordance with the scope and description of the project authorization document and that all federal and state requirements have been met. The DLAE reviews the job site and verifies completion on the Final Inspection Form (see Chapter 17, "Project Completion," of the LAPM).

COMPLAINTS

Please refer to Section 9.3 Accessibility, "Adoption of Grievance Procedures," in this chapter.

9.4 EQUAL EMPLOYMENT OPPORTUNITY (EEO) CONTRACTOR COMPLIANCE

Federal-aid Highway Act of 1968 (23 USC 140(a)) and implementing regulations at 23 CFR 230, require that the local agency receiving federal financial assistance shall assure that employment in connection with federal highway construction projects is provided without regard to race, color, creed, national origin or sex.

The local agency is also required to include notification of a federal-aid contractor's EEO responsibilities in the advertised contract specifications. In addition, the local agency shall maintain and make available apprenticeship, skill improvement or other upgrading programs, which provide equal opportunity for training and employment without regard to race, color, creed, national origin or sex.

23 CFR 635.117 – Sets forth FHWA policies and procedures relating to federal-aid highway projects from authorization to final acceptance by FHWA. It includes a statement encouraging local agencies to use DBEs. Other sections of the CFR include nondiscriminatory bidding procedures, subcontractor and contractor responsibilities,

labor, employment and Native American Indian preference provisions, payroll and statements of wages paid, and contract termination procedures.

Form FHWA 1273 "Required Contract Provisions for Federal-Aid Construction Contracts" is a standard form containing required contract provisions and proposal notices and is required to be physically inserted in each federal-aid highway construction contract and subcontracts (at any tier) of $10,000 or more. When a contractor signs a federal-aid contract of $10,000 or more, the nondiscrimination provisions in the Form FHWA 1273 constitutes the contractor's Equal Employment Opportunity/Affirmative Action Program standards for that contract.

IMPLEMENTATION

Assurances: Local agencies sign assurances as part of their Master Agreement with Caltrans. Appendix A to Exhibit B of the Master Agreement includes nondiscrimination in the selection and retention of sub-applicants and the prohibition of discrimination in employment practices (see Exhibit 4-C "Master Agreement-Example," Chapter 4, of the LAPM).

***Required Federal Contract Provisions*:** Local agencies shall physically insert the Form FHWA 1273 in the contract document. Local agencies are aware that contractor's noncompliance with the EEO specifications in the Form FHWA 1273 may be considered a breach of contract for which payment may be withheld, or the contract terminated (see Chapter 12, "Plans, Specifications & Estimate," of the LAPM).

Construction: Federal-aid prime contractors and subcontractors employment practices in the areas of recruitment and selection decisions (hiring, promotions, terminations, training, etc.) are to be conducted without regard to race, color, creed, national origin, age, disability, or sex.

The local agency's resident engineer should be cognizant of the contractual requirement and monitor the contractor for compliance. Specifically, the resident engineer's area of concern should be whether discriminatory practices take place, particularly in the hiring, firing, training, promotion, and utilization of employees (see Chapter 16 Section 16.12 "Equal Employment Opportunity," of the LAPM).

MONITORING

The three checklists listed above in the Section 9.2 Nondiscrimination: Title VI of the Civil Rights Act serve to assist local agencies in implementing EEO and as a monitoring tool for DLAEs to ensure that EEO requirements are met. In addition, DLA performs periodic EEO process reviews that include a review of DLAE, local agency, and contractor.

Caltrans Civil Rights includes local agency contracts in their compliance reviews of federal-aid contractors.

REPORTING

The federal-aid contractor on federal-aid construction contracts that are active during the last full pay period in July completes "Form FHWA PR-1391, Federal-Aid Highway Construction Contractors Annual EEO Report," (see Chapter 16, "Administer Construction Contracts," of the LAPM).

9.5 DISADVANTAGED BUSINESS ENTERPRISE

Caltrans is required under 49 CFR, Part 26 to administer a DBE Program. The DBE Program is intended to ensure a level playing field and foster equal opportunity in federal-aid contracts.

In this manual, federal-aid contracts refer to US DOT assisted-contracts that include funding from the FHWA, Federal Transit Administration (FTA), and the Federal Aviation Administration (FAA).

BACKGROUND

For several years, Caltrans through local agencies implemented a DBE Program in accordance with applicable requirements and included race conscious components in the program. In May 2005 the Ninth Circuit Court of Appeals issued a decision on Western States Paving, Co. vs. Washington Department of Transportation, et al, which required the State of Washington to comply with new evidentiary standards necessary to constitutionally support the use of race conscious DBE goals such as those being used by Caltrans. The decision is binding on the states within its jurisdiction, including California.

In 2006-2007 Caltrans conducted an Availability and Disparity Study that examined the transportation construction and engineering industry in California for discrimination. The study determined that discrimination exists in the transportation contracting industry and that discrimination appears consistently against African Americans, Native Americans, Asian-Pacific Americans, and Women. Hispanic and Subcontinent Asians were found to be at or near parity. Therefore, Caltrans has resumed the Race Conscious DBE Program. All DBE participation is encouraged and is counted towards California's overall annual goal; however, use of contract goals is limited to the following Underutilized Disadvantaged Business Enterprises (UDBEs): African Americans, Native Americans, Asian-Pacific Americans, and Women,

DBE DEFINITIONS

Annual Anticipated DBE Participation Level (AADPL) - The level of participation that the local agency would expect DBEs to achieve in the absence of discrimination and the effects of past discrimination on federal-aid contracts awarded in its jurisdiction in a given FFY. This includes an assessment of the availability for specific items of work that DBEs could reasonably be expected to compete for subcontracting opportunities on a federal-aid contract, and their likely availability for work on federal-aid contracts that will be awarded in a given fiscal year. The AADPL is not a goal that the local agency needs to achieve, but the AADPL will be used by the Department to establish a statewide overall DBE participation goal as required by Title 49 CFR, Part 26. The local agency must have an approved AADPL on file with the DLAE before federal funds can be authorized on any new federal-aid consultant or construction contract.

Disadvantaged Business Enterprise (DBE) - A for-profit "small business concern" that is at least 51 percent owned and controlled by one or more socially and economically disadvantaged individuals. One or more such individuals must also control the management and daily business operations. These individuals must be citizens (or

lawfully admitted permanent residents) of the United States and (1) any individual who a recipient finds to be a socially and economically disadvantaged individual on a case-by-case basis, or (2) who are either African Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Subcontinent Asian Americans, (persons whose origin are from India, Pakistan, Bangladesh, Bhutan, Maldives Islands, Nepal or Sri Lanka), Women, or any other group found to be socially and economically disadvantaged by the Small Business Administration (see 49 CFR, Part 26).

Race Conscious Measure or Program - One that is focused specifically on assisting only DBEs. The use of contract goals is the primary example of a race conscious measure in the DBE program.

Race Neutral Measure or Program - A race neutral measure or program is one that, while benefiting DBEs, is not solely focused on DBE firms. For example, small business outreach programs, technical assistance programs, and prompt payment clauses can assist a wide variety of small businesses not just DBEs. For purposes here, race neutral includes gender neutrality.

Small Business Concern - Small Business Concern means with respect to firms seeking to participate as DBEs in US DOT-assisted contracts, a Small Business Concern as defined pursuant to Section 3 of the Small Business Act and Small Business Administration regulations implementing it (13 CFR, Part 121) that also does not exceed the cap on average annual gross receipts specified in Section 26.65(b) of 49 CFR.

Statewide Overall DBE Goal - As required by federal regulation, Caltrans has established a statewide overall DBE goal. This is the level of participation that Caltrans would expect DBEs to achieve. In order to ascertain whether the Statewide Overall DBE Goal is achieved, Caltrans will track DBE participation on all federal-aid contracts.

Underutilized Disadvantaged Business Enterprise (UDBE) - A firm meeting the definition of a DBE as specified in 49 CFR, Part 26 and is one of the following groups: African Americans, Asian-Pacific Americans, Native Americans, or Women.

DBE PROGRAM RESPONSIBILITIES

FHWA RESPONSIBILITIES

The FHWA administers the payment of federal-aid highway funds to recipients: states, counties, cities, and other agencies such as transit districts for transportation-related projects. The FHWA is responsible for monitoring these agencies for compliance with Title VI and other aspects of the Civil Rights Acts of 1964, 1968, and 1973, all concerning nondiscrimination in administration of federal funds.

CALTRANS RESPONSIBILITIES:

Civil Rights responsibilities include:

- Administering of the State of California Department of Transportation DBE Program Plan (Caltrans DBE Program Plan).
- Maintaining a directory of certified DBE contractors.

- Assisting the DLAE and the DLA in responding to local agency requests for assistance with questions/issues relative to DBE matters.
- Assisting with training to the district and local agency staff.

Division of Local Assistance and District Local Assistance Engineer

Division of Local Assistance responsibilities include:

- Providing assistance to DLAE and district staff with questions/issues relative to DBE matters.
- Monitoring local agency compliance with DBE program requirements by conducting process reviews. The FHWA is invited to participate in these process reviews.
- Assembling statewide local agency DBE final utilization information and other information for reports to FHWA.
- Monitoring districts for procedure compliance.
- Assisting with training courses for district and local agency staff.

District Local Assistance Engineer (DLAE) responsibilities include:

- Monitoring local agency compliance with DBE program requirements by conducting process reviews. The FHWA is invited to participate in these process reviews.
- Ensuring that local agencies with federal-aid contracts submit the local agency's "California Department of Transportation Disadvantaged Business Enterprise Program Implementation Agreement for Local Agencies" (Exhibit 9-A in this chapter).
- Reviewing and approval of the "Local Agency DBE Annual Submittal Form" (Exhibit 9-B in this chapter) for local agencies that award federal-aid contracts during the FFY.
- Serving as the focal point for advice and assistance to the local agencies on DBE matters.
- Ensuring that the "Local Agency Proposer DBE Information (Consultant Contracts)" form Exhibit 10-O2, and "Local Agency Bidder DBE Information (Construction Contracts)" form Exhibit 15-G2 of the LAPM are reported to the DLA for inclusion in the federal Semi-Annual Uniform Report of DBE Commitments/Awards and Payments.
- Ensuring that the "Final Report-Utilization of Disadvantaged Business Enterprises (DBE), First-Tier Subcontractors" (for consultant and contractors) (Exhibit 17-F, of the LAPM)) is reported to the DLA for inclusion in the federal Semi-Annual Uniform Report of DBE Commitments/Awards and Payments to FHWA.
- Providing DBE oversight of local agencies pursuant to the LAPM.

- Reviewing at least one complete PS&E package for the required provisions (including DBE requirements) per year. If deficiencies are discovered, more frequent reviews should be conducted and a corrective action plan is to be submitted by the local agency for the DLAE's approval.
- Maintaining a file with an index of all local agency's DBE Implementation Agreements and DBE Annual Submittal Forms. Information from these forms is entered into LP2000.

LOCAL AGENCY RESPONSIBILITIES

Local agency responsibilities are detailed in Section 9.6 in this chapter. These responsibilities include:

- Submiting a "California Department of Transportation Disadvantaged Business Enterprise Program Implementation Agreement for Local Agencies" to the DLAE (Exhibit 9-A in this chapter).
- Developing an AADPL and submitting it to the DLAE for review on the "Local Agency DBE Annual Submittal Form" (Exhibit 9-B in this chapter).
- Designating a DBE Liaison Officer, accountable to the Chief Executive Officer of the local agency, to administer the California Department of Transportation Race Conscious DBE Program as it pertains to local agencies.
- Ensuring prompt and full payment to the prime contractor and subcontractor in compliance with the prompt payment clauses of the contract.
- Ensuring that the "Local Agency Proposer DBE Information (Consultant Contracts)" form Exhibit 10-O2, and "Local Agency Bidder DBE Information (Construction Contracts)" form Exhibit 15-G2, of the LAPM are reported to the DLAE within 15 days of contract execution.
- Ensuring that the "Final Report-Utilization of Disadvantaged Business Enterprise (DBE), First-Tier Subcontractors" form (LAPM, Exhibit 17-F) is reported by the prime contractor or consultant upon completion of the contract.

9.6 LOCAL AGENCY RESPONSIBILITIES UNDER CALTRANS DBE PROGRAM PLAN

Local agency recipients of federal financial assistance shall comply with all the elements of Title 49 CFR, Part 26 entitled "Participation by Disadvantaged Business Enterprise in Department of Transportation Financial Assistance Programs." These provisions apply to all federal-aid transportation projects. Local agency responsibilities are detailed in the Caltrans DBE Program Plan. A copy of this plan is available to download from the DLA web site at: http://www.dot.ca.gov/hq/LocalPrograms/DBE_CRLC/DBE_CRLC.html

As an initial step, each local agency shall submit a "California Department of Transportation Disadvantaged Business Enterprise (DBE) Program Implementation Agreement for Local Agencies" (Exhibit 9-A) to formally acknowledge the local agency's commitment to implement the California Department of Transportation Disadvantaged Business Enterprise (DBE) Program, and to comply with all the prescribed responsibilities detailed in the Plan and explained in the LAPM.

Each local agency shall also annually submit a "Local Agency DBE Annual Submittal Form" (Exhibit 9-B). This form provides information for the upcoming FFY, which will include:

1) Local agency's AADPL

2) Methodology for establishing the AADPL

3) Identification of the Disadvantaged Business Enterprise Liaison Officer (DBELO)

4) Plan of race neutral measures to implement for the forthcoming FFY

5) Prompt pay provision to be used in contracts

6) Monitoring and enforcement mechanisms to ensure that DBEs are promptly paid

DBE IMPLEMENTATION AGREEMENT FOR LOCAL AGENCIES

The "California Department of Transportation Disadvantaged Business Enterprise (DBE) Program Implementation Agreement for Local Agencies" (Exhibit 9-A) must be completed and submitted to the DLAE for execution by each agency before a request for authorization is processed. This agreement will need to be signed by a representative who is authorized by the governing body to take such action.

Some of the elements of the Agreement are highlighted below.

OBJECTIVE/POLICY STATEMENT

Each agreement contains a policy statement expressing a commitment to the Caltrans DBE Program, stating its objectives, and outlining responsibilities for its implementation. Each local agency will circulate the statement throughout its organization and to the DBE and non-DBE business communities that perform work on its DOT-assisted contracts.

DBE ANNUAL SUBMITTAL FORM

Each local agency must provide the DLAE a completed "Local Agency DBE Annual Submittal Form," (Exhibit 9-B) by June 1 of each year for the following FFY. This form must be received prior to submitting a "Request for Authorization" to proceed with a federal-aid project. This form will include:

1. The amount of AADPL and the methodology for establishing the AADPL.
2. Designated DBE Coordinator information (name, address, phone number, and e-mail address).

3. Detail of planned race neutral measures to be implemented as required by 49 CFR Part 26.51 and as outlined in Section V of the "California Department of Transportation DBE Program Implementation Agreement for Local Agencies" (Exhibit 9-A).
4. The local agency's choice for method of prompt payment of withheld funds to subcontractors, as well as a brief explanation of the monitoring and enforcement mechanisms the local agency has in place to ensure that DBEs are promptly paid.

RACE NEUTRAL AND RACE CONSCIOUS MEANS OF MEETING THE OVERALL STATEWIDE ANNUAL DBE GOAL

Each local agency assists Caltrans to achieve its Overall Statewide DBE Goal by using race neutral means of facilitating DBE participation based on items of work and availability of DBEs in their respective market areas to the maximum extent feasible. Each local agency establishes contract goals for UDBEs for the portion of the AADPL that the local agency does not project being able to meet using race neutral means.

DBE LIAISON OFFICER

Each local agency must designate a DBE Liaison Officer (DBELO) who shall have direct independent access to the local agency's Chief Executive Officer concerning DBE program matters. This person shall be responsible for the duties as described in "California Department of Transportation DBE Program Implementation Agreement for Local Agencies" (Exhibit 9-A). Annually, the DBELO designation will be reported to Caltrans when the local agency completes its "Local Agency DBE Annual Submittal Form" (Exhibit 9-B).

REQUIRED CONTRACT CLAUSES

Contract Assurance

DBE regulations require the following contract assurance statement in every DOT-assisted contract and subcontract.

> "The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR, Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract, or such other remedy as recipient deems appropriate."

Prompt Progress Payment to Subcontractors

Attention is directed to Section 7108.5 of the California Business and Professions Code, which requires a prime contractor or subcontractor to pay any subcontractor not later than ten (10) days of receipt of each progress payment, unless otherwise agreed to in writing.

In addition, Federal Regulation (49 CFR 26.29) requires a prime contractor or subcontractor to pay a subcontractor no later than thirty (30) days of receipt of each payment, unless any delay or postponement of payment among the parties takes place only for good cause and with the prior written approval of the agency. Section 7108.5 of the California Business and Professions Code also contains enforcement actions and penalties. These requirements apply to both DBE and non-DBE subcontractors.

Prompt Payment of Withheld Funds to Subcontractors

Federal Regulation (49 CFR 26.29) requires one of the following three methods be used in federal-aid contracts to ensure prompt and full payment of any retainage kept by the prime contractor or subcontractor to a subcontractor:

1. The local agency may decline to hold retainage from prime contractors and prohibit prime contractors and subcontractors from holding retainage from subcontractors.
2. The local agency may decline to hold retainage from prime contractors and include a contract clause, obligating the prime contractor and subcontractors to make prompt and full payment of any retainage kept by the prime contractor or subcontractor to all subcontractors within thirty (30) days after the subcontractor's work is satisfactorily completed.
3. The local agency may hold retainage from the prime contractor and provide for prompt and regular incremental acceptances of portions of the contract, pay retainage to prime contractors based on the acceptances and include a contract clause obligating the prime contractor and subcontractors to pay all retainage owed to all subcontractors for satisfactory completion of the accepted work within thirty (30) days after receipt of the retainage. This clause must require the prompt release of retainage payments from the prime contractor to the subcontractor within a specified number of days after the subcontractor's work is satisfactorily completed.

In the above methods, a subcontractor's work is satisfactorily completed when all tasks called for in the subcontract have been accomplished and documented as required by the agency. The work of a subcontractor covered by that acceptance is deemed to be satisfactorily completed, when an agency has made an incremental acceptance of a portion of the contract work. Federal Regulation (49 CFR 26.29) also requires that any delay or postponement of payment among the parties may take place only for good cause, must have the prior written approval of the agency, and that appropriate means of enforcement such as those contained in Section 7108.5 of the California Business and Professions Code must be included in the contract.

Annually, the local agencies choose one of the above three methods to ensure prompt pay. The local agency's choice will be reported to Caltrans when it completes the "Local Agency Annual DBE Submittal Form" (Exhibit 9-B).

BIDDERS LIST

Each local agency will be required to create and maintain a bidders list consisting of information about all DBE and non-DBE firms that bid or quote to the local agency on DOT-assisted contracts. The bidders list will include the name, address, DBE or non-DBE status, date established, and annual gross receipts of firms.

9.7 PROCESS FOR ESTABLISHING ANNUAL ANTICIPATED DBE PARTICIPATION LEVEL (AADPL)

As required by federal law, Caltrans annually establishes a statewide overall DBE goal. When establishing the overall DBE goal, Caltrans must include the level of DBE participation that local agencies could contribute. Local agencies shall calculate the level of DBE participation and utilization that the agency expects to be achieved on contracts to be awarded in its market area in the following FFY.

This will include an assessment of the subcontracting opportunities for specific items of work and the DBE availability for specific items of work. In other words, that level of subcontracting opportunities that DBEs could reasonably be expected to compete for on a contract, and their likely availability for work on contracts that will be awarded in a given fiscal year. The AADPL is not a goal that the local agency needs to achieve, but the AADPL will be used by Caltrans to establish a statewide DBE participation goal as required by Title 49 CFR, Part 26, Section 26.45.

The AADPL will be submitted to the Caltrans DLAE annually by June 1 in advance of the FFY beginning October 1 for federal-aid contracts using "Local Agency DBE Annual Submittal Form" (Exhibit 9-B), FHWA recipients will follow this process. An exception to this would be, if FTA or FAA recipients were required by FTA or FAA to submit the annual information to them or a designee by another date.

The local agency is not required to obtain Caltrans prior concurrence with the proposed AADPL. However, if the DLAE's review concludes that the AADPL has not been correctly calculated, or that the method for calculating AADPL is inadequate, the DLAE may, after consulting with the local agency, adjust the AADPL or require that the local agency do so.

For an FHWA recipient, the AADPL should be expressed as a percentage of all federal-aid highway funds that a local agency anticipates to award on FHWA-assisted contracts in the forthcoming fiscal year. If the local agency is also an FTA sub-recipient receiving funds through Caltrans, the percentage is determined in a similar way, but it includes FTA assisted contracts excluding FTA funds used to purchase transit vehicles.

Specific guidance for calculating the AADPL with the race conscious portion limited to UDBEs can be found in Exhibit 9-D "Calculating the New AADPL" in this chapter.

METHODOLOGY—STEP 1

The overall participation availability methodology is a two-step process as described in 49 CFR, Part 26, Section 26.45. The first step is determining a base figure for the relative availability of DBEs that are ready, willing and able to participate in the federal-aid contracting program.

Five methods are described to accomplish this first step, although other methods or combinations of methods to determine a base figure may be used subject to review and comments by DLAE:

1. USE OF DBE DIRECTORIES AND CENSUS BUREAU DATA

Determine the number of ready, willing and able DBEs in your market from your DBE directory. Using the Census Bureau's County Business Pattern (CBP) database, determine the number of all ready, willing and able businesses available in your market that perform work in the same North American Industry Classification System (NAICS) codes. (Information about the CBP database may be obtained from the Census Bureau web site at: www.census.gov/epcd/cbp/view/cbpview.html.) Divide the number of DBEs by the number of all businesses to derive a base figure for the relative availability of DBEs in your market. Refer to Exhibit 9-D "AADPL Calculations Including UDBEs**"** in this chapter for specific guidance for calculating the AADPL.

2. USE OF A BIDDERS LIST

By using the required Bidders List, determine the number of DBEs that have bid or quoted on your DOT-assisted prime contracts or subcontracts in the previous year. Determine the number of all contractors and consultants that have bid or quoted on prime or subcontracts in the same time period. Divide the number of DBE bidders and quoters by the number of all contractors and consultants to derive a base figure for the relative availability of DBEs in your market. **Note**: If your current Bidders List does not break out DBEs by race and gender, you will have to choose another method for calculating your AADPL.

3. USE OF DATA FROM A DISPARITY STUDY

Disparity studies generally contain a wide array of statistical data, as well as anecdotal data and analysis that can be particularly useful in the AADPL-setting process. The data which a good disparity study provides can be an excellent guide for a recipient to use to set a narrowly tailored participation availability percentage. When setting the goal, first use the study's statistical evidence to set a base figure for the relative availability of DBEs. Other study information, whether it is anecdotal data, analysis, or statistical information about related fields, should be included when making adjustments to the base figure (see Step 2 below), but not included in the base figure for the relative availability of DBEs. Any study data relied on in the goal setting process should be as recent as possible and be focused on the transportation contracting industry.

4. USE OF THE GOAL OF ANOTHER LOCAL AGENCY

If another DOT recipient in the same or substantially similar market has set an AADPL in compliance with 49 CFR, Part 26, you may use that figure as a base figure for your participation availability percentage.

5. USE OF ALTERNATIVE METHODS

Local agencies may use other methods to determine a base figure for their overall participation availability percentage. Any methodology chosen must be based on demonstrable evidence of local market conditions and be designed to ultimately attain a participation availability percentage that is rationally related to the relative availability of DBEs in the local agencies' market.

METHODOLOGY—STEP 2

Once a base figure has been determined, local agencies must survey their jurisdiction to determine what types of relevant evidence is available to them. Then, relying on their own knowledge of their contracting markets, local agencies must review the evidence to determine whether an up or down adjustment from the base figure is needed. Some types of evidence to consider include the following:

- The current capacity of DBEs to perform work in your DOT-assisted contracting program as measured by the volume of work DBEs have performed in recent years.
- Evidence from disparity studies conducted anywhere within your jurisdiction to the extent it is not already accounted for in your base figure.
- If your base figure is the figure of another recipient, you must adjust it for differences in your local market and your contracting program.

You may also consider available evidence from related fields that affect the opportunities for DBEs to form, grow, and compete. These include, but are not limited to:

- Statistical disparities in the ability of DBEs to get the financing, bonding, and insurance required to participate in your program.
- Data on employment, self-employment, education, training, and union apprenticeship programs, to the extent you can relate it to the opportunities for DBEs to perform in your program.

If you attempt to make an adjustment to your base figure to account for the effects of an ongoing DBE program, the adjustment must be based on demonstrable evidence that is logically and directly related to the effect for which the adjustment is sought.

RACE NEUTRAL AND RACE CONSCIOUS COMPONENTS

You must meet the maximum feasible portion of your overall goal by using race neutral means of facilitating DBE participation. Race neutral DBE participation includes any time a DBE or UDBE wins a prime contract through customary competitive procurement procedures is awarded a subcontract on a prime contract that does not carry a UDBE goal or even if there is a UDBE goal, wins a subcontract from a prime contractor that did not consider its UDBE status in making the award (e.g., a prime contractor that uses a strict low-bid system to award subcontracts).

Race neutral means include, but are not limited to, the following:

1. Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitate DBE and other small business participation (e.g., unbundling large contracts to make them more accessible to small businesses, and requiring or encouraging prime contractors to subcontract portions of work that they might otherwise perform with their own forces.

2. Providing assistance in overcoming limitations such as inability to obtain bonding or financing (e.g., by such means as simplifying the bonding process, reducing bonding requirements, eliminating the impact of surety costs from bids, and providing services to help DBEs and other small businesses obtain bonding and financing).
3. Providing technical assistance and other services.
4. Carrying out information and communications programs on contracting procedures and specific contract opportunities (e.g., ensuring the inclusion of DBEs and other small businesses on recipient mailing lists for bidders; ensuring the dissemination to bidders on prime contracts of lists of potential subcontractors, provision of information in languages other than English, where appropriate).
5. Implementing a supportive services program to develop and improve immediate and long-term business management, record keeping, and financial and accounting capability for DBEs and other small businesses.
6. Providing services to help DBEs and other small businesses, improve long-term development, increase opportunities to participate in various types of work, handle increasingly significant projects, and achieve eventual self-sufficiency.
7. Establishing a program to assist new start-up firms, particularly in fields in which DBE participation has historically been low.
8. Ensuring distribution of the DBE directory through print and electronic means to the widest feasible universe of potential prime contractors.
9. Assisting DBEs and other small businesses to develop their capability to utilize emerging technology and conduct business through electronic media.

A race conscious measure focuses on assisting UDBEs. The use of contract goals is the primary example of a race conscious measure in the DBE program. Local agencies must establish contract goals to meet the portion of their overall goal they do not project being able to meet using race neutral means.

EXPECTED PARTICIPATION

If a local agency's AADPL is 18%, and the AADPL is segregated into 4% race neutral and 14% race conscious components, then it would be expected that some local agency contracts will have UDBE goals, which will result in an overall participation of 14% of the total local agency federal-aid highway funding for the fiscal year. Also, other local agency contracts will have no UDBE goals, or will have participation that exceeds the contract goal, or DBE participation through a prime contract a DBE obtains through customary competitive procedures, all of which will result in an overall participation of 4% of the total local agency federal-aid highway funding for the same year.

TRANSIT VEHICLE MANUFACTURERS

If the local agency is also an FTA recipient, the FTA assistance used in transit vehicle procurements is not used in the base amount from which an overall AADPL is calculated.

TRANSIT VEHICLE MANUFACTURER'S ANNUAL AVAILABILITY GOAL

Transit vehicle manufacturers must establish and submit for FTA's approval an annual overall AADPL. In setting the overall AADPL, transit vehicle manufacturers should be guided to the extent applicable by the principles underlying Section 26.49, Part 26 of Title 49 CFR. The base from which transit vehicle manufacturers calculate this AADPL is the amount of FTA financial assistance included in transit vehicle contracts that will be performed during the fiscal year in question. Transit vehicle manufacturers must exclude from this base funds attributable to work performed outside the United States, and its territories, possessions, and commonwealths.

In lieu of complying with the aforementioned procedures, local agencies may, with FTA approval, establish project-specific contract goals for DBE participation in the procurement of transit vehicles. Transit vehicle manufacturers should contact FTA for applicable procedures.

9.8 DBE PARTICIPATION ON THE CONTRACT

PARTICIPATION OPPORTUNITIES

The local agency should structure its project development, contract items, and specifications in a manner that provides opportunities for DBE participation.

Participation by DBEs is possible at four main points in the process for developing local federal-aid transportation projects. They are:

- Preliminary Engineering (PE) and EA
- Final Design
- R/W Acquisition
- Construction, including Construction Management

Preliminary Engineering Studies (PES) and EA are the first steps in developing a local transportation project. DBEs may be engaged to perform all of these activities as a prime consultant or some of these activities as a member of a team of consultants.

Completion of final design and preparation of PS&E normally, are a continuation of PE activities. However, in some situations the agency employs different consultants and professional teams to perform these final design activities. DBEs may be engaged at this point.

Acquisition of R/W for local transportation projects may be performed by the local agency or by a qualified consulting firm. Qualified DBEs may be considered for performance of R/W activities.

DBEs may participate in bidding for construction contracts for projects developed by local agencies. Other opportunities for participation in construction include work as subcontractors, suppliers, vendors, truckers, etc.

UDBE CONTRACT GOALS

A UDBE contract goal is a percentage of the total contract amount that is expected to be performed by certified UDBE firms. Local agencies may use UDBE contract goals only on those U.S. DOT-assisted contracts that have subcontracting, supplier, or trucking possibilities.

Local agencies are not required to set a UDBE contract goal on every US DOT-assisted contract. Local agencies are not required to set each UDBE contract goal at the same percentage level as the AADPL. The UDBE goal for a specific contract may be higher or lower than that percentage level of the AADPL, depending on such factors as the type of work involved, the location of the work, and the availability of UDBEs for the work of the particular contract. However, over the period covered by the AADPL, UDBE contract goals must be set so that they will cumulatively result in meeting the portion of the AADPL that is not projected to be met through the use of race neutral means.

In some cases, the contract UDBE goal may be zero due to the extremely limited subcontracting opportunities for UDBEs; the lack of certified UDBEs in the geographic area in which work is to be performed; or other reasons. Documentation is required verifying that the local agency has determined that a zero percent UDBE contract goal is appropriate. Documentation may be based on the AADPL methodology with the specific project-related work codes and UDBEs highlighted. Or, if the project has not been included in the AADPL methodology, a separate contract goal methodology must be provided. The DLAE will review and approve the "zero" goal methodology.

In some cases no contract goal may be warranted (which is different than zero percent goal). If for example, the AADPL has already been met for the FFY or the contract is "sole-source" or "nonprofit."

Caltrans approval of each UDBE contract goal is not necessarily required. However, Caltrans may review and approve or disapprove any UDBE contract goal that a local agency establishes.

ADJUSTING UDBE CONTRACT GOALS

To ensure that local agencies' AADPLs are narrowly tailored to overcome the effects of discrimination, it may be necessary for an adjustment in the use of UDBE contract goals during the FFY for which the AADPL applies. This adjustment may be needed as a result of more or less subcontracting items with UDBE opportunities for a contract that was not foreseen during the AADPL analysis.

The scope of work on a contract may differ from what was originally thought of during AADPL analysis. Also, a contract change order may have a direct bearing on the UDBE participation opportunities for the contract. Other reasons may warrant the need for adjustments.

UDBE contract goals may also need adjustment induced by how the AADPL is set. These adjustments may be needed for the following reasons:

1. If the local agency estimates, based on meeting previous year's AADPLs that they can meet their entire AADPL for a given year through race neutral means, they may implement their AADPL without setting UDBE contract goals during that year.

2. If during the course of any year in which UDBE contract goals are used, a local agency determines that it will exceed their AADPL, they must reduce or eliminate the use of UDBE contract goals to the extent necessary. UDBE contract goals are not to be set after the AADPL is achieved. If the local agency determines that it will fall short of their AADPL, then it must make appropriate modifications in their use of race neutral and/or race conscious measures to meet the AADPL.

3. If the DBE participation that was obtained by race neutral means alone meets or exceeds a local agency's AADPL for two consecutive years, the local agency is not required to make a projection of the amount of the AADPL that can be met using such means in the next year. The local agency will not set UDBE contract goals on any contracts in the next year. The local agency will continue using only race neutral means to meet their AADPL, unless and until they do not meet their AADPL for a year.

4. If a local agency obtains DBE participation that exceeds their AADPL in two consecutive years through the use of UDBE contract goals (i.e., not through the use of race neutral means alone), the local agency must reduce their use of UDBE contract goals proportionately in the following year.

Caution is needed regarding making adjustments during the FFY. If a local agency handles a large volume of contracts simultaneously, DBE utilization will occur during different times of a contract. High usage of DBEs that overlap at the same time may seemingly warrant an adjustment−only to make a counter adjustment later when an overlap of low DBE usage occurs. It is also important to note that many contracts will encompass multiple FFYs with DBE usage concentrated unevenly during the contract term.

DBE CONTRACT REQUIREMENTS

The local agency must determine the UDBE contract goal based on the work performed and the availability of certified UDBE contractors in the geographic area (a specific UDBE goal may not be appropriate for every project). UDBE contract goals must be consistent with the following policies

- UDBE contract goals are established in order to achieve fair UDBE participation.
- The project analysis starts with the availability and capacity of certified UDBE contractors (in the project area) to perform the items of work. The contractible items of work are evaluated by the local agency in the light of the project type and size, and normal industry contracting practices.

- All contract bidders or proposers are required to meet the UDBE contract goal, or document that they made an adequate good faith effort to meet the goal if they did not succeed in obtaining the UDBE participation specified in the contract specifications.

LOCAL AGENCY BIDDER OR PROPOSER UDBE COMMITMENT AND DBE INFORMATION FORMS

A "Local Agency Bidder UDBE Commitment (Construction Contracts)" (LAPM, Exhibit 15-G1) or a "Local Agency Proposer UDBE Commitment (Consultant Contracts)" (Exhibit 10-O1, of the LAPM) must be included in the bid or proposal and provided by each bidder or proposer. The purpose of these forms is to collect data required under 49 CFR 26. The completed form must be submitted to the DLAE at the time of award.

These forms should include the names, addresses and phone numbers of UDBE firms that will participate with a complete description of work or supplies to be provided by each, and the dollar value of each UDBE transaction. When 100 percent of a contract item of work is not to be performed or furnished by a UDBE, a description of the exact portion of that work to be performed or furnished by that UDBE should be included in the UDBE information, including the planned location of that work. A bidder or proposer certified as a UDBE should describe the work it has committed to perform with its own forces, as well as any other work that it has committed to be performed by UDBE subcontractors, suppliers, and trucking companies.

The bidder or proposer is encouraged to provide written confirmation from each UDBE participating in the contract. A copy of a UDBE's quote will serve as written confirmation that the UDBE is participating in the contract. If a UDBE is participating as a joint venture partner, the bidder or proposer is encouraged to submit a copy of the joint venture agreement.

The "Local Agency Bidder DBE Information (Construction Contracts)" (Exhibit 15-G2) or the "Local Agency Proposer DBE Information (Consultant Contracts)" (Exhibit 10-O2) shall be provided at contract execution−whether or not there is a UDBE goal on the contract. The local agency shall submit this form to the DLAE within 15 days of contract execution for timely reporting. Failure to submit this form timely may result in de-obligation of federal funds for the project. The purpose of these forms is to capture all DBE participation including the UDBE participation, or in instances when there is no UDBE contract goal, DBE participation acquired through normal contracting procedures. DBE participation acquired through normal contracting procedures will be counted towards the race neutral portion of the local agency's AADPL.

FINAL REPORT

Upon completion of the contract, regardless of whether UDBE and DBE participation is obtained, a summary of the UDBE and DBE records shall be prepared, certified correct, and submitted on the form "Final Report-Utilization of Disadvantaged Business Enterprises (DBE), First-Tier Subcontractors" (Exhibit 17-F) or equivalent by the contractor to the local agency showing total dollars paid to each subcontractor and supplier whether UDBE, DBE or non-DBE. Exhibit 17-F is reviewed by the local agency and certified as complete and accurate.

Consultant Contracts: The local agency must send the original plus one copy of the completed "Final Report-Utilization of Disadvantaged Business Enterprises (DBE), First-Tier Subcontractors" (Exhibit 17-F) with the final invoice to the DLAE within thirty (30) days after completion of the contract (see Chapter 10, "Consultant Selection," of the LAPM).

Construction Contracts: The local agency must send the original copy plus one copy of the completed "Final Report-Utilization of Disadvantaged Business Enterprises (DBE), First-Tier Subcontractors" (Exhibit 17-F) to the DLAE as part of its "Report of Expenditure" package before final payment (see Chapter 17, "Project Completion," of the LAPM).

COUNTING DBE (INCLUDING UDBE) PARTICIPATION

Note: All references to DBEs in this section include UDBEs.

Actual payment to subcontractors that are certified DBEs and performing a commercially useful function will be counted as DBE participation. If the prime contractor is a qualified DBE, his/her work is reported and counted.

"Final Report-Utililization of Disadvantaged Business Enterprises (DBE), First-Tier Subcontractors" is the DBE utilization form to be completed at the completion of a contract and submitted to the DLAE (see Chapter 17 "Project Completion," of the LAPM for specific instructions). The information in this report is required by the DBE Program and the FHWA to demonstrate DBE participation on local agency projects.

Specific instances of counting DBE (including UDBE) participations are presented in the following sections. **Note:** Only UDBE participation will count toward the contract goal; however, all DBE participations must be documented and counted toward the local agency's AADPL.

PERFORMED BY DBE

When a DBE participates in a contract, count only the value of the work actually performed by the DBE.

- Count the entire amount of that portion of a contract that is performed by the DBE's own forces. Include the cost of supplies and materials obtained by the DBE for the work of the contract, supplies purchased or equipment leased by the DBE (except supplies and equipment the DBE subcontractor purchases or leases from the prime contractor or its affiliate).
- Count the entire amount of fees or commissions charged by the DBE firm for providing a bona fide service, such as professional, technical, consultant, or managerial services, or for providing bonds or insurance specifically required for the performance of a DOT-assisted contract, provided that the local agency determines the fee to be reasonable and not excessive as compared with fees customarily allowed for similar services.

- When a DBE subcontracts part of the work of its contract to another firm, the value of the subcontracted work may be counted towards DBE participation only if the DBE's subcontractor is itself a DBE. Work that a DBE subcontracts to a non-DBE firm does not count toward DBE participation.

JOINT VENTURE

When a DBE performs as a participant in a joint venture, count a portion of the total dollar value of the contract equal to the distinct, clearly defined portion of the work of the contract that the DBE performs with its own forces towards the DBE participation.

COMMERCIALLY USEFUL FUNCTION

Count expenditures to a DBE contractor, only if the DBE is performing a commercially useful function on that contract. The following examples explain what is considered to be performing a commercially useful function:

- A DBE performs a commercially useful function when it is responsible for execution of the work of the contract and is carrying out its responsibilities by actually performing, managing, and supervising the work involved. To perform a commercially useful function, the DBE must also be responsible with respect to materials and supplies used on the contract for negotiating price, determining quality and quantity, ordering the material and installing (where applicable), and paying for the material itself. To determine whether a DBE is performing a commercially useful function, the local agency must evaluate the amount of work subcontracted; industry practices; whether the amount the firm is to be paid under the contract is commensurate with the work it is actually performing and the DBE credit claimed for its performance of the work; and other relevant factors.
- A DBE does not perform a commercially useful function if its role is limited to that of an extra participant in a transaction, contract, or project through which funds are passed in order to obtain the appearance of DBE participation. In determining whether a DBE is such an extra participant, the local agency must examine similar transactions, particularly those in which DBEs do not participate.
- If a DBE does not perform or exercise responsibility for at least thirty percent of the total cost of its contract with its own work force, or the DBE subcontracts a greater portion of the work of a contract than would be expected on the basis of normal industry practice for the type of work involved, one must presume that it is not performing a commercially useful function.
- When a DBE is presumed not to be performing a commercially useful function, as provided in the previous bullet, the DBE may present evidence to rebut this presumption. The local agency's determination as to whether the firm is performing a commercially useful function should be based upon the type of work involved and normal industry practices.
- Local agencies' decision on commercially useful function matters are subject to review by the DLAE.

DBE TRUCKING

Use the following factors in determining whether a DBE trucking company is performing a commercially useful function:

- The DBE must be responsible for the management and supervision of the entire trucking operation for which it is getting credit on a particular contract, and there cannot be a contrived arrangement for the purpose of counting DBE participation.
- The DBE must itself own and operate at least one fully licensed, insured, and operational truck used on the contract.
- The DBE receives credit for the total value of the transportation services it provides on the contract using trucks it owns, insures, and operates using drivers it employs.
- The DBE may lease trucks from another DBE firm including an owner-operator, who is certified as a DBE. The DBE who leases trucks from another DBE receives credit for the total value of the transportation services the lessee DBE provides on the contract.
- The DBE may also lease trucks from a non-DBE firm, including an owner-operator. The DBE who leases trucks from a non-DBE is entitled to credit only for the fee or commission it receives as a result of the lease arrangement. The DBE does not receive credit for the total value of the transportation services provided by the lessee, since these services are not provided by a DBE.
- A lease must indicate that the DBE has exclusive use of and control over the truck. This does not preclude the leased truck from working for others during the term of the lease with the consent of the DBE, so long as the lease gives the DBE absolute priority for use of the leased truck.

MATERIALS AND SUPPLIES

Count expenditures with DBEs for materials or supplies toward DBE participation as provided in the following:

- If the materials or supplies are obtained from a DBE manufacturer, count 100 percent of the cost of the materials or supplies toward DBE participation.

  Note: For purposes of counting DBE participation, a manufacturer is a firm that operates or maintains a factory or establishment that produces on the premises, materials, supplies, articles, or equipment required under the contract and of the general character described by the specifications.

- If the materials or supplies are purchased from a DBE regular dealer, count sixty percent of the cost of the materials or supplies toward DBE participation.

  Note: For purposes of counting DBE participation, a regular dealer is a firm that owns, operates, or maintains a store, warehouse, or other establishment in which

the materials, supplies, articles or equipment of the general character described by the specifications and required under the contract are bought, kept in stock, and regularly sold or leased to the public in the usual course of business.

To be a regular dealer, the firm must be an established business that regularly engages, as its principal business and under its own name in the purchase and sale or lease of the products in question.

A person may be a regular dealer in such bulk items as petroleum products, steel, cement, gravel, stone, or asphalt without owning, operating, or maintaining a place of business, if the person both owns and operates distribution equipment for the products. Any supplementing of regular dealers' own distribution equipment shall be by a long-term lease agreement and not on an ad hoc or contract-by-contract basis. Packagers, brokers, manufacturers' representatives, or other persons who arrange or expedite transactions are not considered regular dealers for purposes of counting DBE participation.

With respect to materials or supplies purchased from a DBE, which is neither a manufacturer nor a regular dealer, count the entire amount of fees or commissions charged for assistance in the procurement of the materials and supplies, fees or transportation charges for the delivery of materials or supplies required on a job site toward DBE participation, provided the local agency determines the fees to be reasonable and not excessive as compared with fees customarily allowed for similar services. However, do not count any portion of the cost of the materials and supplies themselves toward DBE participation.

NOT COUNTING PARTICIPATION

If a firm is not currently certified as a DBE at the time of the execution of the contract, do not count the firm's participation, except as provided for under “Decertification” of this section.

Do not count the dollar value of work performed under a contract with a firm after it has ceased to be certified.

Do not count the participation of a DBE subcontractor toward the prime contractor's DBE achievements or the local agency’s overall participation until the amount being counted toward the participation has been paid to the DBE.

APPARENT LACK OF CONTROL

In order for a firm to become a certified DBE, it should meet the various requirements prescribed in the CFR, as administered by the California Unified Certification Program (CUCP). The DBE must be in control of the firm.

Some situations may arise where the work to be performed by the DBE is being performed by someone else. The local agency will have to use discretion when to investigate, or report apparent cases of fraud to Caltrans. Caution is needed because those involved in performing the work may legitimately be doing so. Three areas are highlighted here:

- Individuals who are not socially and economically disadvantaged may be involved in a DBE firm as owners, managers, employees, stockholders, officers, and/or directors. Such individuals must not, however, possess or exercise the power to control the firm, or be disproportionately responsible for the operation of the firm.

- The socially and economically disadvantaged owners of the firm may delegate various areas of the management, policymaking, or daily operations of the firm to other participants in the firm, regardless of whether these participants are socially and economically disadvantaged individuals. Such delegations of authority must be revocable. The socially and economically disadvantaged owners must retain the power to hire and fire any person to whom such authority is delegated. The managerial role of the socially and economically disadvantaged owners in the firm's overall affairs must be, such that the recipient can reasonably conclude that the socially and economically disadvantaged owners actually exercise control over the firm's operations, management, and policy.

- The socially and economically disadvantaged owners must have an overall understanding of, and managerial, technical competence and experience directly related to the type of business in which the firm is engaged and the firm's operations. The socially and economically disadvantaged owners are not required to have experience or expertise in every critical area of the firm's operations, or to have greater experience or expertise in a given field than managers or key employees. The socially and economically disadvantaged owners must have the ability to intelligently and critically evaluate information presented by other participants in the firm's activities; to use this information to make independent decisions concerning the firm's daily operations, management, and policymaking. Generally, expertise limited to office management, administration, or bookkeeping functions unrelated to the principal business activities of the firm is insufficient to demonstrate control.

DBE ELIGIBILITY

Whether a firm (consultant or contractor) is certified as an eligible DBE, is a decision that is made by the CUCP. The CUCP can also remove the eligibility of a firm and issue a written notice of ineligibility. A directory of certified DBE firms is available from the Caltrans Civil Rights, Certification Unit web site at: http://www.dot.ca.gov/hq/bep/find_certified.htm

CERTIFICATION

A potential DBE may request certification from Caltrans by requesting an application form at:

Department of Transportation
Civil Rights
Certification Unit
1823 14th Street, MS-79
Sacramento, CA 95811
Phone: (916) 324-6346 or (866) 810-6346

The form may also be downloaded from the internet at:
http://www.dot.ca.gov/hq/bep/business_forms.htm

DECERTIFICATION

Regarding DBE participation on a contract, two different actions can take place depending on when a firm was issued a notice of ineligibility relative to when the contract was executed:

1. When a prime contractor has made a commitment to use a DBE firm or the local agency has made a commitment to use a DBE prime contractor, but a subcontract or contract has not been executed before the issuance of the decertification notice, the ineligible firm does not count toward contract DBE participation.

2. If a prime contractor has executed a subcontract with a DBE firm before the DBE firm was notified of its ineligibility, the prime contractor may continue to use the firm on the contract and may continue to receive credit toward its DBE participation for the firm's work. In this case, or in a case where the local agency had let a prime contract to a DBE that was later ruled ineligible, the portion of the ineligible firm's performance of the contract remaining after the local agency issued the notice of its ineligibility shall not count toward the local agency's overall participation, but may count toward the contract participation.

EXCEPTION

If the DBE's ineligibility is caused solely by its having exceeded the size standard during the performance of the contract, the local agency may continue to count its participation on that contract toward overall and contract participation.

APPEAL

When the CUCP makes an administratively final removal of a firm's eligibility, the firm may appeal the removal to the DOT under Section 26.89 of 49 CFR, Part 26. Caltrans will provide information for an appeal with the removal of eligibility.

9.9 GOOD FAITH EFFORTS

Whether as a bidder or proposer of a U.S. DOT-assisted contract, good faith efforts are required to meet the UDBE contract goal.

When a local agency establishes a UDBE contract goal on a U S DOT-assisted contract a bidder or proposer must, in order to be responsive, make good faith efforts to meet the goal. The bidder or proposer can meet this requirement in either of two ways. First, the bidder or proposer can meet the goal, documenting commitments for participation by UDBE firms sufficient to meet the goal. Second, even if a bidder or proposer does not meet the goal, the bidder or proposer can document adequate good faith efforts. This means that the bidder or proposer must show that they took all necessary and reasonable steps to achieve a UDBE goal. The bidder or proposer could reasonably be expected to obtain sufficient UDBE participation even if they were not fully successful. A local agency shall require a bidder or proposer meet the contract goal in order to be awarded a contract or make good faith efforts.

In any situation in which a contract goal has been established, the use of good faith efforts must be allowed. Each local agency must make a fair and reasonable judgment whether a bidder or proposer that did not meet the goal made adequate good faith efforts. It is important to consider the quality, quantity, and intensity of the different kinds of efforts that the bidder or proposer has made. The efforts employed by the bidder or proposer should be those that one could reasonably expect a bidder or proposer to take if the bidder or proposer were actively and aggressively trying to obtain UDBE participation sufficient to meet the UDBE contract goal. Mere *pro forma* efforts are not good faith efforts to meet the UDBE contract requirements. We emphasize, however, that local agencies determination concerning the sufficiency of the bidder's or proposer's good faith efforts is a judgment call and meeting quantitative formulas is not required.

Caltrans also strongly cautions local agencies against requiring that a bidder or proposer meet a UDBE contract goal (i.e., obtain a specified amount of UDBE participation) in order to be awarded a contract, only that the bidder or proposer makes good faith efforts. Title 49 CFR, Part 26 specifically prohibits US DOT financial recipients from ignoring *bona fide* good faith efforts.

ANTICIPATED ACTIONS

The following types of actions should be considered by a local agency as part of the bidder's or proposer's good faith efforts to obtain UDBE participation. It is not intended to be a mandatory checklist, nor is intended to be exclusive or exhaustive. Determining the adequacy of a bidder's or proposer's good faith efforts to achieve DBE goals is a judgment call. Other factors or types of efforts may be relevant in appropriate cases.

- Soliciting through all reasonable and available means (e.g., attendance at pre-bid meetings, advertising and/or written notices) the interest of all certified UDBEs who have the capability to perform the work of the contract. The bidder or proposer must solicit this interest within sufficient time to allow the UDBEs to respond to the solicitation. The bidder or proposer must determine with certainty if the UDBEs are interested by taking appropriate steps to follow up initial solicitations.

- Selecting portions of the work to be performed by UDBEs in order to increase the likelihood that the UDBE goal will be achieved. This includes, where appropriate, breaking out contract work items into economically feasible units to facilitate UDBE participation, even when the prime contractor or consultant might otherwise prefer to perform these work items with their own forces.

- Providing interested UDBEs with adequate information about the plans, specifications, and requirements of the contract in a timely manner to assist them in responding to a solicitation.

- Negotiating in good faith with interested UDBEs. It is the bidder's or proposer's responsibility to make a portion of the work available to UDBE subcontractors and suppliers, and to select those portions of the work or material needs consistent with the available UDBE subcontractors and suppliers, so as to facilitate UDBE participation. Evidence of such negotiation includes: names, addresses, telephone numbers of UDBEs that were considered; a description of the information provided regarding the plans and specifications for the work selected for subcontracting; and evidence as to why agreements could not be reached for UDBEs to perform the work.

A bidder or proposer using good business judgment would consider a number of factors in negotiating with subcontractors including UDBE subcontractors, and would take a firm's price and capabilities as well as the UDBE contract goals into consideration. However, the fact that there may be some additional costs involved in finding and using UDBEs, is not in itself sufficient reason for a bidder's or proposer's failure to meet the contract UDBE goal as long as such costs are reasonable. Also, the ability or desire of a prime contractor or consultant to perform the work of a contract with its own organization does not relieve the bidder or proposer of the responsibility to make good faith efforts. Prime contractors or consultants are not, however, required to accept higher quotes from UDBEs if the price difference is excessive or unreasonable.

- Not rejecting UDBEs as being unqualified without sound reasons based on a thorough investigation of their capabilities. The contractor's or consultant's standing within its industry, membership in specific groups, organizations or associations, and political or social affiliations (for example union vs. non-union employee status) are not legitimate causes for the rejection or non-solicitation of bids or proposals in the contractor's or consultant's efforts to meet the project goal.
- Making efforts to assist interested UDBEs in obtaining bonding, lines of credit or insurance as required by the recipient, contractor or proposer.
- Making efforts to assist interested UDBEs in obtaining necessary equipment, supplies, materials or related assistance or services.
- Effectively using the services of available minority or women community organizations, minority or women contractors' or consulting groups, local, state and federal minority or women business assistance offices, and other organizations as allowed on a case-by-case basis to provide assistance in the recruitment and placement of UDBEs.

ADMINISTRATIVE RECONSIDERATION

If the goal is not met, a bidder or proposer in order to be responsive must have made a good faith effort to meet the UDBE goal by documenting commitments for participation by sufficient UDBE firms, or document adequate good faith efforts to actively and aggressively obtain participation by a sufficient number of UDBE firms. An administrative review (see Section 26.53, CFR, Part 26) and judgment call of the good faith efforts should be made prior to award in each instance by the local agency. If the local agency determines that the apparent successful bidder or proposer has failed to meet the good faith requirements, the local agency before awarding the contract must provide the bidder or proposer the opportunity for administrative reconsideration in accordance with Section 26.53, CFR, Part 26.

SUBSTITUTIONS

After a contract has been executed which specified goals for UDBE participation, adequate good faith efforts are required for any needed substitution of UDBE subcontractors to the extent needed to meet the contract goal.

Local agencies must require a prime contractor or consultant not to terminate for convenience a UDBE subcontractor listed in the Local Agency Bidder UDBE Commitment (Construction Contracts) or a Local Agency Proposer UDBE Commitment (Consultant Contracts) form (or an approved substitute UDBE firm) and have the work performed of the terminated subcontract with its own forces or those of an affiliate without the local agency's prior written consent.

When a UDBE subcontract is terminated, or fails to complete its work on the contract for any reason, the local agency must require the prime contractor or consultant to make good faith efforts to find another UDBE contractor to substitute for the original UDBE. These good faith efforts shall be directed at finding another UDBE to perform at least the same amount of work under the contract as the UDBE that was terminated to the extent needed to meet the contract goal.

NONCOMPLIANCE

Local agencies must include in each prime contract a provision for appropriate administrative remedies that will be involved if the prime contractor or consultant fails to comply with the good faith efforts requirement during the contract.

9.10 REFERENCES

49 CFR, Part 26 (DBE Regulations)

49 CFR, Part 21 (Title VI Regulations)

49 CFR, Part 27 (Accessibility)

23 CFR 200 and 230 (EEO Contractor Compliance)

28 CFR, Part 35 (Accessibility)

23 USC 140(a) (EEO Contractor Compliance)

29 USC 791 et. Seq. (Accessibility)

42 USC 12101 et. Seq. (Accessibility)

California Business and Professions Code, Section 7108.5 (Prompt Payment)

Title 24 of the California Government Code (Accessibility)

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EXHIBIT 9-A CALIFORNIA DEPARTMENT OF TRANSPORTATION DISADVANTAGED BUSINESS ENTERPRISE IMPLEMENTATION AGREEMENT FOR LOCAL AGENCIES

CALIFORNIA

DEPARTMENT OF TRANSPORTATION

DISADVANTAGED BUSINESS ENTERPRISE

IMPLEMENTATION AGREEMENT

FOR

LOCAL AGENCIES

CALIFORNIA DEPARTMENT OF TRANSPORTATION DISADVANTAGED BUSINESS ENTERPRISE IMPLEMENTATION AGREEMENT

For the City/County of _____, hereinafter referred to as "RECIPIENT."

I Definition of Terms

The terms used in this agreement have the meanings defined in 49 CFR § 26.5.

II OBJECTIVE/POLICY STATEMENT (§26/1. 26/23)

The RECIPIENT intends to receive federal financial assistance from the U. S. Department of Transportation (DOT) through the California Department of Transportation (Caltrans), and as a condition of receiving this assistance, the RECIPIENT will sign the California Department of Transportation Disadvantaged Business Enterprise Implementation Agreement (hereinafter referred to as Agreement). The RECIPIENT agrees to implement the State of California, Department of Transportation Disadvantaged Business Enterprise (DBE) Program Plan (hereinafter referred to as the DBE Program Plan) as it pertains to local agencies. The DBE Program Plan is based on U.S. Department of Transportation (DOT), 49 CFR, Part 26 requirements.

It is the policy of the RECIPIENT to ensure that DBEs, as defined in Part 26, have an equal opportunity to receive and participate in DOT-assisted contracts. It is also their policy:

- To ensure nondiscrimination in the award and administration of DOT-assisted contracts.
- To create a level playing field on which DBE's can compete fairly for DOT-assisted contracts.
- To ensure that their annual overall DBE participation percentage is narrowly tailored, in accordance with applicable law.
- To ensure that only firms that fully meet 49 CFR, Part 26 eligibility standards are permitted to participate as DBEs.
- To help remove barriers to the participation of DBEs in DOT-assisted contracts.
- To assist the development of firms that can compete successfully in the market place outside the DBE Program.

III Nondiscrimination (§26.7)

RECIPIENT will never exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any contract covered by 49 CFR, Part 26 on the basis of race, color, sex, or national origin. In administering the local agency components of the DBE Program Plan, the RECIPIENT will not, directly, or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishment of the objectives of the DBE Program Plan with respect to individuals of a particular race, color, sex, or national origin.

IV Annual DBE Submittal Form (§26.21)

The RECIPIENT will provide to the Caltrans District Local Assistance Engineer (DLAE) a completed "Local Agency DBE Annual Submittal Form (Exhibit 9-B)" by June 1 of each year for the following Federal Fiscal Year (FFY). This form includes an Annual Anticipated DBE Participation Level (AADPL), methodology for establishing the AADPL, the name, phone number, and electronic mailing address of the designated DBELO, and the choice of Prompt Pay Provision to be used by the RECIPIENT for the following FFY.

V Race-Neutral Means of Meeting the Overall Statewide Annual DBE Goal (§26.51)

RECIPIENT must meet the maximum feasible portion of its AADPL by using race neutral means of facilitating DBE participation. Race neutral DBE participation includes any time a DBE wins a prime contract through customary competitive procurement procedures, is awarded a subcontract on a prime contract that does not carry a DBE goal, or even if there is a DBE goal, wins a subcontract from a prime contractor that did not consider its DBE status in making the award (e.g., a prime contractor that uses a strict low-bid system to award subcontracts).

Race neutral means include, but are not limited to, the following:

1. Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitate DBE, and other small businesses, participation (e.g., unbundling large contracts to make them more accessible to small businesses, requiring or encouraging prime contractors to subcontract portions of work that they might otherwise perform with their own forces);
2. Providing assistance in overcoming limitations such as inability to obtain bonding or financing (e.g., by such means as simplifying the bonding process, reducing bonding requirements, eliminating the impact of surety costs from bids, and providing services to help DBEs, and other small businesses, obtain bonding and financing);
3. Providing technical assistance and other services;
4. Carrying out information and communication programs on contracting procedures and specific contract opportunities (e.g., ensuring the inclusion of DBEs and other small businesses on recipient mailing lists of bidders; ensuring the dissemination to bidders on prime contracts of lists of potential subcontractors; provision of information in languages other than English, where appropriate);
5. Implementing a supportive services program to develop and improve immediate and long-term business management, record keeping, and financial and accounting capability for DBEs and other small businesses;
6. Providing services to help DBEs and other small businesses, improve long-term development, increase opportunities to participate in a variety of types of work, handle increasingly significant projects, and achieve eventual self-sufficiency;
7. Establishing a program to assist new, start-up firms, particularly in fields in which DBE participation has historically been low;
8. Ensuring distribution of your DBE directory through print and electronic means to the widest feasible universe of potential prime contractors; and
9. Assisting DBEs and other small businesses to develop their capability to utilize emerging technology and conduct business through electronic media.

VI Race Conscious Means of Meeting the Overall Statewide Annual DBE Goal (§26.51(d))

RECIPIENT must establish contract goals for Underutilized Disadvantaged Business Enterprises (UDBEs) to meet any portion of your AADPL you do not project being able to meet using race neutral means. UDBEs are limited to these certified DBEs that are owned and controlled by African Americans, Native Americans, Women, and Asian-Pacific Americans.

VII Quotas (§26.43)

RECIPIENT will not use quotas or set-asides in any way in the administration of the local agency component of the DBE Program Plan.

VIII DBE Liaison Officer (DBELO) (§26.25)

RECIPIENT has designated a DBE Liaison Officer. The DBELO is responsible for implementing the DBE Program Plan as it pertains to the RECIPIENT, and ensures that the RECIPIENT is fully and properly advised concerning DBE Program Plan matters. [Specify resources available to the DBELO; e.g., the DBELO has a staff of two professional employees assigned to the DBE program on a full-time basis and two support personnel who devote a portion of their time to the program.] The name, address, telephone number, electronic mail address, and an organization chart displaying the DBELO's position in the organization are found in Attachment _____ to this Agreement. This information will be updated annually and included on the DBE Annual Submittal Form.

The DBELO is responsible for developing, implementing, and monitoring the RECIPIENT's requirements of the DBE Program Plan in coordination with other appropriate officials. Duties and responsibilities include the following:

1. Gathers and reports statistical data and other information as required.
2. Reviews third party contracts and purchase requisitions for compliance with this program.
3. Works with all departments to determine projected Annual Anticipated DBE Participation Level.
4. Ensures that bid notices and requests for proposals are made available to DBEs in a timely manner.
5. Analyzes DBE participation and identifies ways to encourage participation through race neutral means.
6. Participates in pre-bid meetings.
7. Advises the CEO/governing body on DBE matters and DBE race neutral issues.
8. Provides DBEs with information and recommends sources to assist in preparing bids, obtaining bonding and insurance.
9. Plans and participates in DBE training seminars.
10. Provides outreach to DBEs and community organizations to fully advise them of contracting opportunities.

IX Federal Financial Assistance Agreement Assurance (§26.13)

RECIPIENT will sign the following assurance applicable to and to be included in all DOT-assisted contracts and their administration, as part of the program supplement agreement for each project.

The recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any DOT-assisted contract, or in the administration of its DBE Program, or the requirements of 49 CFR, Part 26. The recipient shall take all necessary and reasonable steps under 49 CFR, Part 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts. The recipient's DBE Program, as required by 49 CFR, Part 26 and as approved by DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved program, the Department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.). [Note – this language is to be used verbatim, as it is stated in §26.13(a).]

X DBE Financial Institutions (§26.27)

It is the policy of the RECIPIENT to investigate the full extent of services offered by financial institutions owned and controlled by socially and economically disadvantaged individuals in the community to make reasonable efforts to use these institutions, and to encourage prime contractors on DOT-assisted contracts to make use of these institutions.

Information on the availability of such institutions can be obtained from the DBELO. The Caltrans Disadvantaged Business Enterprise Program may offer assistance to the DBELO.

XI Directory (§26.31)

RECIPIENT will refer interested persons to the Unified Certification Program DBE directory available from the Caltrans Disadvantaged Business Enterprise Program's Web site at : www.dot.ca.gov/hq/bep.

XII Required Contract Clauses (§§26.13, 26.29)

RECIPIENT ensures that the following clauses or equivalent will be included in each DOT-assisted prime contract:

A. Contract Assurance

The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR, Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as recipient deems appropriate.

[Note – This language is to be used verbatim, as is stated in §26.13(b). See Caltrans Sample Boilerplate Contract Documents on the Internet at www.dot.ca.gov/hq/LocalPrograms under "Publications."]

B. Prompt Payment

Prompt Progress Payment to Subcontractors

The local agency shall require contractors and subcontractors to be timely paid as set forth in Section 7108.5 of the California Business and Professions Code concerning prompt payment to subcontractors. The 10-day is applicable unless a longer period is agreed to in writing. Any delay or postponement of payment over thirty (30) days may take place only for good cause and with the agency's prior written approval. Any violation of Section 7108.5 shall subject the violating contractor or subcontractor to the penalties, sanctions, and other remedies of that Section. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies, otherwise available to the contractor or subcontractor in the event of a dispute involving late payment or nonpayment by the contractor, deficient subcontractor performance, and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

Prompt Payment of Withheld Funds to Subcontractors

The local agency shall ensure prompt and full payment of retainage from the prime contractor to the subcontractor within thirty (30) days after the subcontractor's work is satisfactorily completed and accepted. This shall be accompanied by including either (1), (2), or (3) of the following provisions [local agency equivalent will need Caltrans approval] in their federal-aid contracts to ensure prompt and full payment of retainage [withheld funds] to subcontractors in compliance with 49 CFR 26.29.

1. No retainage will be held by the agency from progress payments due to the prime contractor. Prime contractors and subcontractors are prohibited from holding retainage from subcontractors. Any delay or postponement of payment may take place only for good cause and with the agency's prior written approval. Any violation of these provisions shall subject the violating contractor or subcontractor to the penalties, sanctions, and other remedies specified in Section 7108.5 of the California Business and Professions Code. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies, otherwise available to the contractor or subcontractor in the event of a dispute involving late payment or nonpayment by the contractor, deficient subcontractor performance, and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

2. No retainage will be held by the agency from progress payments due the prime contractor. Any retainage kept by the prime contractor or by a subcontractor must be paid in full to the earning subcontractor in thirty (30) days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment may take place only for good cause and with the agency's prior written approval. Any violation of these provisions shall subject the violating contractor or subcontractor to the penalties, sanctions, and remedies specified in Section 7108.5 of the California Business and Professions Code. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies, otherwise available to the contractor or subcontractor in the event of a dispute involving late payment or nonpayment by the contractor, deficient subcontractor performance, and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

3. The agency shall hold retainage from the prime contractor and shall make prompt and regular incremental acceptances of portions, as determined by the agency of the contract work and pay retainage to the prime contractor based on these acceptances. The prime contractor or subcontractor shall return all monies withheld in retention from all subcontractors within thirty (30) days after receiving payment for work satisfactorily completed and accepted including incremental acceptances of portions of the contract work by the agency. Any delay or postponement of payment may take place only for good cause and with the agency's prior written approval. Any violation of these provisions shall subject the violating prime contractor to the penalties, sanctions, and other remedies specified in Section 7108.5 of the California Business and Professions Code. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies, otherwise available to the contractor or subcontractor in the event of: a dispute involving late payment or nonpayment by the contractor; deficient subcontractor performance; and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

XIII Local Assistance Procedures Manual

The RECIPIENT will advertise, award and administer DOT-assisted contracts in accordance with the most current published *Local Assistance Procedures Manual* (LAPM).

XIV Transit Vehicle Manufacturers (§ 26.49)

If FTA-assisted contracts will include transit vehicle procurements, RECIPIENT will require each transit vehicle manufacturer, as a condition of being authorized to bid or propose on transit vehicle procurements; to certify that it has complied with the requirements of 49 CFR, Part 26, Section 49.

XV Bidders List (§26.11(c))

The RECIPIENT will create and maintain a bidders list, consisting of information about all DBE and non-DBE firms that bid or quote on its DOT-assisted contracts. The bidders list will include the name, address, DBE/non-DBE status, age, and annual gross receipts of the firm.

XVI Reporting to the DLAE

RECIPIENT will promptly submit a copy of Local Agency Proposer UDBE Commitment (Consultant Contracts), (Exhibit 10-O1) or Local Agency Bidder UDBE Commitment (Construction Contracts) (Exhibit 15-G1) of the LAPM to the DLAE at the time of award of the consultant or construction contracts.

RECIPIENT will promptly submit a copy of Local Agency Proposer DBE Information (Consultant Contracts) (Exhibit 10-O2) or Local Agency Bidder DBE Information (Construction Contracts) (Exhibit 15-G2) or of the LAPM to the DLAE at the time of execution of consultant or construction contract.

RECIPIENT will promptly submit a copy of the Final Utilization of DBE participation to the DLAE using Exhibit 17-F Final Report-Utilization of Disadvantaged Business Enterprises (DBE), First-Tier Subcontractors of the LAPM immediately upon completion of the contract for each consultant or construction contract.

XVII Certification (§26.83(a))

RECIPIENT ensures that only DBE firms currently certified by the California Unified Certification Program will participate as DBEs on DOT-assisted contracts.

XVIII Confidentiality

RECIPIENT will safeguard from disclosure to third parties, information that may reasonably be regarded as confidential business information consistent with federal, state, and local laws.

By_____ Date: _____
(Signature)

_____ Phone Number:_____
(Print Name and Title) ADMINISTERING AGENCY
(Authorized Governing Body Representative)

This California Department of Transportation's Disadvantaged Business Enterprise Program Implementation Agreement is accepted by:

_____ Date: _____
[Signature of DLAE]

_____
[Print Name of DLAE]

Distribution: (1) Original – DLAE
(2) Signed copy by the DLAE – Local Agency

(Updated: March 4, 2009)

EXHIBIT 9-B LOCAL AGENCY DBE ANNUAL SUBMITTAL FORM

TO: CALTRANS DISTRICT _____
District Local Assistance Engineer

The amount of the Annual Anticipated DBE Participation Level (AADPL) and methodology are presented herein, in accordance with Title 49 of the Code of Federal Regulations (CFR), Part 26, and the State of California Department of Transportation Disadvantaged Business Enterprise (DBE) Program Plan.

The City/County/Region of _____,
submits our AADPL information. We have established an AADPL of _____ % (_____% Race Neutral; _____% Race Conscious) for the Federal Fiscal Year _____ /_____, beginning on _____ and ending on September 30.

Methodology

(Please attach the methodology used to determine the AADPL. See Chapter 9, Section 9.7 of the *Local Assistance Procedures Manual* (LAPM) for guidance in developing the AADPL.)

Disadvantaged Business Enterprise Liaison Officer (DBELO)

(Please provide the name, address, phone number, fax number, and electronic mail address of the DBELO for the coming Federal Fiscal Year.)

Planned Race Neutral Measures

(Please detail the race neutral measures your local agency plans to implement for the upcoming Federal Fiscal Year per 49 CFR, Part 26.51 and Section V of the California Department of Transportation DBE Program Implementation Agreement for Local Agencies.)

Prompt Pay

Federal regulation (49 CFR 26.29) requires one of three methods be used in federal-aid contracts to ensure prompt and full payment of any retainage kept by the prime contractor or subcontractor to a subcontractor. (Attached is a listing of the three methods. On the attachment, please designate which prompt payment provision the local agency will use.)

Prompt Pay Enforcement Mechanism

49 CFR, Part 26.29(d) requires providing appropriate means to enforce prompt payment. These means may include appropriate penalties for failure to comply with the terms and conditions of the contract. The means may also provide that any delay or postponement of payment among the parties may take place only for good cause with the local agency's prior written approval. **Please briefly describe the monitoring and enforcement mechanisms in place to ensure that all subcontractors, including DBEs, are promptly paid.**

_____ _____
(Signature) Date

_____ _____
(Print Name and Title) Phone Number
ADMINISTERING AGENCY
(Authorized Governing Body Representative)

_____ _____
(Signature of Caltrans District Local Assistance Engineer [DLAE]) Date

Distribution: (1) Original - DLAE
(2) Signed copy by the DLAE – Local Agency

DBE Annual Submittal Form (07/31/09)

(**Attachment**)

Prompt Payment of Withheld Funds to Subcontractors

Federal regulation (49 CFR 26.29) requires one of the following three methods be used in federal-aid contracts to ensure prompt and full payment of any retainage kept by the prime contractor or subcontractor to a subcontractor.

Please check the box of the method chosen by the local agency to ensure prompt and full payment of any retainage.

☐ **Method 1:** No retainage will be held by the agency from progress payments due to the prime contractor. Prime contractors and subcontractors are prohibited from holding retainage from subcontractors. Any delay or postponement of payment may take place only for good cause and with the agency's prior written approval. Any violation of these provisions shall subject the violating contractor or subcontractor to the penalties, sanctions, and other remedies specified in Section 7108.5 of the California Business and Professions Code. This requirement shall not be construed to limit or impair any contractual, administrative or judicial remedies, otherwise available to the contractor or subcontractor in the event of a dispute involving late payment or nonpayment by the contractor, deficient subcontractor performance and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

☐ **Method 2**: No retainage will be held by the agency from progress payments due the prime contractor. Any retainage kept by the prime contractor or by a subcontractor must be paid in full to the earning subcontractor in 30 days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment may take place only for good cause and with the agency's prior written approval. Any violation of these provisions shall subject the violating contractor or subcontractor to the penalties, sanctions, and remedies specified in Section 7108.5 of the California Business and Professions Code. This requirement shall not be construed to limit or impair any contractual, administrative or judicial remedies, otherwise available to the contractor or subcontractor in the event of a dispute involving late payment or nonpayment by the contractor, deficient subcontractor performance and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

☐ **Method 3**: The agency shall hold retainage from the prime contractor and shall make prompt and regular incremental acceptances of portions, as determined by the agency of the contract work and pay retainage to the prime contractor based on these acceptances. The prime contractor or subcontractor shall return all monies withheld in retention from all subcontractors within 30 days after receiving payment for work satisfactorily completed and accepted including incremental acceptances of portions of the contract work by the agency. Any delay or postponement of payment may take place only for good cause and with the agency's prior written approval. Any violation of these provisions shall subject the violating prime contractor to the penalties, sanctions, and other remedies specified in Section 7108.5 of the California Business and Professions Code. This requirement shall not be construed to limit or impair any contractual, administrative or judicial remedies otherwise available to the contractor or subcontractor in the event of: a dispute involving late payment or nonpayment by the contractor; deficient subcontractor performance and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

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EXHIBIT 9-C LOCAL AGENCY ADA ANNUAL CERTIFICATION FORM

Local Agency ADA Annual Certification Form

49 CFR, Part 27:
Nondiscrimination of the Basis of Disability in
Programs or Activities
Receiving Federal Financial Assistance.

Local Agency: _____

Program Year: _____

Date Certification submitted: _____

I. Name of ADA Coordinator: _____

Telephone Number: _____

E-mail Address: _____

II. ADA Complaint Procedure Adopted:

Yes: ___ Date of Adoption: _____

No: ____ Planned Date of Adoption: _____

Final Completion Date: _____

III. Self-evaluation completed:

Yes: ____ Date of Completion: _____

No: ____ Planned Date of Completion: _____

Final Completion Date: _____

System established for periodically reviewing and updating the evaluation: _____

IV. Transition Plan completed:

Yes: ____ Date of Completion: _____

Date of Implementation: _____

No: _____Planned Date of Completion: _____

Final Completion Date: _____

V. Policies, procedures, and criteria for implementing ADA compliance improvements in maintenance and capitol improvement programs have been reviewed and the required revisions have been made:

Yes: _____ No: _____

VI. Division of State Architect (DSA) Checklists are used to verify compliance of design packages, standard plans and field inspections to ensure compliance with both State and federal accessibility standards:

Yes: _____ No: _____

DSA web site: http://www.dsa.dgs.ca.gov/Access/ud_accessmanual.htm

Reminder: State of California Government Code Section 4454 requires Division of State Architect (DSA) review and approval of the plans and specifications for local agency pedestrian projects using State funds.

VII. Standard Plans are reviewed and updated on an ongoing basis for full ADA and California Accessibility compliance:

Yes: _____ No: _____

EXHIBIT 9-D AADPL CALCULATIONS INCLUDING UDBEs

AADPL Calculations Including UDBEs

Definitions:

- DBE – Disadvantaged Business Enterprise. A for-profit "small business concern" that is at least 51 percent owned and controlled by one or more socially and economically disadvantaged individuals. One or more such individual must also control the management and daily business operations. This individual who is a citizen (or lawfully admitted permanent residents) of the United States and who is: (1) an individual whom a recipient finds to be a socially and economically disadvantaged individual on a case-by-case basis, (2) any individual in the following groups, members of which are rebuttably presumed to be socially and economically disadvantaged: African Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Subcontinent Asian Americans (persons whose origin are from India, Pakistan, Bangladesh, Bhutan, Maldives Islands, Nepal or Sri Lanka), Women, or any other group found to be socially and economically disadvantaged by the U.S. Small Business Administration. (See 49 CFR, Part 26.)
- UDBE – Underutilized DBE. DBE classes that have been determined in the 2007 Caltrans Disparity Study to have a statistically significant disparity in their utilization in previously awarded transportation contracts. UDBEs include: African Americans, Native Americans, Asian-Pacific Americans, and Women.
- Non-UDBE – The two DBE classes (Hispanic American and Subcontinent Asian American) that have been determined in the 2007 Caltrans Disparity Study to not have a statistically significant disparity in their utilization in previously awarded transportation contracts.
- AADPL – Annual Anticipated DBE Participation Level. This is the overall Local Agency goal based on demonstrated evidence of the availability of DBEs relative to all businesses that are ready, willing and able to participate on federally funded contracts.
- RC AADPL – Race Conscious portion of AADPL.
- RN AADPL – Race Neutral portion of AADPL.
- Market Area – Counties in the agency's geographic area where contractors have historically bid on similar contracts.

Introduction:

Agencies shall use Exhibit 9-B from the *Local Assistance Procedures Manual* (LAPM) to report the Annual Anticipated DBE Percentage Level (AADPL) and methodology to Caltrans. The Race Conscious portion of the AADPL is the portion the agency believes it will not be able to meet using Race Neutral means alone. In the absence of information relating to an agency's ability to meet the Race Neutral portion, the Race Conscious portion should be the same as the entire AADPL, and the Race Neutral portion should be zero. As always, individual contract goals should be adjusted throughout the year as the agency progress in attaining DBE participation is assessed.

There are several ways to calculate an AADPL. A method other than what is shown below may be used, as approved by the District DBE Coordinator. One such alternate method is the use of a current bidders list.

**Important Note: While the determination of an AADPL utilizes the same calculation as before (during the Race Neutral mode), the Race Conscious/Race Neutral breakdown should always include consideration of not only the availability of UDBEs (Race Conscious), but also the specific non-UDBEs and the likelihood that they will be used on these contracts. If the likelihood is high that these non-UDBEs would not be used on the contracts, they should be removed from consideration. This would result in a higher RC AADPL and a lower RN AADPL. Periodically throughout the contracting year, these methods and assumptions should be revisited to more accurately tailor future contract goals.

AADPL Calculation:

First, determine the projects that the agency anticipates awarding in the upcoming Federal Fiscal Year (FFY). List these projects, including both construction and consultant contracts. Next, determine the various work types and amounts of work that will be involved, using the work categories and codes that can be found on the California Unified Certification Program (CUCP) Web site, as explained below. For each Work Category, calculate the percentage (Weight) of the total contract work to be performed.

To determine the number of DBE firms (for the *numerator* in the calculation):

1. For each NAICS Work Category, determine total number of DBEs in the agency's Market Area that can perform that type of work. To do this, use the CUCP web site, which can be accessed by going to: http://www.dot.ca.gov/hq/bep/dbe_query.htm and click on the "Click here to Access the DBE Query Form" link.

2. On the resulting page, go to the "County" box and highlight all the counties in the agency's Market Area. The control key can be used to highlight more than one county at a time.

3. Click on the appropriate 2-digit code in the "NAICS Categories" box. This will automatically bring up the more detailed 6-digit NAICS Work Category codes in a new box. Highlight the appropriate 6-digit code. Scroll down to "License Type" and highlight the appropriate license (e.g., Electrical Contractor). Finally, click the "Start Search" button at the bottom of the page. This will give the number of DBE firms available to do work in that NAICS Work Category, followed by a list of individual firms.

4. To narrow it down to the agency's Market Area, print out the list and cross off any firms that are not located within the Market Area counties. This will result in a list of DBE firms that are in the agency's Market Area. The number of firms remaining on the list becomes the numerator for that Work Category.

5. Repeat this process for each Work Category.

To determine the total number of firms (for the *denominator* in the calculation)**:**

1. For each NAICS Work Category, determine the total number of firms in the agency's Market Area that are willing to perform that type of work. To do this, go to the following web site: http://censtats.census.gov/cbpnaic/cbpnaic.shtml

2. At the top of the page, select "California" and click on the "Go" button.

3. On the next page, use the drop-down menu to select one of the counties in the agency's Market Area, and click the "Select" button. The "Industry Codes" listed are the same as the NAICS codes. For each 2-digit category that is being used, click on the "Detail" button. This will bring up a list of all of the 6-digit Work Category codes contained within that category.

4. For each 6-digit Work Category to be used, click the "Detail" button to get a county-by-county list of the total number of establishments. Add the numbers for each county in the Market Area to get the total number of firms for this type of work, which becomes the denominator for that Work Category.

5. Repeat this process for each Work Category.

After completing the above tasks, make a table showing the following information for each NAICS Work Category:

A. Number of DBE Firms (numerator)
B. Number of Total Firms (denominator)
C. Percentage of total contract funding in the NAICS Work Category (Weight).

Use this information as shown in the example that follows.

AADPL Calculation Example:

An agency has $200,000 in Total Project Funding (both federal and local/state $), broken down into the following Work Categories:

Contract #1 – Main Street Re-paving: ($100,000 contract)
(NAICS Code) 237310 - Highway and Street Construction = $80,000 = 40% Funding
238210 - Electrical Work = $20,000 = 10% Funding
Contract #2 – 4th Street Design: ($100,000 contract)
541330 - Civil Engineering Services = $100,000 = 50% Funding

In order to determine the AADPL base figure, first compute the AADPL formula for each Work Category:

$$\text{AADPL (per Work Category)} = \left[\sum \frac{No.of\ DBEs\ in\ a\ Work\ Category}{No.of\ All\ Firms\ in\ same\ Work\ Category} \times Weight\right] \times 100$$

Each Work Category AADPL is then multiplied by its percentage (Weight) of the total work to be performed. The resulting numbers are then added up to obtain the overall AADPL Base Figure:

AADPL (Base Figure) =

$$\left[\frac{\#of\ DBEs\ in\ 237310}{\#of\ all\ firms\ in\ 237310} \times 0.4 + \frac{\#of\ DBEs\ in\ 238210}{\#of\ all\ firms\ in\ 238210} \times 0.1 + \frac{\#of\ DBEs\ in\ 541330}{\#of\ all\ firms\ in\ 541330} \times 0.5\right] \times 100$$

Race Conscious Portion of AADPL (Using UDBEs):

To obtain the **RC AADPL**, use the same method shown above, except substitute UDBEs for DBEs in the formula.

To get the number of UDBE firms (UDBE firms = male-owned UDBE firms + all female-owned firms), eliminate all firms on the DBE lists from the CUCP database that are not designated as either female-owned or male-owned with the UDBE-designated ethnicities (see definitions above).

As before, make a table showing the number of UDBE firms, number of total firms, and Work Category Weights. Insert these as appropriate in the formula below:

$$\text{RC AADPL} = \left[\sum \frac{No.of\ UDBEs\ in\ a\ Work\ Category}{No.of\ All\ Firms\ in\ same\ Work\ Category} \times Weight\right] \times 100$$

Race Neutral Portion of AADPL:

The Race Neutral portion of the AADPL is the overall AADPL minus the Race Conscious portion.

RN AADPL = AADPL – RC AADPL

Entering Information onto Exhibit 9-B:

After adjusting the AADPL and RC/RN breakdowns determined above for other factors as needed (see ****Important Note**), enter the adjusted AADPL figure, as well as the adjusted Race Conscious and Race Neutral AADPLs, onto Exhibit 9-B.

CHAPTER 10 CONSULTANT SELECTION

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CHAPTER 10 CONSULTANT SELECTION

10.1 GENERAL

INTRODUCTION

A local agency may engage consultants to perform architectural, engineering, and related services needed to develop a federal-aid and/or state funded project. Local agencies requesting federal and/or state funds to reimburse Architectural and Engineering (A&E) Consultants must follow the selection and contracting procedures detailed in this chapter.

FEDERAL LEGISLATION

The provisions of the Brooks Act (40 USC 544) require local agencies to award federally funded engineering and design contracts on the basis of fair and open competitive negotiations, demonstrated competence, and professional qualifications (23 CFR, Section 172).

The following are two of the Required Contract Provisions including exhibits:

Disadvantaged Business Enterprise

- Notice to Proposers Disadvantaged Business Enterprise Information (Exhibit 10-I, in this chapter)
- Standard Agreeement for Subcontractor/DBE Participation (Exhibit 10-J, in this chapter)
- Local Agency Proposer UDBE Commitment (Consultant Contracts) (Exhibit 10-O1, in this chapter)
- Local Agency Proposer DBE Information (Consultant Contract) (Exhibit 10-O2, in this chapter)
- Final Report-Utilization of Disadvantaged Business Enterprises (DBE), First-Tier Subcontractors (Exhibit 17-F, of the *Local Assistance Procedures Manual* [LAPM])

Federal Lobbying Restrictions, Title 31 U.S.C. Section 1352

- Nonlobbying Certification for Federal-aid Contracts (Exhibit 10-P, LAPM)
- Disclosure of Lobbying Activities, Standard Form – LLL and Instructions (Exhibit 10-Q, LAPM)

STATE LEGISLATION

Architectural and Engineering (A&E) Consultants - Those private consulting firms providing architectural, landscape architectural, engineering, environmental, land surveying, or construction project management services are termed "Architectural and Engineering (A&E) Consultants." California law requires selection of A&E contract services on the basis of demonstrated competence and professional qualifications. Cost may not be included as criteria for rating such consultants. Negotiations shall begin with the most qualified consultant. Should negotiations result in not a price the local agency considers to be fair and reasonable, negotiations shall be formally terminated and the local agency shall then undertake negotiations with the second most qualified consultant.

If the negotiations with the second most qualified firm is not successful, negotiations shall be formally terminated and the local agency shall then undertake negotiations with the third most qualified consultant, etc. until the price is determined to be fair and reasonable by the local agency (*California Government Code*, Chapter 10, Sections 4525 through 4529.5).

Consultants, other than A&E consultants, may be selected using cost as one of, or the sole selection criteria. The procedures outlined in this chapter could be modified for selecting non-A&E consultants, by adding a cost item to the proposal. Similarly in selecting an A&E consultant, a detailed technical proposal or qualifications proposal, and a draft contract would be required.

Depending upon the scope of work, the required contract provisions may need to include the California State Prevailing Wages. Section 1720 of the *State Labor Code* which states in part:

> "For purposes of this paragraph, "construction" includes work performed during the design and preconstruction phases of construction including, but not limited to, inspection and land surveying work."

Wage guidelines entitled, *Consultant Guidelines for Prevailing Wage and Labor Compliance on Architectural and Engineering (A&E) Contracts* is used to administer Caltrans Consultant contracts and is available at:

http://www.dot.ca.gov/hq/construc/A&E_Guidelines/A&EGuidelines.pdf

Wage information is available through the Caltrans Division of Local Assistance web site at: http://www.dir.ca.gov/dlsr/statistics_research.html

SELECTING THE PROJECT

The local agency is responsible for selecting and initiating a federal-aid and/or state financed highway project. The decision to begin project development is influenced by the project needs, its acceptability, the timing of studies, financing, and construction. The local agency must identify the project's objectives including the general level of improvement or service, operating standards, and the target date for project completion before commencing any consultant selection process.

SUBCONTRACTED SERVICES

The consultant is responsible for performing the work required under the agreement in a manner acceptable to the local agency. The consultant's organization and all associated consultants and subcontractors must be identified at the time of the proposal.

If the consultant wishes to use a firm not specified in the proposal, prior written approval must be obtained from the local agency. If a subcontract for work, or services to be performed by such firms exceeds $25,000, the subcontract shall contain all required provisions of the prime contract.

PRE-AWARD AUDIT

A pre-award audit is required for consultant contracts with state or federal-aid highway funds in the contract as outlined below.

Case 1: Contracts less than $1 million

For consultant contracts under $1 million, a pre-award audit is not required unless the consultant has been previously identified as a "high-risk" as described in 49 CFR, Part 18 Section 12.

49 CFR, Part 18 Section 12 states that a grantee or subgrantee may be considered "high-risk," if an awarding agency determines that a grantee or subgrantee:

- Has a history of unsatisfactory performance, or
- Is not financially stable, or
- Has a management system which does not meet the management standards set forth in this part, or
- Has not conformed to terms and conditions of previous awards, or
- Is otherwise, not responsible; and if the awarding agency determines that an award will be made, special conditions and/or restrictions shall correspond to the high-risk condition and shall be included in the award.

For further clarification of the term "high-risk" contact Caltrans Audits and Investigations.

Case 2: Contracts $1 million or more

Consultant contracts $1 million or more require a pre-award audit. The pre-award audit examines the consultant's accounting, estimating, administrative systems, proposed costs, financial condition, and the proposed contract language. The audit is as broad in scope as necessary to meet the objectives found in Exhibit 10-M "Standard Audit Program Procedures" in this chapter.

An audit is also required under the following situations:

- Accumulative amendments that increase the total amount of the contract to $1 million or more regardless of the number of amendments.
- Any single amendment $1 million or more.
- Any subcontract $1 million or more.

Procedures to perform the pre-award audit will depend on who the local agency selects to perform the audit. The local agency may perform the pre-award audit with their own personnel; employ a Certified Public Accountant (CPA) to perform the pre-award audit; or request Caltrans to perform the pre-award audit.

CALTRANS PERFORMS PRE-AWARD AUDIT

For situations where a local agency selects Caltrans to perform the audit, the local agency must transmit a *Pre-award Audit Request Letter and Checklist* (see Exhibit 10-A in this chapter) to Caltrans Audits and Investigations with copies of the proposed consultant contract and cost proposal (also a copy to the DLAE). The consultant's cost proposal for the prime and all proposed subcontractors must contain a breakdown of all components of cost to include: labor base, rate, other direct costs, overhead, and fee. For "Sample Cost Proposals," see Exhibit 10-H in this chapter. The agency must advise the consultant that an audit needs to be performed and that cooperation with the auditors is expected.

Thirty working calendar days from the date of receipt of a complete and acceptable package (whichs includes the request, draft contract, and a cost proposal for the consultant and subcontractors, each with a cost breakdown) should be allowed as a guideline. After receipt of the pre-award audit report from Caltrans Audits and Investigations,with the resolution of outstanding issues by the local agency, the "Audit Disposition" (Exhibit 10-K in this chapter) shall be completed by the local agency and sent to Caltrans Audits and Investigations with a copy to the DLAE . Section 4.3 of the Caltrans *Service Contracts Manual* provides additional details about the audit process and is available at: http://admin.dot.ca.gov/pc/pdfshell.shtml

LOCAL AGENCY/ HIRED CERTIFIED PUBLIC ACCOUNTANT PERFORMS PRE-AWARD AUDIT

The local agency shall notify Caltrans Audits and Investigations of their decision to perform the pre-award audit using its own forces, or by contracting with a Certified Public Accounting firm. The notification will be in writing, using the sample "Pre-award Audit Notification Letter" (Exhibit 10-L in this chapter). As a part of this notification process, the local agency shall also submit pre-award audit procedures.

Caltrans Audits and Investigations may perform a review of such procedures and express an opinion on them as needed. Caltrans shall retain the right to audit, or review the work of the local agency or designee at any time.

The audit must be completed before the consultant contract is executed. Failure to do this will result in loss of funds for the consultant services**. The audit must be performed in accordance with generally accepted government auditing standards required by the United States General Accounting Office at:** www.gao.gov/govaud/ybk01.htm **.**

The local agency shall follow the information in the "Accounting and Auditing Guidelines for Contracts with Caltrans" (Exhibit 10-N in this chapter) to assure that the audit objectives are clear as to the basic elements of an accounting system. In addition, S*tandard Audit Program Procedures* shall be used as the minimum procedures to be performed for the pre-award audit.

Negotiation may begin with the consultant while the audit is being performed. The contract shall not be executed until the audit report has been completed and the following are found to be satisfactory by the auditor: consultant's accounting system, rates charged, knowledge of FHWA's cost eligibility, and documentation requirements. The local agency shall be proactive to resolve any audit comments before execution of the consultant contract.

The "Request for Authorization to Proceed with Preliminary Engineering" (Exhibit 3-A, of the LAPM) includes boxes that indicate compliance with the pre-award audit requirement when there is federal-aid and or state participation.

The "Audit Disposition" (Exhibit 10-K in this chapter) must be signed by the local agency financial officer and submitted to the DLAE at completion of the pre-award audit. A courtesy copy of pre-award audits conducted by the local agency shall be mailed to:

Department of Transportation
Caltrans Office Audits and Investigations
P.O. Box 942874
Sacramento, CA 94272-0001

The local agency is responsible for complying with these pre-award audit procedures and determining the eligibility of costs reimbursed to the consultant. The local agency will be subject to the sanctions mentioned in Chapter 20, "Deficiencies and Sanctions," of the LAPM if Caltrans, FHWA, or Federal Transportation Agency (FTA) determines that any reimbursements to the consultant are the results of lack of proper contract provisions, unallowable charges to unsupported activities, or an inadequate accounting system.

AUTHORIZATION TO PROCEED

FHWA or Caltrans acting in their behalf must give the local agency an "Authorization to Proceed" with the work prior to the performance of any work for which federal reimbursement is to be requested, including the pre-award audit (see Chapter 3, "Project Authorization," of the LAPM). For state funded projects, see Chapter 23, "Local Agency State Transportation Improvement Program Projects," of the *Local Assistance Program Guidelines* (LAPG) for guidance as to when work may proceed.

Copies of the "Authorization to Proceed" and the consultant contract must be retained in the project files for future audit purposes.

10.2 IDENTIFYING & DEFINING A NEED FOR CONSULTANTS

The need for a consultant is identified by comparing the project's schedule and objectives with the local agency's capabilities, its staff availability of the required expertise, and its funding resources. If the local agency does not have sufficient staff capabilities, it may choose to solicit assistance from another agency, or use a qualified private consultant to perform the required work.

If the local agency determines that there is a need to solicit assistance from another local agency, or to use a consultant, the DLAE should be notified if federal-aid or state funds are to be requested for the project segment to be contracted out.

APPOINTING THE CONTRACT ADMINISTRATOR

The Contract Administrator is responsible for ensuring the quality of consultant contract products or services. The Contract Administrator is appointed as soon as the need for consultant services is identified. The Contract Administrator is involved throughout the development of the selection process and the contract provisions and in the administration of the consultant's work. The Contract Administrator must be a qualified local agency employee, or have staff that is qualified to ensure the consultant's work is complete, accurate, and consistent with the terms and conditions of the consultant contract. The Contract Administrator or staff members must be thoroughly familiar with the work to be contracted out and the standards to be used.

The Contract Administrator's duties include the following:

- Provides direction to ensure the proposed work is advertised properly.
- Prepares and distributes the Request for Qualifications (RFQ), description of work, and Request for Proposals (RFP), if used.
- Prepares the draft contract.
- Arranges for preparation in advance of an independent estimate of the value of the work to be contracted out.
- Ensures that the selection procedures are followed.

- Analyzes the selected/best-qualified consultant's cost proposal.
- Serves as the local agency's primary contact person for the successful consultant.
- Monitors the consultant's progress and providing direction.
- Reviews billings and makes a determination whether costs billed are reasonable in relation to the work performed during billing period.
- Approves the consultant's progress payments.
- Identifies other local agency persons for the consultant to contact, if needed.

The use of a consultant for a "management" role should be limited to unique or very unusual situations. These situations require a thorough justification as to why the local agency cannot perform the management. Consultants used in management roles must be selected; using the same procedures as those for other consultants specified in this chapter.

DETERMINING THE PROJECT SCHEDULE

The local agency develops a schedule for performance of work and completion of the project. The schedule must include sufficient time to allow for:

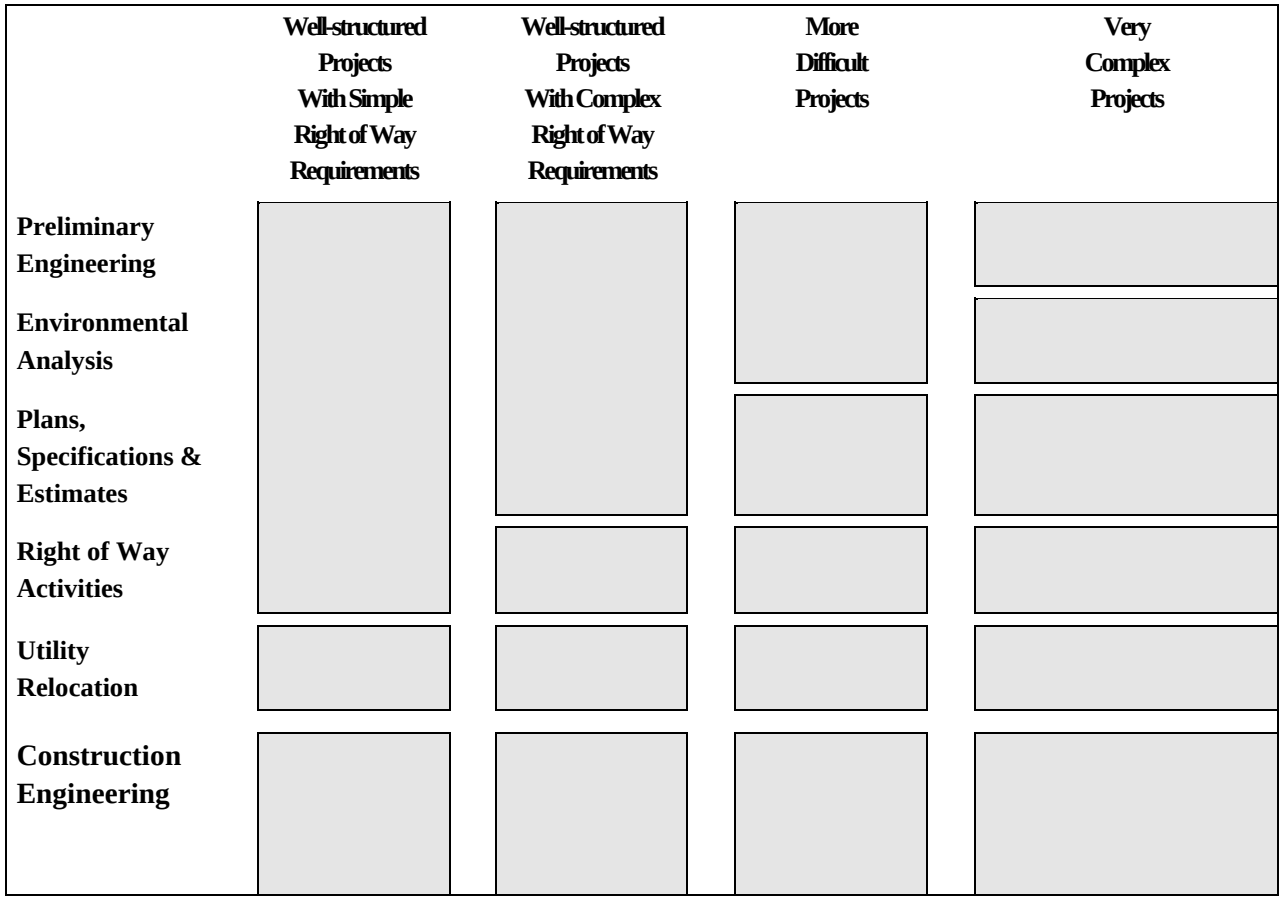
- Selecting the consultant.
- Developing the consultant contract.
- Completing the pre-award audit.
- Conducting meetings and project reviews.

SEGMENTING CONSULTANT WORK

Consultant services are most effective when consultant work is segmented appropriately. The extent of segmenting depends upon the type and complexity of the work. Combining preliminary engineering tasks with the preparation of the required environmental analysis is normally desirable. Preparing an Environmental Assessment (EA) or Environmental Impact Statement (EIS) is more than simply writing a report. Assessment and impact reports include preliminary engineering needed to analyze project alternatives and produce an engineering and planning assessment. Initial project studies include only as much traffic and engineering analysis of alternatives, as is needed to produce a sound EA or EIS (see Chapter 6, "Environmental Procedures," of the LAPM and Chapters 31 and 32 of the *Standard Environmental Reference* [SER]). Final detailed design must be delayed until environmental clearance has been received if federal reimbursement is desired.

Refer to Figure 10-1 "Segmenting Consultant Work" in this chapter, which illustrates several satisfactory ways to segment consultant activities.

FIGURE 10-1 SEGMENTING CONSULTANT WORK



VALUE ENGINEERING ANALYSIS

For projects on the federal-aid system with a total project cost of $25 million or more and a bridge project with a total project cost of $20 million or more, federal requirements included in "SAFETEA-LU" Section 1904 "Stewardship and Oversight" mandate that a "value engineering analysis" be performed on these projects. For more information on this subject, please see Chapter 12 "Plans, Specifications & Estimate," Section 12.5 "Value Engineering Analysis" of this manual.

For bridge projects, the multi-discipline team shall also include bridge substructure requirements based on construction material and be evaluated as follows:

- On engineering and economic bases taking into consideration acceptable designs for bridges.
- Using analysis of life-cycle and duration of project construction.

SPECIFY PRODUCTS TO BE DELIVERED

The Contract Administrator identifies the products and services to be delivered as a result of consultant contract work. These vary depending upon the type of projects and the phase of project development being addressed.

SCOPE OF CONSULTANT WORK

The scope of work, which the contract must include, is a detailed description of the products or services the consultant is to provide. From a detailed scope of work, consultants respond to a project advertisement; determine personnel and time requirements; and develop a technical proposal. Therefore, the scope of work must be clear, concise, complete, and describe the deliverables and deadlines.

DBE PARTICIPATION

The provisions of 49 CFR, Part 26 require that a local agency receiving federal-aid funds comply with the DBE program, and that DBE firms have the opportunity to participate in the projects (see Chapter 9, "Civil Rights and Disadvantaged Business Enterprises," of the LAPM). Such steps include the setting of goals to ensure DBE firms are considered by the proposing consultants. When feasible, organize the project schedule and task requirements to encourage participation in the contract by DBE firms. Local agencies should be fully aware of all of the subcontracting opportunities in their consultant contracts. Below are some examples of subcontracting opportunities for various types of contracts:

- For the design of a bridge (surveys, geotechnical, hydraulics, hydrology, seismic studies, cost estimating, traffic control, as-builts, etc.).
- For the seismic retrofit of an existing bridge (surveys, geotechnical, forensic studies, seismic studies, cost estimating, as-builts, etc.).
- For the design of roadways (surveys, hydrology, geotechnical, cost estimating, traffic control, as-builts, etc.).

The consultant shall ensure that certified DBE firms have the opportunity to participate in the performance of the contract and shall take all necessary and reasonable steps for such assurance.

An Underutilized DBE (UDBE) goal should be established for each contract if there are subcontracting opportunities and available UDBE firms. The consultant must meet the goal by using UDBEs, or document a good faith effort to meet the contract goal. Good faith efforts shall be documented and verified (Chapter 15, Exhibit 15-H "UDBE Information-Good Faith Efforts," form of the LAPM). If a UDBE subconsultant is unable to perform and the goal is not otherwise met, the consultant must make a good faith effort to replace him/her with another UDBE subconsultant to the extent needed to meet the UDBE goal. For more detailed information see Exhibit 10-I, "Notice to Proposers Disadvantaged Business Enterprises Information." For sample contract clauses with and without specified UDBE goals see Exhibit 10-J, "Standard Agreement for Subcontractor/DBE Participation."

REPORTING DBE PARTICIPATION

DBE language must be included in the RFQ or RFP, if the proposed contract will include federal-aid funds. The "Notice to Proposers Disadvantaged Business Enterprise Information" (Exhibit 10-I, of the LAPM) is to be included in all consultant contracts with federal-aid funds. In addition, certain DBE contract clauses must be included in the consultant contract.

REPORTING UDBE COMMITMENTS AND DBE INFORMATION

For contracts with UDBE goals:

The "Local Agency Proposer UDBE Commitment (Consultant Contracts) (Exhibit 10-O1) must be included in the proposal package and provided by each proposer. The completed form must be submitted to the DLAE at the time of award.

This form must include the names, addresses, and phone numbers of UDBE firms that will participate with a complete description of work or supplies to be provided by each, and the dollar value of each UDBE transaction. When 100 percent of a contract item of work is not to be performed or furnished by the UDBE, a description of the exact portion of work to be performed or furnished by that UDBE should be included in the UDBE commitment, including the planned location of that work. A proposer certified as a DBE and is owned by an African American, Asian-Pacific America, Native American, or a Woman should describe the work it has committed to be performed with its own forces, as well as any other work that it has committed to be performed by UDBE subcontractors, suppliers, and trucking companies.

The proposer shall provide written confirmation from each UDBE participating in the contract. A copy of a UDBE's quote will serve as written confirmation that the UDBE is participating in the contract. If a UDBE is participating as a joint venture partner, the proposer shall submit a copy of the joint venture agreement.

The "Local Agency Proposer DBE Information (Consultant Contracts)" (Exhibit 10-O1) shall also be included in the proposal package and provided by each proposer. The purpose of this form is to capture DBE participation in accordance with 49 CFR, Part 26. On contracts with a UDBE goal, this form captures certified DBEs that are owned by Hispanic American and Subcontinent Asian American males (include persons whose origins are from India, Pakistan, Bangladesh, Bhutan, Maldives Islands, Nepal or Sri Lanka). This DBE participation will be counted towards the race neutral portion of the local agency's AADPL.

For contracts with no UDBE contract goal, Exhibit 10-O2 shall be included in the proposal package and provided by each proposer. The purpose of including this form is to capture all DBE participation, including UDBE participation that was acquired through normal contracting procedures (i.e., no goal was placed on the contract).

Reporting DBE (including UDBE) Final Utilization (Contracts with or without goals)

Upon completion of the contract, regardless of whether UDBE or other DBE participation is obtained, a summary of the UDBE and DBE final utilization shall be prepared, certified correct, and submitted on the form "Final Report-Utilization of Disadvantaged Business Enterprise (DBE), First-Tier Subcontractors" (Exhibit 17-F, of the LAPM) or equivalent by the contractor to the local agency showing total dollars paid to each subcontractor and supplier whether UDBE, DBE, or non-DBE. Exhibit 17-F is reviewed by the local agency and certified as complete and accurate.

The local agency must send the original, plus one copy of the completed Exhibit 17-F with the final invoice to the DLAE within thirty (30) days after completion of the contract.

ESTIMATED COST OF CONSULTANT WORK

An independent cost estimate is needed for consultant contracts (required for contracts over $100,000) to ensure that consultant services are obtained at a fair and reasonable price. The estimate is prepared in advance, so the local agency's negotiating team has a detailed cost analysis of the project to evaluate the reasonableness of the consultant's cost proposal. The estimate, which is specifically for the use of the local agency's negotiating team, is to be kept confidential.

A good cost estimate can be prepared only if the scope of work is defined clearly. The scope of work must include a list of the products or services which the consultant is required to deliver, and a time schedule of when they must be delivered.

It should be stressed that all work to be derived from the consultant services (i.e., preliminary design, environmental, final design) must be clearly identified in the solicitation of consultant services (i.e., RFQ, RFP) and included in the cost estimate. The addition of work to the original scope by amendment should be avoided whenever possible.

The cost estimate must include a breakdown of:

- Direct labor costs
- Indirect costs
- General and administrative costs
- Other direct costs such as equipment and materials
- Subcontractor costs
- Net fee or profit

If more than one project or phase of work is to be developed within the consultant contract, separate cost estimates are required for each project or phase of work. Separate cost estimates are required for each milestone and portion of the work expected to be subcontracted.

DETERMINE TYPE OF CONTRACT

The type of contract must be specified. Four types are permitted depending on the scope of services to be performed.

- Actual Cost-Plus-Fixed Fee
- Cost Per Unit of Work
- Specific Rates of Compensation
- Lump Sum

ACTUAL COST-PLUS-FIXED FEE

The consultant is reimbursed for actual costs incurred and receives an additional predetermined amount as a fixed fee. The determination of the amount of the fixed fee shall take into account the size, complexity, duration, and degree of risk involved in the work. The fixed fee is not adjustable during the life of the contract unless there is a significant change in the scope of the work; in which case the fee may be renegotiated.

This method of payment is appropriate when the extent, scope, complexity, character, or duration of work cannot be precisely predicted. Fixed fees apply to the total direct and indirect costs. Fixed fees over fifteen (15) percent must be justified and documented in the files prior to commencement of work. (See Exhibit 10-H "Sample Cost Proposal" form and Exhibit 10-E "Sample Payment Clauses" form in this chapter.)

COST PER UNIT OF WORK

The consultant is paid based on the work performed such as: per plan sheet, report, etc. This method of payment is appropriate when the cost per unit of work can be determined with reasonable accuracy in advance; but the extent of the work is indefinite. Contract payment provisions must specify what is included in the price to be paid for each item.

SPECIFIC RATES OF COMPENSATION

The consultant is paid at an agreed and supported specific fixed hourly, daily rate, weekly or monthly, for each class of employee engaged directly in the work. Such rates of pay include the consultant's estimated costs and net fee (profit). The specific rates of compensation, except for an individual acting as a sole proprietor, are to include an hourly breakdown, direct salary costs, salary additives, indirect costs, and net fee.
Other direct costs may be set forth as an element of the specific rate or may be included as independent cost items. This type of contract is used for on-call contracts and is considered only when none of the other three contract types can be used. It is used only for emergency work when the tasks are relatively minor, or for equipment (such as material testing equipment), and vehicles.

LUMP SUM

The consultant performs the services stated in the agreement for an agreed amount as compensation. It is appropriateonly if the extent, scope, complexity, character, duration, and risk of the work have been sufficiently defined; to permit fair compensation to be determined and evaluated by all parties during negotiations.

10.3 CONSULTANT SELECTION METHODS

Flow Chart 10-1 "Selecting Consultant" shows the three methods normally used in selecting a consultant. They are:

- One-Step Request for Proposals (RFP)
- One-Step Request for Qualifications (RFQ)
- Two-Step Request for Qualifications/Proposals (RFQ/RFP)

The method used depends upon the scope of work, the services required, the project's complexity, and the time available for selection of the consultant.

Beginning with Section 10.4 "Consultant Selection Using the One-Step RFP Method," each of the selection methods is explained in detail.

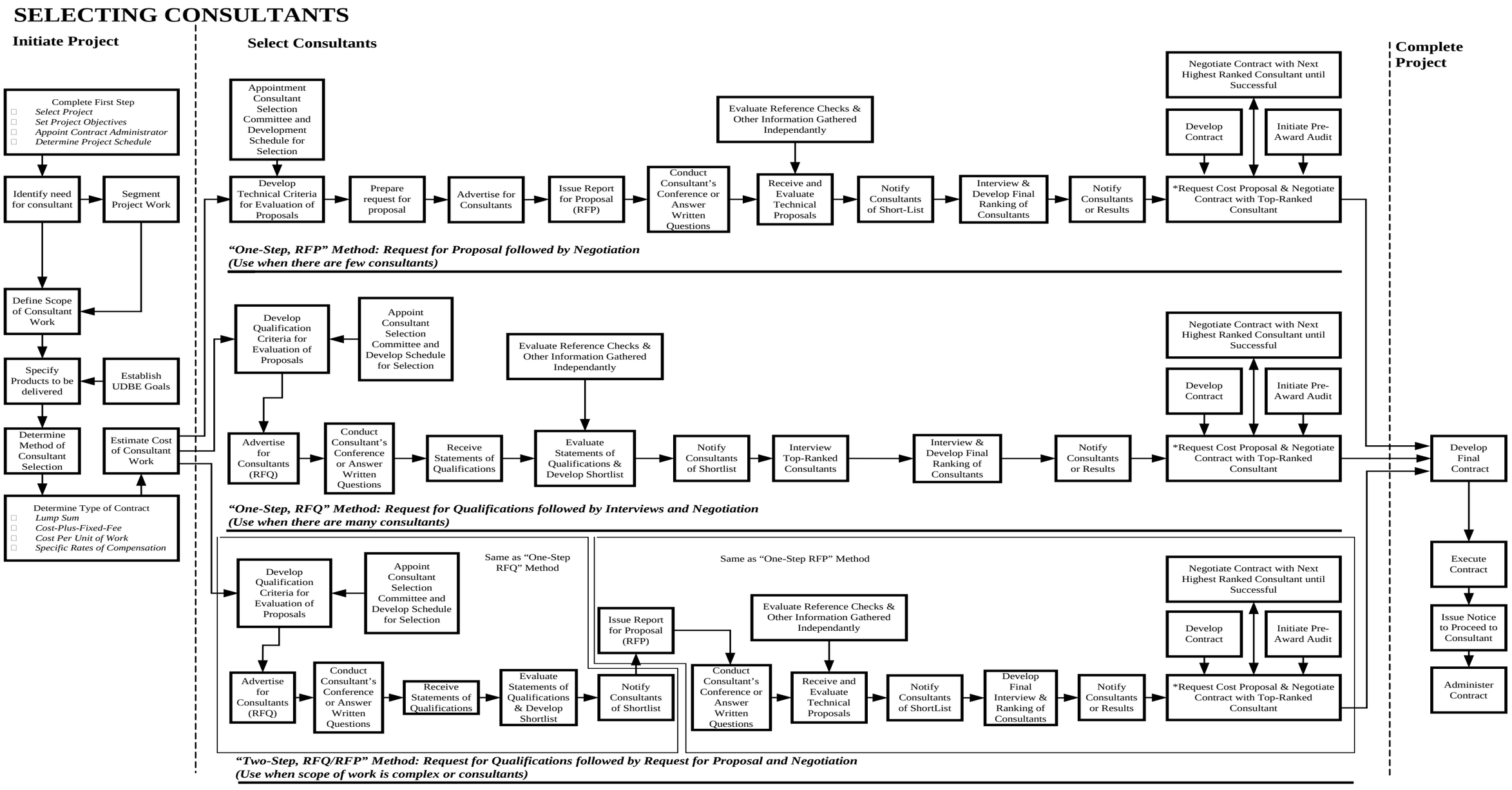
ONE-STEP RFP (REQUEST FOR PROPOSAL)

The One-Step RFP method may be used when the scope of the project is well defined. Other considerations include when the consultant's services is highly specialized and there are few qualified consultants. This method is also used when a local agency has a modest number of projects per year, and the expected number of proposals is small—generally, less than ten.

ONE-STEP RFQ (REQUEST FOR QUALIFICATIONS)

The most common selection process is the One-Step RFQ method. It is used when typical services (such as preparation of PS&E, environmental documents, or construction management services) are required, and there are many consultants. The One-Step RFQ method is also used when a local agency produces many projects, and there are numerous consultants who wish to participate.

FLOWCHART 10-1 SELECTING CONSULTANTS



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TWO-STEP RFQ/RFP (REQUEST FOR QUALIFICATIONS, FOLLOWED BY REQUEST FOR PROPOSAL)

The Two-Step RFQ/RFP method may be used when the scope of work is complex or unusual. This method also may be preferred by local agencies that are inexperienced about negotiations and procedures for establishing compensation. However, the Two-Step RFQ/RFP method requires substantially more work and time than the other two methods described above.

NONCOMPETITIVE NEGOTIATED AGREEMENTS (SOLE-SOURCE)

A noncompetitive, negotiated contract may be developed when special conditions arise. FHWA considers these types of agreement as "Sole Source" agreements. A Public Interest Finding prepared by the local agency is required. Conditions under which noncompetitive negotiated contracts may be acceptable include:

- Only one organization is qualified to do the work.
- An emergency exists of such magnitude that cannot permit delay.
- Competition is determined to be inadequate after solicitation of a number of sources.

The local agency shall:

- Follow its defined process for noncompetitive negotiation.
- Develop an adequate scope of work, evaluation factors, and cost estimate.
- Conduct negotiations to ensure a fair and reasonable cost.

The local agency must carefully documents details of the special conditions and retains them in the files for future Caltrans' or FHWA's review.

ENGINEERING SERVICES UNDER $100,000

The procurement of consultant services by Small Purchase Procedures is in accordance with 23 CFR 172.5(a)(2) modified by FHWA Memorandum dated June 26, 1996, and 49 CFR 18.36(d).

Local agencies should be fully aware that consultant services costing in aggregate no more than $100,000 per contract, may be obtained through a relatively simply and informal method of procurement. This informal method must be sound and appropriate for the consulting services procured and provide justification for the selection. It shall be documented and supported. The method of procurement shall be an open and competitive process in selecting consultants and should consider a minimum of three different consultants whenever possible.

Price or rate quotation may be considered in the selection. Qualified small business firms shall be considered for selection on federal-aid and state reimbursed contracts. Additionally, on federal-aid contracts, qualified DBE firms shall be considered for selection, and the appropriate federal contract language be included.

PERSONAL SERVICES CONTRACTS

A personal services contract is characterized by the employer-employee relationship created between the local agency and the contract personnel. When personal engineering services less than $100,000 are needed and federal and/or state reimbursement will be sought; these services may be obtained through Small Purchase Procedures up to a limit of $100,000 each.

The $100,000 is a cumulative limit for services provided by any individual consultant or consulting firm. Such services must be under the direction and control of a full-time employee of the local agency in responsible charge. Compensation for construction engineering services should be based on actual costs incurred, plus-a-fixed fee, or in the case of individual compensation on an agreed-upon hourly or daily rate. Lump sum payments should not be used for construction engineering services.

For personal service contracts, the following information must be documented by the local agency and retained in the project files:

- Explanation of the services needed, and why they cannot be provided by the local agency.
- Name and qualification of the consultant, who provided the services.
- Documentation of the fees showing how the fee was calculated, and that it is reasonable by comparative standards.

10.4 CONSULTANT SELECTION USING THE ONE-STEP RFP METHOD

Of the three methods discussed, this one is most easily modified for non-A&E consulting contracts. For non-A&E consulting contracts, a cost proposal may be part of the RFP and the selection criteria. For A&E contracts, the cost proposal is not requested until the consultants have been final ranked based upon their submitted proposal.

APPOINT CONSULTANT SELECTION COMMITTEE

A consultant selection committee with a minimum of three members is appointed at the beginning of the consultant selection process. The committee reviews materials submitted by consultants, develops a shortlist of qualified consultants, and develops a final ranking of the most qualified proposals. Representation on the committee includes the Contract Administrator and a representative from the project's functional area. The members should be familiar with the project/segment to be contracted out and with the local agency standards that will be used in the contract. Participation by a Caltrans district representative is at the option of the agency and subject to availability of the DLAE staff.

DEVELOP TECHNICAL CRITERIA FOR EVALUATION OF PROPOSALS

The Contract Administrator is responsible for developing the technical criteria, and their relative weights which are used to evaluate and rank the consultant proposals.
The criteria and relative weights must be included in the RFP. Exhibit 10-B, "Suggested Evaluation Sheet" is a recommended evaluation sheet with criteria and rating points for A&E consultants, where cost is not used as a rating factor. This format is not mandatory, but it is recommended in the interest of developing consistency among the hundreds of agencies and consultants operating in the state. The local agency should consult with the DLAE before making major changes to the suggested approach.

DEVELOP SCHEDULE FOR CONSULTANT SELECTION

Before the contract is advertised, the Contract Administrator completes a contract schedule including key dates for consultant selection activities. The Contract Administrator must confirm key dates with all selection committee members before completing the schedule.

PREPARE REQUEST FOR PROPOSAL (RFP)

The information required in a RFP includes the following:

- Description of project
- Scope of work
- Schedule of work
- Proposal format
- Method and criteria for selection
- Whether or not a UDBE contract goal is specified, if a federal-aid contract

The RFP specifies the content of a proposal, the number of copies required, due date, mailing address, and a physical address where the submittals may be hand delivered if different from the mailing address. A minimum of four weeks is usually allowed between the time the RFP is mailed and time that proposals must be submitted. More time may be required for complex contracts or projects.

Items typically required in a technical proposal include:

- Work plan (specify what is to be covered)
- Organization chart
- Schedule and deadlines
- Staffing plan
- Staff resumes
- Names of consultant's project manager and the individual authorized to negotiate the contract on behalf of the consulting firm
- References

ADVERTISE FOR CONSULTANTS

The local agency advertises the availability of the RFP in a major newspaper of general circulation or technical publication of widespread circulation. The local agency shall send the RFPs to organizations qualified to do the specified work, as well as professional societies, and recognized DBE organizations (if federal-aid funds are being used). In some cases, it may be desirable to advertise nationwide for a particular project or service.

ISSUE REQUEST FOR PROPOSAL

The local agency shall issue the RFP to all consultants responding to the advertisement.

CONDUCT PROPOSER'S CONFERENCE OR ANSWER WRITTEN QUESTIONS

The local agency may allow for clarification of the RFP by inviting submittal of written questions or by conducting a proposer's conference, or by doing both. The local agency must mail their responses to any written questions to all consultants receiving the RFP. No response should be given to verbal questions. It is important that all competing consultants receive the same information. If a proposer's conference is to be held, the exact time and place must be specified in the RFP. Attendance at a proposer's conference normally is not mandatory. However, consultants not attending the conference do not receive notes from the meeting unless they request the notes.

RECEIVE AND EVALUATE TECHNICAL PROPOSALS

The Contract Administrator must verify that each proposal contains all of the forms and other information required by the RFP. If all required information is not provided, a proposal may be considered nonresponsive and rejected without evaluation. Late submittals, submittals to the wrong location, or submittals with inadequate copies are considered nonresponsive and shall be rejected. Submittal of additional information after the due date shall not be allowed.

The members of the consultant selection committee must evaluate each proposal in terms of the technical criteria listed in the RFP. The committee must also evaluate reference checks and other information that is gathered independently. Reference checks shall be completed and other information that is gathered before the interviews are conducted. If necessary, the results of the reference checks and/or other information may be discussed with the highest ranked qualified consultants at the interviews.

DEVELOP FINAL RANKING AND NOTIFY CONSULTANTS OF RESULTS

The selection committee discusses and documents the strengths and weaknesses of each proposal; interviews the three or more highest ranked consultants; and develops a final ranking of the highest ranked consultants. All consultants that submitted proposals must be informed about the final ranking of consultants. It is important that all competing consultants receive the same information.

Most consultants will request information as to why they were not the highest ranked. Therefore, the selection committee should keep notes as to why a particular consultant was not selected. When a consultant requests debriefing, the reasons for not being selected should be objective reasons. The consultant should not be compared to others, and should not be provided with information about other consultants during this debriefing. Normally, the Contract Administrator does the debriefing, however, any member of the selection committee may be designated to do the debriefing.

Since the technical proposal normally contains information about the method(s) a consultant will use for the work and potential problems and solutions for a specific project or segment; this method of consultant selection should not be used to establish a list of qualified consultants (pre-qualified list).

NEGOTIATE CONTRACT WITH TOP-RANKED CONSULTANT

The top-ranked consultant is requested to submit a cost proposal. Alternatively, if time is of the essence and it can be justified; cost proposals may be requested from all of the consultants on the shortlist. After review of the cost proposal, the local agency begins the negotiations with the most qualified consultant. If agreement cannot be reached, then negotiations proceeds to the next most qualified consultant. Each consultant's cost proposal must remain sealed until negotiations commence with that particular consultant. The goal of negotiations is to agree on a final contract that delivers the services, or products required at a fair and reasonable cost to the local agency.

The independent cost estimatedeveloped in advance by the local agency is an important basis and tool for negotiations and/or terminating unsuccessful negotiations with the most qualified consultant. It can be revised, if needed, for use in negotiations with the next most qualified consultant.

A pre-award audit of the consultant may be required (see Section 10.1, "General", in this chapter). If so, cost negotiations cannot be completed until after the audit report is received. Discussions on other aspects of the contract may occur concurrently with the preparation of the audit.

Items typically negotiated include:

- Work plan
- Schedule and deadlines
- Products to be delivered
- Classification, wage rates, and experience level of personnel to be assigned
- Cost items, payments, and fees

For federal-aid consultant contracts, see Chapter 9, "Civil Rights and Disadvantaged Business Enterprises," of the LAPM and Exhibit 10-I, "Notice to Bidders/Proposers Disadvantaged Business Enterprise Information" in this chapter.

Before executing the consultant contract, the local agency must make a review to ensure that all federal and /or state requirements have been met (see Exhibit 10-C, "Consultant Agreement Reviewers Checklist," in this chapter). The completed checklist is to be signed by the Contract Administrator and the original retained in the project file, one copy is to be sent to the DLAE for review within 30 days after award of the contract.

10.5 CONSULTANT SELECTION USING THE ONE-STEP RFQ METHOD

APPOINT CONSULTANT SELECTION COMMITTEE

A consultant selection committee with a minimum of three members is appointed at the beginning of the consultant selection process. The committee reviews and scores the materials submitted by consultants in response to the RFQ, develops a shortlist of qualified consultants, interviews those consultants, and develops a final ranking of the most qualified consultants. Representation on the committee includes the Contract Administrator and a representative from the project's functional area. The members should be familiar with the project/segment to be contracted out and with the local agency standards that will be used in the contract. Participation by a Caltrans district representative is at the option of the local agency and subject to the availability of the DLAE staff.

DEVELOP SCHEDULE FOR CONSULTANT SELECTION

Before a contract is advertised, the Contract Administrator completes a contract schedule including key dates for consultant selection activities. The Contract Administrator should confirm target dates with all selection committee members before completing the schedule.

PREPARE REQUEST FOR QUALIFICATIONS (RFQ)

As a minimum, the RFQ generally includes the following:

- General description of the project(s)
- Scope of work
- Schedule of work
- Request for Statement of Qualifications (SOQ)
- Proposal format to be submitted
- Method and criteria for selection

The RFQ should state that the following items are required in the SOQ:

- Qualifications of key personnel proposed for the contract
- Related projects that key personnel have worked on
- Qualifications/experience of the firm
- Organization chart
- References

ADVERTISE FOR CONSULTANTS

Advertisements may take one of two approaches. The most common is advertisement or publication of the RFQ in a major newspaper of general circulation, or technical publication of widespread circulation. The RFQ shall contain sufficient project work information, so that interested consultants can submit an appropriate "SOQ."

In the second approach, the local agency advertises the availability of the RFQ in a major newspaper of general circulation or technical publication of widespread circulation, and request interested consultants to send for the RFQ. The RFQs shall be sent to professional societies, if a federal-aid project, to recognized DBE organizations. In some cases, it may be desirable to advertise nationwide for a particular project or service.

The RFQ also specifies the content of a proposal, number of copies required, due date, mailing address, and physical address where the submittals may be hand delivered, if different from the mailing address. A minimum of two weeks is usually allowed between the time the RFQ is mailed, and time that proposals must be submitted. More time may be required for complex contracts or projects.

RECEIVE/EVALUATE STATEMENTS OF QUALIFICATIONS AND DEVELOP SHORTLIST

The first step in the evaluation process is to determine that each proposal contains all forms and other information required by the RFQ. Otherwise, the submittals may be considered nonresponsive and rejected without evaluation. Late submittals, submittals to the wrong location, and submittals with inadequate copies are considered nonresponsive and shall be rejected. Submittal of additional information after the due date shall not be allowed.

The Consultant Selection Committee reviews the submitted "SOQ" according to the published evaluation criteria and weighting factors. The committee makes an independent random check of one or more of the consultant's references. This check applies to major subcontractors also. The committee establishes a shortlist of consultants who are considered to be best qualified to perform the contract work. The shortlist includes enough qualified consultants to ensure that at least three consultants are interviewed.

NOTIFY CONSULTANTS OF SHORTLIST

All consultants that submitted an "SOQ" must be notified of the results of the review. The notification also identifies those consultants that are to be requested to attend interviews.

Most consultants will request information as to why they were not placed on the shortlist. Therefore, the selection committee should keep notes why a particular consultant was not selected for the shortlist. When a consultant requests a debriefing, the reasons given for not being selected should be objective reasons. Consultants should not be compared with

each other during the debriefing. Normally, the Contract Administrator does the debriefing; however, any member of the selection committee may be designated to do the debriefing.

INTERVIEW TOP-RANKED CONSULTANTS

Each consultant to be interviewed is given a copy of the draft of the proposed contract, defining the detailed project requirements and others. This should be sent with the initial notification of the interview.

Between the time of the notification of the shortlist and interviews, the local agency may answer any questions concerning the project segment to be contracted out, if not done earlier during the solicitation. In addition, the local agency may conduct additional reference checks for each consultant to be interviewed. Consultants should submit their questions and receive their answers in writing. It is important that all consultants on the shortlist receive the questions and answers and are given the same information.

The committee should evaluate reference checks and other information that is gathered independently. Reference checks shall be completed and other information gathered before the interviews are conducted. If necessary, the results of the reference checks and other information may be discussed with the consultant at the interview.

Interviews are to be structured and conducted in a formal manner. Each consultant shall be allowed the opportunity to make a presentation if desired; however, a time limit should be specified. Interview questions are prepared in advance.

Two types of questions may be asked:

- Questions that are to be asked of all competing consultants.
- Questions relating to each specific consultant, based upon the reference checks, and the strengths and weaknesses identified during evaluation of the "SOQ."

The agency can request competing consultants to bring additional information or examples of their work to the interviews; if the additional information facilitates the interview or evaluation process.

Additional information requested should be kept at a minimum, that is only information required to select the most qualified consultant for the contract. The selection committee or local agency shall not gather additional information concerning the consultants after the interviews are completed.

DEVELOP FINAL RANKING AND NOTIFY CONSULTANTS OF RESULTS

The selection committee discusses and documents the strengths and weaknesses of each proposal and develops a final ranking of the most qualified consultants. All consultants interviewed must be informed about the final ranking of consultants. It is important that all competing consultants receive the same information.

Most consultants will request information as to why they were not selected as the most qualified. Therefore, the selection committee should keep notes why a particular consultant was not selected. When a consultant requests debriefing, the reasons for not being selected should be objective. Consultants should not be compared with each other or provided with information about other consultants during the debriefing.

Normally, the Contract Administrator does the debriefing; however, any member of the selection committee may be designated to do the debriefing.

CONDUCT SCOPING MEETING

The Contract Administrator meets with the first-ranked consultant's project manager to review the project, and to ensure that the consultant has a complete understanding of the work that is required. The consultant is shown as much material as is available regarding the project. Any technical questions regarding the project are answered for the consultant.

REQUEST COST PROPOSAL

The first-ranked consultant is asked to provide a cost proposal to perform the work described in the draft contract and discussed at the scoping meeting. The work is to be performed according to the conditions described in the draft contract using the payment method described therein. Alternatively, if time is of the essence and it can be justified, cost proposals may be requested from all of the consultants on the shortlist.

If the contract involves more than one project, the consultant must provide a separate cost proposal for each project in addition to a summary cost proposal for the total contract. If the contract involves milestones, the consultant must furnish a separate cost proposal for each milestone with a summary cost proposal for the total costs. If the contract involves subcontractors, the prime consultant must include a separate cost proposal for each subcontractor. Each subcontractor's cost proposal must follow the same format as the prime consultant's cost proposal.

NEGOTIATE CONTRACT WITH TOP-RANKED CONSULTANT

After the top-ranked consultant submits a cost proposal, the local agency reviews the cost proposal and enters into negotiations. The goal of negotiation is to agree on a final contract that delivers to the local agency the services or products required at a fair and reasonable cost. The independent cost estimate developed in advance by the local agency, is an important basis and tool for negotiations.

Negotiations should commence with the most qualified consultant. If agreement on a fair and reasonable price cannot be reached, negotiations should then be formally terminated. Negotiations then proceed to the next most qualified consultant, etc. Each consultant's cost proposal must remain sealed until negotiations commence with that particular consultant. A pre-award audit of the consultant's operations may be required (see Section 10.1"General," in this chapter). If so, cost negotiations may not conclude until after the audit report is received. Discussions on other aspects of the contract may occur concurrently with the preparation of the audit. The items typically negotiated include:

- Work plan
- Schedule
- Products to be delivered
- Classification, wage rates, and experience level of personnel to be assigned
- Cost items, payments and fee

Lists of qualified consultants (prequalified lists) established through the RFQ process must be reestablished at least once every 24 months, to give new consultants the opportunity to qualify. Any extension of the prequalified list beyond 24 months, must be justified in writing by the local agency and shall not exceed an additional 12 months. Consultant contracts for Architect/Engineer services shall be limited to five years unless they are project specific and the scope of the project work will exceed the five year limit.

10.6 CONSULTANT SELECTION USING THE TWO-STEP RFQ/RFP METHOD

COMBINED RFQ AND RFP

Selecting consultants using the Two-StepRFQ/RFP method requires combining certain steps from each of the other two methods previously described. The consultants are rated based upon both their qualifications and their technical proposals.

The initial steps in this method (up to the development and notification of the shortlist) are the same as the steps followed when using the One-Step RFQ method. At this point, the consultants from the shortlist are issued an RFP. The remaining steps are the same as the later steps followed in the One-Step RFP method. The combination of these steps are indicated on the Flow Chart 10-1 "Selecting Consultants" in this chapter.

Because it is a combination of the One-Step RFQ and One-Step RFP methods, this method of consultant selection requires more work and time than the other two methods. Consequently, the combined RFQ/RFP method is recommended for use only when the scope of work is very complex or unusual.

Since the technical proposal normally contains information about the method(s) and potential problems and solutions for a specific project or segment, this method of consultant selection should not be used to establish pre-qualified lists.

10.7 COMPLETING THE PROJECT

DEVELOP THE FINAL CONTRACT

The Contract Administrator requests a revised cost proposal from the consultant after: (1) negotiations have been completed, (2) the local agency and consultant have agreed to a fair and reasonable price, and (3) any pre-award audit problems have been resolved. The Contract Administrator should review the revised cost proposal to ensure that all the items and changes discussed during negotiation were included. This revised cost proposal then becomes the final cost proposal, is attached to and made a part of the consultant contract. For informational purposes, sample contract language and format have been included as Exhibit 10-S, "A&E Sample Contract Language."

The contract administrator has responsibility to ensure that the final negotiated contract is complete and has verified that all required backup documents have been provided. Copies of the contract are sent to the consultant for signature first.

REVIEW AND APPROVAL OF AGREEMENTS

Proposed contracts for consultant services including those for subcontracted work exceeding $100,000, must be reviewed by the local agency to verify that:

- Appropriate conditions are included and objectionable features are deleted.
- Compensation is fair and reasonable and includes prevailing wage (state) wages, if applicable.
- Work activities and schedules are consistent with the nature and scope of the project.
- A pre-award audit has been conducted and implemented when appropriate (see Section 10.1 "General" in this chapter).

The "Consultant Agreement Reviewers Checklist" (Exhibit 10-C) and "Consultant Agreement Outline" (Exhibit 10-D) in this chapter shall be used to ensure that required documentation has been provided. A "Cost Proposal" (Exhibit 10-H in this chapter), must include the costs of materials, direct salaries, payroll additions, other direct costs, indirect costs, fees, and backup calculations.

Before approving a contract for consulting services, the Contract Administrator must be satisfied that the consultant's organization: Qualified to perform the services required.

- Is in a position, considering other work commitments, to provide competent and experienced personnel; to perform the services in the time allowed.
- Is fully aware of all applicable federal and state laws including implementing regulations, design standards, specifications, previous commitments that must be incorporated into the design of the project, and administrative controls including those of Caltrans and FHWA.

The contract must provide for a defined level of acceptability and a statement to the effect that the consultant may be required to modify its work as necessary; to meet that level of acceptability as defined in the contract. The contract shall provide for local agency reviews at appropriate stages during performance of the work, to determine if any changes or other actions are warranted.

The contract shall also provide that the consultant establish a working office at a place acceptable to the local agency. The contract shall provide that the consultant and subcontractors shall maintain all books, documents, papers, accounting records, and other information pertaining to costs incurred. Such materials must be available for inspection and audit by federal, state, and local agency authorized representatives; and copies thereof shall be furnished, if requested.

Following final settlement of the contract accounts with the FHWA and/or state, such records and documents may be microfilmed at the option of the local agency, but in any event shall be retained for a three-year period after processing of the final voucher by the FHWA and/or state.

Contracts with consultants covered by this manual must not be approved by the local agency until the certifications shown in Exhibits 10-F, "Certification of Consultant," and 10-G, "Certification of Local Agency" in this chapter are executed and incorporated into the agreement. The certifications shall be executed by a principal or authorized corporate official of the consultant, and by a principal administrative officer of the governmental agency responsible for the selection of the consultant. It is essential that these certifications be preserved in the project files.

RETENTION CLAUSES

At the option of the local agency, a retention clause may be included in the consultant contract. The usual retained amount is five percent; appropriate securities on deposit may be substituted for the retention. A retention clause in the consultant contract is recommended.

REVIEW OF LOCAL AGENCY ACTIONS

Contracts between local agencies and consultants are not subject to Caltrans' approval to qualify for federal and/or state reimbursement, but they still must meet all federal and/or state requirements. Also, any questions raised during the pre-award audit shall be resolved before the local agency executes the contract.

Federal-aid and/or state reimbursement is contingent on meeting the federal and/or state requirements and can be withdrawn, if these procedures are not followed and documented. The local agency files are to be maintained in a manner to facilitate future FHWA and/or Caltrans process reviews and audits.

As specified in Section 10.4, "Consultant Selection," the Contract Administrator before execution must review the proposed consultant contract. The "Consultant Agreement Reviewer's Checklist "(Exhibit 10-C in this chapter) is to be completed and signed. A copy shall be sent to the DLAE within 30 days after contract award. This signed document must be retained in the local agency project files.

EXECUTE CONTRACT AND ISSUE NOTICE TO PROCEED TO CONSULTANT

The Contract Administrator sends the consultant a fully executed copy of the contract with an original signature and issues a notice to proceed. Funds may not be used to reimburse the agency for costs incurred before the "Caltrans Authorization to Proceed" is issued, or for consultant costs incurred prior to the execution of the consultant contract. Local agency consultant selection and contract execution costs are reimbursable.

ADMINISTER THE CONTRACT

Project work begins as specified in the contract after the notice to proceed is issued to the consultant. Thereafter, the local agency manages and administers the contract to ensure that a complete and acceptable product is received on time, within standards, and within budget.

Contract Administration activities help to ensure that contractual obligations are completed satisfactorily. Generally, these activities include:

- Monitoring project progress and compliance with contract requirements.
- Receiving, reviewing and assessing reports, plans and other required products.
- Receiving and reviewing state prevailing wages. See Caltrans "*Consultant Guidelines for Prevailing Wage and Labor Compliance on Architectural and Engineering* (A&E) *Contracts*" at: http://www.dot.ca.gov/hq/construc/A&E_Guidelines/A&EGuidelines.pdf
- Reviewing invoices and approving payments.
- Record keeping and reporting.
- Controlling costs.
- Identifying changes to the scope of work and preparation of amendments.
- Completing performance evaluations.

SUBSTITUTION OF CONSULTANT PERSONNEL AND SUBCONTRACTORS

The consultant should not substitute key personnel (Project Manager and others listed by name in the cost proposal) or subcontractors without prior written approval from the local agency. The consultant must request and justify the need for the substitution and obtain approval from the local agency prior to use of a different subcontractor on the contract. The proposed substituted person must be as qualified as the original, and at the same or lower cost.

For engineering types of consultant contracts, the consultant's Project Manager must be a registered Engineer in the State of California.

INVOICING (OR PROGRESS PAYMENTS)

The frequency and format of the invoices/progress payments are to be determined by the contract. Program Supplement Agreements need to have been prepared prior to any payments being requrested. Payments to the consultant are to be in arrears. In other words, the consultant must have actually incurred and paid the costs before invoicing the local agency.

Invoices should include the following:

- Prepared on the consultant's letterhead.
- Signed by the consultant's Project Manager.
- Have a unique invoice number.
- Appropriate documentation attached.
- If the contract involved milestones, each milestone should be invoiced separately.
- If the contract involved subcontractors, a separate invoice for each subcontractor should be attached in the same format as the prime consultant's invoice and should be included in the summary of the prime consultant's invoice.

The following are requirements associated with each invoice that the local agency should include:

- A summary of the reimbursements to-date and a summary of the funds remaining in the contract. This should be compared to the local agency's own record of reimbursements to-date and a summary of the funds remaining in the contract.
- A summary of all payments to-date and funds remaining in the contract for each subcontractor.

The local agency is to follow the procedures given in Chapter 5, "Accounting/Invoices," of the LAPM to obtain reimbursement of federal and/or state funds.

CONTRACT AMENDMENTS (SUPPLEMENTAL AGREEMENTS)

Contract amendments, sometimes called Supplemental Agreements, are required to modify the terms of the original agreement for changes such as extra time, added work, or increased costs. There is no prescribed format. They may take the form of letter-type agreements meeting the legal requirements of the local agency, clearly outlining the changes and containing a mutually agreed upon method of compensation. Such agreements must conform to the requirements of this manual with regard to payment.

A consultant contract may be amended at any time. The most common amendment is to extend the ending date of the contract. All contract amendments must be fully executed before the ending date of the contract.

All contract amendments must be in writing and fully executed by the consultant and local agency before reimbursable work begins on the amendment. If an emergency exists of such magnitude that a delay cannot be tolerated, the local agency and the consultant may agree on an amendment initiating the work, so that reimbursable work may begin. The initiating amendment is then followed by a final amendment once the full scope of the emergency work is known and agreed to by both parties. In both cases, sufficient funding should be included in the amendments to pay for all work to be performed by the consultant. The final amendment must be executed as quickly as possible. Failure to fully comply with this section may result in the loss of local agency funding.

CLOSEOUT PROJECTS

Local agencies are encouraged to close out consultant contracts quickly. If the contract was for preparation of PS&E, environmental, preliminary material testing and/or material reports, or preliminary surveys, such closeouts should be delayed within the requirements of the "Timely Use of Fund" policy until after physical construction of the project is completed, and all construction claims are settled. Delaying the closeout until project completion ensures the consultant's availability, if problems arise, or if the need for a change occurs relative to the consultant's work.

After making final payment of consultant invoices, the local agency is to follow the requirements in this chapter and in Chapter 5, "Accounting/Invoices," of the LAPM to request final reimbursement.

PERFORMANCE EVALUATION

The Contract Administrator evaluates the consultant's performance after the consultant's final report has been submitted, and the Contract Administrator has conducted a detailed evaluation with the consultant's project manager. See Exhibit 10-S, "Consultant Performance Evaluation" form of a suggested format for use by the local agency.

PROJECT RECORDS

For audit purposes, project records and documentation shall be kept for three (3) years after payment of the final federal and/or state voucher. Among the records to be retained as follows:

- Copies of RFPs and RFQs
- Documentation of DBE participation
- Solicitation/advertisement records
- Identification of selection committee members
- Evaluation and ranking records
- Independent cost estimate
- Record of negotiations
- Pre-award audit when applicable
- Executed consultant contracts and amendments
- Construction oversight/progress meetings
- Progress and final payments
- Performance evaluation
- Consultant contract checklists
- Accounting records documenting compliance with state and federal administrative requirements

10.8 MISCELLANEOUS CONSIDERATIONS

RETAINING A CONSULTANT AS AN AGENCY ENGINEER

A local agency may retain qualified consultants on its staff in professional capacities such as agency consultant engineers, architects, or public agency officials such as City Engineer (or equivalent). The agency consultants can be an individual or a firm providing professional and/or management services.

Eligibility for federal and/or state reimbursement for local agency engineering (or equivalent) services requires the following:

- Compliance with the selection procedures specified in this chapter.
- Existence of a contract between the local agency and the consultant specifying the local agency engineering services to be performed.
- Written designation by the local agency of the responsibilities and authority of the consultant as an agency engineer.
- Completion by the consultant designated as an agency engineer of the conflict of interest for public agency officials "Form 700" as required by state law
- For a state funded or federal-aid project, completion of an "Exhibit 10-T Panel Member Conflict of Interest and Confidentiality Statement" form by all members (both consultants and employees) prior to participating in the Architect & Engineering (A&E) Selection Panel pertaining to the specific selection process and the firms being considered.
- For a state funded or federal-aid project, a local agency consultant in a management role shall not:
  - Participate in, or exercise authority over the A&E selection process, if that consultant's firm is one of the proposing firms, or sub-consultant to a proposing firm.
  - Participate in, or exercise authority over management of work performed by the consultant's firm, or to a consultant's firm of which the local agency consultant firm is a sub-consultant. This would include, but not limited to, managing or directing the work, approving changes in the schedule, scope, or deliverables; and approving invoices.
  - Apply for or receive reimbursement of federal-aid funds for the local agency's federal-aid project if either of the foregoing has occurred. However reimbursement for the construction contract portion of the project will still be allowed provided all other federal-aid requirements have been met.
- For a state funded or federal-aid project, completion of a "Exhibit 10-U Consultant in Management Position Conflict of Interest and Confidentiality Statement" form by all consultant engineering staff in management positions that exercise authority over the A&E Selection Panel pertaining to the specific selection process and the firms being considered.
- A completed "Exhibit 10-U Consultant in Management Position Conflict of Interest and Confidentiality Statement" form shall be submitted to the District Local Assistance Engineer (DLAE) by the local agency concurrently with submitting the request for the funding authorization of an Architect Engineer contract which will contain federal or state funds.
- Selection of consultants for management positions shall be by the use of qualification based selection procedures on an open and competitive basis resulting in a contract with defined beginning and ending dates and awarded within the last five (5) years and if extended, only annually by contact amendments approved by the local agency Board of Supervisors, City Council etc.

If engineering services for a project are within the scope of the services described in the retained consultant's agreement, these services may be performed by the person or firm designated as an agency engineer. If the services are not within the scope, eligibility for federal and/or state reimbursement for these services require a new consultant agreement to be developed using the selection procedures in this chapter. Retained consultants involved in the preparation of the Request for Proposal (RFP), or Request for Qualifications (RFQ) shall not be considered in the selection of consultants for the resulting project specific work.

When engineering or architectural consultants are procured with the federal-aid funds, the local agency (subgrantee) shall fully comply with the following:

- Subparagraphs of 49 CFR §18.36(b)(2) "…maintain a contract administration system…."; and (3) "…maintain a written code of standards…. No employee, officer or agent of the …subgrantee shall participate in selection, or in the award or administration of a contract supported by federal funds if a conflict of interest, real or apparent, would be involved…."
- Subparagraph of 23 CFR §172.9(d) "Consultant in management roles," which requires that if a local agency has or intends to have a consultant in a management role (except as the designated public offical, City Engineer or equivalent, as provided for under the terms of the local agency contract), the local agency shall receive approval from Caltrans. In addition, any federal-aid projects designated as High Profile projects, may also need approval from FHWA.
- Liability insurance should normally be required from the consultant (errors and omissions, etc.)

CONSTRUCTION ENGINEERING SERVICES

Under federal-aid regulations and state policy, the primary responsibility for general supervision of construction must remain with the local agency. The local agency must also ensure that the work is performed in accordance with the approved plans and specifications, by employing or retaining as a consultant a registered engineer for construction engineering services on the project.

All activities performed by a consultant must be under the overall supervision of a full-time employee of the agency who is responsible in-charge. These activities may include construction surveys, foundation investigations, measurement and computation of quantities, testing of construction materials, checking of shop drawings, preparation of estimates, reports, and other inspection activities necessary to ensure that the construction is being performed in accordance with the plans and specifications. The construction engineering consultant's agreement defines the relative authorities and responsibilities of the full-time employee of the local agency in charge of the project and the consultant's construction engineering staff.

If a technical inspection consultant is to provide professional assistance to the local agency, a formal consultant contract must be executed which follows this chapter's requirements. The agreement shall provide for reviews at appropriate stages during performance of the work to determine if any changes or other actions are warranted. These reviews are to be made by the local agency.

10.9 REFERENCES

- 23 CFR, Section 172
- 23 CFR §172.5
- 23 CFR §172.9(d)
- 23 CFR §26, Appendix A
- 41 CFR §1-9.1
- 48 CFR §31
- 49 CFR §18.12
- 49 CFR §18.36
- 49 CFR §18.36(b)(2)
- 49 CFR 26, Appendix A
- 41 USC 403(11)
- OMB Circular A-110
- *Standard Environmental Reference* (SER)
- *Government Code* Sections 4525 through 4529.5
- *California Labor Code*, Section 1775
- *Caltrans Service Contracts Manual*

EXHIBIT 10-A EXAMPLE PRE-AWARD AUDIT REQUEST LETTER AND CHECKLIST

Local Agency Letterhead

Department of Transportation
Audits and Investigations, MS 2
Attention: External Audit Manager
P.O. Box 942874
Sacramento, CA 94274-0001

Date:_____
(Federal Number)
(Project Description)
_____

Dear External Audit Manager:

Attached is a copy of the following information for proposed contract number _____ with (Consultant's Name, Address, Contact Name, Phone Number).

____Proposed contract between the local agency and the consultant
____Proposed cost proposal for prime consultant and all subcontractors
____Name of local agency contact person, phone number, and fax number
____Local Agency Proposer UDBE Commitment (Consultant Contracts) Exhibit 10-O1 & Local Agency Proposer DBE Information (Consultant Contracts) Exhibit 10-O2

The subcontractors proposed for this contract are as follows: (List all Subcontractors Name, Address, Phone Number).

Please arrange a pre-award evaluation and forward a copy of the written report to us. Services to be performed under this contract are (describe work to be performed).

The (Local Agency Name) understands that any work with costs incurred prior to the approval of the "Authorization to Proceed (E-76)" is not eligible for federal fund reimbursement.

Please notify us of the estimated completion date of the audit.

If you need further information, please contact (Name) at (Phone #).

Sincerely,

Signed _____
Title _____
Agency _____

Attachments: Proposed Contract
Draft Cost Proposal(s)
cc: DLAE

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EXHIBIT 10-B SUGGESTED EVALUATION SHEET

SUGGESTED EVALUATION SHEET*		
Criteria	Maximum Points	Rating
Understanding of the work to be done	25	
Experience with similar kinds of work	20	
Quality of staff for work to be done	15	
Capability of developing innovative or advanced techniques	10	
Familiarity with state and federal procedures	10	
Financial responsibility	10	
Demonstrated Technical Ability	10	
Total	100	

*For projects other than "Architectural & Engineering" services, as defined in Section 10.1, cost is one of the criteria, or may be the sole criterion. DBE participation by the consultant shall not be used as one of those criteria listed above.

The evaluation criteria and suggested maximum points shown above are not mandatory, but are reccomended in the interest of maintaining consistency among the hundreds of agencies utilizing federal and/or state funds.

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EXHIBIT 10-C CONSULTANT AGREEMENT REVIEWERS CHECKLIST

Date: _____
Agency Name: _____

_____

Federal or State
Project Number: _____
Project Location: _____

_____

Project File Location
Tab/Page No.

I. SELECTION PROCEDURES ITEMS NEEDED FOR REVIEW

A. DESCRIPTION OF NEED FOR CONSULTANT	☐ YES	☐ NO	_____
B. RECORDS OF PUBLICATION OF **RFP** OR **RFQ**	☐ YES	☐ NO	_____
C. SOLICITATION RECORDS	☐ YES	☐ NO	_____
D. INDEPENDENT COST ESTIMATES (FOR CONTRACT OVER $100,000)	☐ YES	☐ NO	_____
E. EVALUATION CRITERIA	☐ YES	☐ NO	_____
F. DOCUMENTATION OF SELECTION	☐ YES	☐ NO	_____
G. PLAN TO MONITOR WORK	☐ YES	☐ NO	_____

II. CONSULTANT AGREEMENT

A. INTRODUCTION

1. Date of execution of agreement			_____
2. Names, address identifying data of agreeing parties	☐ YES	☐ NO	_____
3. Location and description of project	☐ YES	☐ NO	_____
4. Name of Local Agency Contract Administrator	☐ YES	☐ NO	_____
5. Name of Consultant Project Manager	☐ YES	☐ NO	_____

B. AGREEMENT

1. Type of work to be done

a) Detailed Scope of Work	☐ YES	☐ NO	_____
b) Consultant services	☐ YES	☐ NO	_____
c) Right of Way	☐ YES	☐ NO	_____
d) Subsurface investigations	☐ YES	☐ NO	_____

e) Obligations of local agency to consultant ☐ YES ☐ NO _____
f) Conferences, visits to site, inspection of work ☐ YES ☐ NO _____
g) Checking of shop drawings ☐ YES ☐ NO _____
h) Consultant services during construction ☐ YES ☐ NO _____
i) Deliverables and number of copies ☐ YES ☐ NO _____
j) Milestones and description of work for each ☐ YES ☐ NO _____

2. Date of beginning of contract ☐ YES ☐ NO _____

3. Payment methods ☐ YES ☐ NO _____

4. Record retention (three years) and right to audit ☐ YES ☐ NO _____

5. Contract Cost Principles and Procedures and Administrative Requirements (CFR 48, *Federal Acquisition Regulation System*, Chapter 1, Part 31 and CFR 49, Part 18) ☐ YES ☐ NO _____

a) Covenants Against Contingent Fees Exhibit 10-D, (B6 [a]) ☐ YES ☐ NO _____
b) Design Standards - Exhibit 10-D, (B6 [b]) ☐ YES ☐ NO _____
c) Documentation - Exhibit 10-D, (B6 [c]) ☐ YES ☐ NO _____
d) Ownership of Documents - Exhibit 10-D, (B6 [d]) ☐ YES ☐ NO _____
e) Patent Rights - Exhibit 10-D, (B6 [e]) ☐ YES ☐ NO _____
f) Copyrights - Exhibit 10-D, (B6 [f]) ☐ YES ☐ NO _____
g) Changes in work - Exhibit 10-D, (B6 [g]) ☐ YES ☐ NO _____
h) Delays and Extensions - Exhibit 10-D, (B6 [h]) ☐ YES ☐ NO _____
i) Termination or Abandonment - Exhibit 10-D, (B6 [I]) ☐ YES ☐ NO _____
j) Remedies - Exhibit 10-D, (B6 [j]) ☐ YES ☐ NO _____
k) Disputes - Exhibit 10-D, (B6 [k]) ☐ YES ☐ NO _____
l) Responsibility for Claims and Liability - Exhibit 10-D, (B6 [l]) ☐ YES ☐ NO _____
m) General Compliance With Laws & Wage Rates - Exhibit 10-D, (B6 [m]) ☐ YES ☐ NO _____
n) Subcontracting, Assignment and Transfer - Exhibit 10-D, [B6 (n)] ☐ YES ☐ NO _____
o) Consultant's Endorsement on Plans, etc. - Exhibit 10-D, (B6 [o]) ☐ YES ☐ NO _____
p) DBE Considerations, Exhibit 10-D, (B6 [p]) ☐ YES ☐ NO _____

q) Local Agency Proposer UDBE Commitment

- Local Agency Proposer UDBE Commitment -

(Consultant Contracts) - Exhibit 10-O1 ☐ YES ☐ NO _____

- Local Agency Proposer UDBE Information - (Consultant Contracts)Exhibit 10-O1 ☐ YES ☐ NO _____
- Good Faith Effort - Exhibit 15- H ☐ YES ☐ NO _____

r) Nonlobbying Certification for Federal-aid Contracts Exhibit 10-P ☐ YES ☐ NO _____

s) Debarment and Suspension Certification - Exhibit 12-E, Attachment E ☐ YES ☐ NO _____

t) Notice to Proposers Disadvantaged Business Enterprise Information - Exhibit 10-I ☐ YES ☐ NO _____

6. Insurance requirements ☐ YES ☐ NO _____

7. Ending date of contract:_____

C. CONCLUSIONS (ACCEPTED LEGAL EXPRESSIONS, ETC.) ☐ YES ☐ NO _____

D. SIGNATURES ☐ YES ☐ NO _____

E. CERTIFICATIONS OF CONSULTANT AND AGENCY - Exhibit 10-F&G ☐ YES ☐ NO _____

F. COST PROPOSAL - Exhibit 10-H ☐ YES ☐ NO _____

_____ _____
Contract Administrator **Date**

* Use form prepared for construction contracts.

Distribution: All Projects: 1) Copy-- Caltrans DLAE
2) Original copy for the Local Agency Project file

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EXHIBIT 10-D CONSULTANT AGREEMENT OUTLINE

A. INTRODUCTION

The introduction includes the following information:

1. **Date of Agreement**
2. **Names, Addresses and Other Data Identifying Agreeing Parties**

   State the complete name and address of each party to the agreement together with information with respect to whether the party is an individual, an agency of government, a partnership, or a corporation. If a corporation is one of the parties, show the State of Incorporation and the location of the office, where the consultant's work will be available for inspection by local agency and state representatives. For the sake of brevity, a suitable short title, such as "State," "County," "Engineer" or "Consultant," is designated and defined for each of the parties and used throughout the remainder of the agreement.
3. **Location and Description of the Project.**

   State the location and description of the project as precisely and as briefly as possible. Give the name of the project, if one exist. If major structures are to be included their approximate locations, lengths, and types, if known, are to be shown.
4. **Name of Contract Administrator**

B. AGREEMENT

1. **Description of Work to be Done**

   a) Consultant Services

   Detail based on the services to be furnished by the consultant. Nature and extent verified in the negotiations to make precise statements to eliminate subsequent uncertainties and misunderstandings. It also includes any milestones and due date of each milestone; description of the deliverables; form of the deliverables; and effort involved in each deliverable. Describes acceptance criteria. Environmental documents are not considered complete until final FHWA and/or State approval. A signed CE, FONSI, or published ROD is to be approved or completed by FHWA (see Chapter 6, "Environmental Procedures" of the *Local Assistance Procedures Manual* [LAPM]).

   b) Right of Way

   State whether Right of Way requirements are to be determined and shown by the consultant; whether land surveys and computations with metes and bounds descriptions are to be made; and whether Right of Way plots are to be furnished.

c) Subsurface Investigations

State specifically whether or not the consultant has responsibility for making subsurface investigations. If borings or other specialized services are to be made by others under the supervision of the consultant, appropriate provisions are to be incorporated. Archaeological testing and data recovery guidance can be found in Chapter 8 of "Caltrans' Environmental Handbook" Volume 2 *Cultural Resources*.

d) Surveys

State whether or not the consultant has the responsibility for performing preliminary or construction surveys.

e) Local Agency Obligations

All data applicable to the project referred to in the agreement and are in possession of the local agency or another agency, or government are to be made available to the consultant. Any other assistance or services to be furnished to the consultant are to be stated clearly.

f) Conferences, Meetings, Visits to Site, Inspection of Work

The agreement provides for conferences as needed, visits to the site, and inspection of the work by representatives of the State or FHWA

g) Checking Shop Drawings

For agreements requiring the preparation of construction drawings, make provision for checking shop drawings.

h) Consultant's Services During Construction

The extent, if any of the consultant's services during the course of construction as material testing, construction surveys. etc., are specified in the agreement together with the method of payment for such services.

i) Number of Copies

The number of copies of papers or documents to be furnished, such as reports, brochures, sets of plans, specifications or Right of Way plots are specified. The type of media reports, plans, specifications, etc., are to be submitted. Provisions may be made for payment for additional copies.

2. Date of Beginning and Completion

Beginning and ending dates must be specified for work under the agreement. Usually the beginning date is a given number of days after a letter of notification has been sent to the consultant. The time allowed for performing the work is specified; it should be reasonable for the kind and amount of services contemplated; and it is written into the agreement. It is desirable that Critical Path Method (CPM) networks be prepared and incorporated into the contract by reference.

3. Payments

State the basis of payment for the services to be furnished. The services may be considered as a whole or by units. The agreement establishes a method of payment as the work progresses, or as each unit is completed; and for final settlement after all work is delivered, accepted, and approved. The agreement sets a maximum limit on the total amount payable. This also applies to all subcontracts in excess of $25,000.

4. Record Retention

The agreement states the period of time that the consultant's records shall be retained for inspection by the state, FHWA, or their duly authorized representatives. This time period must be at least three (3) years after final payment to the consultant by federal statue. This also applies to all subcontracts in excess of $25,000.

5. Cost Principles

The agreement must state that the Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31 et seq., are the governing factors regarding allowable elements of cost. Also, the agreement must include the administrative requirements set forth in 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments. This also applies to all subcontracts in excess of $25,000.

6. Miscellaneous Provisions

a) Covenant Against Contingent Fees

All agreements for consultant services in which federal funds are to participate shall contain the following clause:

> "The Consultant warrants that he/she has not employed or retained any company or person, other than a bona fide employee working for the consultant; to solicit or secure this agreement; and that he/she has not paid or agreed to pay any company or person other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award, or formation of this agreement. For breach or violation of this warranty, the local agency shall have the right to annul this agreement without liability, or at its discretion; to deduct from the agreement price or consideration, or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee."

b) Design Standards

The agreement includes reference to the appropriate standards for design or other standards for work performance stipulated in the consultant agreement.

c) Documentation

Agreements, where appropriate, shall provide that the consultant document the results of the work to the satisfaction of the local agency, and if applicable, the state & FHWA. This may include preparation of progress and final reports, plans, specifications and estimates, or similar evidence of attainment of the agreement objectives.

d) Ownership of Documents

The agreement provides that tracings, plans, specifications, and maps prepared, or obtained under the terms of the agreement be delivered to and become the property of the local agency. Basic survey notes and sketches, charts, computations, and other data prepared or obtained under such agreement shall be made available upon request to the local agency without restriction or limitation on their use. When an agreement is for preliminary plans only, no commitment should be stated or implied that would constitute a limitation of the subsequent use of the plans, or ideas incorporated therein for preparation of construction plans.

e) Patent Rights

Applicable patent rights provisions described in 41 CFR 1-9.1 regarding rights to inventions shall be included in agreements as appropriate.

f) Copyrights

The local agency may permit copyrighting reports or other agreement products. If copyrights are permitted, the agreement shall provide that the FHWA and state shall have the royalty-free nonexclusive and irrevocable right to reproduce, publish, or otherwise use; and to authorize others to use the work for government purposes.

g) Changes in Work

The agreement contains provisions that permit mutually acceptable changes in the scope, character, or complexity of the work; if such changes become desirable or necessary as the work progresses. A method should be established for making adjustments to the basis of payment, and to the time for performance of the work. Provisions are made for special cases where it is essential that the extra work be performed immediately with execution of a supplemental agreement covering the changes as soon as possible.

h) Delays and Extensions

The agreement provides for an appropriate extension of time in case of unavoidable delays and for consideration of corresponding warranted adjustments in payment.

i) Termination or Abandonment

A procedure covering among other things, the ownership of work completed or partially completed, including the basis of payment, is established in the event of termination of the agreement prior to completion of the work. Conditions for termination due to default and circumstances beyond the control of the contractor are included.

j) Remedies

Provision(s) are included allowing administrative, contractual, or legal remedies for violation or breach of contract terms, citing appropriate sanctionsand penalties.

k) Disputes

The agreement provides for a procedure to resolve any dispute concerning a question of fact in connection with the work not settled by agreement between the parties. Such procedures should conform to the practice followed by the local agency in resolving disputes in other contractual matters.

l) Responsibility for Claims and Liability

The consultant shall be required to save harmless the local agency or other agency of government from all claims and liability due to his/her negligent acts, or the negligent acts of his/her subcontractors, agents or employees.

m) General Compliance with Laws and Wage Rates

The consultant shall be required to comply with all federal, state and local laws and ordinances applicable to the work. This includes compliance with prevailing wage rates and their payment in accordance with California Labor Code, Section 1775.

n) Subcontractors, Assignment, and Transfer

Consultant services are considered to be a personal relationship between client and principal; therefore, agreements in which participating federal and/or state funds are furnished shall contain a clause expressly prohibiting the subcontracting, assignment, or transfer of any of the work except, as otherwise, provided for in the executed agreement. All contracts shall provide that subcontracts exceeding $25,000 in cost shall contain all required provisions of the prime contract.

o) Consultant's Endorsement on PS&E/Other Data

The responsible consultant/engineer shall sign all plans, specifications, estimates (PS&E) and engineering data furnished by him/her, and where appropriate, indicate his/her California registration number.

p) Disadvantaged Business Enterprise Considerations

Consultants must give consideration to DBE firms as specified in 23 CFR 172.5(b), 49 CFR, Part 26, and in Exhibit 10-I "Notice to Proposers Disadvantaged Business Enterprise Information." If the contract has an underutilized DBE (UDBE) goal, the consultant must meet the UDBE goal by using UDBEs as subconsultants or document a good faith effort to meet the goal. If a UDBE subconsultant is unable to perform, the consultant must make a good faith effort to replace him/her with another UDBE subconsultant if the goal is not otherwise met.

q) Insurance

The contract should provide for professional liability insurance and vehicle liability insurance limits. The contract should specify the reasonable amounts of such insurance, as required by the local agency. A method of verifying that the insurance is in effect should be included. Also, a method of notifying the local agency, if the specific insurance has been changed or cancelled should also be in the contract.

r) Signature Blocks

A signature block for each of the parties to the agreement should be provided.

C. CONCLUSION

The concluding clause may be any one of the many accepted legal expressions commonly used for that purpose.

D. SIGNATURE

E. CERTIFICATIONS

Exhibits 10-F "Certification of Consultant, Commissions & Fees" and 10-G, "Certification of Agency" must be included as attachments to the contract and made a part of.

F. COST PRICE PROPOSAL

The consultant's and subconsultant's final cost proposal must be attached to the contract (see Exhibit 10-H "Sample Cost Proposal").

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EXHIBIT 10-E SAMPLE PAYMENT CLAUSES

COST-PLUS-FIXED FEE

The basis of payment for the services provided under this agreement shall be cost-plus-a-fixed fee.

1. The local agency shall reimburse the consultant for actual costs (including labor costs, employee benefits, overhead and other direct costs) incurred by the consultant in performance of the work, in an amount not to exceed $_____ exclusive of any fixed fee. Actual costs shall not exceed the estimated wage rates and other costs set forth in the consultant's proposal.
2. In addition to the costs referred to in paragraph 1 of this article, the local agency shall pay the consultant a fixed fee of $_____. Said fixed fee shall not be altered, unless there is a significant alteration in the scope, complexity, or character of the work to be performed which is documented as an amendment.
3. The Consultant shall be reimbursed for actual travel expenses incurred in the performance of this work, including the use of private vehicles at the rate of _____ cents per mile, while traveling away from consultant's headquarters, which is hereby designated as _____. In addition, consultant's personnel shall be reimbursed for per diem expenses at a rate not to exceed the currently authorized rates for state employees under State Department of Personnel Administration rules.
4. Total expenditures made under this agreement, including the fixed fee shall not exceed the sum of _____.

LUMP SUM

The basis of payment for the services provided under this agreement shall be lump sum.

1. Pursuant to satisfactory completion of this agreement, a lump sum payment of $_____,which includes all expenses incurred will be made to the consultant.
2. The above lump sum payment includes: salary, fringe benefits, overhead, profit, and all other expenses incurred by the consultant.

*The other methods of payment are not addressed here.

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EXHIBIT 10-F CERTIFICATION OF CONSULTANT, COMMISSIONS & FEES

I HEREBY CERTIFY that I am the _____, and duly authorized representative of the firm of _____, whose address is _____ , and that, except as hereby expressly stated, neither I nor the above firm that I represent have:

(a) employed or retained for a commission, percentage, brokerage, contingent fee, or other consideration, any firm or person (other than a bona fide employee working solely for me or the above consultant) to solicit or secure this agreement; nor

(b) agreed, as an express or implied condition for obtaining this contract, to employ or retain the services of any firm or person in connection with carrying out the agreement; nor

(c) paid, or agreed to pay, to any firm, organization or person (other than a bona fide employee working solely for me or the above consultant) any fee, contribution, donation, or consideration of any kind, foror in connection with, procuring or carrying out this agreement.

I acknowledge that this Certificate is to be made available to the California Department of Transportation (Caltrans) in connection with this agreement involving participation of Federal-aid Highway funds, and is subject to applicable state and federal laws, both criminal and civil.

_____ _____
(Date) (Signature)

Distribution: 1) Local Agency Project File (original & Contract)
2) DLAE (copy)

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EXHIBIT 10-G CERTIFICATION OF LOCAL AGENCY

I HEREBY CERTIFY that I am the _____ of the _____ (local agency) _____ , and that the consulting firm of _____ ,or its representative has not been required (except as herein expressly stated), directly or indirectly, as an express or implied condition in connection with obtaining or carrying out this Agreement to:

(a) employ, retain, agree to employ or retain, any firm or person, or

(b) pay or agree to pay, to any firm, person or organization, any fee, contribution, donation, or consideration of any kind.

I acknowledge that this Certificate is to be made available to the California Department of Transportation (Caltrans) in connection with this Agreement involving participation of federal-aid highway funds, and is subject to applicable state and federal laws, both criminal and civil.

_____ _____

(Date) (Signature)

Distribution: 1) Local Agency Project File (original & Contract)
2) DLAE (copy)

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EXHIBIT 10-H SAMPLE COST PROPOSAL
(EXAMPLE #1)

Contract No._____ Date _____

Consultant _____

DIRECT LABOR

Classification	Name	Range	Hours		Initial Hourly Rate	Total
Project Manager	_____	_____	_____	@_____		$_____
Highway Engineer	_____	_____	_____	@_____		$_____
	_____	_____	_____	@_____		$_____
Bridge Engineer	_____	_____	_____	@_____		$_____
	_____	_____	_____	@_____		$_____
Technician	_____	_____	_____	@_____		$_____
Project Manager	_____	_____	_____	@_____		$_____
	_____	_____	_____	@_____		$_____
	_____	_____	_____	@_____		$_____
	_____	_____	_____	@_____		$_____

Subtotal Direct Labor Costs $_____
Anticipated Salary Increases $_____
Total Direct Labor Costs $_____

Fringe Benefits	Rate	Total
	_____%	$_____
Total Fringe Benefits		$_____

Indirect Costs		
Overhead	_____%	$_____
General and Administrative	_____%	$_____
Total Indirect Costs		$_____

FEE (Profit) $_____

OTHER COSTS

Travel Costs	$_____
Equipment and Supplies (Itemize)	$_____
Other Direct Costs (Itemize)	$_____
Total Other Costs	$_____

Subcontractor Costs (attach detailed cost estimate for each subcontractor) $_____

TOTAL COST $_____

(EXAMPLE #2)

	Fringe Benefit %		Overhead %		General Administration %		Combined %
NORMAL		+		+		=	
OVERTIME		+		+		=	

FEE %

BILLING INFORMATION

CALCULATION INFORMATION

Name/Classification[1]	Hourly Billing Rates			Effective date of hourly rate		Actual/ average hourly rate[2]	% or $ increase	Hourly range for class
	Straight	OT(1.5x)	OT(2x)	From	To			

1. Names and classifications of team members at a level of _____ must be listed. FOR ALL OTHER EMPLOYEES USE CLASSIFICATIONS ONLY.

2. For named employees enter the actual hourly rate. For classifications only, list the average hourly rate for that classification.

EXHIBIT 10-I NOTICE TO PROPOSERS DBE INFORMATION

LOCAL AGENCY LETTERHEAD
(DATE)

NOTICE TO PROPOSERS
DISADVANTAGED BUSINESS ENTERPRISE
INFORMATION

The Agency has established an Underutilized DBE goal for this Agreement of _____%

OR

The Agency has not etablished an Underutilized goal for this Agreement. However, proposers are encouraged to obtain DBE participation for this Agreement.

1. TERMS AS USED IN THIS DOCUMENT

- The term "Disadvantaged Business Enterprise" or "DBE" means a for-profit small business concern owned and controlled by a socially and economically disadvantaged person(s) as defined in Title 49, Part 26.5, Code of Federal Regulations (CFR).
- The term "Underutilized Disadvantaged Business Enterprise" or "UDBE." DBE classes that have been determined in the 2007 Caltrans Disparity Study to have a statistically significant disparity in their utilization in previously awarded transportation contracts. UDBEs include: African Americans, Native Americans, Asian-Pacific Americans, and Women.
- The term "Agreement" also means "Contract."
- Agency also means the local entity entering into this contract with the Contractor or Consultant.
- The term "Small Business" or "SB" is as defined in 49 CFR 26.65.

2. AUTHORITY AND RESPONSIBILITY

A. DBEs and other small businesses are strongly encouraged to participate in the performance of Agreements financed in whole or in part with federal funds (See 49 CFR 26, "Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs"). The Contractor should ensure that DBEs and other small businesses have the opportunity to participate in the performance of the work that is the subject of this solicitation and should take all necessary and reasonable steps for this assurance. The proposer shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of subcontracts.

B. Proposers are encouraged to use services offered by financial institutions owned and controlled by DBEs.

3. SUBMISSION OF UDBE AND DBE INFORMATION

If there is a UDBE goal on the contract, a "Local Agency Proposer UDBE Commitment (Consultant Contract)" (Exhibit 10-O1) form shall be included in the Request for Proposal. In order for a proposer to be considered responsible and responsive, the proposer must make good faith efforts to meet the goal established for the contract. If the goal is not met, the proposer must document adequate good faith efforts. Only UDBE participation will be counted towards the contract goal; however, all DBE participation shall be collected and reported.

A "Local Agency Proposer DBE Information (Consultant Contract)" (Exhibit 10-O2) form shall be included with the Request for Proposal. The purpose of the form is to collect data required under 49 CFR 26. For contracts with UDBE goals, this form collects DBE participation by DBEs owned by Hispanic American and Subcontinent Asian Americans males (persons whose origin are from India, Pakistan, Bangladesh, Bhutan, Maldives Islands, Nepal or Sri Lanka). For contracts with no goals, this form collects information on all DBEs, including UDBEs. Even if no DBE participation will be reported, the successful proposer must execute and return the form.

4. DBE PARTICIPATION GENERAL INFORMATION

It is the proposer's responsibility to be fully informed regarding the requirements of 49 CFR, Part 26, and the Department's DBE program developed pursuant to the regulations. Particular attention is directed to the following:

A. A DBE must be a small business firm defined pursuant to 13 CFR 121 and be certified through the California Unified Certification Program (CUCP).

B. A certified DBE may participate as a prime contractor, subcontractor, joint venture partner, as a vendor of material or supplies, or as a trucking company.

C. A UDBE proposer not proposing as a joint venture with a non-DBE, will be required to document one or a combination of the following:

1. The proposer is a UDBE and will meet the goal by performing work with its own forces.

2. The proposer will meet the goal through work performed by UDBE subcontractors, suppliers or trucking companies.

3. The proposer, prior to proposing, made adequate good faith efforts to meet the goal.

D. A DBE joint venture partner must be responsible for specific contract items of work or clearly defined portions thereof. Responsibility means actually performing, managing, and supervising the work with its own forces. The DBE joint venture partner must share in the capital contribution, control, management, risks and profits of the joint venture commensurate with its ownership interest.

E. A DBE must perform a commercially useful function pursuant to 49 CFR 26.55, that is, a DBE firm must be responsible for the execution of a distinct element of the work and must carry out its responsibility by actually performing, managing and supervising the work.

F. The proposer shall list only one subcontractor for each portion of work as defined in their proposal and all DBE subcontractors should be listed in the bid/cost proposal list of subcontractors.

G. A prime contractor who is a certified DBE is eligible to claim all of the work in the Agreement toward the DBE participation except that portion of the work to be performed by non-DBE subcontractors.

5. RESOURCES

A. The CUCP database includes the certified DBEs from all certifying agencies participating in the CUCP. If you believe a firm is certified that cannot be located on the database, please contact the Caltrans Office of Certification toll free number 1-866-810-6346 for assistance. Proposer may call (916) 440-0539 for web or download assistance.

B. Access the CUCP database from the Department of Transportation, Civil Rights, Business Enterprise Program web site at: http://www.dot.ca.gov/hq/bep/.

- Click on the link in the left menu titled *Disadvantaged Business Enterprise*
- Click on *Search for a DBE Firm* link
- Click on *Access to the DBE Query Form* located on the first line in the center of the page
- Searches can be performed by one or more criteria
- Follow instructions on the screen

C. How to Obtain a List of Certified DBEs without Internet Access

D. DBE Directory: If you do not have Internet access, Caltrans also publishes a directory of certified DBE firms extracted from the online database. A copy of the directory of certified DBEs may be ordered at: http://caltrans-opac.ca.gov/publicat.htm

6. MATERIALS OR SUPPLIES PURCHASED FROM DBES COUNT TOWARDS DBE CREDIT, AND IF A DBE IS ALSO A UDBE, PURCHASES WILL COUNT TOWARDS THE UDBE GOAL UNDER THE FOLLOWING CONDITIONS:

A. If the materials or supplies are obtained from a DBE manufacturer, count 100 percent of the cost of the materials or supplies. A DBE manufacturer is a firm that operates or maintains a factory, or establishment that produces on the premises the materials, supplies, articles, or equipment required under the Agreement and of the general character described by the specifications.

B. If the materials or supplies purchased from a DBE regular dealer, count 60 percent of the cost of the materials or supplies. A DBE regular dealer is a firm that owns, operates or maintains a store, warehouse, or other establishment in which the materials, supplies, articles or equipment of the general character described by the specifications and required under the Agreement are bought, kept in stock, and regularly sold or leased to the public in the usual course of business. To be a DBE regular dealer, the firm must be an established, regular business that engages, as its principal business and under its own name, in the purchase and sale or lease of the products in question. A person may be a DBE regular dealer in such bulk items as petroleum products, steel, cement, gravel, stone or asphalt without owning, operating or maintaining a place of business provided in this section.

C. If the person both owns and operates distribution equipment for the products, any supplementing of regular dealers' own distribution equipment shall be, by a long-term lease agreement and not an ad hoc or Agreement-by-Agreement basis. Packagers, brokers, manufacturers' representatives, or other persons who arrange or expedite transactions are not UDBE regular dealers within the meaning of this section.

D. Materials or supplies purchased from a DBE, which is neither a manufacturer nor a regular dealer, will be limited to the entire amount of fees or commissions charged for assistance in the procurement of the materials and supplies, or fees or transportation charges for the delivery of materials or supplies required on the job site, provided the fees are reasonable and not excessive as compared with fees charged for similar services.

7. FOR DBE TRUCKING COMPANIES: CREDIT FOR DBES WILL COUNT TOWARDS DBE CREDIT, AND IF A DBE IS A UDBE, CREDIT WILL COUNT TOWARDS THE UDBE GOAL UNDER THE FOLLOWING CONDITIONS:

A. The DBE must be responsible for the management and supervision of the entire trucking operation for which it is responsible on a particular Agreement, and there cannot be a contrived arrangement for the purpose of meeting the UDBE goal.

B. The DBE must itself own and operate at least one fully licensed, insured, and operational truck used on the Agreement.

C. The DBE receives credit for the total value of the transportation services it provides on the Agreement using trucks it owns, insures, and operates using drivers it employs.

D. The DBE may lease trucks from another DBE firm including an owner-operator who is certified as a DBE. A DBE who leases trucks from another DBE receives credit for the total value of the transportation services the lessee DBE provides on the Agreement.

E. The DBE may also lease trucks from a non-DBE firm, including an owner-operator. A DBE who leases trucks from a non-DBE is entitled to credit only for the fee or commission it receives as a result of the lease arrangement. A DBE does not receive credit for the total value of the transportation services provided by the lessee, since these services are not provided by the DBE.

F. For the purposes of this Section D, a lease must indicate that the DBE has exclusive use and control over the truck. This does not preclude the leased truck from working for others during the term of the lease with the consent of the DBE, as long as the lease gives the DBE absolute priority for use of the leased truck. Leased trucks must display the name and identification number of the DBE.

EXHIBIT 10-J STANDARD AGREEMENT FOR SUBCONTRACTOR/DBE PARTICIPATION

1. Subcontractors

A. Nothing contained in this Agreement or otherwise, shall create any contractual relation between the Agency and any subcontractors, and no subcontract shall relieve the Contractor of his/her responsibilities and obligations hereunder. The Contractor agrees to be as fully responsible to the Agency for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the Agency's obligation to make payments to the Contractor.

B. Any subcontract in excess of $25,000, entered into as a result of this Agreement, shall contain all the provisions stipulated in this Agreement to be applicable to subcontractors.

C. Contractor shall pay its subcontractors within ten (10) calendar days from receipt of each payment made to the Contractor by the Agency.

D. Any substitution of subcontractors must be approved in writing by the Agency's Contract Manager in advance of assigning work to a substitute subcontractor.

2. Disadvantaged Business Enterprise (DBE) Participation

A. This Agreement is subject to 49 CFR, Part 26 entitled "Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs." Proposers who obtain DBE participation on this contract will assist Caltrans in meeting its federally mandated statewide overall DBE goal.

B. If the contract has an underutilized DBE (UDBE) goal, the Consultant must meet the UDBE goal by committing UDBE participation or document a good faith effort to meet the goal. If a UDBE subconsultant is unable to perform, the Consultant must make a good faith effort to replace him/her with another UDBE subconsultant, if the goal is not otherwise met. A UDBE is a firm meeting the definition of a DBE as specified in 49 CFR and is one of the following groups: African Americans, Native Americans, Asian-Pacific Americans, or Women.

C. DBEs and other small businesses, as defined in 49 CFR, Part 26 are encouraged to participate in the performance of agreements financed in whole or in part with federal funds. The Consultant, sub-recipient or subconsultant shall not discriminate on the basis of race, color, national origin, or sex in the performance of this Agreement. The Consultant shall carry out applicable requirements of 49 CFR, Part 26 in the award and administration of US DOT- assisted agreements. Failure by the Consultant to carry out these requirements is a material breach of this Agreement, which may result in the termination of this Agreement or such other remedy as the recipient deems appropriate.

D. Any subcontract entered into as a result of this Agreement shall contain all of the provisions of this section.

3. Performance of DBE Consultant and other DBE Subconsultants/Suppliers

A. A DBE performs a commercially useful function when it is responsible for execution of the work of the Agreement and is carrying out its responsibilities by actually performing, managing, and supervising the work involved. To perform a commercially useful function, the DBE must also be responsible with

respect to materials and supplies used on the Agreement, for negotiating price, determining quality and quantity, ordering the material, and installing (where applicable) and paying for the material itself. To determine whether a DBE is performing a commercially useful function, evaluate the amount of work

subcontracted, industry practices; whether the amount the firm is to be paid under the Agreement is commensurate with the work it is actually performing; and other relevant factors.

B. A DBE does not perform a commercially useful function if its role is limited to that of an extra participant in a transaction, Agreement, or project through which funds are passed in order to obtain the appearance of DBE participation. In determining whether a DBE is such an extra participant, examine similar transactions, particularly those in which DBEs do not participate.

C. If a DBE does not perform or exercise responsibility for at least 30 percent of the total cost of its Agreement with its own work force, or the DBE subcontracts a greater portion of the work of the Agreement than would be expected on the basis of normal industry practice for the type of work involved, it will be presumed that it is not performing a commercially useful function.

4. Prompt Payment of Funds Withheld to Subcontractors

(Local agency to use either A,B, or C below; delete the other two.)

A. No retainage will be withheld by the Agency from progress payments due the prime contractor. Retainage by the prime consultant or subconsultants is prohibited, and no retainage will be held by the prime contractor from progress due subcontractors. Any violation of this provision shall subject the violating prime consultant or subconsultants to the penalties, sanctions, and other remedies specified in Section 7108.5 of the California Business and Professions Code. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies, otherwise available to the prime consultant or subconsultant in the event of a dispute involving late payment or nonpayment by the prime consultant or deficient subconsultant performance, or noncompliance by a subconsultant. This provision applies to both DBE and non-DBE prime consultants and subconsultants.

B. No retainage will be held by the Agency from progress payments due the prime consultant. Any retainage held by the prime consultant or subconsultants from progress payments due subconsultants shall be promptly paid in full to subconsultants within 30 days after the subconsultant's work is satisfactorily completed. Federal law (49 CFR26.29) requires that any delay or postponement of payment over the 30 days may take place only for good cause and with the Agency's prior written approval. Any violation of this provision shall subject the violating prime consultant or subconsultant to the penalties, sanctions and other remedies specified in Section 7108.5 of the Business and Professions Code. These requirements shall not be construed to limit or impair any contractual, administrative, or judicial remedies, otherwise available to the prime consultant or subconsultant in the event of a dispute involving late payment or nonpayment by the prime consultant, deficient subconsultant performance, or noncompliance by a subconsultant. This provision applies to both DBE and non-DBE prime consultant and subconsultants.

C. The Agency shall hold retainage from the prime consultant and shall make prompt and regular incremental acceptances of portions, as determined by the Agency, of the contract work, and pay retainage to the prime contractor based on these acceptances. The prime consultant, or subconsultant, shall return all monies withheld in retention from a subconsultant within 30 days after receiving payment for work satisfactorily completed and accepted including incremental acceptances of portions of the contract work by the agency. Federal law (49 CFR26.29) requires that any delay or postponement of payment over 30 days may take place only for good cause and with the agency's prior written approval. Any violation of this provision shall subject the violating prime consultant or subconsultant to the penalties, sanctions and other remedies specified in Section 7108.5 of the Business and Professions Code. These requirements shall not be construed to limit or impair any contractual, administrative, or judicial remedies, otherwise available to the prime consultant or subconsultant in the event of a dispute involving late payment or nonpayment by the prime contractor, deficient subconsultant performance, or noncompliance by a subcontractor. This provision applies to both DBE and non-DBE prime consultant and subconsultants.

D. Any subcontract entered into as a result of this Agreement shall contain all of the provisions of this section.

5. DBE Records

A. The Consultant shall maintain records of materials purchased and/or supplied from all subcontracts entered into with certified DBEs. The records shall show the name and business address of each DBE or vendor and the total dollar amount actually paid each DBE or vendor, regardless of tier. The records shall show the date of payment and the total dollar figure paid to all firms. DBE prime consultants shall also show the date of work performed by their own forces along with the corresponding dollar value of the work.

B. Upon completion of the Agreement, a summary of these records shall be prepared and submitted on the form entitled, "Final Report-Utilization of Disadvantaged Business Enterprise (DBE), First-Tier Subcontractors," CEM-2402F (Exhibit 17-F, Chapter 17, of the LAPM), certified correct by the Consultant or the Consultant's authorized representative and shall be furnished to the Contract Manager with the final invoice. Failure to provide the summary of DBE payments with the final invoice will result in 25% of the dollar value of the invoice being withheld from payment until the form is submitted. The amount will be returned to the Consultant when a satisfactory "Final Report-Utilization of Disadvantaged Business Enterprises (DBE), First-Tier Subcontractors" is submitted to the Contract Manager.

1) Prior to the fifteenth of each month, the Consultant shall submit documentation to the Agency's Contract Manager showing the amount paid to DBE trucking companies. The Consultant shall also obtain and submit documentation to the Agency's Contract Manager showing the amount paid by DBE trucking companies to all firms, including owner-operators, for the leasing of trucks. If the DBE leases trucks from a non-DBE, the Consultant may count only the fee or commission the DBE receives as a result of the lease arrangement.

2) The Consultant shall also submit to the Agency's Contract Manager documentation showing the truck number, name of owner, California Highway Patrol CA number, and if applicable, the DBE certification number of the truck owner for all trucks used during that month. This documentation shall be submitted on the Caltrans"Monthly DBE Trucking Verification, CEM-2404(F) form provided to the Consultant by the Agency's Contract Manager.

6. DBE Certification and Decertification Status

If a DBE subconsultant is decertified during the life of the Agreement, the decertified subconsultant shall notify the Consultant in writing with the date of decertification. If a subconsultant becomes a certified DBE during the life of the Agreement, the subconsultant shall notify the Consultant in writing with the date of certification. Any changes should be reported to the Agency's Contract Manager within 30 days

Materials or supplies purchased from DBEs will count towards DBE credit, and if a DBE is also a UDBE, purchases will count towards the UDBE goal under the following conditions:

A. If the materials or supplies are obtained from a DBE manufacturer, 100 % of the cost of the materials or supplies will count toward the DBE participation. A DBE manufacturer is a firm that operates or maintains a factory or establishment that produces on the premises the materials, supplies, articles, or equipment required under the Agreement and of the general character described by the specifications.

B. If the materials or supplies purchased from a DBE regular dealer, count 60 % of the cost of the materials or supplies toward DBE goals. A regular dealer is a firm that owns, operates or maintains a store, warehouse, or other establishment in which the materials, supplies, articles or equipment of the general character described by the specifications and required under the Agreement, are bought, kept in stock, and regularly sold or leased to the public in the usual course of business. To be a regular

dealer, the firm must be an established, regular business that engages, as its principal business and under its own name, in the purchase and sale or lease of the products in question. A person may be a regular dealer in such bulk items as petroleum products, steel, cement, gravel, stone or asphalt without owning, operating or maintaining a place of business provided in this section.

C. If the person both owns and operates distribution equipment for the products, any supplementing of regular dealers' own distribution equipment, shall be by a long-term lease agreement and not an ad hoc or Agreement-by-Agreement basis. Packagers, brokers, manufacturers' representatives, or other persons who arrange or expedite transactions are not regular dealers within the meaning of this section.

D. Materials or supplies purchased from a DBE, which is neither a manufacturer nor a regular dealer, will be limited to the entire amount of fees or commissions charged for assistance in the procurement of the materials and supplies, or fees or transportation charges for the delivery of materials or supplies required on the job site, provided the fees are reasonable and not excessive as compared with fees charged for similar services.

(Add the following to contracts which require trucking)

For DBE trucking companies: credit for DBEs will count towards DBE credit, and if a DBE is also a UDBE, credit will count towards the UDBE goal under the following conditions:

A. The DBE must be responsible for the management and supervision of the entire trucking operation for which it is responsible.

B. The DBE must itself own and operate at least one fully licensed, insured, and operational truck used on the Agreement.

C. The DBE receives credit for the total value of the transportation services it provides on the Agreement using trucks it owns, insures, and operates using drivers it employs.

D. The DBE may lease trucks from another DBE firm including an owner-operator who is certified as a DBE. The DBE who leases trucks from another DBE receives credit for the total value of the transportation services the lessee DBE provides on the Agreement.

E. The DBE may also lease trucks from a non-DBE firm, including an owner-operator. The DBE who leases trucks from a non-DBE is entitled to credit only for the fee or commission it receives as a result of the lease arrangement. The DBE does not receive credit for the total value of the transportation services provided by the lessee, since these services are not provided by the DBE.

F. For the purposes of this section, a lease must indicate that the DBE has exclusive use and control over the truck. This does not preclude the leased truck from working for others during the term of the lease with the consent of the DBE, as long as the lease gives the DBE absolute priority for use of the leased truck. Leased trucks must display the name and identification number of the DBE.

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EXHIBIT 10-K AUDIT DISPOSITION

Date:_____

Agency Name: _____

Federal Project Number: _____

To document the disposition of the required pre-award (pre-negotiation) audit prescribed in 23 CFR 172, this form shall be completed for each consultant contract with participating state or federal-aid highway funds of $1 million or more and each contract under $1 million, where the consultant was previously identified as a "high-risk" recipient as described in 49 CFR Part 18.12.

(Check appropriate box)

Caltrans Performs Pre-award Audit

☐ Caltrans' Audits and Investigations performed the pre-award audit and informed the local agency of its findings. The local agency resolved any outstanding issues and found the consultant satisfactory.

Local Agency (or hired CPA) Performs Pre-award Audit

☐ Pre-award audit completed. Consultant found satisfactory.

☐ A courtesy copy of the completed pre-award audit was mailed to Caltrans' Audits and Investigations on (date).

_____
Signature of local agency financial/auditing officer

Title: _____

Distribution: 1) (Caltrans Audits and Investigations original), DLAE, local agency project files
2) Project Files

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EXHIBIT 10-L PRE-AWARD AUDIT NOTIFICATION LETTER

Local Agency Letterhead

To: (External Audit Manager Name)
External Audit Manager
Caltrans, Audits & Investigations, MS 2
P.O. Box 942874
Sacramento, CA 94274-0001

Date:
Federal Number:
Project Description:

Dear (External Audit Manager Name):

We are executing the pre-award audit and have contracted with the CPA firm of _____ to perform the work. The audit will be conducted following Generally Accepted Government Auditing Standards. The audit procedures that the firm will be following are:

List or identify procedures ("Standard Audit Program Procedures," Exhibit 10-M in this chapter).

At the end of the pre-award audit, a copy of the audit report will be forwarded to your offices for review. Should you have any questions, please call (Telephone Number).

Sincerely,

Local Representative Name_____
Title_____
Agency_____

Attachments: Proposed Contract
Draft Cost Proposal(s)
cc: DLAE

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EXHIBIT 10-M STANDARD AUDIT PROGRAM PROCEDURES

Pre-Award Audit **W/P No:_____**
(Name of Contractor) **Audit No:_____**
Sample-Audit Program **Contract No:_____**
Auditor:_____
Reviewer:_____

ITEM No.		Auditor Init/date	WorkPaper Ref.
I	***PURPOSE*** The purpose of a pre-award evaluation is to provide the approving authority with professional advice on accounting and financial matters and to assist in the award and administration of proposed consultant contracts. It also alerts both the consultant and the approving authority to potential problems relative to the Consultant's basic agreement, cost/price proposal, procurement procedures, or cost accounting system.		
II	***SCOPE*** The examination shall include reviews of applicable laws and regulation, contract requirements, and Contractor's system of internal control. Audit tests of accounting records and such other auditing procedures considered necessary to meet the objectives will be conducted. Applications of audit procedures will be governed by the individual contract under audit.		
III	***STANDARDS*** The audit is to be conducted in accordance with generally accepted governmental auditing standards.		
IV	***APPLICABLE RULES AND REGULATIONS*** 1. Contract Provisions 2. CFR 48, Part 31-Federal Cost Eligibility 3. CFR 49, Part 18-Uniform Administrative Requirements		
V	***OBJECTIVES*** 1. To determine if the consultant agreement specifically provides for the following: • specific performance period • three-year record retention period and right to audit • method of payment. • references to cost principles set forth in CFR 48, Chapter 1, Part 31 for allowability of individual items of cost; CFR 49, Part 18, for administrative procedures; and OMB Circular 1-110, for nonprofit sub-recipients 2. To determine if the Consultant's cost proposal contains a breakdown of the estimate for performing the work, and that the proposed costs are reasonable in relation to actual historic costs and estimating procedures. 3. To determine if the Consultant's cost accounting system is capable of accumulating and reasonable allocable, and allowable costs.		

VI ***PRELIMINARY AUDITS STEPS***

1. Review the proposed contract.
   a. Document your review and note any exceptions needed to be included on the audit report.
2. Review the permanent file.
   a. Ascertain the nature, timing, and extent of the last internal control and accounting system review.
3. Review the cost proposal.
   a. Determine if the Consultant's cost/price proposal contains a breakdown of the estimate for performing the work.
   b. Foot and extend cost data.
   c. Obtain missing cost proposal information, if necessary.
   d. Compare data with permanent file. Obtain updated cost information if necessary.
   e. Comment on usual amounts unfavorable trends or differences between current and past costs.
   f. Recalculate cost proposal in consideration of any audit exceptions.
4. Determine scope of audit.
   a. Omit step 2 (field work) if:
      - a recent audit found the accounting system adequate, and the accounting system is adequate to accumulate and segregated additional contract costs.
   b. If the accounting system has not recently been reviewed or does not appear to be able to take on additional contract costs discuss the nature timing and extent of audit procedures with superior.
5. Prepare preliminary Audit Plan and Time Budget
6. Contact the Contract Administrator to inform him/her of the following:
   a. Scheduled date of field work
   b. Tentative completion date
   c. Any anticipated problems etc
   d. Any additional anticipated contract costs

Note: The Contract Administrator should be kept abreast of all pertinent audit issues. Any problems in obtaining necessary information, etc., should be discussed with him/her immediately and documented in the work papers.

VII ***AUDIT STEPS-FIELD WORK***

1. Contact the Contractor and arrange a date for the audit.
   a. Inform the Contractor of the type of information, records, personnel needed, and arrange for work space.
   b. Request that the Contractor prepare schedules of the calculations of all billing rates such as overhead, fringe benefits, in-house direct cost billing rates, and any other rates used in billing. If possible, have these schedules sent to the auditor for review before the date of field work.
   c. Inquire whether the Contractor has been audited within the previous year by the DCAA or similar federal agencies, or has had an independent CPA review overhead, internal controls, or project costing systems. If so, obtain a copy of the audit report and/or review working papers for consideration when evaluating internal controls, overhead rates, etc.

	d. Prepare and send engagement letter to the Contractor to confirm the above discussion. Send a copy of the letter to the Contract Administrator. 2. Conduct an entrance conference with the Consultant to ensure coverage of the following: • Purpose, scope and objective of the pre-award evaluation. • Anticipated timeframe of audit fieldwork. • Whether the Consultant is familiar with CFR 48, Chapter 1, Part 31. If not, Consultant can obtain a copy of these regulations at: http://www.access.gpo.gov/nara/cfr/waisidx_05/48cfr31_05.html. • Intention to keep Consultant updated on audit progress, and to discuss all audit exceptions prior to issuance of an audit report. • Documentation of the entrance conference in the work papers.		
VIII	***CONTROL STRUCTURE SURVEY*** 1. Review and evaluate the Contractor's internal control structure. a. Prepare or update a written narrative, flowchart and/or completed internal control questionnaire which adequately describes the accounting system including significant internal controls over contract costs, in order to adequately plan the audit and test the various applications. This understanding should include knowledge of the Contractor's control environment, accounting system and control procedures. Generally, the relevant policies and procedures pertain to a Contratcor's ability to record, process, summarize, and report contract and financial information ;and to ensure compliance with applicable laws and regulations. b. Selectively examine (test) the accounting records and underlying source documents only to the extent necessary; to determine if the system has the ability to accumulate and segregate reasonable, allocable, and allowable costs through the use of a cost accounting system. The following are some of the attributes which should ideally be found in such a system: • Chart of accounts (direct and indirect accounts). • Segregation of costs by contract, category of cost and milestone (if applicable). • Proper recording of direct and indirect costs. For example, separate accounts should be used for direct labor, indirect labor, vacation, holiday, sick leave,etc. • Consistent accounting treatment of costs in recording and reporting. • Ability to trace from invoices billed to job cost records and original, approved source documents to the general ledger. 2. Prepare a summary of the internal control structure and cost accounting system. The summary should include or reference to a control risk assessment and a finalized Audit Planning document. 3. Evaluation of cost/price data. a. Obtain source documents and/or other criteria used to establish the cost/price proposal.		

4. Evaluate the propriety of direct labor costs.
   a. Select a representative sample of employee timesheets (cards) and test the hourly extension.
   b. Trace hours to the payroll journal and compare hourly rates paid to the rates submitted with the cost/price proposal.
   c. If applicable, compare proposed direct labor rates to prevaililng wage and union labor rates.
   d. If overtime is proposed, does the Consultant have procedures to ensure and document equitable overtime charges to government and nongovernment contracts?
   e. Prepare a labor rate analysis and comment on variances.
5. Analyze indirect cost rates (fringe benefits, overhead, general and administrative).
   a. Request written verification of an approved overhead rate, if available (DCAA or other qualified entity).
   b. Obtain a written breakdown /schedule of costs included in the rates.
      - Trace the indirect rate schedule to the general ledger.
      - Scan the indirect cost accounts in the general ledger for unallowable costs.
      - Test the Consultant's proposed rate, by comparing the individual items of cost for allowability and fair presentation with CFR 48, Chapter 1, Part 31.

   c. Schedule all disallowed costs.
   d. Recalculate the overhead rate and comment on variances.
6. Evaluate the propriety of other direct costs (materials, transportation, equipment, per diem, etc.) and Subcontrators.
   a. Determine the methods used to establish the cost of materials, transportation, and per diems, etc.
   b. Compare proposed rates, or costs with prevailing rates, or past experiences.
   c. Determine if direct costs are independent from the indirect cost pool.
   d. Schedule all costs which do not appear to meet the criteria established in CFR 48, Chapter 1, Subpart 31.2.
7. Evaluate the proposed fixed fee.

   As field work progresses, keep the Controller or other contact person aware of the findings or problems, as they arise. Resolve the matters if possible. Document these conversations in the work papers.
8. Evaluate the Contractor's financial capability – Ratio Analysis.
9. Prior to completion of field work, discuss all exceptions with the consultant ensuring coverage of:
   - scope and objectives of the pre-award audit
   - the condition, criteria, cause, effect, and recommendation for each exception noted.

	. • Caltrans' review process and reporting procedures. • any questions, the Consultant may have. 10. Obtain a management representation letter.		
IX	***COMPLETION*** 1. Complete work papers to assure that they are properly headed, indexed, signed, dated, and cross-referenced. In addition, each work paper should include, or be reference to, a statement of purpose, source, analysis and conclusion. 2. Prepare an audit summary which documents the purpose, objectives, procedures, results/conclusions and recommendations. 3. Cross-reference all exceptions to the appropriate papers. 4. Prepare draft audit report. 5. If necessary, schedule a closeout conference with the Consultant to discuss any exceptions not discussed, or resolved as of completion of fieldwork. Also, if material findings are identified, the Contract Administrator should also be contacted. Document these conversation/conferences. 6. Complete audit assignment card. 7. Update the permanent file. 8. Submit completed work papers and draft audit report to supervisor for final review. 9. Prepare final report and distribute as follows: • Original - Requester • If Requester is headquarters, then: 1 copy- Headquarters Contract Office • If Requester is District, then: 1 copy - District Contract Officer or District Consultant Services or DLAE • 1 copy - Audit file (Section B) • 1 copy - Chronological File (Audit Reports Binder) • 1 copy - P# File (Audit Reports Binder) • 1 copy - Audit Office • 1 copy - Supervisor **Note:** A "cc" notation is needed on the final report for reports distributed outside of the Audits Office.		

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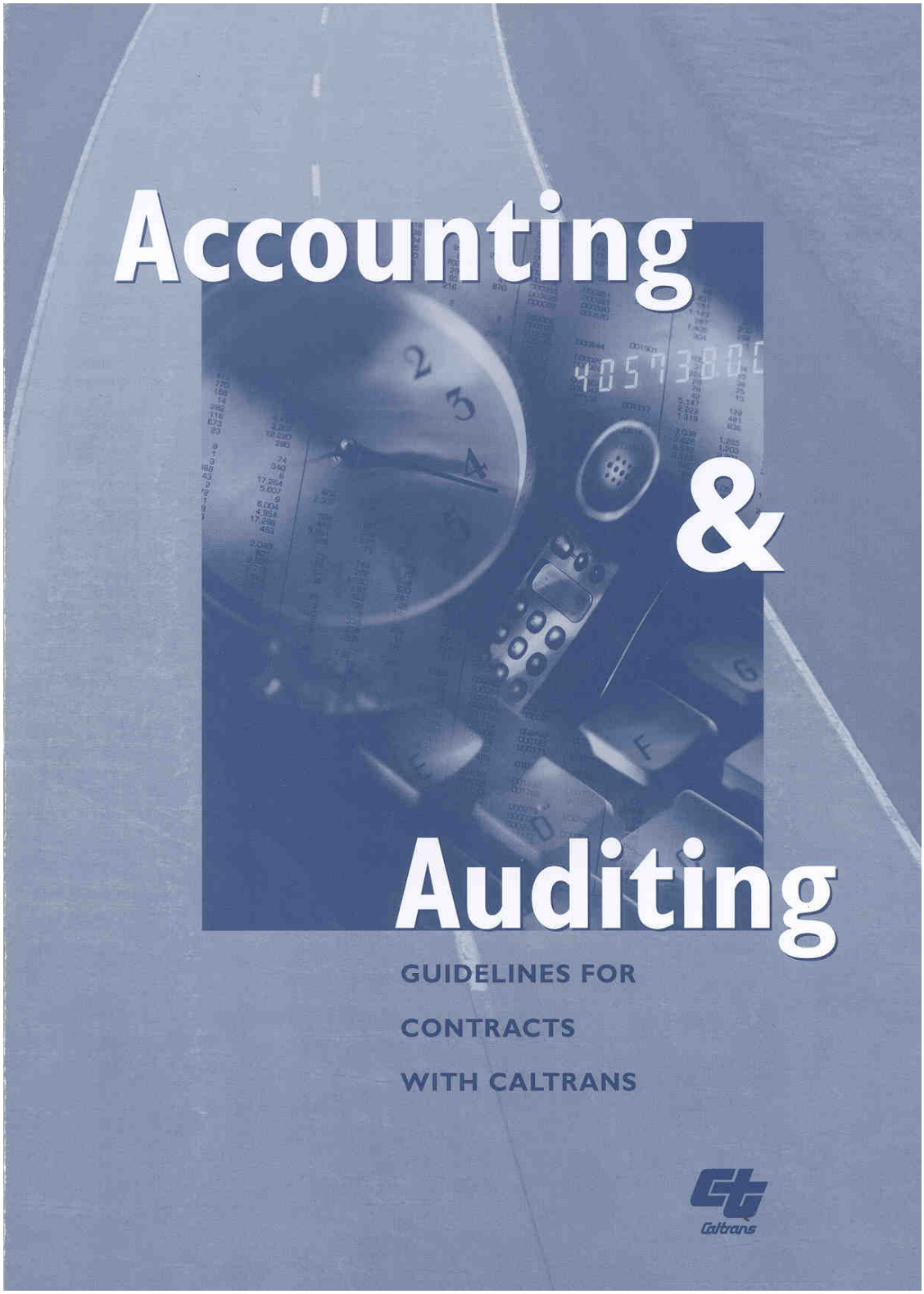
EXHIBIT 10-N ACCOUNTING & AUDITING GUIDELINES FOR CONTRACTS WITH CALTRANS



INTRODUCTION

The purpose of this brochure is to outline for you, a potential contractor with the California State Department of Transportation (Caltrans), the basic elements of an adequate accounting system, and the types and objectives of audits that will be performed in relation to your contract. In order to successfully compete for a contract and meet the audit requirements, a contractor (whether a prime or subcontractor) must have a system of record keeping and internal control. Although a specific cost accounting system is not required, a contractor needs a system which will assure compliance with the terms of the agreement. A preaward audit will be preformed to assure you meet these requirements prior to contract execution. If your system is deficient, the contract will not be executed.

Caltrans reimburses, through your overhead rate, the costs attributable to establishing and maintaining a cost accounting system.

Staff time and other costs related to an audit performed of your contract are normally reimbursed through your overhead rate.

ACCOUNTING SYSTEM

Contractors (whether a prime or subcontractor) planning to contract with Caltrans must have an accounting system which meets the following objectives:

- The ability to record and report financial data in accordance with generally accepted accounting principles.
- A system of record keeping to ensure that costs billed to Caltrans are:
  - **a.** Supported by adequate documentation.
  - **b.** In compliance with the terms of the contract and applicable Federal and State regulations specified in the contract.
- A system of record keeping ideally includes the following:
  - **a. General ledger**
  - **b. Job cost ledger**
  - **c. Labor distributions**
  - **d. Time records**
  - **e. Subsidiary journals**
  - **f. Chart of accounts**
  - **g. Financial statements**
- The ability to accumulate and segregate reasonable, allocable (incurred solely for a project) and allowable (per terms of the contract) costs through the use of a cost accounting system. The following are some of the attributes which would ideally be found in such a system:
  - **a.** A chart of accounts which includes indirect and direct general ledger accounts. Indirect costs are not specifically identified to a project, for example, rent and/or utilities. Direct costs are specifically identified with a project, for example, drafting hours and/or design hours.
  - **b.** Segregation of costs by contract, category of cost and milestones (if applicable).
  - **c.** Proper recording of direct and indirect costs. For example, recording of labor costs should provide that non-project indirect hours be recorded on a time sheet and in the accounting records to an administration, vacation, sick leave or other indirect cost account/code. Direct project hours should be recorded on a time sheet and in the accounting records to a direct project cost account/code.

d. Consistent accounting treatment of costs in recording and reporting. For example, if travel expense is charged directly to a project, all travel expense incurred on any project should be considered a direct costs. As a result, project-related travel, whether reimbursable per the contract terms or not, should be included as a direct cost.

e. Ability to trace from invoices submitted to Caltrans to job cost records and original, approved source documents, for example, time sheets, vendor invoices, cancelled checks.

f. Ability to reconcile job cost records to the accounting records.

- Compliance with cost principles described in the Code of Federal Regulations 48, Federal Acquisition Regulations System (FAR), Chapter 1, Part 31. Information on how to obtain this regulation is described under "Audit Criteria" on the following page.
- Procedures to monitor and adjust projected overhead rates to actual rates.
- Controls to ensure that written approval is obtained prior to any changes to the contract.
- Procedures to retain accounting records and source documentation as required by the terms of the contract.
- A system of internal control which provides reasonable assurance that assets are protected; financial data, records and statements are reliable; and errors and irregularities are promptly discovered, reported and corrected. The elements of a system of internal control should include, but not be limited to, the following:

a. Separation of duties for proper protection of assets. Incompatible duties are those that place any person in a position to both perpetrate and conceal errors or irregularities in the normal course of business. For example, the person who writes checks should be different from the person who reconciles bank statements and the person who purchases goods should be different from the person who receives goods.

b. Limiting access to assets to only authorized personnel who require these assets in the performance of their assigned duties. For example, blank check stock should be locked in a safe when not in use.

c. Authorization and record keeping procedures which provide effective accounting control over assets, liabilities, revenues, and expenditures.

d. A system of practices to be followed in the performance of duties and functions. Such a system normally includes policies and procedures which establish the purpose and requirements of the accounting system. For example, timekeeping practices should ideally provide for the following:

- ➢ Time sheets be prepared, signed and dated by all employees.
- ➢ Time sheets be completed in non-erasable ink.
- ➢ Time sheet corrections be crossed out and initialed by the employee.
- ➢ Time sheets be signed by a supervisor as reviewed and retained on file as required by the contract.

e. Personnel with skills and training commensurate with their responsibilities.

f. A system of internal review. For example, bank reconciliations and travel expense claims should be reviewed, approved, and signed by a supervisor.

AUDITS

Contractors, whether a prime or subcontractor, performing under a negotiated contract with Caltrans are subject to the following audits.

- **Preaward Audits:** Prior to the award of a contract, Caltrans Audits and Investigations will conduct a preaward audit to determine if the contractor's accounting system is adequate to accumulate and segregate costs as detailed in the previous section and to determine if the proposed costs are reasonable. The audit alerts both the contractor and Caltrans management to problems relative to the contractor's cost proposal and cost accounting system. Due to time constraints in the award process, your cooperation in scheduling the preaward audit with short notice will expedite the execution of your contract.
- **Interim Audits:** Interim audits are performed on an as needed basis. During the preaward audit, if it is determined that the contractor's accounting system is new or minor deficiencies are noted, an interim audit is scheduled to determine that the system is functioning adequately to ensure that billed costs are supported and that any deficiencies were corrected. An interim audit may be requested by the contract administrator or by Caltrans management to address concerns during the course of the contract. Also, an audit manager may initiate an interim audit of a multi-year contract to ensure that costs reimbursed to date are allowable.
- **Post Audits:** Post audits of contracts are performed routinely after project completion. Post audits are performed to determine whether the costs claimed are allowable, allocable, reasonable, and in compliance with the Federal and State laws and regulations as well as the fiscal provisions stipulated in the contract. The examination includes reviews of applicable laws and regulations, the contract requirements and the contractor's internal control system. Audit tests of the contractor's accounting records and other auditing procedures considered necessary will also be performed. Applications of all audit procedures would also be governed by the individual contract under audit. Unsupported or unallowable costs are normally the result of weaknesses in the accounting system and will be reimbursed to Caltrans.

To provide contractors with a procedure for obtaining prompt and equitable resolution to a dispute arising from a post audit of a non-highway construction cost reimbursement contract, Caltrans has established an Audit Review Committee (ARC). Information explaining the ARC should be found in your contract and/or as an attachment to the post audit report.

AUDIT CRITERIA

For specific information regarding basic cost accounting systems and applicable State and Federal regulations, please see the following:

- **Code of Federal Regulations 48, Federal Acquisition Regulations System, Chapter 1, Part 31:** This regulation contains cost principles and procedures for the pricing of contracts/subcontracts and the determination, negotiation, or allowance of costs. Contact:

  Superintendent of Documents
  Government Printing Office
  Washington, DC 20402

  Washington, D.C. (202) 512-1800
  San Francisco (415) 512-2770
  Los Angeles (213) 239-9844

- **California State Administrative Manual:** A reference source for statewide policies, procedures, regulations and information. Contact:

  Office of State Publishing,
  Department of General Services.
  Call for order form: (916) 445-2295.

For review of the above references, contact your local library or the California State Library.

California State Library
Library and Courts Building
914 Capitol Mall, P.O. Box 942837
Sacramento, CA 94237-0001

Information: (916) 654-0261

For assistance in establishing an accounting system which will meet the objectives outlined in this brochure, you should contact an accountant and/or bookkeeper who is familiar with cost accounting systems.

Caltrans is an affirmative action employer. Equal opportunity is offered to all regardless of race, color, creed, national origin, ancestry, sex, marital status, disability, religious or political affiliation, age or sexual orientation. Contractors that contract with Caltrans are responsible for taking necessary and reasonable steps to achieve these same goals.

EXHIBIT 10-O1 LOCAL AGENCY PROPOSER UDBE COMMITMENT (CONSULTANT CONTRACTS)

NOTE: PLEASE REFER TO INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM

LOCAL AGENCY: _____ LOCATION:_____

PROJECT DESCRIPTION: _____

PROPOSAL DATE: _____

PROPOSER'S NAME: _____

CONTRACT UDBE GOAL (%): _____

WORK ITEM NO.	DESCRIPTION OR SERVICES TO BE SUBCONTRACTED (or contracted if the proposer is a UDBE)	UDBE CERT NO. AND EXPIRATION DATE	NAME OF EACH UDBE (Must be certified at the time proposals are due - include UDBE address and phone number)	PERCENT PARTICIPATION OF EACH UDBE

For Local Agency to Complete:

Local Agency Proposal Number: _____

Federal-Aid Project Number: _____

Federal Share: _____

Proposal Date: _____

Local Agency certifies that the UDBE certifications have been verified and all information is complete and accurate/unless noted otherwise.

_____ _____ _____
Print Name Signature Date
Local Agenc Representative

(Area Code) Telephone Number: _____

Total Claimed UDBE Commitment _____%

_____
Signature of Proposer

_____
Date (Area Code) Tel. No.

_____
Person to Contact (Please Type or Print)

Local Agency Proposer UDBE Commitment (Consultant Contracts)
(Rev 6/27/09)

Distribution: (1) Original - Local agency files

INSTRUCTIONS – LOCAL AGENCY PROPOSER UDBE COMMITMENT (CONSULTANT CONTRACTS)

ALL PROPOSERS:

PLEASE NOTE: It is the proposer's responsibility to verify that the UDBE(s) falls into one of the following groups in order to count towards the UDBE contract goal: 1) African Americans; 2) Asian-Pacific Americans; 3) Native Americans; 4) Women. This information must be submitted with your proposal. Failure to submit the required UDBE commitment will be grounds for finding the proposal nonresponsive.

A "UDBE" is a firm meeting the definition of a DBE as specified in 49 CFR and is one of the following groups: African Americans, Native Americans, Asian-Pacific Americans, or Women.

The form requires specific information regarding the consultant contract: Local Agency, Location, Project Description, Proposal Date, Proposer's Name, and Contract UDBE Goal.

The form has a column for the Work Item Number and Description or Services to be subcontracted to UDBEs (or performed if the proposer is a UDBE). The UDBE prime contractors shall indicate all work to be performed by UDBEs including work to be performed by its own forces, if a UDBE. The UDBE shall provide a certification number to the Consultant and notify the Consultant in writing with the date of decertification if their status should change during the course of the contract. Enter UDBE prime consultant and subconsultant certification numbers.The form has a column for the Names of certified UDBEs to perform the work (must be certified on the date proposals are due and include UDBE address and phone number).

There is a column for the percent participation of each UDBE. Enter the Total Claimed UDBE Participation percentage of items of work submitted with proposal pursuant to the Special Provisions. (If 100% of item is not to be performed or furnished by the UDBE, describe exact portion of time to be performed or furnished by the UDBE.) See "Notice to Proposers Disadvantaged Business Enterprise Information," (Exhibit 10-I) to determine how to count the participation of UDBE firms. **Note**: If the proposer has not met the contract goal, the local agency must evaluate the proposer's good faith efforts to meet the goal in order to be considered for award of the contract.

Exhibit 10-O1 must be signed and dated by the consultant submitting the proposal. Also list a phone number in the space provided and print the name of the person to contact.

For the Successful Proposer only, local agencies should complete the Proposal Number, Federal-aid Project Number, Federal Share, and Proposal Date fields and verify that all information is complete and accurate before filing.

EXHIBIT 10-O2 LOCAL AGENCY PROPOSER DBE INFORMATION (CONSULTANT CONTRACTS)

NOTE: PLEASE REFER TO INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM

LOCAL AGENCY: _____ LOCATION: _____

PROJECT DESCRIPTION: _____

TOTAL CONTRACT AMOUNT ($): _____

PROPOSER'S NAME:_____

WORK ITEM NO.	DESCRIPTION OR SERVICES TO BE SUBCONTRACTED (or contracted if the proposer is a DBE)	DBE CERT NO. AND EXPIRATION DATE	NAME OF EACH DBE (Must be certified at the time proposals are due - include DBE address and phone number)	DOLLAR AMOUN T OF EACH DBE

For Local Agency to Complete:

Local Agency Contract Number: _____

Federal-Aid Project Number: _____

Federal Share: _____

Contarct Award: _____

Total Claimed DBE Participation

$_____

_____%

Local Agency certifies that the DBE certifications have been verified and all informations is complete and accurate.

_____ _____ _____
Print Name Signature Date
Local Agency Representative

(Area Code) Telephone Number: _____

_____
Signature of Proposer

_____
Date (Area Code) Tel. No.

_____
Person to Contact (Please Type or Print)

For Caltrans Review:

_____ _____ _____
Print Name Signature Date
Caltrans District Local Assistance Engineer

Local Agency Proposer DBE Information (Consultant Conttarcts)
(Rev 6/27/09)

Distribution: (1) Copy - Fax or scan a copy to the Caltrans District Local Assistance Engineer (DLAE) within 15 days after contract execution. Failure to send a copy to the DLAE within 15 days after contract execution may result in deobligation of funds for this project.
(2) Original - Local agency files

INSTRUCTIONS - LOCAL AGENCY PROPOSER DBE INFORMATION (CONSULTANT CONTRACTS)

SUCCESSFUL PROPOSER:

The form requires specific information regarding the consultant or other contract: Local Agency, Location, Project Description, Total Contract Amount, Proposal Date, and successful Proposer's Name.

The form has a column for the Work Item Number and Description or Services to be Subcontracted to DBEs. The prime consultant shall indicate all work to be performed by DBEs including, if the prime consultant is a DBE, work performed by its own forces, if a DBE. The DBE shall provide a certification number to the prime consultant. Enter DBE prime consultant's and subconsultant's certification number. The form has a column for the Names of DBE certified contractors to perform the work (must be certified on or before the proposals are due and include DBE address and phone number).

Enter the Total Claimed DBE Participation dollar amount of items of work in the total DBE Dollar Amount column. (If 100% of item is not to be performed by the DBE, describe exact portion of time to be performed by the DBE.) See "Notice to Proposers Disadvantaged Business Enterprise Information," (Exhibit 10-I) to determine how to count the participation of DBE firms.

Exhibit 10-O2 must be signed and dated by the successful proposer at contract execution. Also list a phone number in the space provided and print the name of the person to contact.

Local agencies should complete the Contract Number, Federal-aid Project Number, Federal Share, and Contarct Award fields and verify that all information is complete and accurate before signing and sending a copy of the form to the District Local Assistance Engineer within 15 days of contract execution. Failure to submit a completed and accurate form within the 15-day time period may result in the deobligation of funds on this project.

District DBE Coordinator should verify that all information is complete and accurate. Once the information has been verified, the **District Local Assistance Engineer** signs and dates the form.

EXHIBIT 10-P NONLOBBYING CERTIFICATION FOR FEDERAL-AID CONTRACTS

The prospective participant certifies by signing and submitting this proposal/bid to the best of his or her knowledge and belief that:

(l) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

The prospective participant also agrees by submitting his/her proposal/bid that he/she shall require that the language of this certification be included in all lower-tier subcontracts which exceed $100,000 and that all such sub-recipients shall certify and disclose accordingly.

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EXHIBIT 10-Q DISCLOSURE OF LOBBYING ACTIVITIES

DISCLOSURE OF LOBBYING ACTIVITIES

COMPLETE THIS FORM TO DISCLOSE LOBBYING ACTIVITIES PURSUANT TO 31 U.S.C. 1352

1. Type of Federal Action:

☐ a. contract
b. grant
c. cooperative agreement
d. loan
e. loan guarantee
f. loan insurance

2. Status of Federal Action:

☐ a. bid/offer/application
b. initial award
c. post-award

3. Report Type:

☐ a. initial
b. material change

For Material Change Only:
year_____ quarter_____
date of last report _____

4. Name and Address of Reporting Entity

☐ Prime ☐ Subawardee
Tier _____, if known

Congressional District, if known

5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime:

Congressional District, if known

6. Federal Department/Agency:

7. Federal Program Name/Description:

CFDA Number, if applicable _____

8. Federal Action Number, if known:

9. Award Amount, if known:

10. a. Name and Address of Lobby Entity
(If individual, last name, first name, MI)

b. Individuals Performing Services (including address if different from No. 10a)
(last name, first name, MI)

(attach Continuation Sheet(s) if necessary)

11. Amount of Payment (check all that apply)

$ _____ ☐ actual ☐ planned

12. Form of Payment (check all that apply):

☐ a. cash
☐ b. in-kind; specify: nature _____
Value _____

13. Type of Payment (check all that apply)

☐ a. retainer
☐ b. one-time fee
☐ c. commission
☐ d. contingent fee
☐ e deferred
☐ f. other, specify _____

14. Brief Description of Services Performed or to be performed and Date(s) of Service, including officer(s), employee(s), or member(s) contacted, for Payment Indicated in Item 11:

(attach Continuation Sheet(s) if necessary)

15. Continuation Sheet(s) attached: **Yes** ☐ **No** ☐

16. Information requested through this form is authorized by Title 31 U.S.C. Section 1352. This disclosure of lobbying reliance was placed by the tier above when his transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to Congress semiannually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Signature: _____

Print Name: _____

Title: _____

Telephone No.: _____ Date: _____

Authorized for Local Reproduction

Standard Form - LLL

Federal Use Only:

Standard Form LLL Rev. 04-28-06

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime federal recipient at the initiation or receipt of covered federal action or a material change to previous filing pursuant to title 31 U.S.C. Section 1352. The filing of a form is required for such payment or agreement to make payment to lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress an officer or employee of Congress or an employee of a Member of Congress in connection with a covered federal action. Attach a continuation sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered federal action for which lobbying activity is and/or has been secured to influence, the outcome of a covered federal action.
2. Identify the status of the covered federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last, previously submitted report by this reporting entity for this covered federal action.
4. Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District if known. Check the appropriate classification of the reporting entity that designates if it is or expects to be a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the first tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in Item 4. checks "Subawardee" then enter the full name, address, city, State and zip code of the prime federal recipient. Include Congressional District, if known.
6. Enter the name of the federal agency making the award or loan commitment. Include at least one organization level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the federal program name or description for the covered federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans and loan commitments.
8. Enter the most appropriate federal identifying number available for the federal action identification in item 1 (e.g., Request for Proposal (RFP) number, Invitation for Bid (IFB) number, grant announcement number, the contract grant. or loan award number, the application/proposal control number assigned by the federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered federal action where there has been an award or loan commitment by the Federal agency, enter the federal amount of the award/loan commitments for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in Item 4. to influenced the covered federal action.
    (b) Enter the full names of the individual(s) performing services and include full address if different from 10 (a). Enter Last Name, First Name and Middle Initial (Ml).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (Item 4) to the lobbying entity (Item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
12. Check the appropriate box(es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate box(es). Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed or will be expected to perform and the date(s) of any services rendered. Include all preparatory and related activity not just time spent in actual contact with federal officials. Identify the federal officer(s) or employee(s) contacted or the officer(s) employee(s) or Member(s) of Congress that were contacted.
15. Check whether or not a continuation sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name title and telephone number.

Public reporting burden for this collection of information is estimated to average 30-minutes per response, including time for reviewing instruction, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, D.C. 20503.

SF-LLL-Instructions Rev. 06-04-90«ENDIF»

EXHIBIT 10-R A &E SAMPLE CONTRACT LANGUAGE

(NOTE TO LOCAL AGENCY - BE SURE THAT YOUR LEGAL STAFF REVIEWS AND APPROVES ALL CONSULTANT CONTRACTS BEFORE EXECUTION. THIS CONTRACT LANGUAGE IS ONLY SUGGESTED LANGUAGE. MODIFY AS RECOMMENDED BY YOUR OWN LEGAL STAFF AND TO FIT YOUR PARTICULAR REQUIREMENTS AND PROJECT.)

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A&E SAMPLE CONTRACT LANGUAGE

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Article XXX	Prohibition of Expending State or Federal Funds for Lobbying	
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Article XXXIII	Signatures……..	

ARTICLE I INTRODUCTION

A. This contract is between the following named, hereinafter referred to as, CONSULTANT and the following named, hereinafter referred to as, LOCAL AGENCY:

The name of the CONSULTANT is as follows:

_____

Incorporated in the State of (*NAME OF STATE*)
The Project Manager for the "CONSULTANT" will be *(NAME)*
The name of the "LOCAL AGENCY" is as follows:

_____

The Contract Manager for the LOCAL AGENCY will be (NAME)

B. The work to be performed under this contract is described in Article II entitled Statement of Work and the approved CONSULTANT's Cost Proposal dated *(DATE)*. The approved CONSULTANT's Cost Proposal is attached hereto (Attachment I) and incorporated by reference. If there is any conflict between the approved Cost Proposal and this contract, this contract shall take precedence.

C. The CONSULTANT agrees to indemnify and hold harmless the LOCAL AGENCY, its officers, agents, and employees from any and all claims, demands, costs, or liability arising from or connected with the services provided hereunder due to negligent acts, errors, or omissions of the CONSULTANT. The CONSULTANT will reimburse the LOCAL AGENCY for any expenditure, including reasonable attorney fees, incurred by the LOCAL AGENCY in defending against claims ultimately determined to be due to negligent acts, errors, or omissions of the CONSULTANT.

D. The CONSULTANT and the agents and employees of CONSULTANT, in the performance of this agreement, shall act in an independent capacity and not as officers or employees or agents of the LOCAL AGENCY.

E. The LOCAL AGENCY may terminate this agreement with CONSULTANT should CONSULTANT fail to perform the covenants herein contained at the time and in the manner herein provided. In the event of such termination, the LOCAL AGENCY may proceed with the work in any manner deemed proper by the LOCAL AGENCY. If the LOCAL AGENCY terminates this agreement with the CONSULTANT, LOCAL AGENCY shall pay CONSULTANT the sum due the CONSULTANT under this agreement prior to termination, unless the cost of completion to the LOCAL AGENCY exceeds the funds remaining in the contract. In which case the overage shall be deducted from any sum due the CONSULTANT under this agreement and the balance, if any, shall be paid the CONSULTANT upon demand.

F. Without the written consent of the LOCAL AGENCY, this agreement is not assignable by CONSULTANT either in whole or in part.

G. No alteration or variation of the terms of this contract shall be valid, unless made in writing and signed by the parties hereto; and no oral understanding or agreement not incorporated herein, shall be binding on any of the parties hereto.

H. The consideration to be paid CONSULTANT as provided herein, shall be in compensation for all of CONSULTANT's expenses incurred in the performance hereof, including travel and per diem, unless otherwise expressly so provided.

ARTICLE II STATEMENT OF WORK

(*INSERT APPROPRIATE STATEMENT OF WORK INCLUDING A DESCRIPTION OF THE DELIVERABLES*)

A Consultant Services

Detail based on the services to be furnished should be provided by the CONSULTANT. Nature and extent should be verified in the negotiations to make precise statements to eliminate subsequent uncertainties and misunderstandings. Reference to the appropriate standards for design or other standards for work performance stipulated in the CONSULTANT Agreement should be included. Describe acceptance criteria, and if the responsible CONSULTANT/engineer shall sign all Plans, Specifications and Estimate (PS&E) and engineering data furnished under the contract including registration number. Environmental documents are not considered complete until a Caltrans District SEP signs the Categorical Exclusion (CE), a Caltrans Deputy District Director signs the Finding of No Significant Impact (FONSI), or the Caltrans District Director signs the Record of Decision (ROD) (see Chapter 6, "*Environmental Procedures,"* in the LAPM and the *Standard Environmental Reference* [SER]).

B Right of Way

State whether Right of Way requirements are to be determined and shown by the CONSULTANT, whether land surveys and computations with metes and bounds descriptions are to be made, and whether Right of Way plots are to be furnished.

C Subsurface Investigations

State specifically whether or not the CONSULTANT has responsibility for making subsurface investigations. If borings or other specialized services are to be made by others under the supervision of the CONSULTANT, appropriate provisions are to be incorporated. Archaeological testing and data recovery guidance can be found in the SER.

D Local Agency Obligations

All data applicable to the project and in possession of the LOCAL AGENCY or another agency, or government that are to be made available to the CONSULTANT are referred to in the agreement. Any other assistance or services to be furnished to the CONSULTANT are to be stated clearly.

E Conferences, Visits to Site, Inspection of Work

The agreement provides for conferences as needed, visits to the site, and inspection of the work by representatives of the state, or FHWA. Costs incurred by CONSULTANT for meetings, subsequent to the initial meeting shall be included in the fee.

F Checking Shop Drawings

For agreements requiring the preparation of construction drawings, make provision for checking shop drawings. Payment for checking shop drawings by the CONSULTANT may be included in the contract fee, or provision may be made for separate payment.

G Documentation

Agreements where appropriate, shall provide that the CONSULTANT document the results of the work to the satisfaction of the LOCAL AGENCY, and if applicable, the state and FHWA. This may include preparation of progress and final reports, plans, specifications and estimates, or similar evidence of attainment of the agreement objectives.

H Number of Copies

The number of copies of papers or documents to be furnished, such as reports, brochures, sets of plans, specifications, or Right of Way plots is specified. Provision may be made for payment for additional copies.

ARTICLE III CONSULTANT'S REPORTS AND/OR MEETINGS

(Choose either Option 1 or Option 2.)

(Option 1 - Use paragraphs A & B below for standard contracts.)

A. The CONSULTANT shall submit progress reports at least once a month. The report should be sufficiently detailed for the Contract Manager to determine, if the CONSULTANT is performing to expectations, or is on schedule; to provide communication of interim findings, and to sufficiently address any difficulties or special problems encountered, so remedies can be developed.

B. The CONSULTANT's Project Manager shall meet with the LOCAL AGENCY's Contract Manager, as needed, to discuss progress on the contract.

(Option 2 - Use paragraphs A & B below for on-call contracts.)

A. The CONSULTANT shall submit progress reports on each specific project in accordance with the Task Order. These reports shall be submitted at least once a month. The report should be sufficiently detailed for the LOCAL AGENCY's Contract Manager and/or Project Coordinator to determine, if the CONSULTANT is performing to expectations, or is on schedule; to provide communication of interim findings, and to sufficiently address any difficulties or special problems encountered, so remedies can be developed.

B. The CONSULTANT's Project Manager shall meet with the LOCAL AGENCY's Contract Manager or Project Coordinator, as needed, to discuss progress on the project(s).

ARTICLE IV PERFORMANCE PERIOD

(A time must be set for beginning and ending the work under the agreement. Usually, the beginning date is a given number of days after a letter of notification has been sent to the CONSULTANT. The time allowed for performing the work is specified; it should be reasonable for the kind and amount of services contemplated; and it is written into the agreement. If it is desirable that Critical Path Method (CPM) networks, or other types of schedules be prepared by the CONSULTANT, they should be identified and incorporated into the contract.

(Choose either Option 1 or Option 2.)

(Option 1 - Use paragraphs A & B below for standard and on-call contracts.)

A. This contract shall go into effect on (DATE), contingent upon approval by the LOCAL AGENCY, and the CONSULTANT shall commence work after notification to proceed by the LOCAL AGENCY'S Contract Manager. The contract shall end on (DATE), unless extended by contract amendment.

B. The CONSULTANT is advised that any recommendation for contract award is not binding on the LOCAL AGENCY until the contract is fully executed and approved by the LOCAL AGENCY.

(Option 2 - Use paragraph C below in addition to paragraphs A & B above for on-call contracts.)

C. The period of performance for each specific project shall be in accordance with the Task Order for that project. If work on a Task Order is in progress on the expiration date of this contract, the terms of the contract may be extended by contract amendment.

ARTICLE V ALLOWABLE COSTS AND PAYMENTS

(Choose either Option 1, 2, 3, or 4.)

(Option 1 - Use paragraphs A through G below for standard contracts.)

A. The method of payment for this contract will be based on actual cost-plus-a-fixed fee. The LOCAL AGENCY will reimburse the CONSULTANT for actual costs (including labor costs, employee benefits,

travel, equipment rental costs, overhead and other direct costs) incurred by the CONSULTANT in performance of the work. The CONSULTANT will not be reimbursed for actual costs that exceed the estimated wage rates, employee benefits, travel, equipment rental, overhead, and other estimated costs set forth in the approved CONSULTANT'S Cost Proposal, unless additional reimbursement is provided for by contract amendment. In no event, will the CONSULTANT be reimbursed for overhead costs at a rate that exceeds the LOCAL AGENCY's approved overhead rate set forth in the Cost Proposal. In the event, that the LOCAL AGENCY determines that a change to the work from that specified in the Cost Proposal and contract is required, the contract time and/or actual costs reimbursable by the LOCAL AGENCY shall be adjusted by contract amendment to accommodate the changed work. The maximum total cost as specified in Paragraph "H" shall not be exceeded, unless authorized by contract amendment.

B. In addition to the allowable incurred costs, the LOCAL AGENCY will pay the CONSULTANT a fixed fee of $(AMOUNT). The fixed fee is nonadjustable for the term of the contract, except in the event of a significant change in the scope of work and such adjustment is made by contract amendment.

C. Reimbursement for transportation and subsistence costs shall not exceed the rates specified in the approved Cost Proposal.

D. When milestone cost estimates are included in the approved Cost Proposal, the CONSULTANT shall obtain prior written approval for a revised milestone cost estimate from the Contract Manager before exceeding such cost estimate.

E. Progress payments will be made monthly in arrears based on services provided and allowable incurred costs. A pro rata portion of the CONSULTANT's fixed fee will be included in the monthly progress payments. If CONSULTANT fails to submit the required deliverable items according to the schedule set forth in the Statement of Work, the LOCAL AGENCY shall have the right to delay payment and/or terminate this Agreement in accordance with the provisions of Article VI Termination.

F. No payment will be made prior to approval of any work, nor for any work performed prior to approval of this contract.

G. The CONSULTANT will be reimbursed, as promptly as fiscal procedures will permit upon receipt by the LOCAL AGENCY's Contract Manager of itemized invoices in triplicate. Invoices shall be submitted no later than 45-calendar days after the performance of work for which the CONSULTANT is billing. Invoices shall detail the work performed on each milestone and each project as applicable. Invoices shall follow the format stipulated for the approved Cost Proposal and shall reference this contract number and project title. Final invoice must contain the final cost and all credits due the LOCAL AGENCY including any equipment purchased under the provisions of Article XVI Equipment Purchase of this contract. The final invoice should be submitted within 60-calendar days after completion of the CONSULTANT's work. Invoices shall be mailed to the LOCAL AGENCY's Contract Manager at the following address:

(*LOCAL AGENCY/NAME OF CONTRACT MANAGER*)
(*ADDRESS*)

H. The total amount payable by the LOCAL AGENCY including the fixed fee shall not exceed $(Amount).

I. Salary increases will be reimbursable if the new salary is within the salary range identified in the approved Cost Proposal and is approved by the LOCAL AGENCY's Contract Manager.

For personnel subject to prevailing wage rates as described in the California Labor Code, all salary increases, which are the direct result of changes in the prevailing wage rates are reimbursable.

J. All subcontracts in excess of $25,000 shall contain the above provisions.

(*Option 2- When specified rates of payment are to be made for certain items, replace paragraphs A & B of Option 1 with the following paragraphs A, B, and C and reletter the remaining paragraphs. Adjust as necessary for items specific to your project*.)

A. The method of payment for the following items shall be at the rate specified for each item, as described in this Article. The specified rate shall include full compensation to the CONSULTANT for the item as described, including but not limited to, any repairs, maintenance or insurance, and no further compensation will be allowed therefore.

B. The specified rate to be paid for vehicle expense for CONSULTANT's field personnel shall be $(Amount) per (Insert time period, usually day). This rate shall be for a fully equipped vehicle, with radio and flashing yellow light (if needed), as specified in Article II of this agreement.

The specified rate to be paid for equipment shall be, as listed in Attachment (Insert Attachment Number).

C. The method of payment for this contract, except those items to be paid for on a specified rate basis, will be based on actual cost-plus-a-fixed fee. The LOCAL AGENCY will reimburse the CONSULTANT for actual costs (including labor costs, employee benefits, travel, equipment-rental costs, overhead and other direct costs) incurred by the CONSULTANT in performance of the work. The CONSULTANT will not be reimbursed for actual costs that exceed the estimated wage rates, employee benefits, travel, equipment rental, overhead and other estimated costs set forth in the approved Cost Proposal, unless additional reimbursement is provided for, by contract amendment. In no event, will the CONSULTANT be reimbursed for overhead costs at a rate that exceeds the LOCAL AGENCY approved overhead rate set forth in the approved Cost Proposal. In the event, the LOCAL AGENCY determines that changed work from that specified in the approved Cost Proposal and contract is required; the actual costs reimbursable by the LOCAL AGENCY may be adjusted by contract amendment to accommodate the changed work. The maximum total cost as specified in Paragraph "I," shall not be exceeded unless authorized by contract amendment.

D. In addition to the allowable incurred costs and specified rates of payment, the LOCAL AGENCY will pay the CONSULTANT a fixed fee of $(Amount). The fixed fee is nonadjustable for the term of the contract, except in the event of a significant change in the scope of work and such adjustment is made by contract amendment.

E. All subcontracts in excess of $25,000 shall contain the above provisions.

(Option 3 - Use paragraphs A through L below for on-call contracts.)

A. Specific projects will be assigned to the CONSULTANT through issuance of Task Orders (Attachment II).

B. After a project to be performed under this contract is identified by the LOCAL AGENCY, the LOCAL AGENCY will prepare a draft Task Order; less the cost estimate. A draft Task Order will identify the scope of services, expected results, project deliverables, period of performance, project schedule and will designate a LOCAL AGENCY Project Coordinator. The draft Task Order will be delivered to the CONSULTANT for review. The CONSULTANT shall return the draft Task Order within ten (10) calendar days along with a Cost Estimate, including a written estimate of the number of hours and hourly rates per staff person, any anticipated reimbursable expenses, overhead, fee if any, and total dollar amount. After agreement has been reached on the negotiable items and total cost; the finalized Task Order shall be signed by both the LOCAL AGENCY and the CONSULTANT.

C. The CONSULTANT will be reimbursed for hours worked at the hourly rates specified in the CONSULTANTs Cost Proposal (Attachment Number). The specified hourly rates shall include direct salary costs, employee benefits, overhead, and fee.

D. In addition, the CONSULTANT will be reimbursed for incurred direct costs other than salary costs, and other costs that are identified in the executed Task Order.

E. Reimbursement for transportation and subsistence costs shall not exceed the rates as specified in the approved Cost Proposal.

F. When milestone cost estimates are included in the approved Cost Proposal, the CONSULTANT shall obtain prior written approval for a revised milestone cost estimate from the Contract Manager before exceeding such estimate.

G. Progress payments for each Task Order will be made monthly in arrears based on services provided and actual costs incurred.

H. The CONSULTANT shall not commence performance of work or services until this contract has been approved by the LOCAL AGENCY, and notification to proceed has been issued by the LOCAL AGENCY'S Contract Manager. No payment will be made prior to approval or for any work performed prior to approval of this contract.

I. A Task Order is of no force or effect until returned to the LOCAL AGENCY and signed by an authorized representative of the LOCAL AGENCY. No expenditures are authorized on a project and work shall not commence until a Task Order for that project has been executed by the LOCAL AGENCY.

J. The CONSULTANT will be reimbursed, as promptly as fiscal procedures will permit upon receipt by the LOCAL AGENCY'S Contract Manager of itemized invoices in triplicate. Separate invoices itemizing all costs are required for all work performed under each Task Order. Invoices shall be submitted no later than 45-calendar days after the performance of work for which the CONSULTANT is billing, or upon completion of the Task Order. Invoices shall detail the work performed on each milestone, on each project as applicable. Invoices shall follow the format stipulated for the approved Cost Proposal and shall reference this contract number, project title and Task Order number. Credits due the LOCAL AGENCY that include any equipment purchased under the provisions of Article XVI Equipment Purchase of this contract, must be reimbursed by the Consultant prior to the expiration or termination of this contract. Invoices shall be mailed to the LOCAL AGENCY's Contract Manager at the following address:

(NAME OF LOCAL AGENCY/ NAME OF CONTRACT MANAGER)
(*ADDRESS*)

K. The total amount payable by the LOCAL AGENCY for an individual Task Order shall not exceed the amount agreed to in the Task Order, unless authorized by contract amendment.

L. The total amount payable by the LOCAL AGENCY for all Task Orders resulting from this contract shall not exceed $ (Amount). It is understood and agreed that there is no guarantee, either expressed or implied that this dollar amount will be authorized under this contract through Task Orders.

M. All subcontracts in excess of $25,000 shall contain the above provisions.

(Option 4 - Use paragraphs A through E below for lump sum contracts.)

A. The method of payment for this contract will be based on lump sum. The total lump sum price paid the consultant will include compensation for all work and deliverables, including travel and equipment described in Article II Statement of Work of this contract. No additional compensation will be paid to the CONSULTANT, unless there is a change in the scope of the work or the scope of the project. In the instance of a change in the scope of work or scope of the project, adjustment to the total lump sum compensation will be negotiated between the Consultant and the LOCAL AGENCY. Adjustment in the total lump sum compensation will not be effective until authorized by contract amendment and approved by the LOCAL AGENCY.

B. Progress payments may be made monthly in arrears based on the percentage of work completed by the CONSULTANT. If CONSULTANT fails to submit the required deliverable items according to the schedule set forth in the Statement of Work, the LOCAL AGENCY shall have the right to delay payment and/or terminate this Agreement in accordance with the provisions of Article VI Termination.

C. The CONSULTANT shall not commence performance of work or services until this contract has been approved by the LOCAL AGENCY and notification to proceed has been issued by the LOCAL AGENCY'S Contract Manager. No payment will be made prior to approval of any work, or for any work performed prior to approval of this contract.

D. The CONSULTANT will be reimbursed, as promptly as fiscal procedures will permit, upon receipt by the LOCAL AGENCY'S Contract Manager of itemized invoices in triplicate. Invoices shall be submitted no later than 45-calendar days after the performance of work for which the CONSULTANT is billing. Invoices shall detail the work performed on each milestone, on each project as applicable. Invoices shall follow the format stipulated for the Cost Proposal and shall reference this contract number and project title. Final invoice must contain the final cost and all credits due the LOCAL AGENCY that include any equipment purchased under the provisions of Article XVI Equipment Purchase of this contract. The final invoice should be submitted within 60-calendar days after completion of the CONSULTANT's work. Invoices shall be mailed to the LOCAL AGENCY's Contract Manager at the following address:

(*LOCAL AGENCY/NAME OF CONTRACT MANAGER)*
(*ADDRESS*)

E. The total amount payable by the LOCAL AGENCY shall not exceed $(Amount).

F. All subcontracts in excess of $25,000 shall contain the above provisions.

ARTICLE VI TERMINATION

The LOCAL AGENCY reserves the right to terminate this contract upon thirty (30)-calendar days written notice to the CONSULTANT with the reasons for termination stated in the notice.

ARTICLE VII FUNDING REQUIREMENTS

A. It is mutually understood between the parties that this contract may have been written before ascertaining the availability of funds or appropriation of funds, for the mutual benefit of both parties, in order to avoid program and fiscal delays that would occur if the agreement were executed after that determination was made.

B. This agreement is valid and enforceable only, if sufficient funds are made available to the LOCAL AGENCY for the purpose of this contract. In addition, this agreement is subject to any additional restrictions, limitations, conditions, or any statute enacted by the Congress, State Legislature or LOCAL AGENCY governing board that may affect the provisions, terms, or funding of this contract in any manner.

C. It is mutually agreed that if sufficient funds are not appropriated, this contract may be amended to reflect any reduction in funds.

D. The LOCAL AGENCY has the option to void the contract under the 30-day cancellation clause, or by mutual agreement to amend the contract to reflect any reduction of funds.

ARTICLE VIII CHANGE IN TERMS

A. This contract may be amended or modified only by mutual written agreement of the parties.

B. The CONSULTANT shall only commence work covered by an amendment after the amendment is executed and notification to proceed has been provided by the LOCAL AGENCY's Contract Manager.

C. There shall be no change in the CONSULTANT's Project Manager or members of the project team, as listed in the approved Cost Proposal, which is a part of this contract without prior written approval by the LOCAL AGENCY's Contract Manager.

ARTICLE IX DISADVANTAGED BUSINESS ENTERPRISES (DBE) PARTICIPATION

(Use this Article when federal participating funds are used;incorporate Exhibits 10-I and 10-J as required.)

ARTICLE X COST PRINCIPLES

A. The CONSULTANT agrees that the Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31.000 et seq., shall be used to determine the allowability of cost individual items.

B. The CONSULTANT also agrees to comply with federal procedures in accordance with 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

C. Any costs for which payment has been made to CONSULTANT that are determined by subsequent audit to be unallowable under 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31.000 et seq., are subject to repayment by CONSULTANT to the LOCAL AGENCY.

ARTICLE XI CONTINGENT FEE

The CONSULTANT warrants, by execution of this contract that no person or selling agency has been employed, or retained, to solicit or secure this contract upon an agreement or understanding, for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees, or bona fide established commercial or selling agencies maintained by the CONSULTANT for the purpose of securing business. For breach or violation of this warranty, the LOCAL AGENCY has the right to annul this contract without liability; pay only for the value of the work actually performed, or in its discretion to deduct from the contract price or consideration, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

ARTICLE XII RETENTION OF RECORDS/AUDIT

For the purpose of determining compliance with Public Contract Code 10115, et seq. and Title 21, California Code of Regulations, Chapter 21, Section 2500 et seq., when applicable and other matters connected with the performance of the contract pursuant to Government Code 8546.7; the CONSULTANT, subcontractors, and the LOCAL AGENCY shall maintain all books, documents, papers, accounting records, and other evidence pertaining to the performance of the contract, including but not limited to, the costs of administering the contract. All parties shall make such materials available at their respective offices at all reasonable times during the contract period and for three years from the date of final payment under the contract. The state, the State Auditor, LOCAL AGENCY, FHWA, or any duly authorized representative of the federal government shall have access to any books, records, and documents of the CONSULTANT that are pertinent to the contract for audit, examinations, excerpts, and transactions, and copies thereof shall be furnished if requested.

Subcontracts in excess of $25,000 shall contain this provision.

ARTICLE XIII DISPUTES

(Choose either Option 1 or Option 2.)

(Option 1 - Use paragraphs A through D below for all contracts without PS&E submittal.)

A. Any dispute, other than audit, concerning a question of fact arising under this contract that is not disposed of by agreement shall be decided by a committee consisting of the LOCAL AGENCY's Contract Manager and (Insert Department Head or Official), who may consider written or verbal information submitted by the CONSULTANT.

B. Not later than 30 days after completion of all work under the contract, the CONSULTANT may request review by the LOCAL AGENCY GOVERNING BOARD of unresolved claims or disputes, other than audit. The request for review will be submitted in writing.

C. Neither the pendency of a dispute, nor its consideration by the committee will excuse the CONSULTANT from full and timely performance in accordance with the terms of this contract.

(Option 2 - Replace Paragraph B, above, with the following for contracts requiring the submission of PS&E.)

B. Not later than 30 days after completion of all deliverables necessary to complete the plans, specifications and estimate, the CONSULTANT may request review by the LOCAL AGENCY GOVERNING BOARD of unresolved claims or disputes, other than audit. The request for review will be submitted in writing.

ARTICLE XIV AUDIT REVIEW PROCEDURES

A. Any dispute concerning a question of fact arising under an interim or post audit of this contract that is not disposed of by agreement, shall be reviewed by the LOCAL AGENCY'S CHIEF FINANCIAL OFFICER.

B. Not later than 30 days after issuance of the final audit report, the CONSULTANT may request a review by the LOCAL AGENCY'S CHIEF FINANCIAL OFFICER of unresolved audit issues. The request for review will be submitted in writing.

C. Neither the pendency of a dispute nor its consideration by the LOCAL AGENCY will excuse the CONSULTANT from full and timely performance, in accordance with the terms of this contract.

ARTICLE XV SUBCONTRACTING

A. The CONSULTANT shall perform the work contemplated with resources available within its own organization; and no portion of the work pertinent to this contract shall be subcontracted without written authorization by the LOCAL AGENCY'S Contract Manager, except that, which is expressly identified in the approved Cost Proposal.

B. Any subcontract in excess of $25,000 entered into as a result of this contract, shall contain all the provisions stipulated in this contract to be applicable to subcontractors.

C. Any substitution of subconcontractors must be approved in writing by the LOCAL AGENCY's Contract Manager.

ARTICLE XVI EQUIPMENT PURCHASE

A. Prior authorization in writing, by the LOCAL AGENCY's Contract Manager shall be required before the CONSULTANT enters into any unbudgeted purchase order, or subcontract exceeding $5,000 for supplies, equipment, or CONSULTANT services. The CONSULTANT shall provide an evaluation of the necessity or desirability of incurring such costs.

B. For purchase of any item, service or consulting work not covered in the CONSULTANT's Cost Proposal and exceeding $5,000 prior authorization by the LOCAL AGENCY's Contract Manager; three competitive quotations must be submitted with the request, or the absence of bidding must be adequately justified.

C. Any equipment purchased as a result of this contract is subject to the following: "The CONSULTANT shall maintain an inventory of all nonexpendable property. Nonexpendable property is defined as having a useful life of at least two years and an acquisition cost of $5,000 or more. If the purchased equipment needs replacement and is sold or traded in, the LOCAL AGENCY shall receive a proper refund or credit at the

conclusion of the contract, or if the contract is terminated, the CONSULTANT may either keep the equipment and credit the LOCAL AGENCY in an amount equal to its fair market value, or sell such equipment at the best price obtainable at a public or private sale, in accordance with established LOCAL AGENCY procedures; and credit the LOCAL AGENCY in an amount equal to the sales price. If the CONSULTANT elects to keep the equipment, fair market value shall be determined at the CONSULTANT's expense, on the basis of a competent independent appraisal of such equipment. Appraisals shall be obtained from an appraiser mutually agreeable to by the LOCAL AGENCY and the CONSULTANT, if it is determined to sell the equipment, the terms and conditions of such sale must be approved in advance by the LOCAL AGENCY."

D. All subcontracts in excess $25,000 shall contain the above provisions.

ARTICLE XVII INSPECTION OF WORK

The CONSULTANT and any subcontractor shall permit the LOCAL AGENCY, the state, and the FHWA if federal participating funds are used in this contract; to review and inspect the project activities and files at all reasonable times during the performance period of this contract including review and inspection on a daily basis.

ARTICLE XVIII SAFETY

(Use on all contracts regardless of funding source)

A. The CONSULTANT shall comply with OSHA regulations applicable to CONSULTANT regarding necessary safety equipment or procedures. The CONSULTANT shall comply with safety instructions issued by the LOCAL AGENCY Safety Officer and other LOCAL AGENCY representatives. CONSULTANT personnel shall wear hard hats and safety vests at all times while working on the construction project site.

B. Pursuant to the authority contained in Section 591 of the Vehicle Code, the LOCAL AGENCY has determined that such areas are within the limits of the project and are open to public traffic. The CONSULTANT shall comply with all of the requirements set forth in Divisions 11, 12, 13, 14, and 15 of the Vehicle Code. The CONSULTANT shall take all reasonably necessary precautions for safe operation of its vehicles and the protection of the traveling public from injury and damage from such vehicles.

C. Any subcontract entered into as a result of this contract, shall contain all of the provisions of this Article.

(Add to all contracts, which may require trenching of five feet or deeper.)

D. CONSULTANT must have a Division of Occupational Safety and Health (CAL-OSHA) permit(s), as outlined in California Labor Code Sections 6500 and 6705, prior to the initiation of any practices, work, method, operation, or process related to the construction or excavation of trenches which are five feet or deeper.

ARTICLE XIX INSURANCE

(Choose either Option 1 or Option 2.)

(Option 1 - for Contracts with a scope of services that may require the Consultant or subcontractor to work within the operating state or Local Agency Highway Right of Way; where there would be exposure to public traffic or construction Consultan operations.)

A. Prior to commencement of the work described herein, the CONSULTANT shall furnish the LOCAL AGENCY a Certificate of Insurance stating that there is general comprehensive liability insurance presently in effect for the CONSULTANT with a combined single limit (CSL) of not less than one million dollars ($1,000,000) per occurrence.

B. The Certificate of Insurance will provide:

1. That the insurer will not cancel the insured's coverage without 30-days prior written notice to the LOCAL AGENCY.

2. That the LOCAL AGENCY, its officers, agents, employees, and servants are included as additional insureds, but only insofar as the operations under this contract are concerned.

3. That the LOCAL AGENCY will not be responsible for any premiums or assessments on the policy.

C. The CONSULTANT agrees that the bodily injury liability insurance herein provided for, shall be in effect at all times during the term of this contract. In the event said insurance coverage expires at any time or times during the term of this contract, the CONSULTANT agrees to provide at least thirty (30) days prior notice to said expiration date; and a new Certificate of Insurance evidencing insurance coverage as provided for herein, for not less than either the remainder of the term of the contract, or for a period of not less than one (1) year. New Certificates of Insurance are subject to the approval of the LOCAL AGENCY. In the event the CONSULTANT fails to keep in effect at all times insurance coverage as herein provided, the LOCAL AGENCY may, in addition to any other remedies it may have, terminate this contract upon occurrence of such event.

(Option 2 - For Contracts with a scope of services that will not require the Consultant or subconsultant to work within the operating State or LOCAL AGENCY Highway Right of Way where there would be exposure to public traffic or construction Consultant operations.)

The CONSULTANT is not required to show evidence of general comprehensive liability insurance.

ARTICLE XX OWNERSHIP OF DATA

A. Upon completion of all work under this contract, ownership and title to all reports, documents, plans, specifications, and estimates produce as part of this contract will automatically be vested in the LOCAL AGENCY; and no further agreement will be necessary to transfer ownership to the LOCAL AGENCY. The CONSULTANT shall furnish the LOCAL AGENCY all necessary copies of data needed to complete the review and approval process.

B. It is understood and agreed that all calculations, drawings and specifications, whether in hard copy or machine-readable form, are intended for one-time use in the construction of the project for which this contract has been entered into.

C. The CONSULTANT is not liable for claims, liabilities, or losses arising out of, or connected with the modification, or misuse by the LOCAL AGENCY of the machine-readable information and data provided by the CONSULTANT under this agreement; further, the CONSULTANT is not liable for claims, liabilities, or losses arising out of, or connected with any use by the LOCAL AGENCY of the project documentation on other projects for additions to this project, or for the completion of this project by others, except only such use as many be authorized in writing by the CONSULTANT.

D. Applicable patent rights provisions described in 41 CFR 1-91, regarding rights to inventions shall be included in the Agreements as appropriate.

E. The CONSULTANT is not liable for claims, liabilities or losses arising out of, or connected with, the modification or misuse by the LOCAL AGENCY of the machine readable information and data provided by the CONSULTANT under this agreement; further, the CONSULTANT is not liable for claims, liabilities or losses arising out of, or connected with, any use by the LOCAL AGENCY of the project documentation on other projects; for additions to this project, or for the completion of this project by others, except only such use as may be authorized, in writing, by the CONSULTANT.

F. The LOCAL AGENCY may permit copyrighting reports or other agreement products. If copyrights are permitted; the agreement shall provide that the FHWA shall have the royalty-free nonexclusive and irrevocable right to reproduce, publish, or otherwise use; and to authorize others to use, the work for government purposes.

G. Any subcontract in excess of $25,000 entered into as a result of this contract, shall contain all of the provisions of this Article.

ARTICLE XXI CLAIMS FILED BY LOCAL AGENCY's CONSTRUCTION CONTRACTOR

A. If claims are filed by the LOCAL AGENCY's construction contractor relating to work performed by CONSULTANT's personnel, and additional information or assistance from the CONSULTANT's personnel is required in order to evaluate or defend against such claims; CONSULTANT agrees to make its personnel available for consultation with the LOCAL AGENCY'S construction contract administration and legal staff and for testimony, if necessary, at depositions and at trial or arbitration proceedings.

B. CONSULTANT's personnel that the LOCAL AGENCY considers essential to assist in defending against construction contractor claims will be made available on reasonable notice from the LOCAL AGENCY. Consultation or testimony will be reimbursed at the same rates, including travel costs that are being paid for the CONSULTANT's personnel services under this agreement.

C. Services of the CONSULTANT's personnel in connection with the LOCAL AGENCY's construction contractor claims will be performed pursuant to a written contract amendment, if necessary, extending the termination date of this agreement in order to finally resolve the claims.

D. Any subcontract in excess of $25,000 entered into as a result of this contract, shall contain all of the provisions of this Article.

ARTICLE XXII CONFIDENTIALITY OF DATA

A. All financial, statistical, personal, technical, or other data and information relative to the LOCAL AGENCY's operations, which are designated confidential by the LOCAL AGENCY and made available to the CONSULTANT in order to carry out this contract, shall be protected by the CONSULTANT from unauthorized use and disclosure.

B. Permission to disclose information on one occasion, or public hearing held by the LOCAL AGENCY relating to the contract, shall not authorize the CONSULTANT to further disclose such information, or disseminate the same on any other occasion.

C. The CONSULTANT shall not comment publicly to the press or any other media regarding the contract or the LOCAL AGENCY's actions on the same, except to the LOCAL AGENCY's staff, CONSULTANT's own personnel involved in the performance of this contract, at public hearings or in response to questions from a Legislative committee.

D. The CONSULTANT shall not issue any news release or public relations item of any nature, whatsoever, regarding work performed or to be performed under this contract without prior review of the contents thereof by the LOCAL AGENCY, and receipt of the LOCAL AGENCY'S written permission.

E. Any subcontract entered into as a result of this contract shall contain all of the provisions of this Article.

(For PS&E contracts add paragraph F, below, to paragraphs A through E, above.)

F. All information related to the construction estimate is confidential, and shall not be disclosed by the CONSULTANT to any entity other than the LOCAL AGENCY.

ARTICLE XXIII NATIONAL LABOR RELATIONS BOARD CERTIFICATION

In accordance with Public Contract Code Section 10296, the CONSULTANT hereby states under penalty of perjury that no more than one final unappealable finding of contempt of court by a federal court has been issued against the CONSULTANT within the immediately preceding two-year period, because of the CONSULTANT's failure to comply with an order of a federal court that orders the CONSULTANT to comply with an order of the National Labor Relations Board.

ARTICLE XXIV EVALUATION OF CONSULTANT

The CONSULTANT's performance will be evaluated by the LOCAL AGENCY. A copy of the evaluation will be sent to the CONSULTANT for comments. The evaluation together with the comments shall be retained as part of the contract record.

ARTICLE XXV STATEMENT OF COMPLIANCE

The CONSULTANT's signature affixed herein, and dated, shall constitute a certification under penalty of perjury under the laws of the State of California that the CONSULTANT has, unless exempt, complied with, the nondiscrimination program requirements of Government Code Section 12990 and Title 2, California Administrative Code, Section 8103.

ARTICLE XXVI DEBARMENT AND SUSPENSION CERTIFICATION

A. The CONSULTANT's signature affixed herein, shall constitute a certification under penalty of perjury under the laws of the State of California, that the CONSULTANT has complied with Title 49, Code of Federal Regulations, Part 29, Debarment and Suspension Certificate, which certifies that he/she or any person associated therewith in the capacity of owner, partner, director, officer, or manager, is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any federal agency; has not been suspended, debarred, voluntarily excluded, or determined ineligible by any federal agency within the past three (3) years; does not have a proposed debarment pending; and has not been indicted, convicted, or had a civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past three (3) years. Any exceptions to this certification must be disclosed to the LOCAL AGENCY.

B. Exceptions will not necessarily result in denial of recommendation for award, but will be considered in determining CONSULTANT responsibility. Disclosures must indicate to whom exceptions apply, initiating agency, and dates of action.

ARTICLE XXVII STATE PREVAILING WAGE RATES

(Choose either Option 1 or Option 2.)

(Option 1 - For contracts where a portion of the work is to be performed are crafts affected by state labor laws, use paragraphs A and B.)

A. The CONSULTANT shall comply with the State of California's General Prevailing Wage Rate requirements in accordance with California Labor Code, Section 177, and all federal, state, and local laws and ordinances applicable to the work.

B. Any subcontract entered into as a result of this contract if for more than $25,000 for public works construction or more than $15,000 for the alteration, demolition, repair, or maintenance of public works, shall contain all of the provisions of this Article.

(Option 2 - Use only paragraph A below when all of the proposed work in the contract is performed by crafts not affected by state labor laws or are not contemplated for use.)

A. The State of California's General Prevailing Wage Rates are not applicable to this contract.
Note: The Federal "Payment of Predetermined Minimum Wage" applies only to federal-aid construction contracts.

ARTICLE XXVIII CONFLICT OF INTEREST

A. The CONSULTANT shall disclose any financial, business, or other relationship with LOCAL AGENCY that may have an impact upon the outcome of this contract, or any ensuing LOCAL AGENCY construction project. The CONSULTANT shall also list current clients who may have a financial interest in the outcome of this contract, or any ensuing LOCAL AGENCY construction project, which will follow.

B. The CONSULTANT hereby certifies that it does not now have, nor shall it acquire any financial or business interest that would conflict with the performance of services under this agreement.

C. Any subcontract in excess of $25,000 entered into as a result of this contract, shall contain all of the provisions of this Article.

(Choose either Option 1 or Option 2 if appropriate.)

(Option 1 - Use paragraphs D & E below with paragraphs A, B and C above for PS&E contracts only.)

D. The CONSULTANT hereby certifies that neither CONSULTANT, nor any firm affiliated with the CONSULTANT will bid on any construction contract, or on any contract to provide construction inspection for any construction project resulting from this contract. An affiliated firm is one, which is subject to the control of the same persons through joint-ownership, or otherwise.

E. Except for subcontractors whose services are limited to providing surveying or materials testing information, no subcontractor who has provided design services in connection with this contract shall be eligible to bid on any construction contract, or on any contract to provide construction inspection for any construction project resulting from this contract.

(Option 2 - Use paragraphs D, E & F below with paragraphs A, B and C above for Construction Contract Administration contracts only.)

D. The CONSULTANT hereby certifies that neither the CONSULTANT, its employees, nor any firm affiliated with the CONSULTANT providing services on this project prepared the Plans, Specifications, and Estimates for any construction project included within this contract.
An affiliated firm is one, which is subject to the control of the same persons through joint- ownership, or otherwise.

E. The CONSULTANT further certifies that neither CONSULTANT, nor any firm affiliated with the CONSULTANT, will bid on any construction subcontracts included within the construction contract. Additionally, CONSULTANT certifies that no person working under this contract is also employed by the construction contractor for any project included within this contract.

F. Except for subcontractors whose services are limited to materials testing, no subcontractor who is providing service on this contract shall have provided services on the design of any project included within this contract.

ARTICLE XXIX REBATES, KICKBACKS OR OTHER UNLAWFUL CONSIDERATION

The CONSULTANT warrants that this contract was not obtained or secured through rebates kickbacks or other unlawful consideration, either promised or paid to any LOCAL AGENCY employee. For breach or violation of this warranty, LOCAL AGENCY shall have the right in its discretion; to terminate the contract without liability; to pay only for the value of the work actually performed; or to deduct from the contract price; or otherwise recover the full amount of such rebate, kickback or other unlawful consideration.

ARTICLE XXX PROHIBITION OF EXPENDING LOCAL AGENCY STATE OR FEDERAL FUNDS FOR LOBBYING

(Include this article in all contracts where federal funding will exceed $100,000. If less than $100,000 in federal funds will be expended on the contract; delete this article and re-number the notification article which follows.)

A. The CONSULTANT certifies to the best of his or her knowledge and belief that:

1. No state, federal or local agency appropriated funds have been paid, or will be paid by-or-on behalf of the CONSULTANT to any person for influencing or attempting to influence an officer or employee of any state or federal agency; a Member of the State Legislature or United States Congress; an officer or employee of the Legislature or Congress; or any employee of a Member of the Legislature or Congress, in connection with the awarding of any state or federal contract; the making of any state or federal grant; the making of any state or federal loan; the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any state or federal contract, grant, loan, or cooperative agreement.

2. If any funds other than federal appropriated funds have been paid, or will be paid to any person for influencing or attempting to influence an officer or employee of any federal agency; a Member of Congress; an officer or employee of Congress, or an employee of a Member of Congress; in connection with this federal contract, grant, loan, or cooperative agreement; the CONSULTANT shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

B. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, US. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

C. The CONSULTANT also agrees by signing this document that he or she shall require that the language of this certification be included in all lower-tier subcontracts, which exceed $100,000, and that all such sub recipients shall certify and disclose accordingly.

ARTICLE XXXI NOTIFICATION

All notices hereunder and communications regarding interpretation of the terms of this contract and changes thereto, shall be effected by the mailing thereof by registered or certified mail, return receipt requested, postage prepaid, and addressed as follows:

CONSULTANT:

_____*(CONSULTANT)*_____
_____*(NAME)*_____, Project Manager
_____*(ADDRESS)*_____
_____

LOCAL AGENCY:

___(*LOCAL AGENCY)*_____
_____*(NAME)*_____, Contract Manager
_____*(ADDRESS)*_____
_____

Retention

ARTICLE XXXII AGREEMENT

The two parties to this agreement, who are the before named CONSULTANT and the before named LOCAL AGENCY, hereby agree that this agreement constitutes the entire agreement which is made and concluded in duplicate between the two parties. Both of these parties for and in consideration of the payments to made, conditions mentioned, and work to be performed; each agree to diligently perform in accordance with the terms and conditions of this agreement as evidenced by the signatures below.

ARTICLE XXXIII SIGNATURES

(Name of CONSULTANT)	(Name of LOCAL AGENCY)
__(Signature)_____	__(Signature)_____
(Name of Signer)	(Name of Signer)

DATE:_____

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EXHIBIT 10-S CONSULTANT PERFORMANCE EVALUATION

(Name of Agency)

Consultant Performance Evaluation

Section 1 The purpose of this form is to provide historical data to Agency staff when selecting consultants File No. _____

1. PROJECT DATA

1a. Project (include title, location, and Activity/CIP No.)

1b. Brief Description of Project (design, study, etc.)

1c. Budget Cost for Project: $_____

2. CONSULTANT DATA

2a. Consultant Name and Address

2b. Consultant's Manager

2c. Phone: (____)_____

3. AGENCY DEPARTMENT/SECTION RESPONSIBLE

3a. Department (include section and division)

3b. Agency Project Manager (name & phone)

4. CONTRACT DATA (Engineering Services)

4a. Contact No.: _____ Termination date: _____ Base Fee: $_____

Agreement date: _____ Date terminated: _____ Contingency: $_____

4b. Amendments $_____ / #_____ $_____ / #_____
(Total Value) (Initiated by Agency) (Total Value) (Initiated by Agency)

4c. Changes Orders $_____ / #_____ $_____ / #_____
(Total Value) (Initiated by Agency) (Total Value) (initiated by Agency)

4d. Total Fee per Agreement (4a. + 4b. + 4c.) $_____ Total Fee Paid $_____
(Do not include Contingency Listed in 4a.)

4e. Type of Services (Design, study,etc.)

4f. Historical Record of Key Submittal Dates (enter date or n/a if not applicable)

	Preliminary	30%	70%	90%	100%	Final
Per Agreement						
Delivery Date						
Acceptance Date						

4g. Notice To Proceed _____ (date)

4h. Number of Days _____ (number)

4i. Actual Number of Days _____ (number)

4j. Reasons for Change Orders: (Indicate total for each reason)

Errors/Omissions	$	% of Base Fee		%
Unforeseen Conditions	$	% of Base Fee		%
Changed Scope	$	% of Base Fee		%
Changed Quantities	$	% of Base Fee		%
Program Task Options	$	% of Base Fee		%

5.OVERALL RATING (Complete Section II on reverse, include comments as appropriate.)

		Outstanding	Above Average	Average	Below Average	Poor	N/A
5a.	Plans/Specifications accuracy						
5b.	Consistency with budget						
5c.	Responsiveness to County Staff						
5d.	Overall Rating						

6. AUTHORIZING SIGNATURES

6a. Agency Design Team Leader _____ Date: _____

6b. Agency Project Manager _____ Date: _____

6c. Agency Public Works Manager _____ Date: _____

6d. Consultant Representative _____ Date: _____

SEE REVERSE SIDE

Section II							**Specific Ratings**						
PLANS/SPECIFICATIONS ACCURACY	Outstanding	Above Avg.	Avg.	Below Avg.	Poor	N/A	Responsiveness To Staff	Outstanding	Above Avg.	Avg.	Below Avg.	Poor	N/A
Plans Specifications clear and concise							Timely Responses						
Plans/Specs Coordination							Attitude toward Client and review bodies						
Plans/Specs properly formatted							Follows directions and Chain of responsibility						
Code Requirements covered							Work product delivered on time						
Adhered to Agency Standard Drawings/Specs							Timeliness in notifying Agency of major problems						
Drawings reflect existing conditions							Resolution of field Problems						
As-Built Drawings							Consistency with budget	Outstanding	Above Avg.	Avg.	Below Avg.	Poor	N/A
Quality Design							Reasonable Agreement negotiation						
Change Orders due to design deficiencies are minimized							Adherence to fee schedule						
							Adherence to project Budget						

Section III **EXPLANATIONS AND SUPPLEMENTAL INFORMATION**
(Attach additional documentation as needed)

Item _____: _____
_____

Item _____: _____
_____

Item _____: _____
_____

Item _____: _____
_____

Item _____: _____
_____

Item _____: _____
_____

***Indicates supporting documentation attached.**

EXHIBIT 10-T PANEL MEMBER CONFLICT OF INTEREST AND CONFIDENTIALITY STATEMENT

RFP/RFQ PROCUREMENT NUMBERS: _____

PROJECT NAME:
_____

APPLICABILITY: Applicable to local agency consultant procurements which will contain Federal or State funds in the consultant contract.

☐ I am an employee of the local agency that is responsible for this procurement.

☐ I am an employee of a consultant under contract to the local agency that is responsible for this procurement but I am not in a management position with the local agency.

☐ I have a personal, financial, or business interest in past employment activity or a personal relationship regarding the firms (including sub-consultants) that are the subject of this evaluation. A brief description is provided on the back of this form.

☐ I certify that I have no current contractual relationship with any of the firms (including subconsultants) that are the subject of this evaluation.

☐ I certify that I have no personal or financial interest and no present or past employment activity or personal relationship or prior contractual relationship which would be incompatible with my participation in this solicitation process and I am fully able to give full, fair and impartial consideration to all proposals/bids as an appointee to the related evaluation.

☐ I certify that I have read **49 CFR 18.36(b)(3)** below and I agree not to participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved. **Note:** Caltrans is the Grantee and the local agency is the sub-grantee.

49CFR 18.36(b)(3)

(3) Grantees and subgrantees will maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. No employee, officer or agent of the grantee or subgrantee shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

(i) The employee, officer or agent,

(ii) Any member of his immediate family,

(iii) His or her partner, or

(iv) An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award. The grantee's or subgrantee's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to subagreements. Grantee and subgrantees may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value. To the extent permitted by State or local law or regulations, such standards or conduct will provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the grantee's and subgrantee's officers, employees, or agents, or by contractors or their agents. The awarding agency may in regulation provide additional prohibitions relative to real, apparent, or potential conflicts of interest.

☐ I fully understand and agree to immediately disqualify myself as soon as I am aware of a conflict of interest that may compromise my fair and impartial consideration of the proposals/bids.

☐ I certify that I will hold in the strictest confidence all bids, proposals, correspondence, memoranda, working papers, or any other media which has any bearing on, or disclose any aspect of, any respondent or potential respondent to the RFP/RFQ above. I will not discuss the evaluation process with anyone no involved in the evaluation process until its completion.

☐ I fully understand that it is unlawful for a person to utilize any organization name or auxiliary organization information, which is not a matter of public record, for personal gain.

☐ I fully understand that any violation of the above is a basis for disciplinary action, up to and including termination and/or referral to the appropriate authorities for further investigation.

☐ I am aware that the following firms and sub-consultants/sub-contractors have submitted proposals in response to the above referenced solicitation:

List firms including sub-consultants/sub-contractors:

1. _____

2. _____

3. _____

4. _____

etc. _____

Date: _____ Signed: _____

Name: _____

Title: _____

Dept./Local Agency: _____

Employer: _____

CONTRACT ADMINISTRATOR'S REVIEW

I have reviewed the foregoing "Conflict of Interest and Confidentiality Statement" and have determined, according to the information provided, that this individual:

☐ does not have a conflict of interest and can participate in the "Selection Panel"

☐ does have a conflict of interest and cannot participate in the "Selection Panel

Date: _____ Signed: _____

Name: _____

Title: _____

Dept./Local Agency: _____

Employer: _____

Distribution: Original – Local Agency Consultant File

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EXHIBIT 10-U CONSULTANT IN MANAGEMENT POSITION CONFLICT OF INTEREST AND CONFIDENTIALITY STATEMENT

RFP/RFQ PROCUREMENT NUMBERS: _____

PROJECT NAME:
_____

APPLICABILITY: Applicable to local agency consultants in management positions that exercise authority over the Architect & Engineering Selection Panel from which the local agency has or plans to have one or more consultant contracts containing Federal or State funds.

☐ I am an employee of a consultant under contract to the local agency that is responsible for the procuring and administering of one or more consultant contracts containing either Federal or State funds.

☐ I am in a management position with the local agency, my title is listed below and I have attached my duty statement.

☐ The procedures followed to procure and execute the contract, between the local agency and the consulting firm of which I am employed, comply with all Federal and State requirements. Also this contract has a specific beginning and ending date.

☐ I hereby certify as follows:

1. I will not directly or indirectly participate in, manage, or oversee any consultant selection procurement process in which the consulting firm of which I am employed is competing as a consultant or sub-consultant.
2. I will not directly or indirectly influence any employee, staff member, or other individual participating in any consultant selection procurement process in which the consulting firm of which I am employed is as a consultant or sub-consultant.
3. I will not directly or indirectly participate in, manage, or oversee any local agency contract that is with the consulting firm of which I am employed, regardless of whether the involvement of my employer in the contract is as a consultant or sub-consultant. Among other things, this includes my not being involved in managing the work; and not approving changes in the schedule, scope, deliverables or invoices.
4. I understand that if I am involved in any local agency contract that is with the consulting firm of which I am employed, in violation of 1. or 2. above, that local agency contract will no longer be eligible for Federal or State reimbursement because of my involvement.

☐ I certify that I have read **49 CFR 18.36(b)(3)** below and I agree not to participate in selection, or in the award or administration of a contract supported by Federal or State funds if a conflict of interest, real or apparent, would be involved. **Note:** Caltrans is the Grantee and the local agency is the sub-grantee.

49CFR 18.36(b)(3)

(3) Grantees and subgrantees will maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. No employee, officer or agent of the grantee or subgrantee shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

(i) The employee, officer or agent,

(ii) Any member of his immediate family,

(iii) His or her partner, or

(iv) An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award. The grantee's or subgrantee's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to subagreements. Grantee and subgrantees may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value. To the extent permitted by State or local law or regulations, such standards or conduct will provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the grantee's and subgrantee's officers, employees, or agents, or by contractors or their agents. The awarding agency may in regulation provide additional prohibitions relative to real, apparent, or potential conflicts of interest.

☐ I fully understand that it is unlawful for a person to utilize any organization name (i.e. local agency) or auxiliary organization information, which is not a matter of public record, for personal gain.

☐ I fully understand that any violation of the above could be a basis for ineligibility of reimbursement of State and/or Federal project funds.

Date: _____ Signed: _____

Name: _____

Title: _____

Dept./Local Agency: _____

Employer: _____

REVIEW BY SUPERVISOR OF CONSULTANT IN MANAGEMENT POSITION

I have reviewed the foregoing "Conflict of Interest and Confidentiality Statement" and will ensure:

☐ that the foregoing named local agency consultant who is under contract and in a management position with our local agency, abides by the foregoing terms and conditions.

☐ that should the foregoing named local agency consultant, who is under contract and in a management position with our local agency, violate any of the foregoing terms and conditions,

the Caltrans DLAE will be notified and such violation will be considered a breach of ethics and could be a basis for ineligibility of State and/or Federal project funds.

Date: _____ Signed: _____

Name: _____

Title: _____

Dept./Local Agency: _____

Employer: _____

REVIEWED/CONCURRENCE BY DISTRICT LOCAL ASSISTANCE ENGINEER

I have reviewed the foregoing "Conflict of Interest and Confidentiality Statement" and Supervisor's statement.

☐ Based upon the foregoing, I concur that the consultant, who is under contract and in a management position with the local agency, does not appear to present a conflict of interest. The local agency and the consultant should be considered eligible for Federal and State reimbursement.

☐ Based upon the foregoing, I do not concur as I believe that the consultant, who is under contract and in a management position with the local agency, does appear to present a conflict of interest.

☐ The consultant's time is not considered eligible for either Federal or State reimbursement.

☐ The local agency is not considered eligible for either Federal or State reimbursement.

Date: _____ (DLAE) Signed: _____

Name: _____

Distribution: 1) Copy to: DLAE for each Federal/State funded project
2) Copy to be returned to Local Agency by DLAE with signature

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Chapter 11 Design Standards

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CHAPTER 11 DESIGN STANDARDS

11.1 INTRODUCTION

General

Project construction plans and specifications must provide for a facility that will adequately meet the existing and probable future traffic in a manner conducive to safety, project economics, durability and economy of maintenance. The design standards used for any project should equal or exceed the minimum standards given in this chapter. Taking into account costs, traffic volumes, traffic and safety benefits, right of way, socio-economic; and environmental impacts allows for the use of lower standards only when such use best satisfies the given situation. All exceptions from accepted standards must be justified, documented and retained in the project files.

The purpose of this chapter is to:

- Designate "Statewide" design standards, criteria, specifications, procedures, guides, and references that are acceptable for application in the geometric, structural, drainage and pavement design of local federal-aid projects both on and off the National Highway System (NHS).
- Describe the procedures to allow the use of "certain locally developed" design standards, including standard specifications and standard plans, as acceptable alternatives to "Statewide" design standards for local federal-aid projects off the NHS.
- Outline the "Design Exception" approval procedures for local federal-aid projects on and off the NHS.

Definitions

Alteration – An alteration, as applicable to Americans with Disabilities Act (ADA) is a change to a building or facility including roadway made by, on behalf of, or for the use of a public accommodation or commercial facility that affects, or could affect the usability of the building or facility, or part thereof. Alterations include, but are not limited to, remodeling, renovation, rehabilitation, reconstruction, historic restoration, changes or rearrangement of the structural parts or elements, and changes or rearrangement in the plan configuration of walls and full-height partitions. Normal maintenance including filling potholes, reroofing, painting or wallpapering, or changes to mechanical and electrical systems are not alterations unless they affect the usability of the building or facility.

Design Standards -- The standards, specifications, procedures, guides and references listed herein that are acceptable for application in the geometric, structural, pavement and hydraulic design of local federal-aid projects.

Controlling Criteria -- The specific minimum criteria and controls contained in the design standards that are of primary importance for safety. Deviations from these controlling criteria require design exception approval in accordance with Section 11.4 of this chapter.

Design Exception Approval -- A process to justify, approve, and document allowable deviations from controlling criteria.

Specifications -- The directions, provisions, and requirements contained in the contract documents for a specific construction project. Included are various proposal conditions, contract administration provisions, required construction methods, and technical requirements for materials.

Standard Specifications -- A published document that contains commonly used specifications developed for use as a reference for construction contract documents.

Standard Plans -- A collection of plan details developed for use as a reference for construction contract documents. Included are standard abbreviations, symbols, design notes, design conditions and data, construction details, specifications, layouts, and measurement and payment details.

Types of Construction:

1. New Construction - Is defined as a new transportation facility that did not previously exist in the corridor or as the addition of an interchange. The addition of appurtenances to an existing facility, such as striping, signs, signals, noise barriers, etc. is not considered new construction.
2. Reconstruction (as defined for Stewardship purposes)- Involves the following:
    - Addition of a lane (except climbing or auxiliary lanes)
    - Significant change in horizontal and/or vertical alignment
    - Reconstruction of an interchange by adding moves or relocating ramps (widening ramps for storage, turning movements or ramp metering are not included)
    - Replacement of an entire bridge or the major parts of an existing bridge (in such a manner that it is effectively a new bridge)
    - Seismic retrofit projects for the following:
        a) Major or unusual structures (all tunnels, unusual and movable bridges, unusual hydraulic or geotechnical structures, or bridges with a total deck area greater than 125,000 square feet), or
        b) Construction cost greater than $5 million per structure
    - Major modifications to Traffic Management Centers
3. Preventive Maintenance -- Includes, but is not limited to, roadway activities such as joint and shoulder rehabilitation, heater re-mix, seal coats, corrective grinding of PCC pavement, and restoration of drainage systems.
4. 3R Work -- All other work which do not fall into the above defined categories for new construction, reconstruction or preventive maintenance and typically involves the improvement of highway pavement surfaces through resurfacing, restoration, or rehabilitation. Specifically, 3R Work is defined as the following:
    - Resurfacing generally consists of placing additional asphalt concrete over a structurally sound highway or bridge that needs treatment to extend its useful service life.
    - Restoration means returning a road, structure, or collateral facility to the condition existing after original construction.
    - Rehabilitation implies providing some betterments, such as upgrading guardrail or widening shoulders.

The 3R work is generally regarded as heavy, nonroutine maintenance work designed to preserve and extend the roadway service life for at least ten years as well as upgrading to enhance safety where reasonable. It differs from new construction or reconstruction in that it does not comtemplate capacity improvements, major realignment or major upgrading of geometric features or standards. However, the work may include selective improvements to highway geometry and other roadway features including safety appurtenances, and still be considered 3R work (please refer to Design Information Bulletin 79-02 available at the following website: http://www.dot.ca.gov/hq/oppd/dib/dibprg.htm).

11.2 Statewide Design Standards for Local Assistance Projects

The following statewide design standards are acceptable for design of local federal-aid projects both on and off the NHS.

Locally funded projects on the State Highway System (SHS) must be designed in accordance with SHS standards as defined in various Caltrans manuals.

Roadway and Appurtenances

Geometric Standards for New and Reconstruction Projects

New and reconstruction projects shall be designed in accordance with American Association of State Highway and Transportation Officials (AASHTO) Standards as defined in the current edition of *A Policy on Geometric Design of Highways and Streets* (often referred to as the *AASHTO Green book*).

The Federal Highway Administration (FHWA) has designated twelve (12) geometric controlling criteria with a primary importance for safety in the selection of design standards. These criteria are:

- Design Speed
- Lane Width
- Shoulder Width
- Bridge Width
- Horizontal Alignment
- Vertical Alignment
- Grades
- Stopping Sight Distance
- Cross Slopes
- Superelevation
- Horizontal Clearance
- Vertical Clearance

The FHWA has indicated that any deviations from these geometric controlling criteria requires formal approval. Such deviations from the above criteria requires that a local agency obtains design exception approval in accordance with the procedures described in Section 11.4, “Design Exceptions,” in this chapter.

Geometric Standards for 3R Projects

The minimum standards for geometric design of local federal-aid resurfacing, restoration and rehabilitation (3R) projects, are shown in Tables 1 through 10 of Exhibit 11-A, “Geometric Standards for Local 3R Projects” (see DIB 79-02 for geometric standards for 3R projects on National Highway System). Designs using better than minimum standards should be used when feasible especially in areas of high traffic volume; when design speeds exceed 50 mph; and when significant truck volumes are expected.

The primary purpose of 3R projects is to preserve and extend the service life of existing facilities and enhance highway safety, normally, without major improvements to existing geometric features. However, a reasonable effort should be made to provide uniform geometric standards for a substantial length of roadway. Therefore, the work may include upgrading of geometric features, such as minor roadway widening, flattening curves or improving sight distances and still be considered as 3R work.

Lane and Shoulder Widths-- Tables 1, 2 and 3 of Exhibit 11-A present the minimum 3R standards for widths of traffic lanes and shoulders on roadways classified as arterials, collectors and local roads and streets.

Table 4 presents the minimum 3R standards for traffic, turning, parking, and bicycle lanes for urban streets and roads with curb and gutter.

Wide lanes and shoulders give motorists: 1) increased opportunity for safe recovery when their vehicles run off the road, and 2) increased lateral separation between overtaking and meeting vehicles. Added safety benefits include improved site distance at critical horizontal curves, reduced interruption from emergency stopping and road maintenance activities, less wear at the lane edge, and better roadway surface drainage.

Traffic volumes influence the cost-effectiveness of lane and shoulder widening, because the number of accidents eliminated by lane and shoulder widening increases almost in proportion to an Average Daily Traffic (ADT), whereas the costs are not affected significantly by ADT. Lane and shoulder widening can also produce timesavings for highway users, which can be an important consideration for highways with an ADT greater than 2,000 vehicles per day.

Bridge Widths -- The minimum bridge width values for 3R projects involving bridges to remain in place on arterial, collectors, and local streets and roads are shown in Tables 5, 6, and 7 of Exhibit 11-A. The 3R projects on such bridges involve mainly roadway resurfacing and improvements to railings. More significant work, such as structural strengthening, or deck replacement is classified as reconstruction and must meet AASHTO standards.

The relationship between bridge width and the width of approach lanes influences bridge safety; roadway constriction at narrow bridges reduces the opportunity for safe recovery by out-of-control vehicles, and may result in collisions with bridge abutments.

Thus, the safety cost-effectiveness of bridge width improvements depends upon the usable width of the bridge, the width of the approach lanes, traffic volumes, and the length of bridge.

Horizontal Clearance – Side slope and clear zone improvements on 3R projects should meet the following criteria:

1. Flatten side slopes of **1**(v)**:4**(h), or steeper at locations where run-off-the-road accidents are likely to occur, such as on the outside of sharp horizontal curves.
2. Whenever possible, side slopes should not be steepened when widening lanes and shoulders.
3. Remove, relocate, or shield isolated roadside obstacles.

Roadside characteristics are important in determining the overall level of safety provided by a highway. Accident rates are lower, and accidents are less severe on highways with gentle side slopes and fewer obstacles near the roadway.

Removing isolated trees, and relocating utility poles can be more safety cost-effective than widening lanes or flattening horizontal curves.

Horizontal Alignment -- Values for stopping sight distance and horizontal curves for 3R projects are shown in Tables 8, 9 and 10 of Exhibit 11-A.

Safety often can be improved at horizontal curves without costly reconstruction. Local agencies should evaluate other safety measures when reconstruction is unwarranted. Such measures might include widening lanes, widen and paving shoulders, flattening steep side slopes, removing or relocating roadside obstacles, and installing traffic control devices, raised pavement markings and reflective guideposts.

Accidents are more likely to occur on horizontal curves than on straight segments of roadway because increased demands are placed on the driver and vehicle, and centrifugal force tends to cause a vehicle to run-off-the road. The safety effect of an individual curve is influenced not only by the curve's geometric characteristics, but also by the geometry of adjacent highway segments. Safety considerations are important especially when a curve is unexpected, such as when it follows a long straight approach, or when it is hidden from view by a hillcrest.

Depending on site conditions, improvements to curves can be an inexpensive and effective means of reducing the severity and frequency of accidents.

Vertical Alignment -- Values for superelevation, grades and stopping sight distances are included in Tables 8, 9 and 10 of Exhibit 11-A. For sustained downgrades, consideration should be given to increasing the minimum stopping sight distances shown in the above tables.

The Transportation Research Board recommends that local agencies evaluate the option of reconstructing hillcrests when:

1. The hillcrest hides from view such conditions as: intersections, sharp horizontal curves or narrow bridges.
2. The Average Daily Traffic is greater than 1,500 vehicles per day.
3. The design speed of the hillcrest (based upon the minimum sight distance provided) is more than 20 mph below the 85th percentile speeds of vehicles on the crests.

Whether, or not the reconstruction of a hillcrest is necessary, designers should examine the nature or potential hazards hidden by a hillcrest, and consider other options such as removing potential hazards or providing warning signs.

Sight obstructions at hillcrests can be corrected only by changing the vertical alignment to lengthen the existing vertical crest curve.

Generally, to be safety and cost-effective, vertical alignment improvements must correct a substantial sight distance restriction that affects a driver's ability to anticipate difficult situations, such as turning vehicles, sharp curves, or other conditions that demand specific driver responses.

Pavement Crown and Edge Drops -- Local agencies performing resurfacing projects should consider constructing pavement overlays with pavement crowns that match AASHTO standards for new construction.

Resurfacing projects offer opportunities to improve surface drainage and vehicle control in wet weather, by correcting deficient cross slopes at little or no additional cost.

Pavement edge drops result either from resurfacing activity unaccompanied by desirable shoulder improvement, or from wear, or erosion of weak shoulder material. Resurfacing can increase the likelihood that edge drops will develop later and require repeated maintenance to correct.

Consideration should be given to paving shoulders selectively to improve all-weather use and prevent edge drop problems from occurring on either the inside of outside of a short radius curve.

Pavement Structural Section

The design of a pavement structural section is not an exact science. The design guidelines and standards referenced herein are based on a wide range of factors. The final pavement design must be based on a thorough investigation of specific project conditions including materials, environmental conditions, projected traffic, life-cycle economics, and the performance of other like pavement structural sections under similar conditions in the same area.

The structural section of the roadbed should conform to:

- Section 600 of the *Caltrans Highway Design Manual*,
- *Caltrans Flexible Pavement Structural Section Design Manual*, or
- *Flexible Pavement Structural Section Design Guide for California Cities and Counties*, published by Caltrans in cooperation with County Engineers Association of California and the League of California Cities.

Signs and Markings

Guidance, regulatory, warning and temporary traffic control signs, curb and pavement, or other markings, markers, and traffic signals installed, or placed on any project constructed with federal funds shall conform to the *Manual on Uniform Traffic Control Devices* (MUTCD) and *MUTCD California Supplement*.

The FHWA has indicated that school crosswalks and other school markings should conform to the MUTCD in the interest of national uniformity when transverse crosswalk lines are used. The crosswalk markings shall be solid white or yellow; as required by California law and as stated in the *MUTCD California Supplement, Part 7, Traffic Controls for School Areas*. The MUTCD and *MUTCD California Supplement* are respectively available at:

http://mutcd.fhwa.dot.gov/ser-pubs.htm

http://www.dot.ca.gov/hq/traffops/signtech/mutcdsupp/index.htm

Deviations from the “Mandatory Standards” for signs markings, and traffic signals as defined and shown in the MUTCD and the *MUTCD California Supplement* are not permitted; unless a proposal to experiment with non-standard devices is submitted to the California Traffic Control Devices Committee and approved for experimental use.

Intelligent Transportation Systems/Traffic Signal Controllers

Per 23 Code of Federal Regulations (CFR), Part 940, *Intelligent Transportation System Architecture and Standards*, effective April 8, 2001, all Intelligent Transportation Systems (ITS) projects must adhere to ITS Standards. The choice of ITS Standards hinges on the development of a Regional ITS Architecture (RA). See Chapter 13 "*Intelligent Transportation Systems (ITS) Program*", of the LAPG for details on ITS Standards, or website at: http://www.dot.ca.gov/hq/LocalPrograms/lam/prog_g/g13its.pdf

Assembly Bill 3418 (1995) which amended Section 21401 of the *California Vehicle Code*, requires "any traffic signal controller that is newly installed or upgraded by the Department of Transportation or a local authority after January 1, 1996, shall be of a standard traffic signal communication protocol capable of two-way communications." Communication standards for traffic signal controllers are available from the National Transportation Communications for ITS Protocol. This information may be accessed through the Internet at: http://www.ntcip.org/. Other ITS elements to enhance pedestrian safety at intersections can be found at: http://www.walkinginfo.org/pedsmart/home.htm

Safety

The following publications have also been developed to aid the designer in improving highway safety:

- *Manual on Uniform Traffic Control Devices* (MUTCD)
- *MUTCD California Supplement*
- *Designing Safer Roads, Special Report 214*, Transportation Research Board
- *Roadside Design Guide, 1995* (availalble through AASHTO)

These publications are primarily informational or guidance in nature, and serve to assist local agencies in knowing the information valuable to attaining good designs. All designers should be familiar with these documents. Although the principles contained are written primarily for high-speed highway facilities, consideration should be given to their application on other types of projects regardless of traffic volumes and design speed. Project-by-project deviations from the criteria in these publications do not require handling in accordance with design exception approval procedures cited in Section 11.4 of this chapter. However, any deviations should be justified and documented in the project files.

Evaluating accident records is an integral step in developing highway projects and often reveals problems requiring special attention and corrective action. Accident records are available from the Statewide Integrated Traffic Records System (SWITRS) for analysis. Relative accident rates can influence the priorities of projects and ensure that project objectives and the scope of design are related to accident causes. In addition, it may be necessary to use a cost/benefit study and an investigation of accident experience, to determine, if the correction of an identified safety problem is cost-effective. Significant safety problems, such as narrow bridges or culverts, railroad crossings or fixed objects which are not cost-effective to correct, must be provided with suitable warning and traffic control devices. For example, no bridges may be left in place which have a width narrower than the surfaced approach roadway, unless suitable signing, marking and parapet protection are provided.

On many local agency projects, right of way considerations may limit the extent to which side slopes may be flattened and roadside clearances obtained. In such situations, it is expected that the desired smooth and obstacle-free roadside will be obtained to the extent feasible.

Bikeway Standards

The standards for bikeway projects shall conform to Chapter 1000 of the *Caltrans Highway Design Manual*. Deviations from the "mandatory" bikeway standards stated therein require approval in accordance with the design exception approval procedures described in Section 11.4 of this chapter.

Pedestrian Facilities

General Policy

Caltrans has the responsibility to ensure that all local agency projects, for which the local agency receives federal financial assistance from the US Department of Transportation, fully comply with 49 CFR (Code of Federal Regulations), Part 27 entitled, *Nondiscrimination on the Basis of Disability in Programs and Activities receiving or Benefiting from Federal Financial Assistance*. 49 CFR, Part 27 applies to each recipient of federal assistance from the US Department of Transportation, and to each program or activity that receives or benefits from such assistance.

Specifically, Caltrans' role is to ensure that all new and existing altered facilities such as, but not limited to highway rest area facilities, sidewalks, pedestrian cross walks, pedestrian over-passes, under-passes and ramps shall be made accessible to disabled persons in accordance with federal and state (the state should provide equal or greater accessibility) standards on all local agency federal-aid projects meeting the criteria for the ADA compliance as explained below.

In addition, local agencies are encouraged to adopt appropriate policies of the FHWA and Caltrans, e.g., *Accommodating Bicycle Pedestrian Travel*: *A Recommended Approach*, and Deputy Directive 64, *Accommodating Non-Motorized Travel.* This will help assure that the needs of non-motorized travelers are met in all programming, planning, construction, maintenance, operations, and project development activities and products.

Accessibility

Title II of the ADA of 1990 (http://www.usdoj.gov/crt/ada/reg2.html) prohibits discrimination on the basis of disability by public entities. This means that a public entity may not deny the benefits of its programs, activities, and services to individuals with disabilities because its facilities are inaccessible to these individuals. A public entity's services, programs, or activities when viewed in their entirety, must be readily accessible to, and usable by individuals with disabilities. This general requirement known as "program accessibility" applies to all existing facilities of a public entity. Under Title III (http://www.usdoj.gov/crt/ada/reg3a.html), public entities are not required to make each of their existing facilities accessible; as long as persons with disabilities have "equal access" to the goods and services provided to persons without disabilities.

Public entities may achieve program accessibility by a number of methods. In many situations, providing access to facilities through structural methods, such as alteration of existing facilities and acquisition or construction of additional facilities, may be the most efficient and equitable method of providing program accessibility. For example, to help achieve or maintain program accessibility, some local agencies have established an ongoing procedure for installing curb ramps upon request by individuals with disabilities.

The state and local governments are required to comply with either 28 CFR, Part 35, *Nondiscrimination on the Basis of Disability in State and Local Government Servic*es, or 28 CFR, Part 36, *Nondiscrimination on the Basis of Disability by Public Accommodations and in Commercial Facilities*, for all new construction and altering of existing improvements with or without federal-aid funds. Within the project limits, the design of the improvements shall comply with the current federal ADA regulations (*ADA Standards for Accessible Guidelines for Buildings and Facilities* (ADAAG) at Appendix A to 28 CFR, Part 36), and with the California and local building codes. For example, if a local agency is performing a pavement overlay (defined as an "alteration") of a street that has existing curb ramps; it will be necessary at that time to ensure that the curb ramps within the project limits are in compliance with current federal ADA standards. This is required in 28 CFR, Part 35, Section 35.151, *New Construction and Alterations*, and under current law even though the curb ramps may be scheduled to be modified at a later date in the local agency's transition plan.

If discrepancies are found between federal, state, or local requirements; the discrepancies should be brought to the attention of the District Local Assistance Engineer (DLAE). Generally, federal ADA requirements will prevail, unless the state or local requirements provide greater accessibility.

The "Accessible Parking" and "Curb Ramp" plans for disabled persons included in the *Caltrans Standards Plans* were developed for the use of Caltrans and are available to local agencies. The *Caltrans Standard Plans* are updated periodically to ensure compliance with both federal and state ADA standards.The curb ramps include a detectable warning surface (truncated domes).

Transition Plan

Where structural modifications are required to achieve program accessibility, a public entity (city, county, or State of California) with 50 or more employees is required by 28 CFR, Part 35, Section 150, *Existing Facilities*, to develop a transition plan within 6 months from January 26, 1992, setting forth the steps necessary to complete such modifications. A public entity shall also provide an opportunity to interested persons, including individuals with disabilities or organizations representing the same, to participate in the development of the transition plan by submitting comments. A copy of the transition plan must be made available for public inspection for a period of three years. If a public entity has responsibility or authority over streets, roads or walkways; its transition plan shall include a schedule for providing curb ramps or other sloped areas where pedestrian walkways cross curbs; giving priority to walkways serving local government offices and facilities, transportation and places of public accommodation, followed by walkways serving other areas.

In cases of administrative burden and undue financial hardship, which must be documented by a Department Head having budgetary authority and responsibility for spending decision making; the transition plan related to sidewalks and curbs might include some accessible transportation; as an option to fully meet all program compliance obligations. For example, designated accessibility arrival areas could be fully accessible in business districts with the remainder of the need relying on accessible transportation like accessible taxis and/or light rail service. The relational balance should be validated via the public participation process.

ADA Compliance of Project Plans and Specifications

State and local governments regardless of whether they receive federal funds are required to comply with the federal ADA Standards (ADAAG at: http://www.access-board.gov/adaag/html/adaag.htm), Title 24 of the California Code of Regulations which contain California building regulations, or local codes whichever provides the greatest access. Private-funded improvements within the public right of way are also required to comply with, whichever code offers the greatest access or protections to individuals with disabilities**.** The State of California has adopted regulations specifying that all buildings, structures, sidewalks, curbs and related facilities constructed in California by the use of state, county or municipal funds, or the funds of any political subdivision of the State; shall be accessible to and usable by persons with disabilities. The California Division of the State Architect (DSA), under the Department of General Services, is given responsibility for developing regulations and standards to ensure full accessibility. The intent of these regulations and standards are to prescribe no lesser a standard of accessibility or usability than provided by the federal ADA standards.

California Government Code Section 4450 and subsequent sections are designated as Chapter 7, *Access to Public Buildings by Physically Handicapped Persons.*" Section 4454 entitled, *Approval of Plans and Specifications,* requires:

(a) "*Where state funds are utilized for any building or facility subject to this chapter, or where funds of counties, municipalities, or other political subdivisions are utilized for the construction of elementary, secondary, or community college buildings and facilities subject to this chapter, no contract shall be awarded until the Department of General Services has issued written approval stating that the plans and specifications comply with the intent of this chapter.*"

(b) *Notwithstanding subdivision (a), for all transportation facilities, other than rail or transit stations, located within state highway rights of way, the Department of Transportation is authorized to issue the required written approval stating that the plans and specifications comply with intent of this chapter. If the Department of General Services, Division of the State Architect establishes a certified access specialist program, as described in Section 4459.5, specific to standards governing access to transportation facilities, the Department of Transportation shall within 180-days of establishment of the program begin using engineers certified through that program to verify that the Department of Transportation's standards, guidelines, and design exceptions comply with the intent of this chapter.*

Local agency plans and specifications with pedestrian facilities to be constructed with state funds (federal funds are not considered state funds) must be reviewed and approved by DSA with one exception. The one exception, is local agency plans and specifications of pedestrian facilities within the state highway rights of way , if not for rail and transit systems, can be reviewed and approved (certified) by Caltrans in place of DSA. Approval of the plans and specifications by DSA will require fees be paid directly to DSA. DSA regional offices can be found at this website:

http://www.dsa.dgs.ca.gov/UniversalDesign/default.htm

ADAAG Exceptions

The following provisions mentioned in part, are contained in ADAAG, Appendix A of 28 CFR, Part 36 and are available for the use of local agencies:

- *Paragraph 2. General*

  2.2. Equivalent Facilitation. *Departures from particular technical and scoping requirements of this guideline by the use of other designs and technologies are permitted where the alternative designs and technologies used will provide substantially equivalent or greater access to and usability of the facility.*

- *Paragraph 4.1.1 Application*

  (5) General Exceptions. (a) In new construction, a person or entity is not required to meet fully the requirements of these guidelines where that person or entity can demonstrate that it is structurally impracticable to do so. Full compliance will be considered structurally impracticable only in those rare circumstances when the unique characteristics of terrain prevents the incorporation of accessibility feature. If full compliance with the requirements of these guidelines is structurally impracticable, a person or entity shall comply with the requirements to the extent it is not structurally impracticable. Any portion of the building or facility which can be made accessible shall comply to the extent that it is not structurally impracticable.

- *Paragraph 4.1.6 Accessible Buildings: Alterations*

  (1)General. (j) Exception: In alteration work, if compliance with 4.1.6 is technically infeasible, the alteration shall provide accessibility to the maximum extent feasible. Any elements or features of the building or facility that are being altered and can be made accessible, shall be made accessible within the scope of alteration.

  Technically Infeasible means with respect to an alteration of a building, or a facility that has little likelihood of being accomplished, because of existing structural conditions that would require removing or altering a load-bearing member which is an essential part of the structural frame; or because other exiting physical or site constraints prohibit modification or addition of elements, space; or features which are in full and strict compliance with the minimum requirements for new construction and which are necessary to provide accessibility.

Encroachment Permits

Should an encroachment permit from Caltrans be needed by a local agency for a project; ADA compliance of the plans and specifications in accordance with *Caltrans Design Information Bulletin 82-01* will be required before an encroachment permit is issued.

Applicable Facilities

Based on federal and state laws and regulations, all newly constructed facilities must allow full accessibility with few exceptions. Facilities, defined in 28 CFR and 49 CFR Part 28, include but are not limited to all, or any portion of buildings, structures, roads, walks, passages, parking lots, etc. When existing facilities are being reconstructed or modified, the contract must also include work to make these facilities fully accessible. *Title II-6.6000* of the Department of Justice's, *Technical Assistance Manual*, further defines this, by stating that when streets, roads, or highways are newly built or altered; they must have ramps or sloped areas wherever there are curbs or other barriers to entry from a sidewalk or path. Likewise, when new sidewalks or paths are built, or are altered, they must contain curb ramps or sloped areas wherever they intersect with streets, roads, or highways.

ADA Design Assistances

DSA's regulations and building standards generally prescribe a standard of accessibility, or usability equal, or greater than provided by the federal *ADA Standards for Accessible Design* adopted by the United States Department of Justice and the Department of Transportation, to implement the Americans with Disabilities Act of 1990 (Public Law 101-336). DSA's website, including a current version of the "*DSA's California Access Compliance Reference Manual*," is located at:

http://www.dsa.dgs.ca.gov/universaldesign/default.htm

The U.S. Department of Justice and the Federal Access Board both have very comprehensive websites committed to accessible design. The websites include ADA design standards and a design guide. The websites are respectively located at:

http://www.ada.gov/ , and http://www.access-board.gov/indexes/pubsindex.htm

Bridges

Definitions

Bridge -- A structure including supports erected over a depression or an obstruction, such as a waterway, highway or railway, and having a track or passageway for carrying traffic, or other moving loads, and having an opening measured along the center of the roadway of more than 20 feet between undercroppings of abutments, or spring lines of arches or extreme ends of openings for multiple boxes–may include multiple pipes where the clear distance between openings is less than half of the smallest contiguous opening.

Bridge Length -- The greater dimension of a structure measured along the center of the roadway between backs of abutment backwalls or between ends of bridge floors.

Bridge Roadway Width -- The clear width of structure measured at right angles to the center of the roadway between the bottom of curbs or, if curbs are not used, between the inner faces of parapet or railing.

This definition is the minimum acceptable to the FHWA and is generally more restrictive than the state's definition, which is included as follows for reference.

The Office of Structures Maintenance and Investigation assigns an official bridge number and name to all "Bridges" meeting the following minimum criteria:

- Structures of more than length, measured parallel to the roadway centerline (facilities which come within the limits of the bridge classification only because of their skew, shall not be carried as bridges).
- Other structures where periodic inspection with written reports are desired. This includes items such as very large retaining walls, large culverts not qualifying as bridges, and special structures.

Bridge Design Procedures

All local bridges on and off the NHS shall be designed in accordance with the current edition of the Caltrans *Bridge Design Specifications* manual available at this website:

http://www.dot.ca.gov/hq/esc/techpubs/

In addition to the twelve geometric controlling criteria discussed in the Caltrans *Bridge Design Specifications* manual, the FHWA has designated "bridge structural capacity" as the thirteenth controlling criteria with a primary importance for safety in the selection of design standards. Deviations from standards relating to "bridge structural capacity" are not permitted.

It is desirable that a minimum appraisal rating (code) of 6 be attained for bridges, as defined by Item 68 in the Appraisal Section of the U.S. DOT/FHWA publication entitled *Recording and Coding Guide for the Structure Inventory and Appraisal of the Nation's Bridges*, or justification provided, as to why the minimum appraisal rating (code) of 6 was not attained.

The following Caltrans publications are also available to assist local agencies in designing their bridges:

- *Bridge Design Practice Manual*
- *Bridge Design Details*
- *Bridge Design Aids*
- *Bridge Memo to Designers*

Clear Width Design

For continuity and safety, the curb-to-curb corridor width should be continued across a bridge. Additional shoulder width should be also considered for pedestrian and bicyclist safety on the bridge. This additional shoulder width for safety is particularly important on urban collectors and arterials.

Seismic Design

The *Caltrans Bridge Design Specifications* manual reflects the requirements of the current edition of *AASHTO Standard Specifications for Highway Bridges*, modified by Caltrans to incorporate California seismic design as well as other requirements.

In addition to the above-referenced Caltrans bridge manuals and publications, the following design references are also available to those involved in seismic and retrofit design:

- *Seismic Design References* - Excerpts for the Caltrans Division of Structures Technical manuals compiling seismic design requirements
- *Memo to Designers 20-4,– Earthquake Retrofit Guidelines for Bridges*
- Various publications of design notes and research results by the University of California at Berkeley, San Diego and others. This information is used extensively in current practice and enables the industry to keep up with the very latest research results.
- Various computer programs have been developed by Caltrans personnel to assist in the analysis required in retrofit design. These programs are available to local agencies and consultants involved in retrofit design:

  a) Beams304 b) Col604n c) WFrame d) Frame407

  e) Nfoot f) Col702r g) XSection

The references discussed above which are not available from Caltrans' Publication Distribution Unit, are available from the Caltrans Structure Local Assistance Office at (916) 227-8038.

Railroad Bridges

Design loadings and geometrics for bridges carrying railroads and clearances for highway bridges spanning railroads shall conform to the *Caltrans Bridge Design Specifications*.

Bridge Railing

Bridge railing shall be designed in accordance with the current edition of *AASHTO's Guide Specifications for Bridge Railings.*

Although the FHWA has not designated bridge railing as a "controlling criteria" for safety (requiring formal approval), nevertheless, all deviations from accepted bridge railing standards and procedures in this publication should be justified and documented in the project files. Project-by-project deviations from the criteria in this publication do not require handling, in accordance with design exception approval procedures discussed in Section 11.4 of this chapter.

However, consideration should be given to the long-term effects as to the bridge traffic safety features. This is part of data to be collected and retained for FHWA's use per CFR Section 650.311. Specifically, this data is included in the Sufficiency Rating (see the *Recording and Coding Guide for the Structure Inventory and Appraisal of the Nation's Bridges*, published by FHWA), which is used in the HBP Program as a basis for establishing eligibility and priority for replacement and rehabilitation of bridges (CFR 650.409).

Refer to the above section entitled "Safety" for additional references and guidelines on the design of bridge approach guardrail and other safety features.

Bridges to Remain in Place

When local agencies make highway improvements, they must often decide whether or not to upgrade existing bridges. If the structures are otherwise compatible with the proposed work, the following criteria should be used:

- AASHTO's *A Policy on Geometric Design of Highways and Streets* provides the criteria for minimum structural capacities and minimum roadway widths for bridges to remain in place (refer to the table *Minimum Structural Capacities and Minimum Roadway Widths for Bridges to Remain in Place*). This table is applicable only when no modifications are made to the superstructure (asphalt concrete blankets of 1 inch thickness or less, attachment of guardrails at bridge approaches, and deck seals are not considered superstructure modifications). When changes to the superstructure are required, refer to the table entitled, *Minimum Clear Roadway Widths and Design Loadings for New and Reconstructed Bridges*.
- The structure clear width (traveled way plus shoulders) should be determined in conformance with AASHTO standards.
- Asphalt concrete thin blanket overlay (thickness of 1 inch or less) projects that cross structures without increasing the width of the approach roadway do not affect the geometric or design standards of an existing structure. A "cumulative or total" asphalt concrete overlay thickness of more than 3 inches, or any significant increase in width of pavement of any thickness requires that the structure be reviewed, to comply with all AASHTO design and geometric criteria. A total asphalt concrete thickness of more than 1 inch, but less than or equal to 3 inches, as well as, membrane deck seals should be considered on a case-by-case basis. Bridge rail height is one of design criteria that needs to be checked with overlays between 1 and 3 inches.
- All bridges within project limits or immediately adjacent to the project, shall be provided with standard approach railings.
- Timber structures may not be widened.

Design of Large Culverts

Reinforced concrete cast-in-place box culverts, concrete arch culverts, structural plate vehicular undercrossings, and structural plate arch culverts with cast-in-place footings and inverts require favorable foundation conditions. When the *Caltrans Standard Plans* are used for these culverts, the foundation material must be capable of supporting footing pressures indicated on the plan.

Special culvert designs are required when:

- Fill heights exceed those on the *Caltrans Standard Plans.*
- Fill heights exceed those in the tables of the *Caltrans Highway Design Manual.*
- Corner pressure exceeds values in Tables 854.3E and 854.4C of the *Caltrans Highway Design Manual.*
- Foundation material will not support the design soil pressure in the *Caltrans Standard Plans.*
- Culverts are subjected to unequal lateral pressures.
- Culverts exceed the sizes in the *Caltrans Standard Plans*.

All structures shall be proportioned for loads and forces outlined in the *Caltrans Bridge Design Specifications,* Section 3. "Loads."

The loading conditions outlined in this chapter have been developed for California to provide adequate capacity for all anticipated seismic loading conditions on underground structures. No additional allowances are required.

Foundation Investigation for Design

A foundation investigation and report by an Engineering Geologist or Civil Engineer specializing in soils engineering should be completed for all bridge and large culvert sites.This requirement may be waived, if the engineer in responsible charge of design determines that site conditions clearly indicate the report is unnecessary. This requirement for a foundation investigation and report must be waived on a project-by-project basis. The waiver must be signed by a California registered Civil Engineer and retained in the project files. Federal funds shall not participate in any construction change orders or claims relating to inadequate foundation investigations when such a waiver has been exercised. In addition, federal participation in future repair costs resulting from the inadequate foundation investigation will be made on a project-by-project basis.

All reports shall contain recommendations by the Soils Engineer or Engineering Geologist for specific design considerations for the site (see Exhibit 11-C, "Foundation Investigations," in this chapter).

Where pile support is anticipated in design, specific attention is directed to the *Caltrans Bridge Design Specifications*, Section 4.3.3, "Design Loads." The report should contain the data called for in Section 4.3.5, "Required Subsurface Investigations."

Drainage

General

The goal of hydraulic design for bridges and culverts is to convey surface and stream waters originating upstream of the drainage facility to the downstream side without causing objectionable backwater, excessive flow velocities, excessive scour, or unduly affecting traffic safety. The hydraulic drainage design criteria contained or referenced in this manual have been developed to accomplish this goal. However, state-of-the-art methods and procedures for the hydrologic analysis required to determine the severity and probability of occurrence of flood events are inherently ambiguous. Therefore, the drainage design criteria contained in this manual section is provided for guidance only and is not intended to establish legalor design standards, which must be strictly adhered to. The local agency must use discretion in applying the drainage criteria in order to design the most cost-effective drainage facility considering the importance of the transportation facility, safety, legal obligations, ease of maintenance, and aesthetics. For example, the selection of a design flood with a lesser or greater peak discharge may be warranted and justified by economic analysis (except that the approach roadway should not be inundated by the design storm).

An exception to the above discussion is the evaluation of encroachments on the base flood plain. Federal regulations (23 CFR 650.115) state that all such encroachments shall be evaluated to assess the costs and risks associated with the base flood (Q100) or overtopping flood, whichever is greater.

Definitions

Action - Any highway construction, reconstruction, rehabilitation, repair, or improvement.

Backwater - The rise in water surface elevation due to encroachment.

Base Flood - The flood or tide having only a one percent (1%) probability of being equaled or exceeded in any given year. It is also referred to as the 100-year flood (Q100).

Convey - Passage through, or bypass of, the structure without significant damage to encroachments within the flood plain.

Design Flood - The peak discharge (volume if appropriate), stage or wave crest elevation selected for the design of a facility located within a base flood plain. By definition through lanes will not be inundated by the design flood.

Encroachment - A facility and/or appurtenant feature located within the limits of a base flood plain.

Flood of Record - The greatest recorded flood in the drainage basin.

Flood Plain - Any of the following: (1) the valley area adjacent to a stream or river subject to inundation during periods of high water that exceed normal bank flow elevation, (2) an area adjacent to a lake, estuary, ocean or similar body of water subject to inundation by high water, high tides, surges, tsunamis or any combination of these, and (3) an area where the path of the next flood flow is unpredictable, as within the limits of a debris cone, an alluvial deposit, cone, or fan, a debris slope or a talus.

Flood Plain Values - Fish, wildlife, plants, open space, natural beauty, scientific study, outdoor recreation, agriculture, aquaculture, forestry, natural moderation of floods, water quality maintenance, groundwater recharge, etc.

Freeboard - (1) The vertical distance between the lowest structural member of a bridge superstructure and the water surface elevation of the design flood. (2) The vertical distance between the water surface elevation of the design flood, and the tops of the sides of an open conduit designed to allow for floating debris, or any other condition, or emergency without overtopping the structure.

Overtopping Flood - The magnitude of flood at which the water ceases to be conveyed totally through the drainage structure. Flow may be over the highway through overflow channels, or structures provided for emergency relief, or escape to another flood plain.

Regulatory Floodway - The flood plain area that is reserved in an open manner by federal, state or local requirements (i.e., unconfined or unobstructed either horizontally or vertically), to provide for the discharge of the base flood so that the cumulative increase in water surface elevation is no more than a designated amount (not to exceed 1 foot as established by the Federal Emergency Management Agency [FEMA] for administering the National Flood Insurance Program). The physical limits of the floodway will however, vary based on federal, state, or local definition.

Risk - The consequences associated with the probability of flooding attributable to an encroachment. It shall include the potential for property loss and hazard to life during the service life of the highway.

Risk -Analysis - An economic comparison of design alternatives using expected total costs (construction costs-plus-risk costs), to determine the alternative with the least total expected cost to the public. It shall include probable flood-related costs during the service life of the facility for highway operation, maintenance and repair for highway-aggravated flood damage to other property, and for additional or interrupted highway travel.

Significant Encroachment - A highway encroachment and any direct support of likely base flood plain development that would involve one or more of the following construction or flood related impacts: (1) a facility which provides a community's only evacuation route or one that is needed for emergency vehicles, (2) a facility in an unstable stream bed or other dangerous location, and (3) a facility that might have a significant adverse impact on natural beneficial flood plain values. It is federal policy to discourage any proposal that includes a significant encroachment.

Hydraulic Design Criteria

BRIDGES:

- The basic rule for hydraulic design of bridges is that; they should be designed to pass the two percent (2%) probability flood or tide (Q50) or the flood-of-record, whichever is greater without causing objectionable backwater, excessive flow velocities, or encroaching on through traffic lanes. Sufficient freeboard, the vertical clearance between the lowest structural member, and the water surface elevation of the design flood should be provided. A minimum freeboard of 2 feet is often assumed for preliminary bridge design. An evaluation should be performed to determine, if horizontal and vertical driftway requirements warrant a modified freeboard. The freeboard for controlled flow waterways, such as irrigation canals, shall be required by the regulatory agency having jurisdiction.

- The final design should be able to convey the base flood, Q100.
- The base flood (Q100) or overtopping flood, whichever is greater shall be used to evaluate the costs, risks and impacts associated with encroachments on the 100-year base flood plain.
- The minimum design flood for foundation analysis should be the base flood (Q100). Bridges with scourable beds should withstand the effects of the base flood (Q100) without failure. The top of pier footing should be placed at, or below the calculated total scour condition including anticipated lateral channel migration. Pile extensions and pile shafts should have sufficient embedment depth for the potential scour conditions.
- Consideration should be given to the long-term effects as to the bridge waterway adequacy. This is part of data to be collected and retained for FHWA's use per CFR Section 650.311. Specifically, this data is included in the Sufficiency Rating (see the *Recording and Coding Guide for the Structure Inventory and Appraisal of the Nation's Bridges*, published by FHWA), which is used in the HBP, as a basis for establishing eligibility and priority for replacement, and rehabilitation of bridges (CFR 650.409).

CULVERTS:

There are two primary design frequencies that should be considered in the design of drainage culverts. A culvert should convey:

- The ten percent (10%) probability flood or tide (Q10) without causing the headwater elevation to rise above the inlet top of culvert.
- The one percent (1%) probability flood (Q100) without damage to the facility or adjacent property.

OPEN CHANNELS/CONDUITS:

- Open channels/conduits should be designed according to the above bridge criteria with appropriate freeboard.

ROADSIDE DRAINAGE:

- The spacing of roadway inlets for pavement drainage vary with the desirable limits or water spread, which in turn depend on the type of facility, design storm frequency, traffic volume, design speed, and any local requirements. The recommended limits for water spread on various types of roadway facilities are provided in Chapters 800 to 890 of the *Caltrans Highway Design Manual*.

Additional information on the design of culverts including: hydrologic and hydraulic design considerations; height of fill limitations; protection from abrasion and corrosion; as well as, other economic, construction and maintenance considerations are included in the *Caltrans Highway Design Manual*.

Floodplain Encroachments

Proposed actions which encroach on a base floodplain or support incompatible floodplain development must be evaluated in a location Hydraulic Study to assess impacts on natural and beneficial floodplain values in accordance with 23 CFR 650A. The location hydraulic study must provide the following information:

- A brief description of the project hydrology
- A description of the types of traffic
- Emergency access data, availability of detours, etc.
- Comments on constraints which influence selection of available alternatives
- The location of property at risk
- An estimate of potential damage to property at risk
- A discussion of the environmental impacts

A summary of the location hydraulic study shall be included in the environmental document. When there is a significant encroachment within the base floodplain, a finding that the project is the only practicable alternative (the local agency must assure the opportunity for early public involvement) shall be included in the final environmental "NEPA" document.

The Department will be responsible for floodplain studies and floodplain findings under the Pilot Program and Section 6004. For local assistance projects, the Summary Floodplain Encroachment Report and Floodplain Evaluation Report is to be filled out, signed by the local agency project engineer, and concurred by the DLAE. If a significant floodplain encroachmenet is identified as a result of floodplains studies, FHWA will need to approve the encroachment and concur in the Only Practicable Finding. See Chapter 17 of the SER for additional information regarding floodplains.

Encroachments within regulatory floodways are generally not permitted. Local agencies should consult the appropriate federal, state or local regulatory agency for more information.

The design selected for the encroachment must be supported by an analysis of design alternatives, with consideration given to capital costs, risks, and other economic, engineering, social, and environmental concerns. Refer to 23 CFR 650.117 for the required content of the design studies. Upon completion of the environmental process, a hydraulic design study is required as part of the final design process.

The above technical engineering reports shall be prepared by a registered Civil Engineer in the State of California. The reports shall bear the registration seal, signature, license number and registration certificate expiration date of the California Registered Professional Engineer responsible for preparing the report.

When there is a potential for extensive disruption of essential services or incurring losses due to implementation of the proposed action; a comprehensive risk and cost analysis may be advisable during the final design stage. If a risk/cost analysis is anticipated, it is recommended that the results of preliminary studies be reviewed with the FHWA to confirm the need for the analysis.

For additional information on analysis of encroachments onto a floodplain, refer to Chapter 17, "FloodPlains,"of the *Standard Environmental Reference* (SER) and at this web site: http://www.dot.ca.gov/ser/vol1/vol1.htm.

Level of Evaluations

It is the policy of Caltrans and FHWA that the level of evaluation comply with federal and state mandated procedures and be commensurate with the risks and environmental impacts involved. An initial level of evaluation based on preliminary project data, may be established during the Preliminary Environmental Study (PES) (see Chapter 6, *Environmental Procedures*, of the LAPM and at this website:

http://www.dot.ca.gov/hq/LocalPrograms/lam/lapm.htm).

Refer to Exhibit 11-D entitled *Preliminary Hydrologic/Hydraulic Summary*, of this chapter for the information to be provided by a local agency "prior to or at" the early coordination meeting. The actual level of evaluation may change due to unforeseen conditions or impacts revealed during the environmental review and detailed design stage of project development. A less comprehensive evaluation is appropriate for encroachments at locations where the risk of property damage or damage to the facility is small. A decision to raise or lower the level of evaluation should be made in consultation with the FHWA.

A rehabilitation project including widening represents a significant financial investment and must be evaluated for compliance with current hydraulic design criteria for the project location. Any deviations must be justified and documented in the project files.

A comprehensive list of items to be considered for inclusion in drainage studies and reports is included in Exhibit 11-E, "Checklist for Drainage Studies and Reports," in this chapter. This exhibit also includes an excellent list of references for background information.

Scour Evaluations

A scour evaluation should be conducted for all bridges over water. The scour evaluation should include consideration of long-term aggradation/degradation, contraction scour, local scour, and lateral migration. The details of the scour evaluation shall be commensurate with the risk associated with the structure.

The FHWA has developed Hydraulic Engineering Circular (HEC) "#18 Evaluating Scour at Bridges" to aid in proper development of the necessary scour evaluations. Calculations similar to those in HEC #18 may be used for evaluating scour at bridges. The scour evaluation should be done by an interdisciplinary team consisting of hydraulic, geotechnical and structural engineers. Bridges with scourable beds should withstand the effects of the Q_{100} flood without failure. HEC #20 entitled "Stream Stability at Highway Crossings" is another resource for evaluating stream stability at design locations. For existing bridges that are susceptible to scour, refer to HEC "#23, Bridge Scour and Stream Instability Countermeasure," for suggested preventative measures.

Consideration should be given to the effect of aggregate mining contributing to scour at bridge foundations. Mining without proper monitoring and regulation could jeopardize federal funding for a damaged structure, if a local agency is aware of severe degradation due to mining and does nothing to mitigate the loss of material.

General Design Considerations for Bridges and Culverts

The effect on all permanent flood control structures, either under construction or in place shall be considered in determining the effects of the design flood. Runoff estimates should be based on the land development expected in the watershed twenty years hence.

The effect of bedload, drift, ice, upstream and downstream mining operation, etc., should be considered for all structures, and where appropriate, adequate armor, debris racks, clearance, etc., should be provided.

Typically, proposed construction which is capable of impounding water to the extent that it meets the legal definition of a dam must be approved by the Department of Water Resources (DWR), Division of Safety of Dams. The legal definition of a dam is given in Sections 6002 and 6003 of the *State Water Code*. Generally, any facility 25 feet or more in height, or impound capacity of 50 acre-feet or more, is considered a dam. However, any facility 6 feet or less in height, or storage capacity 15 acre-feet or less, shall not be considered a dam. Additionally, Section 6004 of the *State Water Code* states "*... and no road or highway fill or structure ... shall be considered a dam.*" Therefore, except for large retention or detention facilities, there is rarely a need for involvement by the DWR.

Although most designs will be exempt from DWR approval, caution should always be exercised in the design of high fills that could impound large volumes of water. Even partial plugging of a cross drain could lead to high pressures on the upstream side of the fill, creating seepage throughout the fill and/or an increased potential for piping.

Documentation

Whenever a waterway is involved, hydraulic studies must be performed and documented. The location hydraulic studies, which determine the selection of design alternatives, evaluate favorable or adverse effects of the facility on the stream environment; analyze other economic, engineering, and environmental concerns and detailed design studies; must be documented and retained in the local agency's permanent project design files. Upon request, these studies must be made available to the public, Caltrans, or FHWA. The documentation of the FHWA finding regarding the floodplain also must be retained in the files.

The following hydrologic data shall be shown on the contract plans:

Drainage Area_____ (acre)

	Design Flood	Base Flood	Overtopping Flood	Flood of Record
Frequency (years)	_____	_____	_____	_____
Discharge (cubic feet/second)	_____	_____	_____	_____
Water Surface Elevation at Bridge (feet)	_____	_____	_____	_____

Standard Plans

The following standard plans are acceptable for use on all local federal-aid projects not located on the SHS:

- The current edition of *Caltrans Standard Plans*
- The current edition of the *Standard Plans for Public Works Construction* (commonly referred to as "*the Green Book*"), developed and promulgated by the American Public Works Association, Southern California Chapter, and the Associated General Contractors of California, Southern California Districts

For locally sponsored projects on the SHS, the *Caltrans Standard Plans* must be used.

Standard Specifications

The following standard specifications are acceptable for use on all local federal-aid projects not located on the SHS:

- The current edition of *Caltrans Standard Specifications*
- The current edition of the *Standard Specifications for Public Works Construction* (commonly referred to as the "*Green Book*"), written and promulgated by the American Public Works Association, Southern California Chapter, and the Associated General Contractors of California, Southern California Districts
- Local standard specifications may be used for projects on the NHS, provided they have been reviewed and approved for such use by Caltrans.

For locally sponsored projects on the SHS, Caltrans Standard Plans and Specifications must be used.

11.3 Locally Developed Design Standards

Plans and specifications for federal-aid highway projects shall provide for a facility that adequately meets the existing and probable future traffic conditions in a manner conducive to safety, durability, and economy of maintenance. Section 109, *Standards*, of Title 23 of the U.S. Code also requires that projects shall be designed and constructed to conform to the particular needs of each locality.

Since statewide standards do not always meet the particular needs of each locality, local design standards that meet the following requirements are allowed on local federal-aid projects off the SHS.

Local Geometric Standards

Local geometric design standards that have been developed for use on locally funded new and reconstruction, or 3R projects, may be used on federal-aid projects off the NHS if:

- The standards have been approved by the County Board of Supervisors or the City Council,

- The standards must be signed by the City/County Public Works Director if he/she is a California registered Civil Engineer. If not, they may be signed by the City/County Engineer if registered. If the City/County Engineer is not registered, the delegation can be made to the highest level engineer in the agency who is registered. Locally adopted design standards may be signed by a consultant on retainer as City/County Engineer if such individual is registered and is responsible directly to the Public Works Director or City/County Manager, and
- Locally adopted design standards are reviewed for possible updating whenever the applicable AASHTO standards are updated.

Local Pavement Structural Section

Pavement structural section design methods or standards developed by a local agency for their own locally funded projects may be used for all local federal-aid projects off the NHS.

11.4 Design Exceptions

Occasionally, project conditions may warrant an exception to certain accepted standards or procedures. Such conditions might include: extreme difficultys or high cost of obtaining right of way; cost of construction; or the mitigation of environmental impacts.

Although all deviations from accepted standards and procedures must be justified and documented in some manner and retained in the project files; not all design exceptions must adhere to the formal design exception procedures as described below.

Standards For Which Deviations Are Permitted

Deviations from accepted standards are permitted as follows:

Geometric Criteria - The FHWA has determined that deviation from the following geometric control criteria for highways and bridges require formal approval:

- Design speed
- Cross slope
- Lane and shoulder width
- Superelevation
- Horizontal and vertical alignment
- Horizontal and vertical clearance
- Stopping sight distance
- Bridge width
- Grades

Any deviation from standards related to the above geometric criteria require that the local agency comply with the design exception approval procedures described below.

It is important to note that design exceptions that would result in the construction of a federally funded new bridge that would result in a Sufficiency Rating (SR) of less than 80 are not allowed. The controlling criteria for bridge width, vertical and horizontal over and under bridge clearances, and approach roadway alignment are among the factors that are rated during each biennial bridge inspection. Explanation of the rating factors can be found in the publication entitled *Recording and Coding Guide for the Structure Inventory and Appraisal of the Nation's Bridges.*

Safety - Deviations from the above geometric control criteria related to safety must be handled in accordance with the procedures outlined below. Deviations from the criteria contained in the other safety-related publications referenced in Section 11.2 do not require special handling.

Pavement Structural Section - Deviations from the pavement structural section design criteria referenced herein must be justified and documented in some manner, but do not require approval in accordance with the design exception approval procedures described below.

Drainage - The hydrologic and hydraulic criteria contained herein is for guidance only. Deviations should be justified and documented, but do not require approval in accordance with the design exception approval procedures described below.

Bridge Railings - Deviations from the nonstructurally related design criteria referenced herein do not require approval in accordance with the design exception approval procedures described below. Bridge rail on NHS projects let after August 16, 1998, must meet crash test requirements of NCHRP 350.

Bikeways - Deviations from the "Mandatory Standards," as defined and indicated in the *Caltrans Highway Design Manual*, require approval in accordance with the design exception approval procedures described below.

Pedestrian Facilities - Deviations from the state pedestrian standards shall be documented in a form of a memo and retained in the project files. This memo shall discuss the justification and reasoning for not meeting the applicable standards. Deviation from federal pedestrian standards shall be documented in accordance with the federal *ADA Standards for Accessible Guidelines for Buildings and Facilities*.

Standards For Which Deviations Are Not Permitted

Bridge Structural Capacity - Deviations from the criteria contained herein for the structural capacity of bridges and other structures are not allowed. Deviations from bridge design details in the various Caltrans bridge design manuals and publications referenced herein are permitted as long as they do not impact structural capacity.

Signs and Markings - Deviations from the "Mandatory Standards" for signs and markings as defined and indicated in the *Manual on Uniform Traffic Control Devices* (MUTCD) and the *MUTCD California Supplement* are not allowed, unless a proposal to experiment with non-standard devices is submitted to the California Traffic Control Devices Committee and approved for experimental use.

Design Exception Approval Procedures

Local Projects on the State Highway System

Local projects on the SHS must follow the design exception approval procedures outlined in the Caltrans *Project Development Procedures Manual*. Refer to this website at: http://www.dot.ca.gov/hq/oppd/pdpm/pdpmn.htm

Local Projects not on the State Highway System

The following design exception approval procedures are to be followed.

The FHWA has delegated Caltrans approval authority for design exceptions on local projects not on the SHS. However, since local agencies are in a better position to assess applicability to any given situation on local roads; design exception approval authority (for those standards from which deviations are permitted) is now delegated to the City and County Public Works Directors. Public Works Directors may delegate this approval authority within their local agency, if the Public Works Director is not a registered civil engineer in the State of California, or if the local agency has a large engineering staff with multiple layers of responsibility. The person with approval authority must be a registered civil engineer in the State of California. Approval of design exceptions on local federal-aid projects shall be signed by the Public Works Director or the person to whom approval authority has been delegated.

The approval authority for design exceptions may be delegated to a private consulting firm that is on retainer as City or County Engineer.

To facilitate process reviews (see Chapter 19, *Oversight and Process Reviews*, of the LAPM), local agencies are required to keep copies of design exceptions prepared for their projects in their project files. If any local agency fails to complete and retain the completed and approved project design exception; their delegation to approve future design exceptions may be rescinded.

Design Exception Fact Sheet

The standard *Design Exception Fact Sheet* (Exhibit 11-F in this chapter) must contain the following information:

- Existing conditions
- Proposed work and nonstandard features
- Standard for which the exception is required
- Accidents - if applicable
- Design year traffic volumes - if applicable
- Added cost to make standard
- Description of any additional work to enhance safety
- Reason for requesting exception
- Reviews

The *Design Exception fact Sheet* must be signed, stamped with engineer's seal, and approved by Director of Public Works, or the person whom approval authority has been delegated.

Tracking of Design Exceptions

A tracking system for design exceptions should be implemented by local agencies to retrieve project information quickly and accurately. The data should include:

- Project description.
- Project location
- Nonstandard features approved
- Indication if future commitments have been made
- Brief description of commitments to upgrade the project to design standards at a future date

11.5 References

1. American Association of State Highway and Transportation Officials (AASHTO)

- *A Policy on Geometric Design of Highways and Streets, current edition (2004)*
- *Guide Specifications for Bridge Railings, current edition*
- *Roadside Design Guide, current edition (2002)*
- *Standard Specifications for Highway Bridges, current edition*

2. California Department of Transportation (Caltrans)

- *Bank and Shore Protection, 1970*
- *Bridge Design Aids, current edition*
- *Bridge Design Details, current edition*
- *Bridge Design Details, current edition*
- *Bridge Design Practice Manual, current edition*
- *Bridge Design Specifications, current edition*
- *Bridge Memo to Designers, current edition*
- *Design Information Bulletin* (DIB*) 79-02*
- *Flexible Pavement Structural Section Design Manual*
- *Flexible Pavement Structural Section Guide for California Cities and Counties*
- *Highway Design Manual*

  Chapter 80 - Application of Design Standards
  Chapter 200 - Geometric Design and Structure Standards
  Chapter 600 - Design of the Pavement Structural Section
  Chapters 800 to 890 - Highway Drainage Design
  Chapter 1000 - Bikeway Planning and Design
- *Local Assistance Procedures Manual* (LAPM)
- Minimum Standards for Geometric Design of federal-Aid Resurfacing, Restoration, and Rehabilitation Projects on Local Streets and Roads (1988).
- MUTCD *(Manual on Uniform Traffic Control Devices) California Supplement*
- *Standard Environmental Reference (SER)*
- *Project Development Procedures Manual, current edition*
- *Standard Plans*
- *Standard Specifications*
- *Vehicle Crash Tests of Steel Bridge Barrier Rail Systems for Use on Secondary Highways, Final Report # FHWA/CA/TL-93/01,* Division of New Technology, Materials and Research

3. FEDERAL OR FEDERAL HIGHWAY ADMINISTRATION (FHWA)

- *23 USC Standards*
- *23 CFR Part 650 Bridges, Structures and Hydraulics*
- *28 CFR Part 36 Nondiscrimination on Basis of Disabilities by Public Accommodations and in Commercial Facilities, Appendix A Standards For Accessible Design*
- *28 CFR Part 35 Nondiscrimination on the Basis of Disability in State and Local Government Services*
- *41 CFR Part 101*
- *Designing Sidewalks and Trails for Access (Part 2), FHWA-EP-01 027*
- *Federal-Aid Policy Guide, Subchapter G, Engineering and Traffic Operations, Part 625 - Design Standards for Highways*
- *FHWA Internet Home Page:* http://www.fhwa.dot.gov
- *FHWA Contract Administration Core Curriculum Participant's Manual and References Guide*, 2006
- Hydraulic Engineering Circulars
  - *Design of Riprap Revetment* - Hydraulic Engineering Circular #11,
  - *Evaluating Scour at Bridges* - Hydraulic Engineering Circular #18,
  - *Stream Stability at Highway Crossings* - Hydraulic Engineering Circular #20,
- *Manual on Uniform Traffic Control Devices (MUTCD), current edition*
- *Recording and Coding Guide for the Structure Inventory and Appraisal of the Nation's Bridge, Report No. FHWA-ED-89-044*

4. OTHER

- *Designing Safer Roads - Practices for Resurfacing, Restoration and Rehabilitation, Special Report 214, Transportation Research Board*
- *Multiple-Service-Level Highway Bridge Railing Selection Procedures, National Cooperative Highway Research Program Report 239*
- *Roadside Safety, Transportation Research Record 1065, Transportation Research Board*
- *Recommended Procedures for the Safety Performance Evaluation of Highway Appurtenances, National Cooperative Highway Research Program Report 230*
- *Recommended Procedures for the Safety Performance Evaluation of Highway Features, Report 350*
- *Standard Plans for Public Works Construction,* developed and promulgated by the American Public Works Association, Southern California Chapter, and the Associated General Contractors of California, Southern California Districts
- *Standard Specifications for Public Works Construction*, developed and promulgated by the American Public Works Association, Southern California Chapter, and the Associated General Contractors of California, Southern California Districts

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EXHIBIT 11-A GEOMETRIC DESIGN STANDARDS FOR LOCAL 3R PROJECTS

GEOMETRIC DESIGN STANDARDS FOR LOCAL 3R PROJECTS

Table 11-1: Lane and Shoulder Widths Arterial Roads and Streets

Design Year Volume (ADT)	Design Speed (mph)	Lane Width (feet)	Shoulder Width [a] (feet)	Total Roadway Width (feet)
Low Volumes:				
1 - 750 ADT	All	10	2	24
High Volumes:				
751 - 2,000 ADT	All	12	2 [b]	28 [c]
Over 2,000 ADT	All	12	6 [b]	36 [c]

[a] All shoulders on rural and urban arterials to be paved.

[b] Reduce by 1 foot for highways on mountainous terrain.

[c] Reduce by 2 feet for highways on mountainous terrain.

TABLE 11-2: LANE AND SHOULDER WIDTHS COLLECTOR ROADS AND STREETS

Design Year Volume (ADT)	Design Speed [a] (mph)	Lane Width (feet)	Shoulder Width [b] (feet)	Total Roadway Width (feet)
Low Volumes:				
1 - 750 ADT	All	10	2	24
High Volumes:				
751 - 2,000 ADT	Under 50	10	2 [c]	24 [d]
	50 and over	12	2 [c]	28 [d]
Over 2,000 ADT	All	12	4 [c]	32 [d]

[a] Highway segments should be classified as “under 50” only if most vehicles have an average speed of less than 50 mph over the length of the segment

[b] All shoulders on collector roads and streets to be paved.

[c] Reduce by 1 foot for highways on mountainous terrain.

[d] Reduce by 2 feet for highways on mountainous terrain.

TABLE 11-3: LANE AND SHOULDER WIDTHS LOCAL ROADS AND STREETS

Design Year Volume (ADT)	Design Speed [a] (mph)	Lane Width (feet)	Shoulder Width (feet)	Total Roadway Width (feet)
Low Volumes:				
1 - 750 ADT	All	10	2	24
High Volumes:				
751 - 2,000 ADT	Under 50	10	2 [b]	24 [c]
	50 and over	12	2 [b]	28 [c]
Over 2,000 ADT	All	12	4 [b]	32 [c]

[a] Highway segments should be classified as "under 50" only if most vehicles have an average speed of less than 50 mph over the length of the segment

[b] Reduce by 1 foot for highways on mountainous terrain.

[c] Reduce by 2 feet for highways on mountainous terrain.

TABLE 11-4: LANE WIDTHS URBAN ROADS AND STREETS

TYPE OF LANE	**MINIMUM WIDTH(FEET)**
Curb Lane	
No Parking Anytime [a]	**11**
Part-time Use (peak hour/high volume/low speed)	**9**
With Parking	**19**
Interior Lane	**10**
Lane Adjacent to Median	
Raised Curb	**10**
Painted Median	**10**
Left-Turn Lane	
One-Way (one lane only)	**10**
Two-Way (continuous)	**10**
Bicycle Lane (Within Roadway)	
One-Way	**4**
Bicycle Lane and Parking (One-Way)	**12**

[a] A 1 foot curb lane, with up to 2 feet wide gutter, may be used at intersections.

TABLE 11-5: BRIDGES ON ARTERIAL ROADS AND STREETS

Design Year Volume (ADT)	Minimum Usable Bridge Width [a]
1 - 750	Width of approach lanes [b]
751 - 2,000	Width of approach lanes plus 2 feet each side
2,001 - 6,000	Width of approach lanes plus 4 feet each side
Over 6,000	Width of approach lanes plus 8 feet each side

[a] If lane widening is planned as part of a 3R project, the usable bridge width should be compared with the planned width of the approaches after they are widened.

[b] Minimum usable bridge width to be 24 feet.

TABLE 11-6: BRIDGES ON COLLECTOR ROADS AND STREETS

Design Year Volume (ADT)	Minimum Usable Bridge Width [a]
1 - 750	Width of approach lanes [b]
751 - 2,000	Width of approach lanes plus 2 feet each side
2,001 - 6,000	Width of approach lanes plus 4 feet each side
Over 6,000	Width of approach lanes plus 8 feet each side

[a] If lane widening is planned as part of a 3R project, the usable bridge width should be compared with the planned width of the approaches after they are widened.

[b] Minimum usable bridge width to be 24 feet.

TABLE 11-7: BRIDGES ON LOCAL ROADS AND STREETS

Design Year Volume (ADT)	Minimum Usable Bridge Width [a]
1 - 750	Width of approach lanes
751 - 2,000	Width of approach lanes plus 2 feet each side
Over 2,000	Width of approach lanes plus 4 feet each side

[a] If lane widening is planned as part of a 3R project, the usable bridge width should be compared with the planned width of the approaches after they are widened.

TABLE 11-8: HORIZONTAL AND VERTICAL ALIGNMENT ARTERIAL ROADS AND STREETS

Design Speed (mph)	Minimum Stopping Sight Distance (feet)	Minimum Radius of Horizontal Curve (feet) Super-Elevation 10% (a)	Super-Elevation 8% (b)	Maximum Grade (%) Rural Level	Rolling	Mountains	Urban Level	Rolling	Mountains
30	200	230	250	...	...	...	8	9	11
40	275	430	470	...	...	...	7	8	10
50	400	695	765	4	5	7	6	7	9
60	525	1,090	1,205	3	4	6	5	6	8

[a] Generally, superelevation should not exceed 10 percent.
[b] Superelevation should not exceed 8 percent where snow and ice conditions prevail.

TABLE 11-9: HORIZONTAL AND VERTICAL ALIGNMENT COLLECTOR ROADS AND STREETS

Design Speed (mph)	Minimum Stopping Sight Distance (feet)	Minimum Radius of Horizontal Curve (feet) Super-elevation 10% (a)	Super-elevation 8% (b)	Maximum Grade (%) Rural Level	Rolling	Mountains	Urban Level	Rolling	Mountains
20	125	100	105	7	10	12	9	12	14
30	200	230	250	7	9	10	9	11	12
40	275	430	470	7	8	10	9	10	12
50	400	695	765	6	7	9	7	8	10
60	525	1,090	1,205	5	6	8	6	7	9

[a] Generally, superelevation should not exceed 10 percent.
[b] Superelevation should not exceed 8 percent where snow and ice conditions prevail.

TABLE 11-10: HORIZONTAL AND VERTICAL ALIGNMENT LOCAL ROADS AND STREETS

Design Speed (mph)	Minimum Stopping Sight Distance (feet)	Minimum Radius of Horizontal Curve (feet)		Maximum Grade (%)		
		Super-Elevation 10% (a)	Super-elevation 8% (b)	Rural		
				Level	Rolling	Mountains
20	125	100	105	8	11	16
30	200	230	250	7	10	14
40	275	430	470	7	9	12
50	400	695	765	6	8	10
60	525	1,090	1,205	5	6	...

[a] Generally, superelevation should not exceed 10 percent.
[b] Superelevation should not exceed 8 percent where snow and ice conditions prevail.

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EXHIBIT 11-C FOUNDATION INVESTIGATIONS FOR DESIGN

FOUNDATION INVESTIGATION FOR DESIGN

A foundation investigation and report is required for all proposed structure sites. The study and report shall be made by a California licensed Engineering Geologist or Civil Engineer, who specializes in foundations. The report shall, at a minimum, address all "applicable" topics shown in the following Caltrans checklist.

Specific attention is directed to appropriate sections of the *Caltrans Bridge Design Specifications*, Section 4- "FOUNDATIONS." All driven pile support recommendations shall consider the use of Caltrans Standard Class 45 or Class 70 piles using design loads of 45 and 70 tons, respectively.

A Log of Test Borings sheet shall be drafted and included as part of the foundation report, and as part of the structure plans.

CHECKLIST FOR STRUCTURE FOUNDATION STUDIES AND REPORTS

LOG OF TEST BORINGS SHEET

A log of Test Borings sheet (similar to Caltrans' sheet) shall be included as part of the Foundation Report. Show the location of each boring or test pit in plan view. Logs of all borings shall be shown in an elevation or profile view on the sheet. Information which should be shown on plots of test borings is as follows:

1. Diameter, type, and date of boring.
2. Location of borings with respect to stationing along survey lines for the proposed project**.**
3. Elevation of the top of each boring, etc.
4. Description of samplers, sampling methods, and in-situ tests.
5. Test results including Standard Penetration Test. Results of the Standard Penetration Test (ASTM D-1586-84) shall be presented so that quick correlation with the Caltrans data base may be made.
6. Soil or rock descriptions and elevations of strata.
7. Groundwater elevation and date of measurement should be shown adjacent to the boring or test pit where taken.
8. Location, description, and elevation or the benchmark used for determining the top-of-hole elevations shown on the Log of Test Borings.
9. Name and position or title of person conducting the field study.
10. Name and position or title of the registered Engineering Geologist or Civil Engineer approving the "Log of Test Boring Sheet."

WRITTEN REPORT

A written report shall be prepared, which shall contain an interpretation and analysis of the foundation conditions based upon all available sources of data. Data may come form new or previous exploration programs, laboratory testing, and nearby construction experience, performance of nearby structures, etc. A short description of site topography geology should be included. Emphasis should be placed on slope stability of cuts and excavations, unusual groundwater conditions, springs, etc. All sources of information should be cited. The materials and conditions, which may be encountered during construction, shall be discussed. Problems involving design and construction should be anticipated and recommendations made for their solution. The recommendations shall be brief, concise, and definite. Reasons for recommendations and their supporting data shall always be included. Methods used for calculating pile capacities and soil-bearing capacities should be mentioned for ease of review. Extraneous data, which are of no use to the designer or Resident Engineer, should be omitted.

The written report shall be include, but not limited to, information and recommendations regarding applicable items in the following lists:

1. TYPING OF FOUNDATION

A. Pile Support (Driven or Cast-In-Drilled-Hole)

1. Method of support (skin friction and/or end bearing) in rock or soil or both.
2. Suitable pile type(s)-reasons for choice and/or exclusion or types. When appropriate, Caltrans' standard piles should be used.
3. Pile tip elevation
   a. Specified (use of "indicator piles" is not acceptable.)
   b. Probable
   c. Need for pre-drilling or jetting
4. Pile Design Load and Ultimate Capacity in compression and tension. Specify the Safety Factor.
5. Reduction of pile capacity due to negative skin friction.
6. Requirement for load test. Specify which portion of the structures' foundation will be controlled by the test.
7. Effects on adjacent existing structures.
8. Corrosion effects of various soils and waters, and possibility of galvanic reaction from stray currents.
9. Scour depth (elevation) and method of determination.

B. Footing Support

1. Elevation of bottom footing.
2. Allowable and ultimate footing pressure (include Safety Factor). Approximate settlement at uniformly distributed allowable load.
3. Brief Description of materials on which the footing is to be placed.
4. Scour depth (elevation).

C. Drilled Shafts/Pier Columns (Mined Shafts)

1. Geologic description of foundation materials
2. Diameter (or dimensions)
3. Design Load, ultimate loads, and safety factor
4. a. Top of shaft elevation
   b. Bottom of shaft elevation
   c. Minimum shaft length into load carrying stratum
   d. Estimate of shaft wall stability and possible shoring requirements
5. Soil or rock weight and strength parameters for determining end bearing capacity, lateral load capacity, and point of shaft/column fixity.

11. APPROACH FILL REQUIREMENTS

1. Predicted amount of settlement and time delay required prior to beginning foundation construction. Predicted post construction settlement. Possibility of negative friction on pile foundations.

2. Special Requirement:
   a. Controlled rates of embankment placement.
   b. Fill height limit on untreated foundation.
   c. Stripping of unsuitable foundation materials.
   d. Use of lightweight fills to reduce amount of settlement.
   e. Use of surcharge, wick drains, or other methods to shorten the required time delay period.
   f. Specify embankment side slopes.
   g. Unusual compaction requirements (i.e. 95% relative compaction) where abutments on spread footings are used.

111. CONSTRUCTION CONSIDERATIONS

1. Water table-seasonal or long term fluctuations, data for possible control in excavations (i.e. pumping, well points, trim seals, amounts of groundwater, etc.).
2. Adjacent structures-protection against damage form excavations, pile driving , etc.
3. Pile driving-difficulties, clearance, overhead or underground utilities, other unusual conditions, etc.
4. Excavation-control of earth slopes including shoring, sheet piles, bracing, and safety requirements.

IV SEISMIC DATA

The foundation report should contain the following information, so that an evaluation of seismicity can be made per the Caltrans Bridge Design Specifications.

1. Maximum credible rock acceleration (from CDMG MS-45*)
2. Magnitude of the maximum credible event.

3. Name of the causative fault and distance from the site.
4. Depth to rock or rock-like material (Vs > 2500 ft/s). Provide supporting evidence for depth (i.e. boring log or geologic reference)
5. Liquefaction potential.
6. Need for "seismic approach slab.

V. REVIEW OF FINAL STRUCTURE PLANS.

The foundation consultant should review the structure plans to ensure that the foundation recommendations have been followed, and provide revised recommendations, if required by design changes, etc.

***MUALCHIN, LALLIANA (1987) CALIFORNIA DIVISION OF MINES AND GEOLOGY MAP SHEET 45, ROCK ACCELERATION FROM MAXIMUM CREDIBLE EARTHQUAKES IN CALIFORNIA.**

EXHIBIT 11-D PRELIMINARY HYDROLOGIC/HYDRAULIC REVIEW SUMMARY

PRELIMINARY HYDROLOGIC/HYDRAULIC REVIEW SUMMARY

Bridge Name (facility crossed) _____

_____

State Bridge No. _____ **Road Name** _____

Hydrologic and Hydraulic Data

1. Size of drainage basin _____
2. Design flows and water surface elevations (USGS)
   a. Q_{10} _____ elevation _____ (culverts only)
   b. Q_{50} _____ elevation _____
   c. Q_{100} _____ elevation _____
3. High water marks (Elevation/Year)
   _____
4. Structure opening size Date Constructed
   a. Existing _____ _____
   b. Upstream _____ _____
   c. Downstream _____ _____
5. Description of property risks _____
6. Summary of upstream development _____
7. Importance of structure _____
8. Description of risks to life _____
9. Effects of facility on stream environment _____
10. Are there any channel restrictions or controlled flow?
11. Has this basin been studied before? Date of study? Is the Study recognized by Caltrans?
12. Is there a potential debris problem? (describe)
13. Are there any mining operations within 3000 feet upstream and/downstream? _____

Remarks: _____

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EXHIBIT 11-E CHECKLIST FOR DRAINAGE STUDIES AND REPORTS

CHECKLIST FOR DRAINAGE STUDIES AND REPORTS

This is a checklist of items to be considered for inclusion in hydraulic studies and reports. For definition of terms see section entitled "*Definitions*" of this chapter.

1. PRELIMINARY

a. Review of basic guidelines

1. A floodplain cannot be altered in any way until it has been shown that such alteration will pass the base flood without significant damage to either the flood plain or surrounding property. This requirement is often referred to as "conveyance of the base flood." (Conveyance may be through structures, over the roadway, through escapements, through overflow channels, or any combination of the above.)
2. Approval for actions within a flood plain cannot be given until various options of alignments, grade, and waterway area have been appraised.
3. No bridge abutments or embankment shall encroach on a regulatory floodway.

b. Collect appropriate and readily available published data such as:

1. USGS quadrangle maps
2. NFIP maps – Flood plain maps may be obtained from the National Flood Insurance Program (NFlP), or the Local Caltrans District office
3. Aerial photos - Check with Caltrans
4. Runoff records - USGS water supply papers
5. Rainfall records- Various sources
6. Prior hydrology reports including photos and plans

c. Coordinate with other agencies

1. Determine whether permits are required.
2. Determine how the area is zoned.
3. Investigate possibility of cooperative projects.
4. Determine whether there exist or proposed water resource projects that will influence the design, and summarize details (Watershed area, storage capacity, etc., when pertinent).
5. Determine whether there is ongoing or proposed clearing, construction, land leveling, land development, aggregate mining, etc., that would affect flow in or the stability at the stream.

d. Floodplain Encroachments

1. Executive order 11988 establishes the federal policy on floodplain management. This policy has been implemented by 23 CFR, Part 650A (23 CFR 650A).
2. CFR 650A requires all encroachments and all actions, which affect an area, subject to flooding by flood or tide having a one-percent chance of being exceeded in any given year, to comply with a floodplain management policy. Repairs made to existing facilities with emergency funds (see *Local Programs Manual* which discusses Emergency Relief) during or immediately following a disaster are exempt from this policy.

e. The hydrology and hydraulics report shall:

1. Only be as comprehensive as the conditions warrant. Calculations with short comments are sufficient for a culvert in a well-defined drainage environment. A complete comprehensive document is required for a major stream crossing in an ecological setting.
2. Generally be structured along these guidelines with:
   a. Background data and estimates of future flood.
   b. Calculations to determine velocities, water surface elevations, backwater and scour depth (the lead agency should provide a disk with the data used to run HEC-2 or WSPRO. If a program other than these is used, that program should be provided on a disc along with the data used).
   c. Illustrative photos.
   d. Comments on selection of design flood, conveyance of 100-year flood, channel change, effect on stream stability, and provisions for fish passage.

f. Suggested desirable hydraulic features

1. The following features should be considered in the design of a bridge or culvert:
   a. Use of warped wingwalls
   b. No open vents
   c. No piers in main channel
   d. Use of energy dissipaters
   e. Extending pier walls to edge of deck
   f. No piers in navigable channel

2. **FIELD RECONNAISSANCE** -- Should be made by the engineer making the hydrologic and hydraulic analysis

a. Channel stability

1. Estimate the erodability of streambed material.
2. Document bends, meanders, and any eroded areas.
3. Is the existing protection providing adequate erosion control, and if so, is it fragile?
4. Are there signs of aggradations or degradation? Other scour considerations?
5. Are there any upstream or downstream mining operations?

b. Potential problems

1. Consideration of the value of the property that would be damaged by the base flood or overtopping flood.
2. Size and amount of drift.
3. Ice, snow.
4. Banks that would erode if flow is accelerated or redirected.
5. Check adequacy of abutment protection.

c. Environmental considerations

1. Avoid support of incompatible floodplain development.
2. Minimize the impact of highway actions that adversely affect the base floodplain.
3. Restore and preserve the natural and beneficial floodplain values (fish, wildlife, plants, open space, natural beauty, scientific study, outdoor recreation, agriculture, aqua culture, forestry, natural moderation of floods, water quality maintenance, groundwater discharge, etc.).
4. Be consistent with the standards/criteria of the National Flood Insurance Program of the Federal Emergency Management Agency (FEMA).

d. Alternative sites

1. Locate suitable alternative sites.
2. What are the advantages and disadvantages of the alternative sites?

e. Existing structures (including relief or overflow structures)

1. Locate existing nearby upstream or downstream structures with respect to proposed crossing or encroachment.
2. For each existing nearby structure note the type, number of spans, span lengths, vertical clearance, bent design or pier orientation.
3. For each nearby existing culvert estimate the size and number of cells.

f. Hydraulic data

1. Locate high water marks (give date and elevation).
2. Document both the flood history and source of information.
3. Document the damage to existing structures including abrasion, corrosion, wingwall failure, culvert entrance failure, pier settlement, or excessive aggradations or degradation.
4. Note the use of bank protection, drop structures, or any other sign of corrective work at existing structures.

g. Factors affecting water stage

1. Determine whether flood flow can escape to, or enter from, other watersheds during floods.
2. Determine whether any of the flow can bypass the site.
3. Determine whether backwater or tides affect the flow.
4. Determine what will control an overtopping flood.

3. ECONOMIC ANALYSIS

a. Make an economic analysis of all the reasonable alternatives based on construction cost, aesthetic cost, ecological cost, flood damage cost, loss of traffic service, etc.
b. Reject from further considerations those options that are not economically suitable alternatives.

4. FIELD SURVEY

a. Obtain topographic data for the suitable site alternatives. Extend limits to include overflows where practicable.
b. Locate, sketch, and record significant features such as buildings, levees, walls, fences, ditches, trees, boulders, etc., and where significant, record elevations.
c. Record water surface elevation, the elevation of the path of greatest depth as in a stream channel (thalweg elevation), and estimate velocity of flow.
d. Set tidal gages where tidal influence is possible and record data hourly throughout the survey.
e. Obtain channel cross-sections 500 and 1000 feet upstream and downstream where necessary.
f. Obtain data on boat traffic.
g. Take ample photographs at each site to illustrate the hydraulic and ecological features.
h. Take physical measurements of the existing structure and/or any other bridge or culvert with similar characteristics either upstream or downstream.
i. Where possible determine the foundation type (spread footings, piles) and foundation depth of all nearby structures

5. SITE MAP CONSTRUCTION

a. Purpose: For use in estimating flood flow distribution; to locate cross section of stream; to show location of proposed encroachment and structures, alignment of piers, skew of crossing, stream controls, existing encroachments, existing highway structures, etc.

1. A specially prepared site map showing one foot and two feet contours, vegetation, and manmade improvements is normally required. In some cases cross-sections normal to flood flow are acceptable in lieu of the map. A minimum of 3 cross sections is required including one upstream, one at the crossing, and one downstream.

2. The site map should include the limits of the overtopping flood when practical.

3. Where there are two or more suitable alignments, a site map must be prepared for each.

6. HYDROLOGIC ANALYSIS

a. Hydrologic considerations

1. Determine drainage area above the proposed encroachment. Subdivide where runoff characteristics are or will be significantly different.

2. List available flood records at the encroachment and/or at nearby hydraulically similar

3. Calculate the flow at the proposed encroachment for the base flood and the design flood, if different. Include any other flow within the floodplain that affects the design of the project. The flood calculations should be made by using at least two widely used methods. Nearby stream gage data may be used, if the data is adequate to furnish the above.

4. Plot the flood frequency curve.

5. Plot the stage discharge curve.

b. Establish the existing flow conditions

1. Determine the distribution of flow and velocities for several discharges or stages in the natural channel for existing conditions. USCE, USGS, FEMA, etc., studies may be used as a general case.

2. Establish the maximum permissible upstream water surface for base flood.

c. Hydraulic design for bridges

1. Compute the water surface profile for various trial bridge lengths and discharges at each of the alternative sites. If alternate alignments are proposed, compute the water surface profile for various trial bridge lengths and discharges at each of the alternative sites.

   (The Lead Agency should provide a disc with the data used to run the HEC-2 or WSPRO water surface profile computer programs. If a program other than HEC-2 or WSPRO is used that program should be provided on a disc along with the data used.)

   (For the base flood, backwater caused by the encroachment together with that caused by all other man-made obstructions is limited to one foot above the water surface of the base flood.) Design must be in accordance with 23 CFR 650 Subpart A. The local agency must comply with FEMA's regulatory floodplain rules or they may lose their federal flood insurance.

2. Select alignment, grade, bridge type and size waterway openings, etc., on the basis of overall economic calculations and freeboard requirements (see section 10, *Design Standards*).

3. Check "conveyance" of base flood.
4. Calculate scour depth at piers. (Recommended reference HEC-18 *Evaluating Scour at Bridges*, FHWA
5. Design pertinent features such as riprap for bank protection, cross channel stabilizers for streambed control, energy dissipaters to reduce downstream velocities, spur dikes to equalize flow, etc. (Recommended references are HEC - 18 *Evaluating Scour at Bridges* and HEC - 20 *Stream Stability at Highway Structures*).

d. Hydraulic design for culverts (Recommended reference; Caltrans *Highway Design Manual*)

1. Determine allowable headwater elevation.
2. Compute and plot performance curves for trial culvert sizes at alternate alignments.
3. Evaluate erosion, abrasion, and corrosion potentials.
4. Select alignment, grade, and culvert design on the basis of overall economic calculations related to the design standards appropriate to the project.

.

e. Hydraulic design for longitudinal encroachments

1. Determine the effect of the proposed encroachment on water surface profile using various roadway design, alternatives, and the base flood.
2. Evaluate the effects on scour and deposition in the channel.
3. Select roadway design on the basis of overall economic calculations.
4. Design pertinent features such as bank protection, etc. (Recommended reference HEC-11 *Design of Riprap Revetment, FHWA and/or Bank and Shore Protection*, Caltrans)

7. CONTRACT PLANS

The following data shall be shown on the contract plans, and may be shown in tabular form. List the frequency, magnitude and pertinent water surface elevations for:

a. Minimum Design Flood
c. Base Flood
d. Overtopping Flood
e. Flood of Record, if available

The data used for design must be designated and if different from the above, the data must be shown on the plans.

HYDRAULIC REFERENCES

- *Guidelines for Hydraulic Considerations in Highway Planning and Location, Volume I, Highway Drainage Guidelines, AASHTO, 1999.*
- *Guidelines for Hydrology, Volume II, Highway Drainage Guidelines, AASHTO, 1999.*
- *Highway Hydrology*, HDS No.2, FHWA-SA-96-067, 1996.
- Flood-frequency analysis, such as those of U. S. Geological Survey or other water-resources agencies, for the region in which the structure is located.
- *Highways in the River Environment Hydraulic and Environmental Design Considerations, U.S. Department of Transportation, FHWA,* 1983
- *Stream Stability at Highway Structures, HEC-20, FHWA-0IP-90-014, 1991*
- Bradley, J. N., 1979, *Hydraulics of Bridge Waterways, Hydraulic Design Series No. l, Federal Highway Administration*, U.S. Government Printing Office, Washington, DC, 1978, 111 p.
- *Evaluating Scour at Bridges*, Second Edition, HEC-18, FHWA-IP-90-017, 1993.
- *Highway Research Board, 1979, Scour at Bridge Waterways, National Cooperative Highway Research Program Synthesis 5, Highway Research Board, National Academy of Sciences, 2101 Constitution Avenue, Washington, DC 20418.*
- *Hydraulic Design of Highway Culverts*, September 1985, Hydraulic Design Series No.--, Report No. FHWA-1P-85-15.
- *Circular Memorandum, G. M. Williams, July 21, 1966 Plans for Pipe Culvert Inlet and Outlet Structures, Federal Highway Administration.*
- *Guidelines for Hydraulic Design of Culverts, Volume IV, Highway Drainage Guidelines, AASHTO, 1999.*
- Searcy, J. K., *Design of Roadside Drainage Channels*, 1985, Federal Highway Administration, Hydraulic Design Series No. 4, U.S. Government Printing Office, Washington, DC.
- *Bridge Deck Drainage Systems*, HEC-21, FHWA-SA-92-010, 1993
- *Standard Environmental Reference* (SER), Chapter 17 " Flood Plains"
- *Design of Encroachments on Flood Plains Using Risk Analysis, HEC 17, FHWA-EPD-86-112, 1981*
- For information regarding flood plain delineation studies, write to: Department of Housing and Urban Development, Federal Insurance Administration, Assistant Administrator for Flood Insurance, 451 7th Street, SW, Washington, DC 20410
- *Design of Rip rap Revetment, HEC-11, FHWA-1P-89-016, 1989***.**
- *CALTRANS Highway Design Manual*
- *AASHTO Model Drainage Manual*

Instructions: To be used as guide for Hydraulic Studies and Reports

EXHIBIT 11-F DESIGN EXCEPTION FACT SHEET

DESIGN EXCEPTION FACT SHEET

Dist: _____ Date:_____

Co:_____ Prepared by:_____

Rte:_____

Project Cost:_____

1. Existing Conditions

2. Proposed Work and Non-Standard Features

3. Standard for Which Exception is Required

4. Accidents **3-year Period**

Total F F+I Actual Rate Expected Rate

Describe type(s) of accidents that are occurring and what effect the design exception is expected to have on them.

5. Design Year Traffic Volumes

6. Added Cost to Make Standard

7. Description of Any Additional Work to Enhance Safety

8. Reason for Requesting Exception

EXCEPTION APPROVED:_____DATE: _____

PUBLIC WORKS DIRECTOR *(OR DELEGATE TITLE)*

INSTRUCTIONS FOR DESIGN EXCEPTION FACT SHEET

1. Existing Conditions

Describe existing facility. Number of lanes, median width, shoulder width, etc. Describe width of adjoining sections if that information is relevant, for example on 3R projects.

2. Proposed Work and Non Standard Features

Describe work to be done. Resurfacing, shoulder widening, bridge widening, etc. Describe the non-standard design element that required the exception.

3. Standard for Which Exception is Required

Be specific. Name the source, i.e., 3R Criteria, *Instructions for AASHTO Green Book Implementation*, or *Highway Design Manual*.

4. Accidents **3-year Period**

Total F F+I Actual Rate Expected Rate

5. Design Year Traffic Volumes

If 3R project, use construction year. Otherwise, use design year usually 20-years in the future.

6. Added Cost to Make Standard

Show what it would cost to meet the standard for which the exception is being requested. If more than one quadrant is involved in the approach rail design request, cost shall be broken down on a per quadrant basis.

The Fact Sheet should also be accompanied with a detailed drawing of the bridge site along with topographical features (right of way lines, side road widths, physical obstructions, etc.) 30m from beginning and ending of the bridge.

7. Description of Any Additional Work to Enhance Safety

Mention any additional work which would qualify for safety enhancement such as median barrier, guardrail upgrade, slope flattening, super correction, elimination of roadside obstacles, additional lane and shoulder width, alignment improvement, etc.

8. Reason for Requesting Exception

Be thorough, but brief. These are some, but not all of the reasons exception has been granted in the past: high cost, environmental sensitivity, low accident rates, and postponement of bridgework.

CHAPTER 12 PLANS, SPECIFICATIONS & ESTIMATE

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CHAPTER 12 PLANS, SPECIFICATIONS, & ESTIMATE

12.1 INTRODUCTION

For locally administered projects on the State Highway System (SHS), the local agency must enter into a cooperative agreement with Caltrans to establish the responsibility for project Plans, Specifications & Estimates (PS&E) (see Caltrans *Cooperative Agreement Manual*).

The preparation of the plans, specifications, and estimate (PS&E) for local federal-aid projects off the SHS is the responsibility of the local agency.

Except for major National Highway System (NHS) projects, local agencies will certify that their project PS&E complies with all applicable federal and state regulations and procedures. The "PS&E Checklist" form is included as Exhibit 12-D in this chapter and summarizes the items requiring local agency compliance. The local agency's project PS&E certification checklist must be submitted to the Caltrans District Local Assistance Engineer (DLAE) along with their "Request for Authorization" to proceed with construction. Local agency's PS&Es are reviewed on a periodic basis as part of Caltrans' process review program.

High cost federal-aid projects in which the total project costs are expected to be $100 million or more, require an annual Financial Plan be prepared when all elements of the plan are fully known, but not later than the request for authorization of federal financial assistance for construction. Caltrans/FHWA may request submittal of the Financial Plan for projects of $100 million or more on a project-by-project basis. **FHWA has now requested that Financial Plans for projects of $100 million or more be submitted to the Caltrans DLAE.** Submittal of the Financial Plan and Project Management Plan are required for projects of $500 million or more. Major federal-aid projects of $500 million or more require a draft Project Management Plan be prepared and submitted to Caltrans/FHWA prior to the environmental determination. FHWA also requires a Cost Estimate Review be performed prior to NEPA completion and prior to construction authorization. Final Project Management Plan be submitted within 90 days after the environmental determination. For more information see Chapter 2 "Roles and Responsibilities," of the *Local Assistance Procedures Manual* (LAPM).

The policies and procedures contained in this chapter reflect current federal requirements for the PS&E phase of local federal-aid projects off the SHS. These instructions do not necessarily address the relevant state laws and local regulations with which a local agency must also comply.

DEFINITIONS

Design Standards - The standards, specifications, procedures, guides and references listed herein that are acceptable for application in the geometric and structural design of federal-aid projects (see Chapter 11, "Design Standards" of the LAPM).

Controlling Criteria - The specific minimum criteria and controls contained in the design standards for highway projects that are considered of primary importance for safety. Deviations from these controlling criteria require design exception approval (see Chapter 11, "Design Standards" of the LAPM).

Cost-Effectiveness/Public Interest Finding – A written document outlining the basis for a proposed deviation from a standard procedure as required in Title 23 of the Code of Federal Regulations. The finding contains supporting documentation such as cost /benefit analysis, product compatibility, etc., and includes reasons that the proposed deviation is considered to be cost-effective or for the public's best interest. Exhibit 12-F, "Request for Approval of Cost-Effectiveness/Public Interest Finding" of this chapter, is a preprinted blank form that should be used by local agencies to prepare a "Cost-Effectiveness/Public Interest Finding." Caltrans and FHWA approval is required for local agency projects that are "High Profile."

Design Exception Approval - A process to justify, approve, and document allowable deviations from controlling criteria.

Specifications - The directions, provisions, and requirements contained in the contract documents for a specific construction project. Included are various proposal conditions, contract administration provisions, required construction methods, and technical requirements for materials.

Standard Specifications - A published document that contains commonly used specifications developed for use as a reference for construction contract documents.

Standard Plans - A collection of plan details developed for use as a reference for construction contract documents. Included are standard abbreviations, symbols, design notes, design conditions and data, construction details, specifications, layouts, and measurement and payment details.

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12.2 PS&E PROCEDURES FOR SIGNIFICANT NHS PROJECTS

For significant projects on the NHS, the local agency's written PS&E procedures must be approved by Caltrans before final design is started. The DLAE will determine which projects require this approval at the field review (see Chapter 7, *Field Review*, of this manual). The procedures should identify changes from the procedures described in this chapter and as a minimum cover the following items:

- Project Management personnel and procedures
- Highway Design Standards (and any other Technical standards as appropriate)
- Consultant Selection procedures
- Project DBE participation procedures
- Review and approval procedures
- Oversight procedures if a State highway is involved
- Maintenance of records and Access

The DLAE should consult with headquarters Division of Local Assistance (DLA) for assistance with the review of the local agency procedures.

12.3 ENVIRONMENTAL PROCEDURES

The Code of Federal Regulations, Title 23 (Highways), Part 771.113 (23 CFR 771.113) prohibits starting work on the final design phase of a federally funded project until after approval of the final environmental document (see Chapter 6 "Environmental Procedures" of this manual). Failure to comply with this requirement will make a project ineligible for federal reimbursement.

COMPLIANCE WITH ENVIRONMENTAL LAWS

The local agency is responsible for ensuring that mitigation measures presented as commitments in environmental documents, and that conditions and restrictions, associated with regulatory permits, are incorporated into appropriate contract documents, plans, specifications and estimates prior to proceeding with major construction activities such as land acquisition or construction. Environmental documents referred to here may be a Categorical Exclusion (CE), Environmental Assessment (EA), or Environmental Impact Statement (EIS).

Failure to meet mitigation commitments may render the project ineligible for federal reimbursement.

Omission or modification of a mitigation commitment, thereby creating new significant environmental effects, will result in the need to prepare a re-evaluation to assess any changes that have occurred and their effect on the validity of the environmental document. Changes in project design, applicable laws or regulations, or environmental impacts may also require environmental re-evaluation, including additional studies, consultation and public involvement. If the document is an EIS, a Supplemental EIS may be required.

PRELIMINARY DESIGN

Local agencies may complete all necessary design work needed to complete the environmental document or to comply with other environmental laws during the National Environmental Policy Act (NEPA) process. This should not be construed as an authorization to proceed with final design for the entire project, but only for those aspects of the project necessary to consider specific environmental concerns. An example of this is where such work is necessary to permit the full evaluation of environmental impacts and to permit the consideration of appropriate mitigation measures, e.g., impacts to wetlands, Section 4(f) areas and resources covered by Section 106 of the National Historic Preservation Act.

FINAL DESIGN

Local agencies may not proceed with final design activities until Caltrans District Senior Environmental Planner (SEP) and the DLAE have signed the CE Form, Caltrans Deputy District Director has signed the Finding of No Significant Impact (FONSI), or Caltrans District Director has signed the Record of Decision (ROD). Granting approval to proceed with final design prior to final environmental approval would be a premature commitment to one alternative at a time when other alternatives, including the alternative of taking no action, are still being actively considered in the environmental process. Upon final environmental approval, it is incumbent upon the DLAE to immediately provide notification to the local agency and a copy of the approved environmental determination or documents.

Local agencies are required to provide a list of mitigation commitments to the DLAE (for projects processed with a CE), provide a list of mitigation commitments in the FONSI (for projects processed with an EA), and provide a list of mitigation commitments in the ROD (for projects processed with an EIS).

Unique mitigation commitments including but not limited to, excavation of historic sites, protection of public-owned public parklands, removal and disposal of hazardous materials, and the establishment of sensitive plant communities or wetland mitigation sites are often complex and require technical expertise in the translation and transfer into final design. Any plant establishment and monitoring periods must also be addressed during final design.

For complex projects, Caltrans staff is available to assist in the translation and proper transfer of mitigation commitments into the final design. Caltrans assures that mitigation commitments and any required ongoing maintenance of mitigation are implemented by conducting periodic process reviews.

PERMITS

The local agency is also responsible for translating permit conditions and restrictions into the final design. Permits include, but are not limited to: Army Corps of Engineers (ACOE) Section 404 Nationwide Permit; Section 404 Individual Permit; NEPA/404 Integration MOU, Section 10 Permit; United States Coast Guard (USCG) Bridge Permit; Regional Water Quality Control Board (RWQCB) Section 401 Water Quality Certification; RWQCB National Pollution Discharge (NPDES) Permit; California Department of Fish and Game (CDFG) Streambed Alteration Agreement; California Coastal Commission

(CCC) Coastal Zone Permit, and Bay Conservation and Development Commission (BCDC) Permit. Typical mitigation includes hay bales, silt fencing, dust control, riprap, soil stabilization matting, slope drain, turbidity barrier, etc.

Local agencies should work closely with the permitting agency to ensure accurate translation and proper transfer of permit conditions and restrictions (as appropriate) into final design. Conversations with regulatory agencies regarding translation of permit conditions and restrictions should be well documented.

DOCUMENTATION

Well documented records, referencing the page numbers and/or plan sheets on which commitments are illustrated, should be maintained by the local agency, as this information will be necessary when certifying PS&E. This information will also be useful during process reviews.

12.4 METHOD OF CONSTRUCTION

CONTRACTING METHOD

Except as noted below, all federal-aid construction projects must be completed by contracts awarded to the lowest responsible bidder of a competitive bid process (23CFR 635.104). In addition, **local agencies may not, under any circumstances, negotiate with a bidder prior to award to reduce the price of a construction contract.**

Occasionally, situations arise which may support the use of a contracting method other than competitive bidding. Noncompetitive construction contracting may be approved under the following conditions:

- When an emergency exists of such magnitude that work cannot be delayed
- There is only one organization qualified to do the work
- Competition is deemed inadequate after soliciting bids
- When it is more cost effective to do the project by "force account" (defined below)

The use of a non-competitive contracting method must be thoroughly justified in writing (generally by the use of a Public Interest Finding), submitted to the Caltrans DLAE for approval, documented in the project files, and retained for future reference. For local federal-aid projects that are "High Profile" (see Chapter 2, *Roles and Responsibilities*), justification must be submitted to the DLAE for FHWA's review and approval.

FORCE ACCOUNT (DAY LABOR)

Federal regulations (23 CFR 635.203) defines "force account" as the direct performance of construction work by a local agency, railroad, or public utility using labor, equipment, materials and supplies furnished by them and under their direct control. Payment under force account is based on the actual cost of labor, equipment, and materials furnished, with consideration for overhead and profit.

Since work by force account is an exception to the normal contract method, which is based on competitive bidding, each local agency must also look to its own charter and applicable state code(s) when considering work by force account.

The performance of work by force account on a federal-aid project may be appropriate when:

- It is determined that the rights or responsibilities of the community are so affected as to require a special course of action, including a lack of competition or unreasonable bids (must be documented).
- By the inherent nature of the operation, it is deemed cost-effective to perform minor adjustments of railroad and utility facilities while the major work is still accomplished by competitive bidding (the use of force account work under this circumstance has been predetermined to always be cost-effective without further documentation or authorization).
- It is deemed cost-effective to perform some work (incidental to the main purpose of the project and other than minor adjustments of railroad and utility facilities), while the major work is still accomplished by competitive bidding.

A public interest finding fully justifying the use of force account work on a local federal-aid project must be prepared by the local agency. The documentation should include:

- An identification and description of the project and the kinds of work to be performed.
- A comparison of the detailed cost estimates for work by force account versus a competitive bid contract.
- An estimate of federal funds to be provided based on the reimbursement ratio of the qualifying costs.
- The reason(s) the use of work by force account is considered to be cost-effective or an emergency.
- An authorization by the City or County Public Works Director authorizing local agency forces to perform the work and certifying that the documentation reflects the true and current estimates of costs to perform the work.

The cost estimates for competitive bidding may be based on unit prices, including any engineering and administrative costs necessary to prepare, monitor, and close-out the project. Unit prices must be based on the estimated actual cost of performing the work, but shall not exceed unit prices currently being obtained by competitive bidding on comparable construction work in the same general locality.

Incidental force account work must be carefully incorporated into a project's PS&E package. The local agency must keep precise project records documenting: the date(s) of authorization, actual work performed, date of performance, and costs for personnel, materials and equipment. Documentation of costs should include:

- Personnel
  - Time sheets
  - Salaries and payrolls
  - Foreman's reports
- Materials
  - Invoices for materials and supplies, and for any special services
  - Cost of producing materials supplied by the local agency
- Equipment

- Time and cost for using equipment owned by the local agency
- Time and rates for using rented equipment

Project records must be kept at least three years after the federal government completes a final voucher of the project.

EMERGENCY WORK

In an emergency situation competitive bidding may be waived on any of the federal-aid programs, and the work may be performed by either force account or negotiated contract. For projects that are exempt from FHWA oversight, the waiver shall be approved by the DLAE. An emergency is a situation that requires emergency repair work, as provided under Emergency Relief (ER) Program (see Chapter 11 "Disaster Assistance" in the *Local Assistance Program Guidelines*), or when a major element or segment of a highway system has failed and the situation is such that competitive bidding is not possible or is impractical. Competitive bidding under such circumstance may not be possible or may be impractical because immediate action is necessary to:

- Minimize the extent of the damage
- Protect remaining facilities, or
- Restore essential travel

As an example: a local agency has a bridge programmed for replacement, using Highway Bridge Program (HBP) funds and has begun preliminary engineering on the bridge replacement project, a major storm does damage to the bridge before the local agency completes the design of the bridge, such that repairing the bridge is not practical. At this point, for projects that are exempt from FHWA oversight, the local agency can contact their DLAE to be granted a waiver ("Authorization to Proceed"), so as to begin negotiations with contractor(s) to replace the bridge using HBP funds and using the plans that have been completed to date.

It should be noted that this waiver to competitive bidding only applies to emergency repairs as defined above, reconstruction work and permanent repairs that can be separated from emergency repairs, are to be performed using the competitive bidding process.

12.5 VALUE ENGINEERING ANALYSIS

SAFETEA-LU

Federal requirements included in "SAFETEA-LU" Section 1904 "Stewardship and Oversight," mandate that a "Value Engineering (VE) analysis" be performed on projects on the Interstate and National Highway System (NHS) with a total project cost of $25 million or more. Value engineering analysis also needs to be performed on bridge projects with a total project cost of $20 million or more. The VE analysis consists of a systematic process of review and analysis of the project during the concept and design phases, by a multi-disciplined team of persons not involved in the project.

The local agency administering the project has been delegated the responsibility to ensure that VE analysis is performed under Caltrans delegation authority. For each project, the local agency shall indicate in the appropriate checkbox on the PS&E Checklist whether VE analysis was performed.

DEFINITIONS

Project - A portion of a highway or local road that a local agency proposes to construct, reconstruct, or improve as described in the FSTIP, RTIP. A project may consist of several contracts or phases over several years.

Value Engineering Analysis - The systematic application of recognized techniques by a multi-disciplined team to identify the function of a product or service; establish a worth for that function; generate alternatives through the use of creative thinking; and provide the needed functions to accomplish the original purpose of the project, reliably, and at the lowest life-cycle cost without sacrificing safety, necessary quality, and environmental attributes of the project.

PROCEDURES

The multi-disciplined team can be qualified local agency staff, qualified personnel from the current design consultant contract, or qualified personnel from a certified "value engineering analysis" consultant contractor. The most important factor is for the multi-disciplined team be qualified and not involved in the project in which they are performing the "value engineering analysis" The following web sites may be of assistance when undertaking a "value engineering analysis":

http://www.value-eng.org/

http//www.fhwa.dot.gov/ve/

http://www.dot.ca.gov/hq/oppd/pdpm/pdomn.htm

The multi-disciplined team performing "value engineering analysis" shall provide recommendations:

- To improve the value and quality of the project
- To provide the needed functions safely, reliably, and at the lowest overall cost
- To reduce the time to complete the project
- To combine or eliminate otherwise inefficient use of costly parts of the original proposed design for the project
- To completely redesign the project using different techniques, materials, or methods so as to accomplish the original purpose of the project

For bridge projects, the multi-disciplined team shall also include bridge substructure requirements based on construction material and be evaluated as follows:

- On engineering and economic bases, taking into consideration acceptable designs for bridges.
- Using an analysis of life-cycle and duration of project construction. For VE Studies of projects on the State Highway System, it is advisable to have Caltrans' participation on the VE team.

This process concludes with a value analysis report that contains the approved recommendations. A copy of this report shall be submitted by the local agency to the DLAE who forwards it to the District Value Analysis Coordinator (DVAC) that is responsible for the project. The DVAC will submit this report to the Value Analysis Branch in headquarters, who will then include it in their annual report to FHWA. As a guide, Chapter 19 "Value Analysis" of the *Project Development Procedures Manual* may be used. The DVAC may be consulted for applicable sections.

12.6 HISTORY OF METRICATION

TRANSITION FROM METRIC UNITS TO U.S. CUSTOMARY UNITS

The 1991 Intermodal Surface Transportation Efficiency Act (ISTEA) mandated that all PS&Es for federal-aid construction projects use metric units after September 30, 1996. In 1993, Caltrans adopted the International System of Units (SI: aka the Metric System) as our preferred system of weights and measures to comply with federal law. The law has subsequently been changed making the use of the Metric System optional. A decision document was approved on August 20, 2004, committing Caltrans to re adopt the U.S. Customary (English) system of units and measures as its preferred system. Caltrans began its transition from metric units to U.S. Customary system in March 2005. Caltrans Standard Plans, Standard Specifications and Standard Special Provisions have been converted to U.S. Customary units.

Beginning April 1, 2006, PS&E for all projects on and off the SHS (including those administered by local agencies) must be in U.S. Customary (English) units. During the transition from metric units to U.S. Customary units, either English or metric units may be used when the local agency, or their consultant prepares the final PS&E package for bridge retrofit projects. On the other hand, English units must be used when Caltrans' consultants prepare the final PS&E package for seismic retrofit design. Regardless of the units used, both the bridge and roadway units must be the same (see Chapter 7, "Seismic Safety Retrofit Program," of the *Local Assistance Program Guidelines* [LAPG]).

CONVERSION TO U.S. CUSTOMARY (ENGLISH) UNITS

There are two ways to convert from metric units to U.S. Customary Units:

- "Soft" conversion - a direct mathematical conversion to an exact or nearly exact English equivalent, for example: a 3.6 meters lane can be "soft converted" to 11.811 feet.
- "Hard" conversion - a rounded, rationalized, English number that is convenient to work with and easy to remember, for example: the old metric standard lane width of 3.6 meters (see Chapter 300 of the Caltrans *Highway Design Manual*, 5th edition) is 12 feet.

The Institute of Transportation Studies - University of California Berkeley (ITS), through the Cooperative Training Assistance Program (CTAP) and the Local Technical Assistance Program (LTAP), offers training courses in understanding metric conversion for local agencies. Also available through ITS are AASHTO's *Guide to Metric Conversion*, Caltrans' booklet entitled *Getting into Metrics* and CD-ROM metric training packages.

12.7 PLANS

Project plans shall describe the location, design features, and construction requirements in sufficient detail to facilitate the construction, contract control, and estimation of construction costs for the project.

A local agency may use the Caltrans *Drafting and Plans Manual* as a guide for preparing contract plans. This manual is available at Caltrans Central Publication Distribution Unit at 1900 Royal Oaks Drive, Sacramento, California 95815, Tel. No. (916) 263-0822.

DESIGN STANDARDS

Standards for design of federal-aid highway projects are contained in Chapter 11, "Design Standards," of this manual.

DESIGN EXCEPTIONS

The Public Works Director or the person to whom approval authority has been delegated shall sign approval for design exceptions. The person with approval authority must be a registered Civil Engineer in the State of California. Additional procedures concerning documentation requirements and delegation of this approval authority shall be in accordance with Chapter 11, "Design Standards," of this manual.

PLAN SHEET AND SPECIFICATION SIGNATURES

On local agency federal-aid projects, the title sheets of the plans and specifications shall bear the signature and seal or stamp, the date of signing and sealing or stamping, and the expiration date of the licensed professional engineer in the State of California, who is the local agency's responsible person (employee or consultant) for the plans and specifications being signed. If signed by a local agency consultant, the title sheets shall also be signed by a full-time employee of the local agency who is responsible for the project. Additional local agency signatures on the title sheet are optional. Plans and specifications for projects advertised, awarded and administered by the local agency do not include the State Engineer's signature, except as required for a state encroachment permit and/or cooperative agreement. The title sheets of the plans and specifications must also show the federal-aid project number.

Other plan sheets (including typical section sheets) must bear the signature of the professional engineer under whose direction the sheets were prepared. Signature of the sheets may be delegated to a California registered engineer retained by the local agency to prepare the plans.

STANDARD PLANS

Caltrans *Standard Plans* shall be used for locally sponsored projects on the SHS.

The following Standard Plans are acceptable for use with local federal-aid projects off the SHS:

- The current edition of the Caltrans *Standard Plans*
- The current edition of the *Standard Plans for Public Works Construction,* developed and promulgated by the American Public Works Association - Southern California Chapter and the Associated General Contractors of California - Southern California Districts

In addition to the above, standard plans which are developed locally for non-federally funded projects may be used on local federal aid projects. The local standard plans shall

be signed (with registration number) by the local agency's responsible person in charge who must be registered in California in the professional field for the type of standard plan being signed. Details included in local standard plans used for projects on the NHS shall meet statewide geometric standards.

Bridge construction details included in local standard plans shall meet Caltrans' bridge design standards.

When a local agency requests structure-review assistance from Caltrans, the *Caltrans Standard Plans* must be used, as appropriate, for the structure portion of the project. However, Caltrans' review will be contingent upon availability of staff.

EROSION CONTROL PLANS

Erosion control measures and practices shall be taken to inhibit the dislodging and transporting of soil particles by water or wind, including actions that limit the area of exposed soil and minimize the time the soil is exposed.

Emphasis shall be placed on erosion control in the preparation of PS&E. All reasonable steps shall be taken to ensure that highway project designs for the control of erosion and sedimentation and the protection of water quality comply with applicable standards and regulations of other agencies.

The *AASHTO Highway Drainage Guidelines*, Volume III and *Erosion and Sediment Control in Highway Construction*, 1992, are guidelines to be followed on all construction projects. These guidelines are not intended to pre-empt any local requirements or State law if such requirements are more stringent.

Federal-aid funds shall not be used in erosion and sediment control actions made necessary because of contractor oversight, carelessness, or failure to implement sufficient control measures.

WORK ZONE SAFETY AND MOBILITY

LOCAL AGENCY POLICY

23 CFR Part 630-Subpart J "Work Zone and Safety and Mobility" requires the implementation of a policy by the local agency for systematic consideration and management of work zone impacts on all federal-aid transportation projects. This policy may take the form of processes, procedures and/guidance, and may vary based on the characteristics and expected work zone impacts of individual projects or classes of projects.

Each local agency may develop its own policy, or may choose to pattern their policy after Caltrans to provide a smooth and efficient flow of traffic, while retaining safety through the roadway work zone. For Caltrans' policy refer to the Deputy Directive-60 "Transportation Management Plan," which is available from the office of the District Local Assistance Engineer (DLAE). The local agency's policy can be as simple as to provide a smooth and efficient flow of traffic, while retaining safety through the roadway work zone. This simple policy is used in the "Sample Notice to Contractors & Special Provisions" of the "Sample Boiler Plate for Contract Documents" available at the

Division of Local Assistance Web site:
(http://www.dot.ca.gov/hq/LocalPrograms/sam_boil/sam_boil.htm).

Local agencies are encouraged to implement this policy for their nonfederal-aid projects as well. More information on "Work Zone Safety and Mobility" is provided on the internet at: (http://www.ops.fhwa.dot.gov/wz/resources/final_rule.htm) and "Guidance for Addressing Local Safety Issues" is available at: (http://safety.fhwa.dot.gov/local_program/)

SIGNIFICANT PROJECTS

As defined in 23 CFR §630.1010, a "Significant Project" is one that, alone or in combination with other concurrent projects nearby is anticipated to cause sustained work zone impacts greater than what is considered tolerable by the traveling public, based on the agency's policy and/or engineering judgment. Work zone impacts as defined in 23 CFR §630.1004, refer to work zone-induced deviations from the normal range of transportation system safety and mobility. The extent of the work zone impacts may vary based on factors such as, road classifications, area type (urban, suburban, and rural), traffic and travel characteristics, type of work being performed, time of day/night, and complexity of the project. These impacts may extend beyond the physical location of the work zone. They may occur on the roadway on which the work is being performed, as well as other highway corridors, other modes of transportation and/or the regional transportation network.

If a project is expected to be significant, the Transportation Management Plan (TMP) for that project must also contain both Transportation Operations (TO) and Public Information (PI) components. Agencies are encouraged to consider TO and PI strategies for all projects. Identification of upcoming projects expected to be significant should be done as early as possible in the project delivery and development process.

TRANSPORTATION MANAGEMENT PLAN (TMP)

A Transportation Management Plan (TMP) is required for all federal-aid construction projects. The TMP needs to include a Temporary Traffic Control (TTC) Plan that addresses traffic safety and control in the work zone. It consists of strategies to manage the work zone impacts of a project. The TMP scope, content, and degree of detail may vary based upon the local agency's work zone policy, and an understanding of the expected work zone impacts of the project.

For significant projects, the local agency shall develop a TMP that consists of a TTC plan and addresses both TO and PI components. The TMP may consist only of a TTC Plan for individual projects or classes of projects determined by the local agency to have less significant work zone impacts. If additional information is needed by the local agency, the DLAE may refer the local agency to the *Transportation Management Plan Guidelines* and may obtain additional information from Caltrans headquarters TMP Coordinator in the Division of Traffic Operations.

- **Temporary Traffic Control (TTC) Plan**
  A Temporary Traffic Control (TTC) Plan describes the measures to be used to facilitate road users through a work zone, an incident area, or other event that temporarily disrupts normal road user flow. The TTC Plan has a vital role in providing continuity of reasonable safe and efficient road user flow and for highway workers' safety.

The TTC Plan shall be consistent with the provisions under Part 6 of *the California Manual on Uniform Traffic Control Device* (MUTCD) available at: http://www.dot.ca.gov/hq/traffops/signtech/mutcdsupp/

and with the work zone hardware recommendations in Chapter 9 "Traffic Barriers, Traffic Control Devices and Other Safety Features for Work Zone" (2002 Edition) of the *AASHTO Roadside Design Guide*. You can purchase this guidebook at AASHTO Publications, P.O. Box 933538, Atlanta, Georgia 31193, phone no. 1-800-231-3475 or at this web site: https://bookstore.transportation.org/.

In developing and implementing the TTC Plan, the pre-existing roadside safety hardware shall be maintained at an equivalent or better level than what existed, prior to project implementation. The scope of TTC Plan is determined by the project characteristics and the traffic safety and control requirements identified by the local agency for that project. The TTC Plan shall be either referenced to specific TTC elements in the MUTCD, approved standard TTC Plans, the *California State Transportation TTC Manual*, or to be designed specifically for the project.

- **Transportation Operations (TO)**

  The Transportation Operations (TO) shall include the identification of strategies that will be used to mitigate impacts of the work zone in the operation and management of the transportation system within the work zone impact area. Typical TO strategies may include, but are not limited to, demand management, corridor/network management, safety management and enforcement, and work zone management. The scope of the TO component should be determined by the project characteristics and the transportation operations and safety strategies identified by the local agency.

- **Public Information (PI)**

  The Public Information (PI) shall include communication/traveler strategies that seek to inform affected road users, general public, area residences and businesses, and appropriate public entities about the project, the expected work zone impacts, and the changing conditions on the project. The scope of the PI component shall be determined by the project characteristic, public information, and outreach strategies identified by the local agency. Public information will be provided through methods suited for the project and may include, but not limited to, information on the project characteristics, expected impacts, closure details, and commuter alternatives.

Local agencies should developed and implement the TMP in sustained consultation with stakeholders (e.g., other transportation agencies, railroad agencies/operators, transit providers, freight movers, utility suppliers, police, fire, emergency medical services, school, business communities, and regional transportation management centers).

The Plans, Specifications and Estimates (PS&Es) shall include either a TMP or provisions for contractors to develop a TMP at the most appropriate project phase that will be applicable to the local agency's chosen contracting methodology for the project. A contractor developed TMP shall be subject to the approval of the local agency and shall not be implemented before it is approved.

The PS&Es shall include appropriate pay item provisions for implementation of the TMP, either through method or performance-based specifications:

1) For method-based specifications individual pay items, lump sum payment or a combination thereof may be used.
2) For performance-based specifications, applicable performance criteria and standards may be used (e.g., safety performance criteria such as number of crashes within the work zone; mobility performance criteria such as travel time through the work zone delay, queue length and traffic volume; incident response and clearance criteria; work duration criteria).

The local agency and the contractor shall each designate a trained person at the project level who has the primary responsibility and sufficient authority for implementing the TMP and other safety and mobility aspects of the project

WORK ZONE IMPLEMENTATION AND IMPROVEMENT PROCEDURES

- **Work Zone Assessment and Management Procedures**

  A local agency shall develop and implement systematic procedures to assess work zone impacts in project development and manage safety mobility during project implementation. The scope of these procedures shall be based on the project characteristics.

- **Work Zone Data**

  A local agency shall use field observations, available work zone crash data and operational information to manage work zone impacts for specific projects during the implementation. A local agency shall continually pursue improvement of work zone safety and mobility by analyzing work zone crash and operational data from multiple projects to improve the processes and procedures. A local agency shall maintain elements of the data and information resources that are necessary to support these activities.

- **Training**

  A local agency shall require that personnel (either staff or contract personnel) involved in the development, design, implementation, operation, inspection or enforcement of work zone related transportation management and traffic control be trained appropriate to the job descriptions each individual is required to perform. A local agency shall require periodic training updates that reflect changing industry practices and state processes and procedures.

- **Process Review**

  In order to assess the effectiveness of work zone safety and mobility procedures, Caltrans shall perform a process review at least every two years. The process review may include the evaluation of work zone data at the local agency level and/of review of randomly selected projects throughout the local agency's jurisdictions. Appropriate personnel who represent the project development stages and the different offices within Caltrans and FHWA should participate in this review. Other non-state stakeholders may also be included in this review, as appropriate. The results of the review are intended for the improvements in the work zone processes and procedures, data and information resources, and training programs to enhance efforts in addressing safety and mobility of both current and future projects.

AMERICANS WITH DISABILITIES ACT (ADA) COMPLIANCE PLANS

Within the project limits, the plans (and specifications if applicable) must comply with the federal ADA and the California and Local Building Codes. For construction or alteration that commenced after January 26, 1992, *Title 28 Code of Federal Regulations (CFR) Part 35* "*Nondiscrimination on the Basis of Disability in State and Local Government Services*" or *Title 28 CFR Part 36 "Nondiscrimination on the Basis of Disability by Public Accommodations and in Commercial Facilities*" including "*Appendix A*" require each new or altered facility (includes roads and streets) or part of a facility constructed or altered by, on behalf of, or for the use of a public entity shall be designed and constructed or altered in such manner that the facility or part of the facility is readily accessible to and usable by individuals with disabilities. Each altered facility shall to the maximum extent feasible, be altered in such manner that the altered portion of the facility is readily accessible to, and usable by individuals with disabilities.

As mentioned in Chapter 11 "Design Standards," "Title II-6.6000"of the Department of Justice's "*Technical Assistance Manual*," when streets, roads, or highways are newly built or altered, they must have ramps or sloped areas, wherever there are curbs, or other barriers to entry from a sidewalk, or path. Likewise, when new sidewalks or paths are built or are altered, they must contain curb ramps or sloped areas, wherever they intersect with streets, roads, or highways. The "Curb Ramp Details" included in the Caltrans "Standard Plans" fully comply with both the federal and state requirements for curb ramps.

Alterations include items such as reconstruction, major rehabilitation, widening, resurfacing (e.g., structural overlays, mills and fills), signal installation and upgrades, and projects of similar scale and effect. They do not consider maintenance activities, such as filling potholes to be alterations. They do consider resurfacing beyond normal maintenance to be an alteration. Maintenance activities include actions that are intended to preserve the system, retard future deterioration, and maintain the functional condition of the roadway without increasing the structural capacity. These activities include, but are not limited to, thin surface treatments (nonstructural), joint repair, pavement patching (filling potholes), shoulder repair, signing, striping, minor signal upgrades, and repairs to drainage systems.

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12.8 STANDARD SPECIFICATIONS

The specifications for a construction contract include the requirements contained in the standard specifications and special provisions written specifically for a contract. The special provisions provide the technical contract requirements applicable to the specific project construction features as well as legal and administrative requirements peculiar to the project.

A list of federally required contract provisions, contractor certifications, as well as contract provisions requiring prior justification/approval for local federal-aid construction projects is included in Exhibit 12-D *PS&E Checklis*t in this chapter. A complete description of these contract provisions/requirements and their application is provided in this section

ACCEPTABLE STANDARD SPECIFICATIONS AND SPECIAL PROVISIONS

The local agency must use Caltrans *Standard Specifications* and *Standard Special Provisions* for locally sponsored projects on the SHS.

The following standard specifications are acceptable for use on all local federal-aid projects off the SHS:

- The current edition of the Caltrans *Standard Specifications and Standard Special Provisions,*
- The current edition of the *Standard Specifications for Public Works Construction* (commonly referred to as the "*Green Book*"), developed and promulgated by the American Public Works Association, Southern California Chapter and the Associated General Contractors of California, Southern California Districts.

In addition to the above, standard specifications, which are developed locally for non-federally funded projects may be used for local federal-aid projects that are off the NHS. However, the use of local standard specifications and standard special provisions are subject to the following conditions:

- In the event that any conflict arises between the local standard specifications and the local assistance procedures contained in this manual or elsewhere, the local assistance procedures shall apply
- Bridge construction methods and materials specifications included in local standard specifications shall meet the bridge requirements of the Caltrans B*ridge Design Specifications*.

CALTRANS SPECIFICATIONS ON THE INTERNET

Electronic files containing Caltrans' standard specifications, standard special provisions, and federal contract "boilerplate" (Form FHWA 1273 and other Required Federal Contract Provisions) are available from the Caltrans Office Engineer. Caltrans operates a World Wide Web (WWW) site accessible via the Internet.

- First access the Caltrans Home Page at www.dot.ca.gov
- Call up the Office Engineer Home Page. Then go to "Construction Standards".
- Then select under "Standard Specifications, Standard Special Provisions (SSPs)" the year (2006, 1999, etc.) of the Standard Specifications and SSPs desired.

For further assistance in connecting with the Internet, local agencies should contact their Internet service provider.

Caltrans also provides a sample set of highway contract provisions for local assistance projects as explained in "Sample 'Boiler Plate' Contract Documents on the Internet" below.

For local agency projects to be advertised, awarded and administered by Caltrans, Caltrans boilerplate specifications are inserted by Caltrans.

SAMPLE "BOILER PLATE" CONTRACT DOCUMENTS ON THE INTERNET

Microsoft Word versions of a complete sample set of "Boiler Plate" construction contract documents are available on the Internet on the Caltrans Local Assistance home page at: http://www.dot.ca.gov/hq/LocalPrograms/public.htm Follow the directions in the home page to "Sample Boiler Plate Contract Documents."

The file can be downloaded and edited. This file includes a Sample Notice to Contractors & Special Provisions as well as a Sample Proposal and Contract. These documents are in accordance with the *July 1999 or May 2006 Caltrans Standard Specifications and Standard Plans*. They are edited versions of the *Caltrans Office Engineers Standard Special Provisions* and other contract documents, which are used for Caltrans highway construction contracts.

Contents

The Notice to Contractors & Special Provisions are combined into one document. The Notice to Contractors provides prospective bidders with the bid opening date, time and location where bids will be received and opened; a brief description of the project; time and location of any pre-bid meetings and notice that the project is subject to Buy America provisions. The Engineer's Estimate and location for the purchase of plans and specifications as well as reference to federal wage and rate information are also included.

The Special Provisions (along with the Caltrans Standard Specifications) specifies to the contractor the terms of the contract including, but not limited to, when the contractor is to start, number of working days, liquidated damages, payment, work operations and items of work.

The Proposal and Contract are also combined into one document. The Proposal is for the bidder to complete. In addition to the name, address, etc., it contains the Engineer's Estimate, list of subcontractors, EEO certification, Public Contract Code requirements, Noncollusion Affidavit, Debarment and Suspension Certification, Nonlobbying Certification, and Bidders Bond. The Contract includes an agreement, Engineer's Estimate, payment bond, performance bond, local agency DBE information, federal wage rates, and Disclosure of Lobbying Activities.

This package is based on the way Caltrans prepares and administers construction contracts. It contains specifications that may not be required on locally administered projects. Therefore, the Home Page will include appropriate disclaimers for the use of this "Boiler Plate."

For local agency projects to be advertised, awarded, and administered by Caltrans, the Caltrans Boiler Plate specifications are inserted by Caltrans.

12.9 REQUIRED FEDERAL CONTRACT PROVISIONS

GENERAL FEDERAL REQUIREMENTS

A general special provision is required to reference FHWA Form 1273, Performance on Previous Contract, Noncollusion Provision, and Participation by Minority Business Enterprises In Subcontracting. Caltrans standard special provision (Section 14) is required or equivalent provision may be used.

FORM FHWA 1273

Form FHWA 1273 (included in Exhibit 12-E) is a package of federally required contract provisions that must be physically included as special provisions for all federal-aid projects.

I. GENERAL

This section sets forth the general provisions of Form FHWA 1273.

Incorporation of Form FHWA 1273 into the contract, subcontracts, and purchase orders. The provisions apply to all work performed on the contract including work performed by subcontract. The Form FHWA 1273 is required to be physically incorporated into each contract, subcontract and subsequent lower-tier subcontracts. The provisions may not be incorporated by reference.

Failure of the local agency to incorporate the Form FHWA 1273 in the contract is considered an unrecoverable project deficiency and shall make the construction phase of the project ineligible for federal reimbursement (see Chapter 20, "Deficiencies and Sanctions" of this manual).

The prime contractor is responsible for compliance with the requirements by all subcontractors and lower tier subcontractors. Failure of the prime contractor to comply with this requirement is grounds for local agency termination of the contract with the contractor and debarment of the contractor by the FHWA.

Modification of Form FHWA 1273. Sections IV (Payment of Predetermined Minimum Wages), Section V (Statements and Payrolls), Section VI (Record of Materials, Supplies and Labor), Section VII (Subletting or Assigning the Contract), and Section VII (Subletting or Assigning the Contract) of Form FHWA 1273 need not be included in the contract provisions for some projects, as described below. If the project is exempted from any of these provisions, the appropriate section may be crossed out, removed, or it may be specified elsewhere in the contract that it does not apply.

Use of Local Hiring Preference. The local agency shall not include contract provisions that require preferences to hire locally on any federal-aid contract. The contract provisions included in Form FHWA 1273 also require that the contractor not discriminate against labor from any other State.

Any contract that includes provisions that require a contractor to give any preference in hiring (with the exception of Indians living on or near a reservation on eligible projects) shall make the contract ineligible for federal reimbursement (see Chapter 20 "Deficiencies and Sanctions" of this manual).

Use of Convict Labor. Construction work shall not be performed by convict labor within the site boundaries of any federal-aid construction project. An exception is "labor performed by convicts who are on parole, supervised release, or probation." The use of convict labor restricts competition because the labor rates are below market costs and force account rates. A person on a daily-release program could be eligible to work on a federal-aid project if that person was employed by the contractor and was being paid at least the minimum prevailing wage.

II. NONDISCRIMINATION

On all federal-aid construction contracts and all related subcontracts of $10,000 or more, nondiscrimination provisions prohibit discrimination because of race, color, religion, sex, national origin, age or disability. This applies to the contractor's employment, solicitations, selection of subcontractors and procurement of materials. Contractors are required to have an Equal Employment Opportunity (EEO) policy that provides: for affirmative action in employment; a designated EEO officer to administer the EEO

Program, and posted notices or posters containing EEO information. The contractor shall not discriminate in recruitment and is required to review the project sites, wages and personnel action for compliance with EEO policy. The contractor is required to notify employees regarding available training and provide opportunities for the improvement of skills for minorities and women. The contractor should cooperate with the union to incorporate EEO clauses.

Non-compliance with EEO specifications may be a breach of contract. Payment may be withheld or the contract canceled. The local agency must have staff to conduct reviews, check for required posters and make noncompliance determinations.

III. NONSEGREGATED FACILITIES

On all federal-aid construction contracts and all related subcontracts of $10,000 or more; organizations, firms, subcontractors and suppliers shall certify (in the contract) that they maintain nonsegregated facilities, which conform to requirements of 41 CFR 60.1.8. The only exception to the nonsegregated facilities provision is access for the disabled.

IV. PAYMENT OF PREDETERMINED MINIMUM WAGES

The payment of predetermined minimum wages applies to all federal-aid construction contracts exceeding $2,000 and all related subcontracts, except for projects not located on a federal-aid route.

Note: All public roads other than those functionally classified as local roads or rural minor collectors are considered Federal-aid Routes (see Chapter 3, "Federal-Aid Routes and Functional Classifications" in the *Local Assistance Program Guidelines*).

The Davis-Bacon Act of 1931 was enacted to prevent contractors from importing cheap labor from outside the area. The U.S. Department of Labor enforces these statutes and determines the minimum federal wage rates. The federal wage rates are determined by a review of payroll or a survey based on wage data from active projects. Disputes involving wage rates shall be resolved using local agency - U.S. Department of Labor procedures.

Notice of wage-rate decisions is published in the *Federal Register*. The minimum federal wage rates are also available from the Department of Labor via the Internet at www.gpo.gov/davisbacon. Click on "Browse all determination by State" then click on "California".

All employees must be classified with a wage-rate determination as set forth by the U.S. Department of Labor. There are provisions for fringe benefits and requirements for paying less than the full wage rate for apprenticeships and trainee programs. Apprenticeship and trainee programs are subject to other Department of Labor requirements. The contractor and subcontractors should pay employees at least the minimum wage and fringe benefits specified for the classification of work performed. The local agency is responsible for including the project wage rates in the federal-aid contract.

The local agency has the authority to withhold funds from the progress payments to the prime contractor for under payment to employees and the subcontractor full wages. The contractor is required to pay overtime at one and one half times the employee's basic pay rate for time worked in excess of eight (8) hours per day. Liquidated damages may be

held for the days the contractor did not pay overtime. The local agency can enforce the withholding of $10 per day against the contractor or subcontractor for each underpaid employee. Other actions such as termination of the contract or legal action may be enforced if there are any serious violations of the contract.

Contractors must pay the **higher** of either the minimum federal wage rates or State prevailing wage rates.

State prevailing wage rates are available from the State Department of Industrial Relations, Division of Labor Statistics.

V. STATEMENTS AND PAYROLLS

This section of Form FHWA 1273 applies to all federal-aid construction contracts exceeding $2,000 and all related subcontracts, except for projects not located on a federal-aid route (see "Note" above).

Under the Copeland Act, workers are protected from paybacks to employers. The contractor and subcontractors must furnish weekly-certified payroll statements so that the Davis Bacon requirements can be verified.

VI. RECORD OF MATERIALS, SUPPLIES, AND LABOR

This section of Form FHWA 1273 applies to all federal-aid projects in excess of $1 million that are on the NHS excluding force account, beautification, and railroad protective device projects.

Under this provision, the contractor is required to complete and submit a "Statement of Materials and Labor Used by Contractors on Highway Construction Involving Federal Funds" (see as Exhibit 17-H "Statement of Materials and Labor Used by Contractors FHWA [Form 47]," of this manual).

VII. SUBLETTING OR ASSIGNING THE CONTRACT

This section of Form FHWA 1273 applies to all federal-aid highway construction projects.

The contractor is required to perform work amounting to not less than 30 percent of the original contract amount with his/her own organization, excluding specialty items.

No portion of the work may be sublet, assigned or otherwise subcontracted without the written consent of the local agency.

Conformance with State Public Contract law regarding subcontracting shall be provided elsewhere in the contract provisions.

Note: Local agencies which use *Caltrans Standard Specifications* or the *Greenbook Standard Specifications for Public Works Construction* and choose to use the 30 percent option specified for federal-aid projects must include a special provision to override the *Caltrans Standard Specifications Section 8-1.01,* or the *Green book Specifications Section 2-3.1,* which require that the minimum percentage of work that a contractor must perform with its own organization is 50 percent excluding any identified specialty items.

VIII. SAFETY: ACCIDENT PREVENTION

On all federal-aid construction contracts, the contractor must comply with all federal, State, and local laws governing health, safety, and sanitation. The contractor must protect the life and health of employees and safety of the public and property. Laborers and mechanics should not be allowed to work under unsanitary or hazardous conditions as determined by construction safety standards. The Department of Labor has right of entry to any construction site of a contract for inspection or investigation of Occupation, Safety, and Health Act (OSHA) standards. The local agency must enforce State safety standards, report violations, and provide cooperation.

IX. FALSE STATEMENTS CONCERNING HIGHWAY PROJECTS

On all federal-aid construction contracts, the use of false statements is a felony. False claims for the purpose of obtaining payments against federal funds are subject to a $2,000 fine per each violation. Willful distortion or misrepresentation of any facts related to the project violates federal law. A "false statements" poster (Form FHWA 1022) must be posted on the project site. Copies of the poster may be obtained through Caltrans or FHWA Offices.

X. CLEAN AIR ACT AND WATER POLLUTION CONTROL ACT

On all federal-aid construction contracts and all related subcontracts of $100,000 or more, concrete or asphalt plants used in construction must meet air standards of the Clean Air Act and the water quality standards Federal Water Pollution Control Act.

Form FHWA 1273 implements the EPA regulations, which requires violating facilities be listed and not used on government contracts. Use of Form FHWA 1273 constitutes a certification by the contractor that the facilities being used on the contract are not under consideration for inclusion on the EPA's "List of Violating Facilities." The contractor is required to inform the local agency of any notification from EPA showing that the facility may soon be on the list.

The EPA's "List of Violating Facilities" appears in the *Federal Register*. Changes to this list are published weekly in the *EPA Environmental News.*

The "List of Violating Facilities" consists of the following sub lists:

- Violating Facilities of the Clean Air Act (mandatory listed) and
- Facilities that are or have been in recurring noncompliance with clean air or water standards and have one or more of the following:
- A conviction under the Clean Air Act under Section 113C(2)
- Any injunction or judgment including consent decrees or other forms of civil ruling by a federal, state, or local court issued because of noncompliance with

clean air and water standards

- A criminal conviction by a State or local court based on noncompliance of the clean air or water standards

- Violation of an administrative order issued under Sections 113(a),(d), 167, or 303 of the Clean Air Act or Section 309(b) of the Clean Water Act due to noncompliance

- An enforcement action filed by the EPA in federal court under Sections 113(b), 167, 205, or 211 of the Clean Air Act or Section 309(b) of the Clean Water Act due to noncompliance with standards

XI. DEBARMENT, SUSPENSION AND INELIGIBILITY CERTIFICATION

On all federal-aid construction contracts and all related subcontracts of $25,000 or more, the contractor and lower tier participants must certify they are in compliance with this provision. This includes subcontractors, material suppliers and vendors.

Each participant in the contract must certify "that it is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal agency and they have not been convicted or had civil judgment rendered within the past 3 years for certain types of offenses" (see Attachment E in Exhibit 12-E). It is the administering agency's responsibility to assure that the contractor is not suspended or debarred from federal contracts. A publication titled, "A Listing of Parties Excluded from Federal Procurement and Non-procurement Programs" is available electronically via the internet at http://epls.arnet.gov

XII. LOBBYING CERTIFICATION

On all federal-aid construction contracts and to all related subcontracts of $100,000 or more, federal funds may not be used to provide financial gain to a member of congress or a federal agency. Awarding a federal-aid contract to a constituent would be an example of financial gain. This applies to contractors as well as subcontractors. A certification that the contractor has not and will not use federal funds to make any payments for lobbying must be included in the contract proposal (see Exhibit 12-E, Attachment F).

Payments of nonfederal funds to any lobbyist must be disclosed on Standard Form LLL "Disclosure of Lobbying Activities" (see Exhibit 12-E, Attachment G), and if there are disclosures, included in the contract proposal.

CONTRACT TIME

Contract time is defined as the maximum time allowed in the contract for completion of all work contained in the contract documents. This time can be established in the specifications by either a specific completion date or a fixed number of calendar days. Contract time often becomes an issue when the traveling public is inconvenienced without any apparent reason. While there may be several reasons for a project to appear dormant, frequently the cause can be traced to excessive contract time or poor contractor scheduling.

For projects on the NHS, the contract time shall be specified in the bidding documents and shall be monitored by the administering agency. Specification of contract time is optional for projects off the NHS.

Insufficient contract time can result in higher bid prices, increased time overruns and claims, inefficiencies, and safety problems. On the other hand, excess contract time can result in increased inefficiencies, equating to costs, to both the local agency and contractor. In addition, delays and inconvenience to the public may be unnecessarily extended.

Caltrans will periodically perform a process review of local agency procedures for determining contract time to assess if the resulting contract times are appropriate. There are several different techniques used to determine contract time. The *FHWA Technical Advisory 5080.15, Construction Contract Time Determination Procedures,* describes time determination techniques in detail, and is available in the appendix of the FHWA *Contract Administration Core Curriculum.*

The local agency should strive for the shortest practical duration of traffic interruptions during highway construction. Innovative contracting methods including incentive/disincentive (I/D), lane rental, A+B contracts or other contract provisions for early completion are available to minimize traffic inconvenience and delay. These provisions are available from Caltrans. The *FHWA Technical Advisory 5080.10, Incentive/Disincentive for Early Completion,* describes this technique in detail, and is available in the appendix of FHWA *Contract Administration Core Curriculum.*

LIQUIDATED DAMAGES

The term *liquidated damages* means the daily amount set forth in the contract to be deducted from the contract price to cover additional costs incurred by a local agency because of the contractor's failure to complete the contract work within the number of calendar days or workdays specified.

Federal law requires the provision for liquidated damages on all federal-aid projects on the NHS. For projects off the NHS, this provision is optional. Liquidated damages are based on the estimated cost of field construction engineering. In special cases, liquidated damages greater than the estimated field construction engineering cost may be specified provided that detailed reasons, such as project related costs for delays and public inconvenience, are given to support the greater amount. In all cases, calculations should support the recommended rate. If project completion time is critical, then Incentive/Disincentive (I/D) provisions should be considered to motivate the contractor to complete the work sooner, and the I/D amount and time documented in the project file.

Local agencies should use the following formula to avoid excessive, or unreasonable, liquidated damages:

$$\frac{L\% \text{ (See Table Below)} \times \text{Engrs Estimate} + \text{RE Ofc Expense } *}{\text{Working Days } **} = \text{Liq Dam/calendar day}$$

* Resident Engineer office expenses for the life of the contract should be added unless the cost is already included in the Engineer's Estimate.

** Working days used to calculate liquidated damages should not include water pollution establishment or plant establishment days.

LIQUIDATED DAMAGES TABLE (L%)

	Project Type					
Project Estimate	**Resurfacing* /Rehab**	**New Highway**	**Realignment/ Widening**	**Landscaping**	**Soundwall**	**Others**
Over $30 million	10%	10%	13%	15%	15%	15%
$10 million to $30 million	10%	12%	15%	15%	15%	15%
$5 million to $10 million	10%	15%	15%	15%	15%	15%
$750k to $5 million	15%	15%	15%	18%	18%	15%
Less Than $750k	15%	20%	20%	18%	20%	15%

* Resurfacing projects include asphalt concrete (AC) surfacing, seal coats, slurry seals, etc.

The calculated liquidated damages should be rounded up in $100 increments to determine the amount to be specified.

If the local agency uses an alternate method to determine liquidated damages for locally funded projects, this method may be used on federal-aid projects as long as it avoids excessive charges. The local agency should have a liquidated damage calculation in the project files.

BUY AMERICA

On all federal-aid construction projects, current regulations require that steel and iron used be made in the United States. All foreign steel and iron materials are covered by the "Buy America" provision regardless of the percentage of steel in the manufactured product. All manufacturing processes involved in steel or iron products must occur within the United States. These processes include rolling, extruding, machining, bending, grinding, drilling, coating, welding and smelting. Domestically produced steel billets or iron ingots shipped overseas for any process and returned to the United States do not conform to this requirement.

Buy America provisions do not apply to:

- Minimal use of all foreign material in which the total delivery cost to the project site is less than $2500 or 0.1 percent of the contract amount, whichever is greater.
- Raw materials; scrap temporary steel items such as sheet pilings, bridges, steel scaffolding and false work.
- Materials that remain in place at the contractor's convenience such as sheet pilings and forms.
- Pig iron manufactured outside the United States.

A local agency shall not list an ineligible iron or steel product as "nonparticipating" in order to circumvent the Buy America requirements.

A waiver of the Buy America requirements by the FHWA Division Administrator is permitted for specific projects, specific products, specific geographical areas, or combinations if:

- Buy America is inconsistent with the public interest, or
- There is not a sufficient supply of domestic materials of satisfactory quality.

Approval authority for waiver of Buy America requirements has not been delegated from the FHWA to Caltrans and therefore is not delegated to the local agencies.

DISADVANTAGED BUSINESS ENTERPRISE

All federal-aid projects are subject to the legislative and regulatory DBE requirements. The main objective is to ensure that DBE firms have an opportunity to participate in federally funded projects.

If a there is an Underutilized DBE (UDBE) goal placed on the contract, the contractor must meet the goal or document a good faith effort to meet the contract goal by using UDBEs (see Chapter 9, "Civil Rights and Disadvantaged Business Enterprises," of the LAPM). Good faith efforts shall be documented and verified (Chapter 15, Exhibit 15-H "UDBE Information-Good Faith Efforts"). If a UDBE subcontractor is unable to perform, the contractor must make a good faith effort to replace him/her with another UDBE subcontractor if the goal is not otherwise met.

DBE classes that have been determined in the 2007 Caltrans Disparity Study to have a statistically significant disparity in their utilization in previously awarded transportation contracts. UDBEs include: African Americans, Native Americans, Asian-Pacific Americans, and Women.

Contracts shall contain special provisions stating that it is the local agency's policy to comply with Part 26 of Title 49, Code of Federal Regulations (CFR) and specify the contractor's obligation under these regulations.

If Caltrans' standard specifications will be used, appropriate editing of the *Sample Boiler Plate Contract Documents* will be necessary (see "*Sample Boiler Plate Contract Documents on the Internet*" in Section 12.8 of this chapter).

In accordance with Section 9.4 Local Agency DBE Program of Chapter 9, Civil Rights and Disadvantaged Business Enterprises, each local agency is required to create and maintain a bidders list containing information about all DBE and non-DBE firms that bid or quote on the local agency's federal-aid construction contracts. The required bidders list is to include the name, address, DBE/non-DBE status, date established and annual gross receipts of the firms. Exhibit 12-G "Bidder's List of Subcontractors (DBE and Non-DBE)" in this chapter consists of sample forms that local agencies may choose to use in their solicitations to compile a bidders list as follows:

(a) "Bidder's List of Subcontractors (Part l)" is required in accordance with Section 2-1.054 of the Caltrans Standard Specifications, and
(b) "Bidder's List of Subcontractors (Part 2)" of those providing a quote or bid, but not selected, which is needed to compile a bidders list.

NONCOLLUSION CERTIFICATION

On all federal-aid construction projects, a noncollusion certification protects the integrity of the federal-aid highway program and serves as a tool in prosecuting construction contract bid rigging cases. A noncollusion certification is required from all bidders as part of the bid proposal package (see Exhibit 12-E, Attachment D). Failure to submit the certification will render the bid ineligible for award.

FEDERAL TRAINEES (ON-THE-JOB TRAINING)

On selected federal-aid highway construction projects, "Federal Trainee" or "On-the-Job (OJT) Training" special provisions must be included in the contract provisions to establish the number of trainees for the construction contract.

The main objectives of the Federal Trainee/OJT Program are to:

- Provide training for women and minorities which will upgrade their job skills, thereby increasing their access to higher-paying trade jobs and journeyman-level positions and

- Ensure that a diverse work force will meet future labor needs in the construction industry.

Filling training positions on each project must focus on hiring women and minorities, but not exclude anyone. If a contractor cannot meet the OJT objectives, direct recruitment efforts must be documented to show an effort at OJT compliance.

The major components of an OJT program include:

- The local agency must include the required federal training special provisions in the PS&E package if the project size and duration warrant an OJT program.
- The local agency should select contracts that contribute to the "Contract Training Goals." These contracts must show the number of trainees, number of trainees upgraded to journeyman and level of skills.
- The local agency must review the training programs proposed by contractors. Approval or rejection is based on the legitimacy of the job-skill classifications proposed and the number of training hours specified.
- Caltrans must determine if statewide OJT is effective.
- The Contractor is responsible for recruitment and selection of trainees.
- The Contractor must evaluate training based on an approved training program.
- The contractor shall report the number of trainees and jobs using Form PR1391 "Federal-aid Highway Construction Contractors EEO Report" to the local agency. The local agency shall forward Form PR1391 to the Caltrans District Labor Compliance Officer (see Exhibit 16-O of this manual).
- OJT provision costs are reimbursed by the FHWA in accordance with the Federal Requirement Training Special Provisions" included in selected contracts. Required trainees/apprentices are to be funded on the bidding schedule or by change order at $0.80/hour; or the training program can be a bid item with the same reimbursement ratio as the construction project. OJT support services include recruiting, counseling, remedial training, and OJT program administration by others.
- If the Contractor does not show a good faith effort to provide acceptable training to the trainees specified, a sanction may be applied. Sanctions may include withholding progress payments if effective on-the-job training is not provided.

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In California, federal "trainees" are considered registered apprentices. There are relatively few crafts in highway work, which utilize apprentices—bricklayers, carpenters, cement masons, electricians, equipment operators, ironworkers, pile bucks, and a few others. There are no apprentice teamsters or laborers. The ratio of journeymen to apprentices is generally 5 to 1.

With these thoughts in mind, the number of trainees established for a project should be determined by examining the extent of only that work which will be done by the apprenticeable crafts. The following procedure may be used as a guide for establishing the number of trainees for a federal-aid project.

1. If the job has less than 100 working days---no trainees.
2. Add the individual totals for the following items in the Engineer's Estimate:
   - Excavation of all kinds
   - Embankment and backfill (but not imported borrow)
   - Portland cement concrete, all classes except precast items
   - Bar reinforcing steel and prestressing steel
   - Drive piling
   - Sound walls, masonry blocks
   - Retaining walls, bin walls, etc.
   - Concrete box culverts
   - Highway lighting
   - Signal systems, loop detectors
   - Electrical work for pumps, landscaping, etc.
   - Erect structural steel (but not "Furnish")
   - L.S. items for buildings, restrooms, etc.
3. Using the total obtained above, determine the number of trainees from the following table:

Number of Federal Trainees

$ Value	No. Trainees	$ Value	No. Trainees
Under $200,000	0	$3,000,000	7
400,000	1	4,000,000	8
700,000	2	5,000,000	9
1,000,000	3	6,500,000	10
1,500,000	4	8,000,000	11
2,000,000	5	10,000,000	12
2,500,000	6		

Over $10,000,000 add 1 trainee per $5,000,000

FEDERAL WAGE RATES

The payment of predetermined minimum wages on federal-aid contracts is derived from the Davis-Bacon Act of 1931 and is prescribed by 23 USC 113. These wage rates must be physically inserted in the special provision of the final contract on all federal-aid highway construction projects exceeding $2,000 and to all related subcontracts, except for projects located on roadways classified as local roads or rural minor collectors, which are exempted. Note: federal wage rates are applicable to all Recovery Act (ARRA) funded projects even if they are located on local roads or rural minor collectors.

The federal minimum wage rates are available directly from Department of Labor Home Page under www.gpo.gov/davisbacon. Click on "Browse all determination by State" then click on "California". For local agencies in California to be in conformance with the federal "10-day rule," local agencies are to access the "Federal Wage Rates" ten days prior to bid opening to see if updated federal wage rates have been posted. If the updated wage rates have been posted, local agencies are required to issue an addendum to insert the updated wage rates in their final contract package.

Federal wage rates are not required to be physically included in the contract advertising package provided they are referenced to an Internet web site address where they can be found. However, it must be emphasized that if an Internet web site address is used in the advertising package, the final contract package signed by the local agency and the contractor must physically contain the federal wage rates as revised by addendums, if any addendums were issued.

Local agencies that do not have Internet access, please contact your District Local Assistance Engineer to receive federal wage rates.

RELATIONS WITH RAILROAD

Where construction of a federal-aid project requires use of railroad properties or adjustments to railroad facilities, there shall be an agreement in writing between the local agency and the railroad company.

FHWA approval of railroad agreements is required for nonexempt projects. A copy of the conformed agreement shall be transmitted through the DLAE for FHWA review.

The pertinent portions of this agreement applicable to any protective services required during performance of the work must be included in the project specifications and special provisions for any construction contract. Caltrans uses standard special provisions for this section on Caltrans projects.

CHANGED CONDITION CLAUSES

Standardized changed condition clauses are required to be included in all contracts. The Caltrans' standard specifications and the *Standard Specifications for Public Works Construction (Green Book)* contain standard changed condition clauses. If a local agency chooses to use a different standard specifications book, the federal regulations shall still apply.

The regulation requires the use of three different clauses:

DIFFERING SITE CONDITIONS CLAUSE

This clause provides for the adjustment of the contract terms if the contractor encounters:

- Subsurface or latent physical conditions that differ materially from those indicated in the contract, or
- Unknown physical conditions of an unusual nature that differ materially from those ordinarily encountered and generally recognized as inherent to the work

SUSPENSIONS OF WORK ORDERED BY THE ENGINEER

This clause provides for the adjustment of the contract terms if the performance of all or a portion of the work is suspended or delayed by the resident engineer, in writing, for an unreasonable period of time (not originally anticipated, customary, or inherent to the construction industry). The contractor is required to submit a request for adjustment, in writing, to the resident engineer within 7 calendar days of receipt of the notice to resume work. Recovery of profit on costs resulting from suspensions of work is not allowed.

This clause does not preclude the recognition of constructive suspensions or delays resulting from the contracting agency's actions, without written notification. The local agencies may address constructive delays and suspensions, as they chose, in their standard specifications and contract administration procedures.

Suspensions must be for unreasonable periods and do not include brief, customary suspensions for reasons inherent to highway construction (i.e., material sampling and testing; approval of shop drawings, material sources, etc.; and other reasonable and customary suspensions necessary for the supervision of construction by the contracting agency). In addition, an adjustment under this clause is not allowed if the work is

suspended for other reasons or if an adjustment is provided for, or excluded, under other terms or conditions of the contract.

MATERIAL CHANGES IN THE SCOPE OF THE WORK

This clause provides for the adjustment of the contract terms if the resident engineer orders, in writing, an alteration in the work or in the quantities that significantly change the character of work. The term "significant change" shall be constructed to apply only to the following circumstances:

- The altered character of the work differs materially from that of the original contract, or
- A major item of work, as defined in the contract, is increased or decreased by more than 25 percent of the original contract quantity (adjustments shall apply only to that portion in excess of 125 percent of original contract quantity, or in case of a decrease, to the actual quantity performed)

This clause provides for adjustments resulting from formal change orders by the resident engineer, in writing, to the extent that the impacted work is part of the contract. Either party may initiate an adjustment and both must be in agreement before the work is performed. As with the suspension of work provision, this clause does not preclude the recognition of constructive suspensions or delays.

12.10 RESTRICTED CONTRACT PROVISIONS

INDIAN PREFERENCE

Generally, local agencies may not use local hiring practices on federal-aid construction projects. However, SAFETEA-LU permits an Indian employment preference provision for federal-aid projects on or near Indian reservations or Indian lands. Roads near an Indian reservation are those within a reasonable commute to and from the reservation. Indian preference shall be applied without regard to tribal affiliation or place of enrollment.

In setting employment goals, consideration should be given to the potential employment requirements of the contractor and core-crew. A contractor shall not layoff or terminates a core-crew employee to meet a preference goal**.** Any sanctions for failure to meet employment goals should be included as part of the contract.

Many tribes have a Tribal Employment Rights Office (TERO) tax, which applies to contracts performed within the reservation boundaries. FHWA will reimburse any local tax as long as it does not single out federal-aid highway construction contracts. TERO's can bill contractors for services rendered during recruitment and related support services. These fees are not eligible for federal participation. If part of a project is not within the reservation boundaries, the TERO tax shall not apply to that portion. "On" and "Off" reservation portions of the project should be clearly indicated in order to avoid over-payment.

BONDING AND PREQUALIFICATION

Bonding is grouped into three classifications which are:

- Bid bonds -- consisting of a bond, certified check or negotiable instrument submitted with the bid as assurance that the bidder will execute the contract within the specified time.
- Performance bonds -- executed with the contract to assure the contractor's obligations under the contract.
- Payment bonds -- executed in connection with a contract to assure payment, as required by law, to all persons supplying labor and material in the contract.

Prequalification is defined "as a means of predetermining job experience and work capacity and is used to identify individuals and organizations from which the local agency may accept a bid."

The FHWA does not require implementation of procedures or requirements for prequalification, bonding, or licensing on federal-aid projects. However, if the local agency has such procedures or requirements, they must conform to the FHWA's competitive bidding policy as follows:

- No procedures or requirements for bonding, insurance, prequalification, qualification, or licensing of contractors shall be used which may operate to restrict competition, prevent submission of a bid by or prohibit consideration of a bid submitted by any responsible contractor, whether a resident or nonresident of the State wherein the work is to be performed.
- No contractor shall be required to obtain a license before the submission of a bid or before the bid may be considered for award of a contract.

PRICE ADJUSTMENT CLAUSES

On all federal-aid construction projects, price adjustment clauses may be implemented under the following conditions:

- Material costs are extremely volatile
- Suppliers are unable to provide a price quote for the full term of the contract
- Price quotes are subject to delivery or market conditions
- Shortages are expected

These provisions should be limited to materials whose price volatility may produce a large effect on contract prices. The standard adjustment(s) should be quantifiable and set out in the contract specifications. The standard adjustment(s) should be based on a price or base index, which is not susceptible to manipulation by contractors or suppliers, such as the consumer price index. Published price data may be found in the Bureau of Labor Statistics: Producer *Price Indexes, Engineering News Record* (weekly) or various oil-related publications with price data for oil-related products.

Some concepts for developing price adjustment clauses include:

- Price adjustment does not need to be a standard specification unless shown in the bid- proposal.
- There should be upper and lower limits on adjusted compensation.
- Both upward and downward adjustments should be calculated.
- Only by a significant change in the index should trigger a price adjustment.
- Basis of payment should clearly indicate coverage of the price adjustment clause.
- Contractor should not have an option to accept or reject price adjustment compensation and the compensation should be automatically incorporated in the progress and partial payment computations.
- Compensation should not be based on actual invoiced receipts.
- Upward price adjustments should not be allowed after the contract time has expired.

When local conditions warrant the use of price adjustment clauses, the following should be considered:

- Use for projects which will exceed nine months duration from bid opening to completion.
- On single season contracts, provide price adjustment clauses for all price volatile materials which affect the unit costs of the major items of work.
- On multiple season contracts, provide price adjustment clauses for all price volatile materials and supplies.

When fuel prices are volatile, a price adjustment clause may be needed. This may occur on projects that are fuel intensive such as excavation, embankment, aggregate hauling and paving.

PROJECT LABOR AGREEMENTS

On February 6, 2009, President Obama issued Executive Order 13502 (the Order) on the use of a Project Labor Agreement (PLA) for Federal-aid construction contracts. A copy of the Order is attached. The Order revoked two Executive Orders issued under President Bush, which required any executive agency issuing grants, providing financial assistance, or entering into cooperative agreements for construction projects to ensure that no project specifications were used that either required or prohibited bidders from utilizing PLAs. The Federal government now believes that PLAs could be beneficial for large-scale construction projects, generally those with a total cost of $25 million or more, due to the benefits that PLAs can offer by promoting the efficient and expeditious completion of such projects. Local agencies may request the use of PLAs on projects totaling less than $25 million if the project would otherwise comply with this guidance. The Federal Highway Administration (FHWA) has issued this interim guidance for use until final implementing guidance is released by the Office of Management and Budget.

Pursuant to the Executive Order, PLAs may be used on federal-aid construction project contracts by local public agencies provided that the agency presents evidence that the use of such an agreement on the relevant project will:

(i) advance the government's interest in reducing construction costs and achieving economy and efficiency, producing labor-management stability, and ensuring compliance with laws and regulations governing safety and health, equal employment opportunity, labor and employment standards, and other matters as appropriate; and

(j) (ii) be consistent with law.

If an agency would like to use a PLA on a federal-aid construction contract, the agency should submit a request for approval to their District Local Assistance Engineer (DLAE) including the draft PLA and written justification describing why the project advances the interest of the government. The draft PLA must be submitted and approval received prior to construction authorization. The use of a PLA may be approved if the local agency has made a reasonable showing that the use of a PLA on the project will advance the interests of the government. In determining whether the use of a PLA is in the interest of the government, a local agency may consider many factors. Those factors include, but are not limited to:

- the size and complexity of the project;
- the importance of the project and need to adhere to a certain timeline;
- the risk of labor unrest on the project and the circumstances that are present that may lead to a heightened risk of labor disruption, such as the history of labor unrest in the area, the anticipated working conditions of the project relating to the environment or work schedules, and the expiration of one or more collective bargaining agreements that could lead to jurisdictional disputes;
- the impacts of a labor disruption to the users, the operation of the facility, and the region;
- the costs of a delay should a labor disruption occur; and
- the available labor pool relative to the particular skills required to complete the project.

A showing of any one or more of these factors may be adequate to justify the use of a PLA in a particular project. This list is not exclusive—other factors may reasonably permit a local agency to conclude that the use of PLA is appropriate for a given project.

In order to be valid, the draft PLA must:

- bind all contractors and subcontractors on the construction project through the inclusion of appropriate specifications in all relevant solicitation provisions and contract documents;
- allow all contractors and subcontractors to compete for contracts and subcontracts without regard to whether they are otherwise parties to collective bargaining agreements;
- contain guarantees against strikes, lockouts, and similar job disruptions;
- set forth effective, prompt, and mutually binding procedures for resolving labor disputes arising during the PLA;
- provide other mechanisms for labor-management cooperation on matters of mutual and concern, including productivity, quality of work, safety, and health; and
- fully conform to all statutes, regulations, and executive orders.

Upon receipt of the request for approval, the draft PLA and the written justification; the request will be reviewed, using the established criteria, by Caltrans and then forwarded to FHWA for their review and approval.

Executive Orders 13502 is available online at the following Webster:
http://www.whitehouse.gov/the-press-office/executive-order-use-project-labor-agreements-federal-construction-projects

12.11 OPTIONAL CONTRACT PROVISIONS

ADDITIVE OR DEDUCTIVE BID ITEMS

Local agencies may use "additive or deductive bid items" on federal-aid projects provided they use one of the following methods, with one exception, specified in California Public Contract Code, Section 20103.8. That one exception is the method described in subparagraph 20103.8(d) which cannot be used on federal-aid projects because it does not provide for a public opening of bids with full disclosure nor a predetermined method of identifying the lowest bidder.

> **"20103.8**. A local agency may require a bid for a public works **contract** to include prices for items that may be added to, or deducted from, the scope of work in the **contract** for which the bid is being submitted. Whenever additive or deductive items are included in a bid, the bid solicitation shall specify which one of the following methods will be used to determine the lowest bid. In the absence of a specification, only the method provided by **subdivision (a)** will be used:
>
> (a) The lowest bid shall be the lowest bid price on the base **contract** without consideration of the prices on the additive or deductive items.
>
> (b) The lowest bid shall be the lowest total of the bid prices on the base **contract** and those additive or deductive items that were specifically identified in the bid solicitation as being used for the purpose of determining the lowest bid price.
>
> (c) The lowest bid shall be the lowest total of the bid prices on the base **contract** and those additive or deductive items that when taken in order from a specifically identified list of those items in the solicitation, and added to, or subtracted from, the base **contract**, are less than, or equal to, a funding amount publicly disclosed by the local agency before the first bid is opened.
>
> (d) Deleted as it is not to be used.
>
> A responsible bidder who submitted the lowest bid before the first bid is opened as determined by this section shall be awarded the **contract**, if it is awarded. This section does not preclude the local agency from adding to or deducting from the **contract** any of the additive or deductive items after the lowest responsible bidder has been determined.
>
> (e) Nothing in this section shall preclude the prequalification of subcontractors."

ALTERNATE BIDS

Alternate bidding is a method used to minimize the overall cost of any federal-aid projects through increased competition. By considering alternate design schemes and construction methods, it is possible to attract the greatest number of bidders and realize the lowest possible bid prices.

Alternate bidding procedures should be used when more than one alternate is judged equal over the design period and there is a reasonable possibility that the least costly design approach will depend on the competitive circumstances. The potential for using alternates will normally be developed through design studies and value engineering analysis during project development. Moreover, there may be standard plan alternates developed for repetitive design items (i.e., drainage items, bridge structures, sound walls and pavement details, etc.).

The bidding documents and contract plans should clearly indicate the design criteria and the type of alternate designs or contractor options that will be acceptable. The contractor should be permitted to bid any designated alternate that is consistent with its expertise and equipment.

INCENTIVE/DISINCENTIVE (I/D) PROVISIONS

FHWA's long-standing policy prohibiting bonus payments on federal-aid projects, as formerly stated in 23 CFR 635.118, was rescinded on June 13, 1984. The decision was based on the findings of National Experimental and Evaluation Program (NEEP) 24. The NEEP-24 demonstrated that the use of early completion incentive payments could be used beneficially and without abuses.

A clear distinction should be made between the intent of I/D provisions and the purpose of liquidated damages. Although they have similar mechanisms, the function of each is different. The primary function of liquidated damages is to recover costs associated with the contractor's failure to complete the project on time. On the other hand, an I/D provision is intended to motivate the contractor to complete the work on or ahead of schedule without jeopardizing quality of work. An I/D provision for early completion is defined as a contract provision, which compensates the contractor for each day that identified critical work is completed ahead of schedule and assesses a deduction for each day that completion of the critical work is delayed. The use of I/D provisions is primarily intended for critical projects where it is essential that traffic inconvenience and delays be held to a minimum. It must be emphasized that I/D provisions should not be used routinely.

A discussion of factors to consider when selecting and developing I/D projects is available in FHWA's *Contract Administration Core Curriculum* (2006) at the following website:

www.fhwa.dot.gov/infrastructure/progadmin/contracts/coretoc.htm

Conceptual guidelines have also been developed to be used for project selection criteria and can be found in the Caltrans memorandum "Delegation of Authority for Use of A+B Bidding and Incentive/Disincentive (I/D) Provisions" at the following website:

www.dot.ca.gov/hq/oppd/pdpmb/pdpmbidx.htm

QUALITY - PRICE ADJUSTMENT CLAUSES

Price adjustment clauses and schedules are an important and effective component of quality assurance specifications. "Quality Assurance" specifications generally include statistically based acceptance plans, require contractor process control testing, and have provisions for pay adjustments based on the degree of compliance with specified requirements. Incentives and disincentives should rationally relate to the gain or loss in service life or performance of the product. Quality assurance specifications and programs

may lead to better contractor control of the quality of the product, however, they do not diminish the need for effective construction inspection

The FHWA has traditionally endorsed the use of incentive provisions up to five percent of the unit bid price for improved quality provided they are based on readily measured physical properties that reflect improved performance. Incentives greater than five percent on NHS projects are considered on a case-by-case basis following an analysis of performance data. For non-NHS projects, consideration for incentives greater than 5 percent is delegated to the local agency.

A detailed discussion of the criteria (such as: typical critical physical properties, acceptance plans and pay schedules) to consider when developing price adjustment provisions are provided in FHWA's *Contract Administration Core Curriculum*.

INNOVATIVE CONTRACTING PRACTICES

Neither the FHWA nor Caltrans have any intention of mandating the use of any of the innovative contracting practices cited below on local agencies. However, the FHWA is trying to develop a process nationwide through which states, local agencies and the industry can bring forth innovative contracting practices that they believe could result in worthwhile improvements to our traditional ways of doing business. It is FHWA's intent to try all promising concepts proposed that fall within the flexibility of the federal-aid program requirements

A discussion on the "Cost-Plus-Time Bidding" (A+B method), "Lane Rental" and "Design/Build" innovative contracting techniques is provided in the FHWA's *Contract Administration Core Curriculum*. Conceptual guidelines have also been developed to be used for project selection criteria and can be found in the Caltrans memorandum "Delegation of Authority for Use of A+B Bidding and Incentive/Disincentive (I/D) Provisions" at the following website: www.dot.ca.gov/hq/oppd/pdpmb/pdpmbidx.htm

12.12 MATERIALS AND EQUIPMENT

PUBLICLY OWNED EQUIPMENT

On all federal-aid construction projects, publicly owned equipment should not normally compete with privately owned equipment on a project going out for bid. The local agency may approve the use of publicly owned equipment when justified by a public interest finding. Federal participation is permitted provided:

- The PS&E submittal provides for the proposed use
- The specifications indicate equipment availability, rates and delivery point
- The specifications include the provision that the contractor shall have the option of providing or renting all or part of the equipment

Public agencies shall not benefit from the rental of its own equipment and rental rates must be competitive. The rates for work performed by force account work should be based on an agreed unit price or actual cost. The equipment need not be included in the estimate; however, the estimate should include a schedule of rates charged for use of publicly owned equipment.

CONTRACTOR-PURCHASES FOR LOCAL OWNERSHIP

On all federal-aid construction projects, equipment purchased by the local agency or by a contractor with ownership transferred to the local agency for construction engineering (CE) is not totally eligible for federal participation. Only that portion of the amortized equipment cost (over its useful life) attributable to the time the equipment is used on a federal-aid project is accounted for as CE and eligible.

Equipment is defined as tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost of $5,000 or more per unit.

CONVICT PRODUCED MATERIALS

Materials produced by convict labor after July 1, 1991 may be used on any federal-aid projects if:

- Such materials have been produced by convicts on parole, supervised release, or probation from prison
- Such material has been produced in a qualified prison facility and the amount. produced during any 12-month period does not exceed the amount produced during the 12-month period ending July 1, 1987

These materials are not given preferential treatment and are subject to the same requirements as materials from other sources. The contractor furnishes all materials through normal contracting procedures and selects either public or private sources of materials. Prison Industries may not bid directly on projects but may serve as a material supplier to contractors.

LOCAL PREFERENCES

On all federal-aid construction projects, materials produced within the state or local area shall not be favored over comparable materials produced outside of the state or local area. Also, in-state material sources cannot be given preference over foreign materials or actions taken against materials of foreign origin unless permitted by federal law. State or local preference provisions are not allowed on federal-aid project contracts.

WARRANTY CLAUSES

For projects off the NHS, local agencies may include warranty provisions in construction contracts in accordance with procedures they have developed for their nonfederal projects.

For projects on the NHS, local agencies may include warranty provisions in construction contracts in accordance with the following conditions:

- Warranty provisions shall be for a specific construction product or feature. Items of maintenance not eligible for federal participation shall not be covered.

- No warranty requirements shall be approved which may place an undue obligation on the contractor for items over which the contractor has no control.

The local agency shall provide documentation of these conditions in the project files. Local agencies are advised that items of maintenance are not eligible for federal participation. Including maintenance items will result in the items being considered non-participating and requiring pay back of the federal funds involved.

PROPRIETARY ITEMS

It is the policy of the FHWA not to participate, directly or indirectly, in payment for any premium or royalty on any patented or proprietary material, specification, or process specifically set forth in the plans and specifications for a federal-aid project unless:

- The item is purchased or obtained through competitive bidding with equally suitable unpatented items.
- The local agency certifies either in a Public Interest Finding (PIF) that the proprietary or patented item is essential for synchronization with the existing highway facilities or that no equally suitable alternative exists, or
- The item is used for research or for a special type of construction on relatively short sections of road for experimental purposes.

This FHWA policy is applicable to local agency projects both on and off the NHS.

The primary purpose of this policy is to have competition in selection of materials and allow for development of new materials and products. The policy further permits:

- Materials and products that are judged equal may be bid under generic specifications. If only patented or proprietary products are acceptable, they shall be bid as alternatives with all, or at least a reasonable number of acceptable materials or products listed.
- The local agency may approve a single source if it can be found that its utilization is in the public interest. The approved PIF shall be fully documented and retained in the project files.

Trade names are generally the key to identifying patented or proprietary materials. Trade name examples include 3M, Corten, etc. Generally, products identified by their brand or trade name are to be used all or at least a reasonable number of these materials or products should be listed. The licensing of several suppliers to produce a product does not change the fact that it is a single product and should not be specified to the exclusion of other equally suitable products.

EQUIPMENT RENTAL RATES

Federal policy requires that actual costs be used to determine extra work payments; however, actual equipment costs are not readily available. Therefore, the FHWA permits the local agencies to specify in their construction contract specifications the use of predetermined rate guides as well as equipment rates schedules development by the local agency which are in conformance with the federal cost principles and the FHWA's policy

contained in the *Contract Administration Core Curriculum*, published by the FHWA. Caltrans' Equipment Rental Rates are in conformance with these requirements.

12.13 ESTIMATES

The estimate used to authorize the construction phase of a federal-aid project shall reflect the anticipated cost of the project in sufficient detail to provide an initial prediction of the financial obligations to be incurred by the local agency and FHWA and to permit an effective review and comparison of the bids received.

Initially, a preliminary estimate is prepared by the local agency, which includes the basic items that a contractor will be asked to bid. This is a confidential document, which represents the local agency's best estimate of a fair and reasonable price for the items or work to be performed. As such, the Engineer's Estimate should not be made available to contractors and the general public prior to opening bids. This estimate must be prepared in a format, which describes the item of work, unit amount, quantity, unit price, amount, a subtotal, contingencies and a total. (Exhibit 12-A, *Preliminary Estimate of Cost*, or equivalent.)

Other estimates must also be prepared, if appropriate, for local agency furnished materials, supplemental work, construction engineering, the Federal Trainee program, and force account (day labor) work performed by the local agency. The estimates must be segregated by major construction categories. Furthermore, any items of work, which are ineligible for federal participation in a category, must be segregated from the eligible items of work.

These estimates are used to prepare the Finance Letter and the "Request for Authorization for Construction." After bids are opened and the project has been awarded, a Detail Estimate is prepared by the local agency, which upgrades the preliminary estimate by using actual bid amounts rather than estimates. For more information on detail estimates, refer to Chapter 15. *Advertise and Award,* of this manual.

NONPARTICIPATING WORK

On all federal-aid construction projects, work which is not within the limits of the project must be segregated under a category called "Not Part of Federal Project" for purposes of the preliminary and detail estimates (work funded by others is most generally nonparticipating).

Work within the federal-aid project limits, but ineligible for federal funding, is referred to as "nonparticipating work." Items considered "nonparticipating work" include but are not limited to the following:

- Betterment work such as capital outlay, safety improvements, or operational improvements that goes beyond restoring a site to its original condition or to the current standard (for emergency relief work)
- Right of way obligations when right of way is nonparticipating
- Maintenance related activities
- Spare parts not incorporated in the work

The above work must also be identified and segregated for the purposes of the preliminary and detail estimates.

Quantities for each structure shall be shown separately with an appropriate structure code. Miscellaneous work, such as utility adjustments by a utility company, shall also be separate.

CONTRACT ITEMS

In order to determine which contract items should be included in the preliminary estimate, the work is broken down into the basic types of construction, such as excavation, concrete and steel. Each type and each classification of a type of construction comprises one bid item. Each contract item must be measured accurately. After September 30, 1996, metric units shall be used for all items of work for projects on the SHS. For projects off the SHS, the local agency has the option of using English or Metric units until October 30, 2000. However, the local agency must use Metric units if the local agency project uses Caltrans' contract documents (*Standard Plans, Standard Specifications*, etc.), or when it is requested that Caltrans review the structure portion of a project.

When practical, work performed by a different subcontractor should also be segregated into separate contract items.

The list of contract items should be analyzed to be sure that all phases of the work are included in the estimate. Care should also be taken to ensure that there is no overlap of contract items, which could result in a duplication of payments.

The *Coded Contract Item List* published by Caltrans may be used by the local agency with or without the item code number. The contract item list should be used if the local agency is using Caltrans *Standard Specifications* as the item descriptions are matched with the specifications.

LOCAL AGENCY FURNISHED MATERIALS

Local agency furnished materials are a part of the total cost of the project and should be subtotaled and included in the total project cost.

To be eligible for federal participation, any material (other than local natural material) purchased by the local agency and furnished to the contractor for mandatory use in the project must be acquired on the basis of competitive bidding, except when there is a finding of public interest, approved by the local agency and submitted to the DLAE for review justifies the use of another method of acquisition. The unit cost eligible for federal participation is limited to the unit cost of such material to the local agency.

SUPPLEMENTAL WORK

"Supplemental work" is work that is anticipated and required but cannot be described and quantified for delivery on a unit-price or lump sum basis.

Such work must be included in the project estimates and should follow the "Subtotal Contract Items." Supplemental work should include extra work, additional work, right of way obligations, traffic control (if required) or other work to be performed by the contractor and charged to the contract work order. Supplemental work can be listed and included in the total project cost, as a separate line item, or included in the contingencies section of the preliminary estimate. Supplemental work must be included in the contingencies of the Detail Estimate (see Exhibit 15-M of this manual).

For additional information on the use of supplemental work as an item of work, refer to the Caltrans *PS&E Guide,* available from the Caltrans Central Publications Distribution Unit.

CONTINGENCIES

Estimates may include contingencies, including supplemental work, of five to ten percent of the total estimate. Contingency amounts should be adjusted to give the total contract a round number. If there is a large amount of supplemental work, ten percent may be exceeded, but contingencies should always be at least five percent.

CONSTRUCTION ENGINEERING

The Code of Federal Regulations defines construction engineering as the supervision and inspection of construction activities; additional staking functions considered necessary for effective control of the construction operations; testing materials incorporated into construction; checking shop drawings; and measurements needed for the preparation of pay estimates.

Construction engineering costs should be shown on the Estimate, if federal reimbursement is desired.

Federal participation in construction engineering is generally limited to fifteen percent of the federal participating construction costs. However, for the HBP, HSIP, and other programs, the DLA may approve request for reimbursement of construction engineering costs in excess of fifteen percent.

FEDERAL TRAINEE PROGRAM

Estimates for federal-aid projects may include an estimated amount for the federal Trainee Program. It is up to the local agency to establish the number of trainees for each project. For additional information on the Federal Trainee Program refer to the "Other Required Contract Provisions" section of this chapter.

ESTIMATES FOR FORCE ACCOUNT (DAY LABOR)

If force account work (day labor) is to be included in the project, it must be listed in the estimate as a separate item. Such work must be justified and documented as described in Section 12.4 of this chapter.

12.14 OPTIONAL BRIDGE REVIEW

When a bridge or major structure is involved, the local agency may request a cursory review of the structural designs by Caltrans Division of Structures, Local Assistance. Caltrans review and comments will be advisory only. If requested, Caltrans' decision to review structural plans will be based on:

- Experience of local agency staff
- Complexity of project, type of structure
- Availability of Caltrans staff

If the local agency requests a cursory review, they must submit checked plans to Caltrans Division of Structures. The checker's signature or initials must appear on each sheet of the structure plans. Unsigned plans will be returned to the local agency. The project special provisions and engineering reports must have the engineer's stamp, signature and registration number on the title sheet.

For major federal-aid construction projects on the NHS, involving a bridge or major structure, the bridge review shall be in accordance with PS&E procedures described in Section 12.2 of this chapter.

When transmitting the project documents to the Division of Structures for review, the local agency must identify the following:

- Agency advertising the project
- Estimated advertising date
- Type of funding
- Expenditure authorization number on State-advertised projects

When structure design documents are to be reviewed by Caltrans, the following number of copies, as appropriate, are to be submitted to the Division of Structures. These figures represent the minimum number of copies required.

Document Submitted	**Number Required**
Plans (reduced or full size prints)	3
Special provisions (for bridge portion)	3
Hydraulic report	2
Foundation report	2

12.15 PS&E CERTIFICATION

Local agencies must certify their PS&E. A PS&E Checklist that identifies the critical federal requirements is provided to assist the local agency. The local agency must submit the local agency PS&E Certification and the PS&E Checklist along with the PS&E package to the Caltrans DLAE when making their request for authorization to proceed with construction.

The "PS&E Certification" (Exhibit 12-C) must be signed by the engineer responsible for the project. Either a local agency employee or a consultant retained by the local agency and must be a professional civil engineer registered to practice in California.

In the certification, the local agency certifies that the PS&E has been prepared in accordance with this chapter and that any necessary design exceptions have been approved by the Public Works Director or his/her designee. The certification must also acknowledge that review of PS&E will not be performed by Caltrans. By this certification, the local agency accepts responsibility for compliance with applicable design standards, Title 23 of the United States Code, and other applicable federal requirements (DBE, EEO, federal and state wage rates, license requirements, etc.). Failure to comply with any of these requirements may cause withdrawal of funds.

PS&E CHECKLIST

Local agencies will complete the "PS&E Checklist" (Exhibit 12-D) and attach it to all PS&E Certification Letters submitted to the DLAE. The checklist has been developed to address the flexibility allowed under federal regulations and still ensure that the minimum required provisions are included in each set of contract documents. For instance, some provisions included in FHWA Form 1273 may not apply to some projects. This will depend on estimated cost, functional classification of the road, and whether the project is on the NHS. However, if any of the required provisions are left out of a construction contract, the project will not be eligible for federal reimbursement.

"PS&E Checklist Instructions" (Exhibit 12-E) are included in order to lead the local agency through the checklist and determine which of the various federal contract provisions are required. Samples of each required federal contract provision are attached. These samples are based on Caltrans *Standard Specifications*, however, the local agency may use equivalent provisions based on other standard specifications as long as the intent of the federal requirement is met.

CHECKLIST REVIEW BY CALTRANS

The DLAEs will review each checklist to ensure that the local agency has completed the form in accordance with the instructions in this manual. Except as discussed below, this review will be limited to the actual checklist and will not involve a review of the PS&E package.

SPECIAL PROVISIONS REVIEW BY CALTRANS

The DLAE has the responsibility to confirm that the correct Special and Federal Contract Provisions are included in the contract provisions as indicated on the checklist. The DLAE should ensure that at least one set of Special and Federal Contract Provisions is reviewed per year for each local agency that submits a PS&E. Also, the DLAE will decide if additional documents will be reviewed based on past experience with the agency; the number of federal-aid projects; the agency has done since the reengineering of Local Assistance procedures; and the amount of resources the district can direct to this effort. Local agencies requesting reviews will be accommodated to the extent that resources are available.

The checklist has been designed to facilitate this review by providing space for the local agency to indicate the page number of the appropriate federal provisions. This review will help the local agencies become familiar with the use of the checklist and the corresponding federal contract provisions. It will not, however, relieve the local agency of responsibility for compliance with all federal requirements.

DLAE ACCEPTANCE OF THE CHECKLIST

The DLAE will indicate acceptance of the checklist by checking the type of review (i.e. whether the checklist review included a review of the special provisions) and signing the form. The local agency's request for authorization for the construction phase of a project will not be forwarded to the Division of Local Assistance (DLA) for approval prior to acceptance by the DLAE.

SUBMITTAL OF PLANS, SPECIFICATIONS AND ESTIMATE (PS&E)

As a minimum, local agencies will submit the contract special provisions and the preliminary estimate with the PS&E Certification Letter. At the discretion of the DLAE, a set of plans will be also required. The plan requirement may be waived based on past experience with the agency and the number of federal-aid projects the agency has completed previously. As soon as the project is advertised, the local agency shall furnish the DLAE one copy of the "as advertised" plans and special provisions, or two copies if structures (bridges) are involved.

PROCESS REVIEW

Process reviews of a random sample of the local agency PS&E packages will be conducted as needed. The process reviews will be conducted on a "post audit" basis. Local agencies should be aware that if deficiencies are found during a process review, it may be too late to make corrections and the loss of all or a portion of the project federal funding will result.

12.16 PROJECTS WITHOUT TRADITIONAL PS&E

Some projects, on or off the NHS, such as Congestion Mitigation and Air Quality (CMAQ) and Transportation Enhancement (TE) may consist of studies and other nonconstruction type projects. Examples include: Traffic Demand Management (TDM) studies relating to regional air quality, ride sharing, commuter incentives and commuter computer centers.

These projects will not have a set of plans or PS&E, but may only consist of a consultant contract agreement. The local agency shall submit a request for authorization to proceed in the same manner as Non-Infrastructure Projects discussed in Chapter 3 of the LAPM.

If the project is part of a regional study conducted by a Metropolitan Planning Organization (MPO), then the local federal-aid portion of the work plan must be segregated to show the project costs associated with each local agency.

12.17 REFERENCES

The Civil Rights Act of 1964
STAA Section 165
23 USC 106(b)(2)
23 USC 112
23 USC 113
23 USC 114
23 USC 140
23 USC 140(b)
23 USC 313
23 USC 315
23 USC 324
25 USC 472a
40 USC 276 (a) Davis-Bacon & (c) Copeland Act
40 USC 333
23 CFR 200
23 CFR 230
23 CFR 230 A&D
23 CFR 230.111
23 CFR 635.410
23 CFR 627.5
23 CFR 630.1010(a)(2)
23 CFR 633
23 CFR 635.410
23 CFR 771.113
25 CFR 170
28 CFR 35
29 CFR 1,3,5
29 CFR 1630
29 CFR 1926
41 CFR 60
48 CFR 31
49 CFR 1.48
49 CFR 20
49 CFR 21
49 CFR 26
Section 6730-6749 California Business and Professions Code

Presidential Executive Order 13202 "Preservation of Open Competition and Government Neutrality Towards Government Contractors' Labor Relations on Federal and Federally Funded Construction Projects" dated February 17, 2001 (Federal Register: February 22, 2001; Volume 66, Number 36, Presidential Documents, Pages 11225-11226)

Presidential Executive Order 13208 "Amendment to Executive Order 13202 Preservation of Open Competition and Government Neutrality Towards Government Contractors' Labor Relations on Federal and Federally Funded Construction Projects," dated April 6, 2001 (Federal Register: April 11, 2001; Volume 66, Number 71, Presidential Documents, Pages 18717-18718)

Caltrans Memorandum to "All District Directors" dated June 12, 2000; Subject: Delegation of Authority for Use of A+B Bidding and Incentive/Disincentive (I/D) Provisions

Joint Stewardship and Oversight Agreement between FHWA and Caltrans, http://www.dot.ca.gov/hq/oppd/stewardship/

SAFETEA-LU Web site: http://www.fhwa.dot.gov/safetealu/index.htm

http://www.dot.ca.gov/hq/LocalPrograms/lam/prog_p/p09crdbe.pdf

http://www.dot.ca.gov/hq/LocalPrograms/public.htm

http://www.ada.gov/stdspdf.htm

http://www.access.gpo.gov/nara/cfr/waisidx_04/28cfr35_04.html

EXHIBIT 12-A PRELIMINARY ESTIMATE OF COST

DEPARTMENT OF TRANSPORTATION
PRELIMINARY ESTIMATE OF COST

SHEET _____OF_____

Bid Opening	Expenditure Authorization	Budget Allocation	Date
District County	Route PM	Source of Funds	
Federal-aid Number	Description		

Item Number	Item Description	Unit	Quantity	Unit Price		Amount	

Length in Miles:	SUBTOTAL	
	Contingencies %	
Made By:	TOTAL	

Checked By:	Approved:

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EXHIBIT 12-C PS&E CERTIFICATION

Local Agency Letterhead

To: (***District Local Assistance Engineer's name***) (***Federal Number***)
District Local Assistance Engineer (***Project Description***)
Caltrans, Office of Local Assistance
(***District Address***)

Dear (***District Local Assistance Engineer's name***):

With submission of the attached PS&E CHECKLIST for the above subject project, I hereby certify that the project was designed and prepared for advertisement in accordance with the *Local Assistance Procedures Manual* produced by the California Department of Transportation (Caltrans).

I understand Caltrans may not be performing a review of this PS&E at this time but that all documents relating to this project are subject to review by the Federal Highway Administration (FHWA) and/or Caltrans in order to verify this PS&E certification. I also understand if deficiencies are found in subsequent review the following actions will be considered:

(1) Where minor deficiencies are found, PS&E certification for future projects may be conditioned or not accepted until the deficiencies are corrected.

(2) Where deficiencies are of such magnitude as to create doubt that the policies and objectives of Title 23 of the United States Code (or other applicable federal and State laws) will not be accomplished by the project, federal funding may be withdrawn.

_____
(***Signature, Title***)

_____
(***Local Agency***)

Professional Registration Number: _____

Expiration Date: _____

Attachment

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EXHIBIT 12-D PS&E CHECKLIST

Agency _____ Federal Project No. _____

This form is to be completed by the local agency and attached to the PS&E Certification. See Exhibit 12-E for instructions and the referenced attachments

.

I. HIGHWAY SYSTEM

☐ On the National Highway System (NHS)
☐ Off the NHS

II. FUNCTIONAL CLASSIFICATION (Check as many as appropriate)

On the Federal-aid System

☐ Urban Principal Arterial - Fwy or Expwys
☐ Urban Principal Arterial - Other
☐ Urban Minor Arterial
☐ Urban Collector
☐ Rural Principal Arterial
☐ Rural Minor Arterial
☐ Rural Major Collector

Off the Federal-aid System

☐ Urban Local
☐ Rural Minor Collector
☐ Rural Local

III. TYPE OF CONSTRUCTION (Check appropriate box)

☐ New or Reconstruction
☐ Resurfacing, Restoration and Rehabilitation (3R)
☐ Preventive Maintenance

IV. METHOD OF CONSTRUCTION

A. Contracting Method (Check appropriate box)

☐ Competitive bidding
☐ Other than competitive bidding

(If the contracting method is other than competitive bidding, check appropriate box below.)

☐ The project is "Delegated" and subject to minimal FHWA oversight. A Public Interest Finding has been submitted to the DLAE for approval and filed in the contract records justifying the method.
☐ The project is "High Profile" and subject to a high degree of FHWA oversight. A Public Interest Finding justifying the method has been submitted and approved by Caltrans and FHWA.

B. Force Account (Day Labor) (Check appropriate box)

☐ The entire work will be constructed by contract as indicated above.
☐ Some work (incidental to the main purpose of the project) will be constructed by Force Account. A Public Interest Finding approved by the DLAE is on file in the contract records justifying the work.
☐ The entire project will be constructed by Force Account (Day Labor).

(If the entire project will be constructed by Force Account (Day Labor)

☐ The project is "Delegated" and subject to minimal FHWA oversight. A Public Interest Finding has been submitted to the DLAE for approval and filed in the contract records justifying the method.
☐ The project is "High Profile" and subject to a high degree of FHWA oversight. A Public Interest Finding justifying the method has been submitted and approved by Caltrans and FHWA.

V. ENVIRONMENTAL ANALYSIS (Check box if requirement is met)

☐ The PS&E is fully responsive to the necessary actions called for by the environmental document, permit conditions, and other agreements.

VI. VALUE ENGINEERING (VE) ANALYSIS (Check appropriate box)

☐ VE analysis has been performed on this project and a copy of the analysis has been submitted to the DLAE for forwarding to the Caltrans District Value Analysis Coordinator.

☐ The project is not a bridge project. VE analysis has not been performed as the estimated total project cost is <$25 million.

☐ The project is a bridge project. VE analysis has not been performed as the total project cost is <$20 million.

VII. GEOMETRIC DESIGN STANDARDS (Complete this section if project changes existing geometrics)

A. Geometric Design Standards Used (Check appropriate box)

☐ Caltrans Design Standards (on State Highway System)
☐ Current AASHTO Standards
☐ 3R Projects - Minimum Standards for Geometric Design of Federal-Aid Resurfacing, Restoration, and Rehabilitation Projects on Local Streets and Roads, *Local Assistance Procedures Manual*, State of California Department of Transportation.
☐ Local Agency Design Standards Date approved _____

B. Deviations from Controlling Criteria (check appropriate box for each controlling criteria)

Criteria Met	Design Criteria Not Met	Design Exception Approval Date	Controlling Criteria
☐	☐	_____	Design Speed
☐	☐	_____	Lane Width
☐	☐	_____	Shoulder Width
☐	☐	_____	Bridge Width
☐	☐	_____	Horizontal Alignment
☐	☐	_____	Vertical Alignment
☐	☐	_____	Grades
☐	☐	_____	Stopping Sight Distance
☐	☐	_____	Cross Slopes

☐	☐	_____	Super elevation
☐	☐	_____	Horizontal Clearance
☐	☐	_____	Vertical Clearance

VIII. BRIDGE DESIGN PROCEDURES (Check the appropriate box)

All bridges have been designed in accordance with the current edition of the *Caltrans Bridge Design Specifications Manual.*

YES	DOES NOT APPLY (Bridge construction not included in the project)
☐	☐

IX. STANDARD PLANS (Check appropriate box)

☐ Caltrans *Standard Plans* ☐ *Standard Plans for Public Works Construction*
☐ Local Approved Standard Plans:

_____ Date signed (on behalf of the local agency) by a person in responsible charge and who is registered professional engineer licensed to practice in the State of California.

X. PROJECT PLANS AND SPECIFICATIONS (Check box if requirements met)

☐ Cover sheet of plans and specifications signed and stamped on behalf of the local agency by the person in responsible charge, and who is a registered professional engineer licensed to practice in the State of California.

☐ Traffic Control Plans or reference to Standard Plan and Signs/Striping Plans included. (Note: Additionally, Traffic Management Plans are required to be on file for all reconstruction, rehabilitation, and other projects[including projects on the State Highway System not funded by the State], if significant traffic delays are anticipated and as a result from project activities)

☐ Erosion Control Plan

☐ ADA is being fully complied with including *Federal ADA Standards for Accessible Guidelines for Buildings and Facilities* (ADAAG), Title 24 of the California Code of Regulations and local codes.

XI. STANDARD SPECIFICATIONS (Check Standards used)

☐ *Caltrans Standard Specifications*

☐ *Standard Specifications for Public Works Construction (Green Book)*

☐ Locally Approved Standard Specifications

XII. REQUIRED FEDERAL CONTRACT PROVISIONS

A. General Federal Requirements (Check appropriate box and indicate page number)

Page No.

☐ Caltrans SSP – Section 14. Federal Requirements For Federal-aid Projects (Attachment A, FR-1 & FR-2) is included. ..... _____

☐ Equivalent provisions are included. ..... _____

B. FHWA Form 1273 ..... Page No.

1. Incorporation of FHWA Form 1273 into Contract (Check appropriate box and indicate page number)

☐ An unmodified copy of FHWA Form 1273 "Required Contract Provisions Federal-aid Construction Contracts" (Attachment B, FR-3 thru FR-14) has been physically incorporated into this contract…… _____

☐ A modified copy of FHWA Form 1273 "Required Contract Provisions Federal-aid Construction Contracts" has been physically incorporated into this contract..... _____

2. Modification of FHWA Form 1273 (If the provisions contained in FHWA Form 1273 will be modified, fill in the required project information before completing Sections 2.a thru 2.d.)

Estimated Construction Contract Cost_____

a. Section IV. Payment of Predetermined Wages (Check appropriate box)
This section applies to all federal-aid highway construction projects exceeding $2,000 and to all related subcontracts, except for projects not located on the Federal-aid System (roadways classified as local roads or rural minor collectors), which are exempted. If exempted, this section may be crossed out, removed or may be specified elsewhere in the contract that it does not apply.

☐ Section IV has not been modified.

☐ Section IV has been *crossed out/removed/specified elsewhere in the contract that it does not apply.* (Indicate type of modification).

b. Section V. Statements and Payrolls (Check appropriate box)
This section applies to all federal-aid highway construction projects exceeding $2,000 and to all related subcontracts, except for projects not located on the Federal-aid System (roadways classified as local roads or rural minor collectors), which are exempted. If exempted, this section may be crossed out, removed, or may be specified elsewhere in the contract that it does not apply.

☐ Section V has not been modified.

☐ Section V has been *crossed out/removed/specified elsewhere in the contract that it does not apply.* (Indicate type of modification)

c. Section VI. Record of Materials, Supplies, and Labor (Check appropriate box)
See PS&E Checklist Instructions (Exhibit 12-E of this chapter) for applicability.

☐ Section VI has not been modified.

☐ Section VI has been *crossed out/removed/specified elsewhere in the contract that it does not apply.* (Indicate type of modification)

d. Section VII. Subletting or Assigning the Contract (Check appropriate box)
This section applies to all federal-aid highway projects.

☐ Section VII has not been modified.

☐ Section VII has been *crossed out/removed/specified elsewhere in the contract that it does not apply.* (Indicate type of modification)

Page No.

C. Certification/Disclosure Forms (Check if included and indicate page number)

☐ Equal employment Opportunity Certification (Exhibit 12-E, Attachment C)……..... _____

☐ Noncollusion Affidavit (Exhibit 12-E, Attachment D) ..... _____

☐ Debarment and Suspension Certification (Exhibit 12-E, Attachment E)..... _____

☐ Nonlobbying Certification for Federal-aid Contracts (Exhibit 12-E, Attachment F) …… _____

☐ Disclosure of Lobbying Activities (Exhibit 12-E, Attachment G)..... _____

☐ Equivalent provisions (Attach complete listing, including page numbers).……..... _____

D. Liquidated Damages (Check appropriate box and indicate page number)

☐ Caltrans SSP Section 4. Beginning of Work, Time of Completion and Liquidated Damages (Exhibit 12-E, Attachment I) is included in this contract ..... _____

☐ Equivalent provisions are included. ..... _____

E. Disadvantaged Business Enterprise (DBE)/Subcontracting

1. UDBE Goal (Refer to Exhibit 12-E, PS&E Instruction Checklist)

☐ Local Agency non-zero UDBE goal percentage for this contract is:_____

OR

☐ The UDBE goal for this contract is zero percent. Documentation verifying this determination is attached to his PS&E Checklist and is also on file with the local agency. Refer to Exhibit 12-E, PS&E Checklist Instructions.

OR

☐ This contract has no UDBE goal because:

☐ The AADPL goal has been met for this federal fiscal year.

☐ This contract has no subcontracting opportunities for UDBE participation.

☐ This contract is "nonprofit."

☐ Other, specify: _____

Documentation verifying the above "no UDBE goal" determination is attached to the PS&E Checklist and is also on file with the local agency. Refer to Exhibit 12-E, "PS&E Checklist Instructions."

2. Contracts Provisions (For use with all Federal-aid contracts)

The following applicable Caltrans Standard Special Provisions (SSPs) to the Caltrans Standard Specifications, or their equivalent are included in the contract Special Provisions with page numbers noted (editing may be required). Check if included and indicate page number.

a. Caltrans Standard Special Provisions

☐ 2-1.01 GENERAL Required Listing of Proposed Subcontractors and Required Contract Assurance Statement (Exhibit 12-E, Attachment H) or *Equivalent Provisions* ..... _____

☐ 2-1.015 Federal Lobbying Restrictions (Exhibit 12-E, Attachment H) or *Equivalent Provisions* ..... _____

☐ 2-1.02 Disadvantaged Business Enterprise (DBE) (Exhibit 12-E, Attachment H) or *Equivalent Provisions* ..... _____

☐ 3- Award and Execution of Contract (Exhibit 12-E, Attachment I) or *Equivalent Provisions* ..... _____

☐ Caltrans SSP 5-1. Subcontractor and DBE Records (Exhibit 12-E, Attachment J) or *Equivalent Provisions*..... _____

☐ Caltrans SSP 5-1. DBE Certification Status Change (Exhibit 12-E Attachment J) or *Equivalent Provisions* ..... _____

☐ Caltrans SSP 5-1. Performance of Subcontractors (Exhibit 12-E, Attachment K) or *Equivalent Provisions* ..... _____

☐ Caltrans SSP 5-1. Subcontracting (Exhibit 12-E, Attachment L) or *Equivalent Provisions*..... _____

☐ Caltrans SSP 5-1.Prompt Progress Payments to Subcontractors (Exhibit 12-E, Attachment L) or *Equivalent Provisions* _____

☐ Caltrans SSP 5-1. Prompt Payment of Withheld Funds to Subcontractors (Exhibit 12-E, Attachment L) or *Equivalent Provisions* ..... _____

b. The following forms are applicable with the above SSPs.

☐ Listing of Subcontractors (Form in Sample Proposal and Contract) or *Equivalent Form* ..... _____

☐ Local Agency Bidder UBDE Commitment (Construction Contracts)(Exhibit 15-G1) or *Equivalent Provisions*..... _____

☐ Local Agency Bidder DBE Information Form (Exhibit 15-G2) or *Equivalent Provisions* ..... _____

☐ DBE Certification Status Change (Exhibit 17-O) or *Equivalent Provisions*..... _____

☐ UDBE Information - Good Faith Efforts (Exhibit 15-H)
If applicable ..... _____

☐ Final Report-Utilization of Disadvantaged Business Enterprises (DBE), First-Tier Subcontractor (Exhibit 17-F) or *Equivalent Provisions* ..... _____

☐ Bidders's List (49 CFR, Part 26.11) List data for all firms that bid as prime, or bid, or quote subcontracts for this contract (optional Exhibit 12-G)..... _____

F. Buy America Specification (Check appropriate box and indicate page number if requirement applies. See Section 12.9 of the *Local Assistance Procedures Manual* for requirement.)

☐ Caltrans SSP 5-1- Buy America Requirements (Exhibit 12-E, Attachment M)

☐ Equivalent provisions are included ..... _____

☐ Buy America specifications are not included in contract.

☐ Waiver for the following has been approved by FHWA: _____Date _____.

G. Federal Trainees (Check appropriate box and indicate page number if requirement applies)

☐ The project has less than 100 working days. A Federal Trainee goal and special provisions are not required.

☐ Analysis of the Engineers Estimate has the dollar value under $200,000. A Federal Trainee goal and special provisions are not required.

☐ Caltrans SSP – Federal Requirement Training Special Provisions (Exhibit 12-E, Attachment B, FR-14 through FR-16) are included. (The Trainee goal is _____.) _____

☐ Equivalent provisions are included (The Trainee goal is _____.)..... _____

H. Federal Wage Rates (Check appropriate box and indicate page number if Federal Wages Rates are included)

☐ Federal Wages Rates are physically incorporated into this contract advertising package ..... _____
Note: By checking the above box, the local agency is indicating that they are aware of the federal-aid "10-day rule" requirement.

☐ Federal Wage Rates are not physically incorporated in the contract advertising package but are referenced to an Internet web site address on page number _____ of the Special Provisions where the applicable Federal Wage Rates can be found. Revisions to the applicable Federal Wage Rates, up to 10 days before bid opening, shall be identified by the issuance of an addendum with the corresponding Internet web site address of where the revisions can be found. The final contract documents signed by the local agency and the contractor, will physically include the Federal Wage Rates, or Federal wage Rates as revised by addendums, if any such addendums have been issued.

☐ This project is not located on a Federal-aid Route. Federal Wage Rates are not required. (Note: Federal Wage Rates are applicable to all Recovery Act (ARRA) funded projects even if they are located on local roads or rural minor collector.)

I. Relations with Railroad (Check appropriate box and indicate page number if special provisions are included)

☐ The required provisions are included ..... _____

☐ This project does not involve the use of railroad properties or adjustments to railroad facilities ..... _____

J. American Recovery and Reinvestment Act (Recovery Act) Funds (Check appropriate box and indicate page number if special provisions are included)

☐ This is a Recovery Act funded project and the required Recovery Act provisions (Exhibit 12-E, Attachment L) are included ..... _____

☐ This project does not involve ARRA Funds ..... _____

XIII. RESTRICTED CONTRACT PROVISIONS (CHECK APPROPRIATE BOX)

A. Indian Preferences (Check appropriate box and provide required information)

☐ Not included.

☐ Included. The project is on or near the _____ Indian Reservation.

B. Bonding and Prequalification (Check box if requirement met)

☐ Bonding or prequalification, if required, will not be used to restrict competition, prevent submission of a bid by, or prohibit consideration of a bid submitted by any responsible contractor, whether a resident or nonresident of the State of California.

C. Price Adjustment Clauses (Check appropriate box)

☐ Price adjustment clauses are not included.

☐ Price adjustment clauses are included. The federal conditions restricting the use of these clauses have been met and are documented in the project files

D. Warranty Clauses (Complete this section if project is on the NHS)

☐ Warranty Clauses are not included.

☐ Warranty Clauses are included. Documentation of the required conditions on the use of these clauses is in the project files.

E. Proprietary Items

☐ Proprietary Items are not included.

☐ Proprietary Items are included. A Public Interest Finding justifying the use has been approved and documented in the project files.

XIV. MATERIALS & EQUIPMENT (Check appropriate box)

A. Publicly Owned Equipment (for use by Contractor). (Check appropriate box)

☐ Not included.

☐ Included. A Public Interest Finding justifying this use is in project files and the project specifications meet the requirements for federal participation listed in Chapter 12.

B. Equipment Purchases for Local Ownership (Check appropriate box)

☐ Not included.

☐ Included. Amount charged to construction engineering will be limited to amortized equipment cost (over its useful life) attributable to the time the equipment is used on the project.

C. Convict Produced Materials

☐ Not included.

☐ Included. The conditions placed on the use of these materials by the contractor meet federal requirements and are included in the contract specifications.

D. Local Agency Furnished Materials (Check appropriate box)

☐ Local Agency Furnished Materials are not included.
(If Local Agency Furnished Materials are included check appropriate box.)

☐ Local Agency Furnished Materials have been acquired on the basis of competitive bidding.

☐ A Public Interest Finding is on file in the contract records justifying another method of acquisition.

XV. PRELIMINARY ESTIMATE (Check boxes if requirements met)

☐ Exhibit 12-A or equivalent has been completed and is attached.

☐ The estimate is broken down into items sufficient in detail to provide an initial prediction of the financial obligation to be incurred by the local agency, State and FHWA and to permit an effective review and comparison of the bids received.

☐ Non-participating items of work have been identified and segregated from the estimated cost of work eligible for federal-aid.

(If project is funded with more than one type of federal-aid, check box if requirement was met.)

☐ The estimate has been segregated by fund types for use in preparing the "Request for Authorization for Construction" (Detail Record) and the Finance Letter.

XVI. MAJOR PROJECTS WITH TOTAL COST OF $100 MILLION TO $500 MILLION OR MORE (Check boxes if requirements met)

The total cost of this project is:

☐ Expected to be less than $100 million.

☐ Expected to be $100 million or more, but less than $500 million:

☐ A Financial Plan is required and has been prepared and submitted to the DLAE.

Approval Date: _____

☐ Expected to be $500 million or more and:

☐ A Project Management Plan has been prepared and submitted to the DLAE.

Approval Date:_____

☐ An Annual Financial Plan has been prepared and submitted to the DLAE

XVII. LOCAL AGENCY SIGNATURE

This Federal Contract Provisions checklist has been prepared in accordance with Chapter 12 "Plans, Specifications & Estimate," of the *Local Assistance Procedures Manual*.

Signature: _____ Date:_____

Title: _____

XVIII. CALTRANS ACCEPTANCE

Check appropriate acceptance statement:

☐ I have not personally inspected the subject project PS&E package, but I am aware of the scope of the project. I have reviewed this "PS&E CHECKLIST" and agree it is complete and appears to have been prepared in accordance Chapter 12 "Plans, Specifications & Estimate," of the *Local Assistance Procedures Manual*.

☐ I have inspected the specifications portion of the subject project PS&E package and I am aware of the scope of the project. I have reviewed this "PS&E CHECKLIST" and agree it is complete and appears to have been prepared in accordance with Chapter 12 "Plans, Specifications & Estimate," of the *Local Assistance Procedures Manual*. I have also verified that the indicated Required Federal Contract Provisions are included in the specifications.

Signature: _____ Date:_____

Title: _____

Distribution: 1) Original with PS&E Certification - DLAE
2) Original "Accepted" copy with PS&E Certification - DLAE file
3) One "Accepted" copy to be returned to Local Agency

EXHIBIT 12-E PS&E CHECKLIST INSTRUCTIONS

The PS&E Checklist is to be completed by the local agency in accordance with the following instructions and attached to the PS&E Certification.

I. HIGHWAY SYSTEM

Some PS&E requirements depend on the whether the project is on or off the National Highway System (NHS). See *Local Assistance Program Guidelines* (LAPG), Chapter 3 Section 3.3 "Federal-Aid Routes and Functional Classifications," for a listing of the local agency NHS routes.

Check the appropriate box indicating on which system the project is located.

II. FUNCTIONAL CLASSIFICATION

Federal-aid eligibility, design standards as well as some PS&E requirements depend on the functional classification of the route the project is on. See LAPG, Chapter 3, "Federal-Aid Routes and Functional Classifications," for a discussion of the functional classification system.

Check the appropriate box

III. TYPE OF CONSTRUCTION

Design standards as well as some oversight responsibilities depend on the type of construction. See Chapter 2 of this manual for definitions and check the appropriate box.

IV. METHOD OF CONSTRUCTION

A. CONTRACTING METHOD

Unless justified by a PIF (Exhibit 12-F in this chapter), all federal-aid construction contracts must be awarded to the lowest responsible bidder of a competitive bid process. For "Delegated" projects that are subject to minimal FHWA oversight, Caltrans must approve the PIF if it meets the conditions described in Chapter 12. Caltrans and FHWA must approve the PIF for "High Profile" projects that are subject to a high degree of FHWA oversight before accepting the local agency's PS&E Certification.

Check the appropriate box.

B. FORCE ACCOUNT (DAY LABOR)

A PIF (Exhibit 12-F in this chapter) must justify any force account construction work performed by the local agency. When the entire project will be constructed by the local agency, and the project is "High Profile," the PIF shall be submitted to the District Local Assistance Engineer (DLAE) for Caltrans and FHWA approval before accepting the local agency's PS&E Certification. The PIF will be approved by Caltrans for all other force account (day labor) work.

Check the appropriate boxes and process the PIF as required.

V. ENVIRONMENTAL ANALYSIS

The preparation of PS&E must reflect findings of the environmental analysis performed for the project. By checking the box, the agency certifies that the necessary actions called for by the environmental documents have been responded to in the PS&E. Failure to check the box will result in denial of the Request for Authorization.

VI. VALUE ENGINEERING (VE) ANALYSIS

The application of value engineering (VE) is required for: (1) all federal-aid highway projects with a total estimated project cost of $25 million or more, and (2) all bridge projects with a total estimated project cost of $20 million or more. Check appropriate box.

VII. GEOMETRIC DESIGN STANDARDS

If the project does not change existing geometrics, Section A and B do not apply and the local agency is not required to check any boxes in these sections.

A. GEOMETRIC DESIGN STANDARDS USED

New and reconstruction projects on the NHS shall be designed in accordance with Standards as defined in the current edition of *A Policy on Geometric Design of Highways and Streets*, published by the American Association of State Highway and Transportation Officials (AASHTO). The minimum standards for geometric design of local federal-aid resurfacing, restoration and rehabilitation (3R) projects on the NHS are shown in Tables 11-1 through 11-10 in Exhibit 11-A. Local geometric design standards that have been developed for use on locally funded new and reconstruction, or 3R projects off the NHS, may be used subject to the conditions listed in Chapter 11, "Design Standards."

Check appropriate box if this section applies.

B. DEVIATIONS FROM CONTROLLING CRITERIA

The controlling criteria listed are considered to be of primary importance for highway safety, and deviations require design exception approval procedures as described in Chapter 11, "Design Standards," of the LAPM. Check whether the criteria have been met on this project. If a design exception has been approved, indicate the approval date. Documentation shall be retained in the project files.

VIII. BRIDGE DESIGN PROCEDURES

All bridges shall be designed in accordance with the current edition of the *Caltrans Bridge Design Specifications Manual*. Check if requirement met, or if the project does not include any bridge construction indicate requirement does not apply.

IX. STANDARD PLANS

For projects off the State Highway System, the local agency may use Caltrans Standard Plans, Standard Plans for Public Works Construction, or subject to the conditions described in Chapter 11, "Locally Approved Standard Plans." Check appropriate box.

X. PROJECT PLANS AND SPECIFICATIONS

Project plans and specifications shall be signed and stamped on behalf of the local agency by the person in responsible charge and who is a registered professional engineer licensed to practice in the State of California. A traffic control plan shall be included in the PS&E for all federal-aid highway construction projects. Check boxes to indicate requirements are met. Failure to check both boxes will result in denial of the Request for Authorization.

Erosion control plans may be required, see Section 12.7 Plans, in the LAPM. If required, check box.

Project plans and specifications may be required to meet the Americans with Disabilities Act (ADA) requirements under federal 28 CFR, Part 35 or Part 36. Whenever applicable, project plans will need to comply with the federal 28 CFR, Part 35 or Part 36, and the *California and Local Building Codes* within the project limits. In accordance with 28 CFR Sec. 35.151, curbs ramps must meet current ADA standards if the project includes streets that are to be newly constructed or altered (includes repaving). For ADA requirements, see Chapter 11 "Design Standards," and Section 12.7 of this chapter. If ADA requirements apply and will be complied with, check box.

XI. STANDARD SPECIFICATIONS

For projects off the State Highway System, the local agency may use *Caltrans Standard Specifications, the Standard Specifications for Public Works Construction,* or subject to the conditions described in Chapter 11, "Locally Approved Standard Specifications." Check appropriate box.

XII. REQUIRED FEDERAL CONTRACT PROVISIONS (SEE ATTACHMENTS A thru N, THIS EXHIBIT)

A. GENERAL FEDERAL REQUIREMENTS

General provisions must be included to reference FHWA Form 1273, Performance of Previous Contract, Noncollusion Provision and Participation by Minority Business Enterprises in Subcontracting. Caltrans SSP - Section14. "Federal Requirements for Federal-aid Construction Projects" (Attachment A, pages FR-1 & FR-2) or equivalent provisions shall be used.

Check appropriate box (i.e., Caltrans SSP or equivalent) and indicate page number.

B. FHWA FORM 1273

1. Incorporation of FHWA Form 1273 into Contract

FHWA Form 1273- Required Contract Provisions, Federal-aid Construction Contracts, (Exclusive of Appalachian Contracts)(Attachment B, pages FR-3 thru FR-14) shall be made a part of, and physically incorporated into all contracts as well as appropriate subcontracts and purchase orders. The provisions contained in FHWA Form-1273 are generally applicable to all federal-aid construction projects. Except as described below, the form may not be modified.

Check the appropriate box (i.e., unmodified or modified) and indicate page number.

2. Modification of FHWA Form 1273

If the provisions contained in FHWA Form 1273 will be modified, fill in the required project information before completing Sections 2.a. thru 2.d.

a. Section IV. Payment of Predetermined Wages

This section applies to all federal-aid highway construction projects exceeding $2,000 dollars and to all related subcontracts, except for projects not located on the Federal-aid System (roadways classified as local roads or rural minor collectors), which are exempted. If exempted, this section may be crossed out, removed, or it may be specified elsewhere in the contract that it does not apply.

Check the appropriate box (i.e., not modified or modified). If this section has been modified, indicate how the section was modified (i.e., crossed out, removed or specified elsewhere in the contract that it does not apply).

b. Section V. Statements and Payrolls

This section applies to all federal-aid highway construction projects exceeding $2,000 dollars and to all related subcontracts, except for projects not located on the Federal-aid System (roadways classified as local roads or rural minor collectors), which are exempted. If exempted, this section may be crossed out, removed, or it may be specified elsewhere in the contract that it does not apply.

Check the appropriate box (i.e., not modified or modified). If this section has been modified, indicate how the section was modified (i.e., crossed out, removed or specified elsewhere in the contract that it does not apply).

c. Section VI. Record of Materials, Supplies, and Labor

This section applies to all federal-aid projects in excess of $1 million only on the NHS. Certain projects are excluded on the NHS. If not applicable, this section may be crossed out, removed, or it may be specified elsewhere in the contract that it does not apply.

Check the appropriate box (i.e., not modified or modified). If this section has been modified, indicate how the section was modified (i.e., crossed out, removed or specified elsewhere in the contract that it does not apply).

d. Section VII. Subletting or Assigning the Contract

This section applies to all federal-aid projects. This section may be crossed out, removed, or it may be specified elsewhere in the contract that it does not apply, if the local agency chooses 50 percent as the minimum percentage of work, excluding any identified specialty items, as specified in the *Caltrans Standard Specifications* or the Greenbook Specifications. A special provision must be included specifying which percentage is to be used.

Check the appropriate box (i.e., not modified or modified). If this section has been modified, indicate how the section was modified (i.e., crossed out, removed or specified elsewhere in the contract that it does not apply).

C. CERTIFICATION/DISCLOSURE FORMS

The following certification/disclosure forms shall be included in all federal-aid projects. Except for the Disclosure of Lobbying form and instructions, equivalent provisions may be used.

Equal Employment Opportunity Certification (Attachment C)
Noncollusion Affidavit (Attachment D*)*
Debarment and Suspension Certification (Attachment E)

Nonlobbying Certification for Federal-aid Contracts (Attachment F)

Disclosure of Lobbying Activities (Attachment G)

Check appropriate box (i.e., Attachments or equivalents) and indicate page number.

D. LIQUIDATED DAMAGES

Provisions for liquidated damages shall be included in all federal-aid contracts on the NHS (see Chapter 12 "Plans, Specifications & Estimate," of the LAPM for requirements.). Caltrans SSP Section 4. "Beginning of Work, Time of Completion and Liquidated Damages" (Exhibit 12-E, Attachment I, also in Sample Notice to Contractors & Special Provisions) or equivalent provisions shall be used.

Check appropriate box (i.e., Caltrans SSP or equivalent) and indicate page number.

E. DISADVANTAGED BUSINESS ENTERPRISE (DBE)/SUBCONTRACTING

1. UDBE Goal

Individual UDBE contract goals will be established based on the criteria for establishing contract goals identified in the local agency's AADPL. Complete evaluation documentation is required and shall be retained for each contract (see DBE references in the LAPM). For contracts that contain a specific UDBE goal, Caltrans SSPs (and the referenced *Caltrans Standard Specifications*) are required to describe the DBE policy, the UDBE contract goal, eligibility criteria, good faith effort requirements, sanctions on failure to comply, procedures for counting UDBE participation, award documentation procedures, post-award compliance procedures, and required records and reporting. "Proposal Requirements and Conditions (Attachment H)" includes requirements for UDBE subcontract listing, Federal Lobbying Restrictions, Disadvantaged Business requirements, and the UDBE goal for the contract.

In some cases, the contract UDBE goal may be zero due to the extremely limited subcontracting opportunities for UDBEs, the lack of certified UDBEs in the geographic area in which work is to be performed, or other reasons. Documentation is required verifying that the local agency has determined that a zero percent UDBE goal is appropriate. Documentation may be based on the AADPL methodology with the specific project-related work codes and UDBEs highlighted, or, if the project had not been included in the AADPL methodology, a separate contract goal methodology must be provided. The DLAE will review and approve the "zero" goal methodology.

In some cases there may be no contract goal (which is different than zero percent goal) if, for example, the AADPL goal has already been met for the federal fiscal year, or the contract is "sole-source" or "non-profit".

Fill in the required UDBE goal information before completing the remainder of this section.

2. Contract Provisions

For all federal-aid projects, Caltrans SSPs (and the referenced Caltrans Standard Specifications), or equivalent provisions, are required to describe subcontractor and DBE Program Policy, eligibility criteria, procedures for counting DBE participation, award documentation procedures, post-award compliance procedures, and required records and reporting.

Caltrans SSP Section 2. "Proposal Requirements and Condition" (Exhibit 12-E, Attachment H also in Sample Notice to Contractors & Special Provisions) includes requirements for DBE subcontractor listing, Federal Lobbying Restrictions, DBE, and other requirements.

Check appropriate boxes (i.e., Caltrans SSPs or equivalent provisions) and indicate page number. If equivalent provisions are used, attach a complete listing, including page numbers.

F. BUY AMERICA SPECIFICATION

Current Buy America regulations are discussed in Section 12.9 of the LAPM. Buy America requirements do not apply to minimal use of the material such that the cost, delivered to the project site, is less than $2,500 or one-tenth-of-one-percent of the contract amount, whichever is greater. (Attachment M)

If the Buy America requirement applies, check the appropriate box (i.e., Caltrans SSP or equivalent) and indicate page number. If the requirement does not apply, check the last box.

G. FEDERAL TRAINEES

Chapter 12, "Plans, Specifications & Estimate," of the LAPM includes information for On-the-Job Training. If a Federal Trainee goal is not required, check the appropriate box. If a goal is required, check appropriate box (i.e., Caltrans SSP or equivalent), indicate the trainee goal and the page number. (Attachment N)

H. FEDERAL WAGE RATES

If payment of federal predetermined wages are required per instructions in Subparagraph B.2.a "Section IV. Payment of Predetermined Wages," they shall be physically incorporated into the final contract documents and in all related subcontracts signed by the local agency and the contractor.

Check appropriate box (i.e., Federal Wages Rates are included in the contract advertising package, referenced by the Internet Web site address, or not required) and indicate page number if applicable.

It must be emphasized that if the Internet Web site address is used in the advertising package, the final contract package upon signed by the local agency and the contractor, must be physically contain the Federal Wage Rates or the Federal Wage rates as revised by addendums, if any addendums were issued.

By checking the box the local agency is indicating that they are aware of the federal-aid "10-day rule" for federal wage rates. See Section 12.9 Required Federal Contract Provisions – Federal Wage Rates for local agency requirements under the "10-day rule."

I. RELATIONS WITH RAILROAD

Where construction of a federal-aid project requires use of railroad properties or adjustments to railroad facilities, there shall be an agreement in writing between the local agency and the railroad company. The pertinent portions of the agreement applicable to any protective services required during performance of the work shall be included in the project specifications and special provisions.

Check appropriate box (i.e., provisions are included or not required). If provisions are included, indicate page number.

J. AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) FUNDS

In accordance with Section 902 of the Recovery Act of 2009, the U.S. Comptroller General and the Inspector General shall have the authority to examine records and interview employees. Recovery Act projects also require additional accountability reporting. Check appropriate box (i.e. provisions are included or not required). If provisions are included, indicate page number.

XIII. RESTRICTED CONTRACT PROVISIONS

Unless otherwise noted, see Section 12.10 of Chapter 12 for detailed guidance.

A. INDIAN PREFERENCES

Generally, local agencies may not use local hiring practices. However, SAFETEA-LU permits an Indian employment preference provision for projects on or near Indian reservations or Indian lands. Check the appropriate box.

B. BONDING AND PREQUALIFICATION

Bonding and prequalification procedures are not required for federal-aid projects. However, any procedures or requirements for bonding, insurance, prequalification, qualification, or licensing of contractors shall not be used which may operate to restrict competition, prevent submission of a bid by or prohibit consideration of a bid submitted by any responsible contractor, whether a resident or nonresident of California. Check appropriate boxes, and if bonding and/or prequalification are used, check the last box to indicate the requirement will be met.

C. PRICE ADJUSTMENT CLAUSES

Price adjustment clauses may be implemented if certain conditions are met. If these clauses are used, the local agency must provide documentation of the required conditions in the project files. Check the appropriate box.

D. WARRANTY CLAUSES

Warranty clauses may be implemented if the conditions described in Section 12.12 of Chapter 12 are met. The local agency must provide documentation of the required conditions in the project files. Check the appropriate box.

E. PROPRIETARY ITEMS

The use of proprietary items is restricted as described in Section 12.12 in Chapter 12. If the use does not meet these restrictions, a Public Interest Finding justifying the use must be approved by the local agency and documented in the project files. Check the appropriate box.

XIV. MATERIALS AND EQUIPMENT

Unless otherwise noted, see Section 12.12 of Chapter 12 for details.

A. PUBLICLY OWNED EQUIPMENT (FOR USE BY CONTRACTOR)

The use of publicly owned equipment on a project going to bid must be justified with a Public Interest Finding. The local agency may approve the use provided it meets conditions described in Chapter 12. Check the appropriate box.

B. EQUIPMENT PURCHASES FOR LOCAL OWNERSHIP

The cost of equipment purchased by the local agency or by the contractor with ownership transferred to the local agency for construction engineering is limited. Check the appropriate box.

C. Convict Produced Materials

Materials produced by convict labor may be used on any federal-aid project if they meet certain conditions. Check appropriate box.

D. Local Agency Furnished Materials

The use of local agency furnished materials not acquired on the basis of competitive bidding must be supported by a Public Interest Finding justifying the use (see Section 12.13 of Chapter 12). The justification must be approved by the local agency and documented in the project files. If these materials are included, check the appropriate box indicating the method of acquisition.

XV. PRELIMINARY ESTIMATE

An estimate of the contract items of work must be prepared in a format which describes the items of work, unit amount, quantity, unit price, amount, a subtotal, contingencies and a total. (Exhibit 12-A "Preliminary Estimate of Cost," or equivalent). The estimate must be broken down into items sufficient in detail to meet the stated requirements. Check boxes if these requirements are met.

If the project is funded with more than one type of federal-aid it must be segregated by fund types (see Chapter 3, "Project Authorization," of the LAPM). Check box if this requirement is met.

XVI. MAJOR PROJECTS WITH TOTAL COSTS EXPECTED TO EXCEED $100 MILLION OR $500 MILLION

The federal SAFETEA-LU requires that a local agency receiving an amount of federal financial assistance for "major" projects with an estimated total cost exceeding $100 million must have a financial plan and projects exceeding $500 million must also have a project management plan. For details of the required submittal and approval of these two plans, which are required for all "major" projects exceeding the two estimated total costs, refer to Chapter 2 "Roles and Responsibilities" of the LAPM .

XVII. LOCAL AGENCY SIGNATURE

The Federal Contract Provisions Checklist shall be signed by the person preparing the contract specifications. The checklist shall be signed even if prepared by the same person who will sign the PS&E Certification.

XVIII. CALTRANS ACCEPTANCE

Caltrans will indicate the appropriate acceptance statement based on the type of review, as described in Chapter 12, "Plans, Specifications & Estimate," of the LAPM and sign the bottom of the form.

ATTACHMENT A SECTION 14. FEDERAL REQUIREMENTS FOR FEDERAL-AID CONSTRUCTION PROJECTS

GENERAL.—The work herein proposed will be financed in whole or in part with Federal funds, and therefore all of the statutes, rules and regulations promulgated by the Federal Government and applicable to work financed in whole or in part with Federal funds will apply to such work. The "Required Contract Provisions, Federal-Aid Construction Contracts, "Form FHWA 1273, are included in this Section 14. Whenever in said required contract provisions references are made to "SHA contracting officer," "SHA resident engineer," or "authorized representative of the SHA," such references shall be construed to mean "Engineer" as defined in Section 1-1.18 of the Standard Specifications.

PERFORMANCE OF PREVIOUS CONTRACT.—In addition to the provisions in Section II, "Nondiscrimination," and Section VII, "Subletting or Assigning the Contract," of the required contract provisions, the Contractor shall comply with the following:

The bidder shall execute the CERTIFICATION WITH REGARD TO THE PERFORMANCE OF PREVIOUS CONTRACTS OR SUBCONTRACTS SUBJECT TO THE EQUAL OPPORTUNITY CLAUSE AND THE FILING OF REQUIRED REPORTS located in the proposal. No request for subletting or assigning any portion of the contract in excess of $10,000 will be considered under the provisions of Section VII of the required contract provisions unless such request is accompanied by the CERTIFICATION referred to above, executed by the proposed subcontractor.

NON-COLLUSION PROVISION.—The provisions in this section are applicable to all contracts except contracts for Federal Aid Secondary projects.

Title 23, United States Code, Section 112, requires as a condition precedent to approval by the Federal Highway Administrator of the contract for this work that each bidder file a sworn statement executed by, or on behalf of, the person, firm, association, or corporation to whom such contract is to be awarded, certifying that such person, firm, association, or corporation has not, either directly or indirectly, entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding in connection with the submitted bid. A form to make the non-collusion affidavit statement required by Section 112 as a certification under penalty of perjury rather than as a sworn statement as permitted by 28, USC, Sec. 1746, is included in the proposal.

PARTICIPATION BY DISADVANTAGED BUSINESS ENTERPRISES IN SUBCONTRACTING.—Part 26, Title 49, Code of Federal Regulations applies to this Federal-aid project. Pertinent sections of said Code are incorporated in part or in its entirety within other sections of these special provisions.

Schedule B—Information for Determining Joint Venture Eligibility

(This form need not be filled in if all joint venture firms are DBE owned.)

1. Name of joint venture _____

_____

2. Address of joint venture _____

_____

3. Phone number of joint venture _____

_____

4. Identify the firms which comprise the joint venture. (The DBE partner must complete Schedule A.) _____

_____

a. Describe the role of the DBE firm in the joint venture.

_____

b. Describe very briefly the experience and business qualifications of each non-DBE joint venturer: _____

_____

5. Nature of the joint venture's business _____

_____

6. Provide a copy of the joint venture agreement.

7. What is the claimed percentage of DBE ownership? ___

_____

8. Ownership of joint venture: (This need not be filled in if described in the joint venture agreement, provided by question 6.).

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a. Profit and loss sharing.
b. Capital contributions, including equipment.
c. Other applicable ownership interests.

9. Control of and participation in this contract. Identify by name, race, sex, and "firm" those individuals (and their titles) who are responsible for day-to-day management and policy decision making, including, but not limited to, those with prime responsibility for:

a. Financial decisions _____

_____

b. Management decisions, such as:

1. Estimating _____

_____

2. Marketing and sales _____

_____

3. Hiring and firing of management personnel ___

_____

4. Purchasing of major items or supplies _____

_____

c. Supervision of field operations _____

_____

Note.—If, after filing this Schedule B and before the completion of the joint venture's work on the contract covered by this regulation, there is any significant change in the information submitted, the joint venture must inform the grantee, either directly or through the prime contractor if the joint venture is a subcontractor.

Affidavit

"The undersigned swear that the foregoing statements are correct and include all material information necessary to identify and explain the terms and operation of our joint venture and the intended participation by each joint venturer in the undertaking. Further, the undersigned covenant and agree to provide to grantee current, complete and accurate information regarding actual joint venture work and the payment therefor and any proposed changes in any of the joint venture arrangements and to permit the audit and examination of the books, records and files of the joint venture, or those of each joint venturer relevant to the joint venture, by authorized representatives of the grantee or the Federal funding agency. Any material misrepresentation will be grounds for terminating any contract which may be awarded and for initiating action under Federal or State laws concerning false statements."

.....	.....
Name of Firm	Name of Firm
.....	.....
Signature	Signature
.....	.....
Name	Name
.....	.....
Title	Title
.....	.....
Date	Date

Date _____

State of _____

County of _____

On this ____ day of _____, 19 __, before me appeared (Name) _____, to me personally known, who, being duly sworn, did execute the foregoing affidavit, and did state that he or she was properly authorized by (Name of firm) _____ to execute the affidavit and did so as his or her free act and deed.

Notary Public _____

Commission expires _____

[Seal]

Date _____

State of _____

County of _____

On this ___ day of _____, 19 __, before me appeared (Name) _____ to me personally known, who, being duly sworn, did execute the foregoing affidavit, and did state that he or she was properly authorized by (Name of firm) _____ to execute the affidavit and did so as his or her free act and deed.

Notary Public _____

Commission expires _____

[Seal]

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ATTACHMENT B REQUIRED CONTRACT PROVISIONS FEDERAL-AID CONSTRUCTION CONTRACTS

(Exclusive of Appalachian Contracts)

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ATTACHMENTS

A. Employment Preference for Appalachian Contracts (included in Appalachian contracts only)

I. GENERAL

1. These contract provisions shall apply to all work performed on the contract by the contractor's own organization and with the assistance of workers under the contractor's immediate superintendence and to all work performed on the contract by piecework, station work, or by subcontract.

2. Except as otherwise provided for in each section, the contractor shall insert in each subcontract all of the stipulations contained in these Required Contract Provisions, and further require their inclusion in any lower tier subcontract or purchase order that may in turn be made. The Required Contract Provisions shall not be incorporated by reference in any case. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with these Required Contract Provisions.

3. A breach of any of the stipulations contained in these Required Contract Provisions shall be sufficient grounds for termination of the contract.

4. A breach of the following clauses of the Required Contract Provisions may also be grounds for debarment as provided in 29 CFR 5.12:

Section I, paragraph 2;
Section IV, paragraphs 1, 2, 3, 4, and 7;
Section V, paragraphs 1 and 2a through 2g.

5. Disputes arising out of the labor standards provisions of Section IV (except paragraph 5) and Section V of these Required Contract Provisions shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the U.S. Department of Labor (DOL) as set forth in 29 CFR 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the DOL, or the contractor's employees or their representatives.

6. **Selection of Labor:** During the performance of this contract, the contractor shall not:

a. discriminate against labor from any other State, possession, or territory of the United States (except for employment preference for Appalachian contracts, when applicable, as specified in Attachment A), or

b. employ convict labor for any purpose within the limits of the project unless it is labor performed by convicts who are on parole, supervised release, or probation.

II. NONDISCRIMINATION

(Applicable to all Federal-aid construction contracts and to all related subcontracts of $10,000 or more.)

1. **Equal Employment Opportunity:** Equal employment opportunity (EEO) requirements not to discriminate and to take affirmative action to assure equal opportunity as set forth under laws, executive orders, rules, regulations (28 CFR 35, 29 CFR 1630, and 41 CFR 60) and orders of the Secretary of Labor as modified by the provisions prescribed herein, and imposed pursuant to 23 U.S.C. 140 shall constitute the EEO and specific affirmative action standards for the contractor's project activities under this contract. The Equal Opportunity Construction Contract Specifications set forth under 41 CFR 60-4.3 and the provisions of the American Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) set forth under 28 CFR 35 and 29 CFR 1630 are incorporated by reference in this contract. In the execution of this contract, the contractor agrees to comply with the following minimum specific requirement activities of EEO:

a. The contractor will work with the State highway agency (SHA) and the Federal Government in carrying out EEO obligations and in their review of his/her activities under the contract.

b. The contractor will accept as his operating policy the following statement:

"It is the policy of this Company to assure that applicants are employed, and that employees are treated during employment, without regard to their race, religion, sex, color, national origin, age or disability. Such action shall include: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship, preapprenticeship, and/or on-the-job training."

2. **EEO Officer:** The contractor will designate and make known to the SHA contracting officers an EEO Officer who will have the responsibility for and must be capable of effectively

administering and promoting an active contractor program of EEO and who must be assigned adequate authority and responsibility to do so.

3. **Dissemination of Policy:** All members of the contractor's staff who are authorized to hire, supervise, promote, and discharge employees, or who recommend such action, or who are substantially involved in such action, will be made fully cognizant of, and will implement, the contractor's EEO policy and contractual responsibilities to provide EEO in each grade and classification of employment. To ensure that the above agreement will be met, the following actions will be taken as a minimum:

a. Periodic meetings of supervisory and personnel office employees will be conducted before the start of work and then not less often than once every six months, at which time the contractor's EEO policy and its implementation will be reviewed and explained. The meetings will be conducted by the EEO Officer.

b. All new supervisory or personnel office employees will be given a thorough indoctrination by the EEO Officer, covering all major aspects of the contractor's EEO obligations within thirty days following their reporting for duty with the contractor.

c. All personnel who are engaged in direct recruitment for the project will be instructed by the EEO Officer in the contractor's procedures for locating and hiring minority group employees.

d. Notices and posters setting forth the contractor's EEO policy will be placed in areas readily accessible to employees, applicants for employment and potential employees.

e. The contractor's EEO policy and the procedures to implement such policy will be brought to the attention of employees by means of meetings, employee handbooks, or other appropriate means.

4. **Recruitment:** When advertising for employees, the contractor will include in all advertisements for employees the notation: "An Equal Opportunity Employer." All such advertisements will be placed in publications having a large circulation among minority groups in the area from which the project work force would normally be derived.

a. The contractor will, unless precluded by a valid bargaining agreement, conduct systematic and direct recruitment through public and private employee referral sources likely to yield qualified minority group applicants. To meet this requirement, the contractor will identify sources of potential minority group employees, and establish with such identified sources procedures whereby minority group applicants may be referred to the contractor for employment consideration.

b. In the event the contractor has a valid bargaining agreement providing for exclusive hiring hall referrals, he is expected to observe the provisions of that agreement to the extent that the system permits the contractor's compliance with EEO contract provisions. (The DOL has held that where implementation of such agreements have the effect of discriminating against minorities or women, or obligates the contractor to do the same, such implementation violates Executive Order 11246, as amended.)

c. The contractor will encourage his present employees to refer minority group applicants for employment. Information and procedures with regard to referring minority group applicants will be discussed with employees.

5. **Personnel Actions:** Wages, working conditions, and employee benefits shall be established and administered, and personnel actions of every type, including hiring, upgrading, promotion, transfer, demotion, layoff, and termination, shall be taken without regard to race, color, religion, sex, national origin, age or disability. The following procedures shall be followed:

a. The contractor will conduct periodic inspections of project sites to ensure that working conditions and employee facilities do not indicate discriminatory treatment of project site personnel.

b. The contractor will periodically evaluate the spread of wages paid within each classification to determine any evidence of discriminatory wage practices.

c. The contractor will periodically review selected personnel actions in depth to determine whether there is evidence of discrimination. Where evidence is found, the contractor will promptly take corrective action. If the review indicates that the discrimination may extend beyond the actions reviewed, such corrective action shall include all affected persons.

d. The contractor will promptly investigate all complaints of alleged discrimination made to the contractor in connection with his obligations under this contract, will attempt to resolve such complaints, and will take appropriate corrective action within a reasonable time. If the investigation indicates that the discrimination may affect persons other than the complainant, such corrective action shall include such other persons. Upon completion of each investigation, the contractor will inform every complainant of all of his avenues of appeal.

6. Training and Promotion:

a. The contractor will assist in locating, qualifying, and increasing the skills of minority group and women employees, and applicants for employment.

b. Consistent with the contractor's work force requirements and as permissible under Federal and State regulations, the contractor shall make full use of training programs, i.e., apprenticeship, and on-the-job training programs for the geographical area of contract performance. Where feasible, 25 percent of apprentices or trainees in each occupation shall be in their first year of apprenticeship or training. In the event a special provision for training is provided under this contract, this subparagraph will be superseded as indicated in the special provision.

c. The contractor will advise employees and applicants for employment of available training programs and entrance requirements for each.

d. The contractor will periodically review the training and promotion potential of minority group and women employees and will encourage eligible employees to apply for such training and promotion.

7. **Unions:** If the contractor relies in whole or in part upon unions as a source of employees, the contractor will use his/her best efforts to obtain the cooperation of such unions to increase opportunities for minority groups and women within the unions, and to effect referrals by such unions of minority and female employees. Actions by the contractor either directly or through a contractor's association acting as agent will include the procedures set forth below:

a. The contractor will use best efforts to develop, in cooperation with the unions, joint training programs aimed toward qualifying more minority group members and women for membership in the unions and increasing the skills of minority group employees and women so that they may qualify for higher paying employment.

b. The contractor will use best efforts to incorporate an EEO clause into each union agreement to the end that such union will be contractually bound to refer applicants without regard to their race, color, religion, sex, national origin, age or disability.

c. The contractor is to obtain information as to the referral practices and policies of the labor union except that to the extent such information is within the exclusive possession of the labor union and such labor union refuses to furnish such information to the contractor, the contractor shall so certify to the SHA and shall set forth what efforts have been made to obtain such information.

d. In the event the union is unable to provide the contractor with a reasonable flow of minority and women referrals within the time limit set forth in the collective bargaining agreement, the contractor will, through independent recruitment efforts, fill the employment vacancies without regard to race, color, religion, sex, national origin, age or disability; making full efforts to obtain qualified and/or qualifiable minority group persons and women. (The DOL has held that it shall be no excuse that the union with which the contractor has a collective bargaining agreement providing for exclusive referral failed to refer minority employees.) In the event the union referral practice prevents the contractor from meeting the obligations pursuant to Executive Order 11246, as amended, and these special provisions, such contractor shall immediately notify the SHA.

8. Selection of Subcontractors, Procurement of Materials and Leasing of Equipment: The contractor shall not discriminate on the grounds of race, color, religion, sex, national origin, age or disability in the selection and retention of subcontractors, including procurement of materials and leases of equipment.

a. The contractor shall notify all potential subcontractors and suppliers of his/her EEO obligations under this contract.

b. Disadvantaged business enterprises (DBE), as defined in 49 CFR 26, shall have equal opportunity to compete for and perform subcontracts which the contractor enters into pursuant to this contract. The contractor will use his best efforts to solicit bids from and to utilize DBE subcontractors or subcontractors with meaningful minority group and female representation among their employees. Contractors shall obtain lists of DBE construction firms from SHA personnel.

c. The contractor will use his best efforts to ensure subcontractor compliance with their EEO obligations.

9. **Records and Reports:** The contractor shall keep such records as necessary to document compliance with the EEO requirements. Such records shall be retained for a period of three years following completion of the contract work and shall be available at reasonable times and places for inspection by authorized representatives of the SHA and the FHWA.

a. The records kept by the contractor shall document the following:

(1) The number of minority and non-minority group members and women employed in each work classification on the project;

(2) The progress and efforts being made in cooperation with unions, when applicable, to increase employment opportunities for minorities and women;

(3) The progress and efforts being made in locating, hiring, training, qualifying, and upgrading minority and female employees; and

(4) The progress and efforts being made in securing the services of DBE subcontractors or subcontractors with meaningful minority and female representation among their employees.

b. The contractors will submit an annual report to the SHA each July for the duration of the project, indicating the number of minority, women, and non-minority group employees currently engaged in each work classification required by the contract work. This information is to be reported on Form FHWA-1391. If on-the-job training is being required by special provision, the contractor will be required to collect and report training data.

III NONSEGREGATED FACILITIES

(Applicable to all Federal-aid construction contracts and to all related subcontracts of $10,000 or more.)

a. By submission of this bid, the execution of this contract or subcontract, or the consummation of this material supply agreement or purchase order, as appropriate, the bidder, Federal-aid construction contractor, subcontractor, material supplier, or vendor, as appropriate, certifies that the firm does not maintain or provide for its employees any segregated facilities at any of its establishments, and that the firm does not permit its employees to perform their services at any location, under its control, where segregated facilities are maintained. The firm agrees that a breach of this certification is a violation of the EEO provisions of this contract. The firm further certifies that no employee will be denied access to adequate facilities on the basis of sex or disability.

b. As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, restrooms and washrooms, restaurants and other eating areas, time clocks, locker rooms, and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive, or are, in fact, segregated on the basis of race, color, religion, national origin, age or disability, because of habit, local custom, or otherwise. The only exception will be for the disabled when the demands for accessibility override (e.g. disabled parking).

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c. The contractor agrees that it has obtained or will obtain identical certification from proposed subcontractors or material suppliers prior to award of subcontracts or consummation of material supply agreements of $10,000 or more and that it will retain such certifications in its files.

IV. PAYMENT OF PREDETERMINED MINIMUM WAGE

(Applicable to all Federal-aid construction contracts exceeding $2,000 and to all related subcontracts, except for projects located on roadways classified as local roads or rural minor collectors, which are exempt.)

1. General:

a. All mechanics and laborers employed or working upon the site of the work will be paid unconditionally and not less often than once a week and without subsequent deduction or rebate on any account [except such payroll deductions as are permitted by regulations (29 CFR 3)] issued by the Secretary of Labor under the Copeland Act (40 U.S.C. 276c) the full amounts of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment. The payment shall be computed at wage rates not less than those contained in the wage determination of the Secretary of Labor (hereinafter "the wage determination") which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor or its subcontractors and such laborers and mechanics. The wage determination (including any additional classifications and wage rates conformed under paragraph 2 of this Section IV and the DOL poster (WH-1321) or Form FHWA-1495) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers. For the purpose of this Section, contributions made or costs reasonably anticipated for bona fide fringe benefits under Section 1(b)(2) of the Davis-Bacon Act (40 U.S.C. 276a) on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of Section IV, paragraph 3b, hereof. Also, for the purpose of this Section, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs, which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in paragraphs 4 and 5 of this Section IV.

b. Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein, provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed.

c. All rulings and interpretations of the Davis-Bacon Act and related acts contained in 29 CFR 1, 3, and 5 are herein incorporated by reference in this contract.

2. Classification:

a. The SHA contracting officer shall require that any class of laborers or mechanics employed under the contract, which is not listed in the wage determination, shall be classified in conformance with the wage determination.

b. The contracting officer shall approve an additional classification, wage rate and fringe benefits only when the following criteria have been met:

(1) the work to be performed by the additional classification requested is not performed by a classification in the wage determination;

(2) the additional classification is utilized in the area by the construction industry;

(3) the proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination; and

(4) with respect to helpers, when such a classification prevails in the area in which the work is performed.

c. If the contractor or subcontractors, as appropriate, the laborers and mechanics (if known) to be employed in the additional classification or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the DOL, Administrator of the Wage and Hour Division, Employment Standards Administration, Washington, D.C. 20210. The Wage and Hour Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

d. In the event the contractor or subcontractors, as appropriate, the laborers or mechanics to be employed in the additional classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Wage and Hour Administrator for determination. Said Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary

e. The wage rate (including fringe benefits where appropriate) determined pursuant to paragraph 2c or 2d of this Section IV shall be paid to all workers performing work in the additional classification from the first day on which work is performed in the classification.

3. Payment of Fringe Benefits:

a. Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor or subcontractors, as appropriate, shall either pay the benefit

as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly case equivalent thereof.

b. If the contractor or subcontractor, as appropriate, does not make payments to a trustee or other third person, he/she may consider as a part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, provided, that the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

4. Apprentices and Trainees (Programs of the U.S. DOL) and Helpers:

a. Apprentices:

(1) Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the DOL, Employment and Training Administration, Bureau of Apprenticeship and Training, or with a State apprenticeship agency recognized by the Bureau, or if a person is employed in his/her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Bureau of Apprenticeship and Training or a State apprenticeship agency (where appropriate) to be eligible for probationary employment as an apprentice.

(2) The allowable ratio of apprentices to journeyman-level employees on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any employee listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate listed in the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor or subcontractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman-level hourly rate) specified in the contractor's or subcontractor's registered program shall be observed.

(3) Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeyman-level hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator for the Wage and Hour Division determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination.

(4) In the event the Bureau of Apprenticeship and Training, or a State apprenticeship agency recognized by the Bureau, withdraws approval of an apprenticeship program, the contractor or subcontractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the comparable work performed by regular employees until an acceptable program is approved.

b. Trainees:

(1) Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the DOL, Employment and Training Administration.

(2) The ratio of trainees to journeyman-level employees on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed.

(3) Every trainee must be paid at not less than the rate specified in the approved program for his/her level of progress, expressed as a percentage of the journeyman-level hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman-level wage rate on the wage determination which provides for less than full fringe benefits for apprentices, in which case such trainees shall receive the same fringe benefits as apprentices.

(4) In the event the Employment and Training Administration withdraws approval of a training program, the contractor or subcontractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

c. Helpers:

Helpers will be permitted to work on a project if the helper classification is specified and defined on the applicable wage determination or is approved pursuant to the conformance procedure set forth in Section IV.2. Any worker listed on a payroll at a helper wage rate, who is not a helper under an approved definition, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed.

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5. Apprentices and Trainees (Programs of the U.S. DOT):

Apprentices and trainees working under apprenticeship and skill training programs which have been certified by the Secretary of Transportation as promoting EEO in connection with Federal-aid highway construction programs are not subject to the requirements of paragraph 4 of this Section IV. The straight time hourly wage rates for apprentices and trainees under such programs will be established by the particular programs. The ratio of apprentices and trainees to journeymen shall not be greater than permitted by the terms of the particular program.

6. Withholding:

The SHA shall upon its own action or upon written request of an authorized representative of the DOL withhold, or cause to be withheld, from the contractor or subcontractor under this contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements which is held by the same prime contractor, as much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the contract, the SHA contracting officer may, after written notice to the contractor, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

7. Overtime Requirements:

No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers, mechanics, watchmen, or guards (including apprentices, trainees, and helpers described in paragraphs 4 and 5 above) shall require or permit any laborer, mechanic, watchman, or guard in any workweek in which he/she is employed on such work, to work in excess of 40 hours in such workweek unless such laborer, mechanic, watchman, or guard receives compensation at a rate not less than one-and-one-half times his/her basic rate of pay for all hours worked in excess of 40 hours in such workweek.

8. Violation:

Liability for Unpaid Wages; Liquidated Damages: In the event of any violation of the clause set forth in paragraph 7 above, the contractor and any subcontractor responsible thereof shall be liable to the affected employee for his/her unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory) for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer, mechanic, watchman, or guard employed in violation of the clause set forth in paragraph 7, in the sum of $10 for each calendar day on which such employee was required or permitted to work in excess of the standard work week of 40 hours without payment of the overtime wages required by the clause set forth in paragraph 7.

9. Withholding for Unpaid Wages and Liquidated Damages:

The SHA shall upon its own action or upon written request of any authorized representative of the DOL withhold, or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph 8 above.

V. STATEMENTS AND PAYROLLS

(Applicable to all Federal-aid construction contracts exceeding $2,000 and to all related subcontracts, except for projects located on roadways classified as local roads or rural collectors, which are exempt.)

1. Compliance with Copeland Regulations (29 CFR 3):

The contractor shall comply with the Copeland Regulations of the Secretary of Labor which are herein incorporated by reference.

2. Payrolls and Payroll Records:

a. Payrolls and basic records relating thereto shall be maintained by the contractor and each subcontractor during the course of the work and preserved for a period of 3 years from the date of completion of the contract for all laborers, mechanics, apprentices, trainees, watchmen, helpers, and guards working at the site of the work.

b. The payroll records shall contain the name, social security number, and address of each such employee; his or her correct classification; hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalent thereof the types described in Section 1(b)(2)(B) of the Davis Bacon Act); daily and weekly number of hours worked; deductions made; and actual wages paid. In addition, for Appalachian contracts, the payroll records shall contain a notation indicating whether the employee does, or does not, normally reside in the labor area as defined in Attachment A, paragraph 1. Whenever the Secretary of Labor, pursuant to Section IV, paragraph 3b, has found that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in Section 1(b)(2)(B) of the Davis Bacon Act, the contractor and each subcontractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, that the plan or program has been communicated in writing to the laborers or mechanics affected, and show the cost anticipated or the actual cost incurred in providing benefits. Contractors or subcontractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprentices and trainees, and ratios and wage rates prescribed in the applicable programs.

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c. Each contractor and subcontractor shall furnish, each week in which any contract work is performed, to the SHA resident engineer a payroll of wages paid each of its employees (including apprentices, trainees, and helpers, described in Section IV, paragraphs 4 and 5, and watchmen and guards engaged on work during the preceding weekly payroll period). The payroll submitted shall set out accurately and completely all of the information required to be maintained under paragraph 2b of this Section V. This information may be submitted in any form desired. Optional Form WH-347 is available for this purpose and may be purchased from the Superintendent of Documents (Federal stock number 029-005-0014-1), U.S. Government Printing Office, Washington, D.C. 20402. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors.

d. Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his/her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) that the payroll for the payroll period contains the information required to be maintained under paragraph 2b of this Section V and that such information is correct and complete;

(2) that such laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in the Regulations, 29 CFR 3;

(3) that each laborer or mechanic has been paid not less that the applicable wage rate and fringe benefits or cash equivalent for the classification of worked performed, as specified in the applicable wage determination incorporated into the contract.

e. The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph 2d of this Section V.

f. The falsification of any of the above certifications may subject the contractor to civil or criminal prosecution under 18 U.S.C. 1001 and 31 U.S.C. 231.

g. The contractor or subcontractor shall make the records required under paragraph 2b of this Section V available for inspection, copying, or transcription by authorized representatives of the SHA, the FHWA, or the DOL, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the SHA, the FHWA, the DOL, or all may, after written notice to the contractor, sponsor, applicant, or owner, take such actions as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

VI. RECORD OF MATERIALS, SUPPLIES, AND LABOR

1. On all Federal-aid contracts on the National Highway System, except those which provide solely for the installation of protective devices at railroad grade crossings, those which are constructed on a force account or direct labor basis, highway beautification contracts, and contracts for which the total final construction cost for roadway and bridge is less than $1,000,000 (23 CFR 635); the contractor shall:

a. Become familiar with the list of specific materials and supplies contained in Form FHWA-47, "Statement of Materials and Labor Used by Contractor of Highway Construction Involving Federal Funds," prior to the commencement of work under this contract.

b. Maintain a record of the total cost of all materials and supplies purchased for and incorporated in the work, and also of the quantities of those specific materials and supplies listed on Form FHWA-47, and in the units shown on Form FHWA-47.

c. Furnish, upon the completion of the contract, to the SHA resident engineer on Form FHWA-47 together with the data required in paragraph 1b relative to materials and supplies, a final labor summary of all contract work indicating the total hours worked and the total amount earned.

2. At the prime contractor's option, either a single report covering all contract work or separate reports for the contractor and for each subcontract shall be submitted.

VII. SUBLETTING OR ASSIGNING THE CONTRACT

1. The contractor shall perform with its own organization contract work amounting to not less than 30 percent (or a greater percentage if specified elsewhere in the contract) of the total original contract price, excluding any specialty items designated by the State. Specialty items may be performed by subcontract and the amount of any such specialty items performed may be deducted from the total original contract price before computing the amount of work required to be performed by the contractor's own organization (23 CFR 635).

a. "Its own organization" shall be construed to include only workers employed and paid directly by the prime contractor and equipment owned or rented by the prime contractor, with or without operators. Such term does not include employees or equipment of a subcontractor, assignee, or agent of the prime contractor.

b. "Specialty Items" shall be construed to be limited to work that requires highly specialized knowledge, abilities, or equipment not ordinarily available in the type of contracting organizations qualified and expected to bid on the contract as a whole and in general are to be limited to minor components of the overall contract.

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2. The contract amount upon which the requirements set forth in paragraph 1 of Section VII is computed includes the cost of material and manufactured products which are to be purchased or produced by the contractor under the contract provisions.

3. The contractor shall furnish (a) a competent superintendent or supervisor who is employed by the firm, has full authority to direct performance of the work in accordance with the contract requirements, and is in charge of all construction operations (regardless of who performs the work) and (b) such other of its own organizational resources (supervision, management, and engineering services) as the SHA contracting officer determines is necessary to assure the performance of the contract.

4. No portion of the contract shall be sublet, assigned or otherwise disposed of except with the written consent of the SHA contracting officer, or authorized representative, and such consent when given shall not be construed to relieve the contractor of any responsibility for the fulfillment of the contract. Written consent will be given only after the SHA has assured that each subcontract is evidenced in writing and that it contains all pertinent provisions and requirements of the prime contract.

VIII. SAFETY: ACCIDENT PREVENTION

1. In the performance of this contract the contractor shall comply with all applicable Federal, State, and local laws governing safety, health, and sanitation (23 CFR 635). The contractor shall provide all safeguards, safety devices and protective equipment and take any other needed actions as it determines, or as the SHA contracting officer may determine, to be reasonably necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of the work covered by the contract.

2. It is a condition of this contract, and shall be made a condition of each subcontract, which the contractor enters into pursuant to this contract, that the contractor and any subcontractor shall not permit any employee, in performance of the contract, to work in surroundings or under conditions which are unsanitary, hazardous or dangerous to his/her health or safety, as determined under construction safety and health standards (29 CFR 1926) promulgated by the Secretary of Labor, in accordance with Section 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 333).

3. Pursuant to 29 CFR 1926.3, it is a condition of this contract that the Secretary of Labor or authorized representative thereof, shall have right of entry to any site of contract performance to inspect or investigate the matter of compliance with the construction safety and health standards and to carry out the duties of the Secretary under Section 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 333).

IX. FALSE STATEMENTS CONCERNING HIGHWAY PROJECTS

In order to assure high quality and durable construction in conformity with approved plans and specifications and a high degree of reliability on statements and representations made by engineers, contractors, suppliers, and workers on Federal-aid highway projects, it is essential that all persons concerned with the project perform their functions as carefully, thoroughly, and honestly as possible. Willful falsification, distortion, or misrepresentation with respect to any facts related to the project is a violation of Federal law. To prevent any misunderstanding regarding the seriousness of these and similar acts, the following notice shall be posted on each Federal-aid highway project (23 CFR 635) in one or more places where it is readily available to all persons concerned with the project:

NOTICE TO ALL PERSONNEL ENGAGED ON FEDERAL-AID HIGHWAY PROJECTS

18 U.S.C. 1020 reads as follows:

"Whoever being an officer, agent, or employee of the United States, or any State or Territory, or whoever, whether a person, association, firm, or corporation, knowingly makes any false statement, false representation, or false report as to the character, quality, quantity, or cost of the material used or to be used, or the quantity or quality of the work performed or to be performed, or the cost thereof in connection with the submission of plans, maps, specifications, contracts, or costs of construction on any highway or related project submitted for approval to the Secretary of Transportation; or

Whoever knowingly makes any false statement, false representation, false report or false claim with respect to the character, quality, quantity, or cost of any work performed or to be performed, or materials furnished or to be furnished, in connection with the construction of any highway or related project approved by the Secretary of Transportation; or

Whoever knowingly makes any false statement or false representation as to material fact in any statement, certificate, or report submitted pursuant to provisions of the Federal-aid Roads Act approved July 1, 1916, (39 Stat. 355), as amended and supplemented;

Shall be fined not more that $10,000 or imprisoned not more than 5 years or both."

X. IMPLEMENTATION OF CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT

(Applicable to all Federal-aid construction contracts and to all related subcontracts of $100,000 or more.)

By submission of this bid or the execution of this contract, or subcontract, as appropriate, the bidder, Federal-aid construction contractor, or subcontractor, as appropriate, will be deemed to have stipulated as follows:

1. That any facility that is or will be utilized in the performance of this contract, unless such contract is exempt under the Clean Air Act, as amended (42 U.S.C. 1857 et seq., as amended by Pub. L. 91-604), and under the Federal Water Pollution Control Act, as amended (33 U.S.C. 1251 et seq., as amended by Pub. L. 92-500), Executive Order 11738, and regulations in implementation thereof (40 CFR 15) is not listed, on the date of contract award, on the U.S. Environmental Protection Agency (EPA) List of Violating Facilities pursuant to 40 CFR 15.20.

2. That the firm agrees to comply and remain in compliance with all the requirements of Section 114 of the Clean Air Act and Section 308 of the Federal Water Pollution Control Act and all regulations and guidelines listed thereunder.

3. That the firm shall promptly notify the SHA of the receipt of any communication from the Director, Office of Federal Activities, EPA, indicating that a facility that is or will be utilized

for the contract is under consideration to be listed on the EPA List of Violating Facilities.

4. That the firm agrees to include or cause to be included the requirements of paragraph 1 through 4 of this Section X in every nonexempt subcontract, and further agrees to take such action as the government may direct as a means of enforcing such requirements.

XI. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION

1. Instructions for Certification - Primary Covered Transactions:

(Applicable to all Federal-aid contracts - 49 CFR 29)

a. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.

b. The inability of a person to provide the certification set out below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such a person from participation in this transaction.

c. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause of default.

d. The prospective primary participant shall provide immediate written notice to the department or agency to whom this proposal is submitted if any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

e. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is submitted for assistance in obtaining a copy of those regulations.

f. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

g. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

h. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the nonprocurement portion of the "Lists of Parties Excluded From Federal Procurement or Nonprocurement Programs" (Nonprocurement List) which is compiled by the General Services Administration.

i. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

j. Except for transactions authorized under paragraph f of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

* * * * *

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Primary Covered Transactions

1. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:

a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

b. Have not within a 3-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph 1b of this certification; and

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d. Have not within a 3-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

2. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

* * * * *

2. Instructions for Certification - Lower Tier Covered Transactions:

(Applicable to all subcontracts, purchase orders and other lower tier transactions of $25,000 or more - 49 CFR 29)

a. By signing and submitting this proposal, the prospective lower tier is providing the certification set out below.

b. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

c. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous by reason of changed circumstances.

d. The terms "covered transaction," "debarred," "suspended," "ineligible," "primary covered transaction," "participant," "person," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.

e. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

f. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

g. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.

h. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

i. Except for transactions authorized under paragraph e of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

* * * * *

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

* * * * *

XII. CERTIFICATION REGARDING USE OF CONTRACT FUNDS FOR LOBBYING

(Applicable to all Federal-aid construction contracts and to all related subcontracts which exceed $100,000 - 49 CFR 20)

1. The prospective participant certifies, by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

a. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract,

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grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

2. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

3. The prospective participant also agrees by submitting his or her bid or proposal that he or she shall require that the language of this certification be included in all lower tier subcontracts, which exceed $100,000 and that all such recipients shall certify and disclose accordingly.

Minority Utilization Goals

Economic Area		Goal (Percent)
174	Redding CA: Non-SMSA Counties: CA Lassen; CA Modoc; CA Plumas; CA Shasta; CA Siskiyou; CA Tehama	6.8
175	Eureka, CA Non-SMSA Counties: CA Del Norte; CA Humboldt; CA Trinity	6.6
176	San Francisco-Oakland-San Jose, CA: SMSA Counties: 7120 Salinas-Seaside-Monterey, CA CA Monterey 7360 San Francisco-Oakland CA Alameda; CA Contra Costa; CA Marin; CA San Francisco; CA San Mateo 7400 San Jose, CA CA Santa Clara, CA 7485 Santa Cruz, CA CA Santa Cruz 7500 Santa Rosa CA Sonoma 8720 Vallejo-Fairfield-Napa, CA CA Napa; CA Solano Non-SMSA Counties: CA Lake; CA Mendocino; CA San Benito	 28.9 25.6 19.6 14.9 9.1 17.1 23.2
177	Sacramento, CA: SMSA Counties: 6920 Sacramento, CA CA Placer; CA Sacramento; CA Yolo Non-SMSA Counties CA Butte; CA Colusa; CA El Dorado; CA Glenn; CA Nevada; CA Sierra; CA Sutter; CA Yuba	 16.1 14.3
178	Stockton-Modesto, CA: SMSA Counties: 5170 Modesto, CA CA Stanislaus 8120 Stockton, CA CA San Joaquin Non-SMSA Counties CA Alpine; CA Amador; CA Calaveras; CA Mariposa; CA Merced; CA Toulumne	 12.3 24.3 19.8

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179	Fresno-Bakersfield, CA SMSA Counties: 0680 Bakersfield, CA CA Kern 2840 Fresno, CA CA Fresno Non-SMSA Counties: CA Kings; CA Madera; CA Tulare	 19.1 26.1 23.6
180	Los Angeles, CA: SMSA Counties: 0360 Anaheim-Santa Ana-Garden Grove, CA CA Orange 4480 Los Angeles-Long Beach, CA CA Los Angeles 6000 Oxnard-Simi Valley-Ventura, CA CA Ventura 6780 Riverside-San Bernardino-Ontario, CA CA Riverside; CA San Bernardino 7480 Santa Barbara-Santa Maria-Lompoc, CA CA Santa Barbara Non-SMSA Counties CA Inyo; CA Mono; CA San Luis Obispo	 11.9 28.3 21.5 19.0 19.7 24.6
181	San Diego, CA: SMSA Counties 7320 San Diego, CA CA San Diego Non-SMSA Counties CA Imperial	 16.9 18.2

For each July during which work is performed under the contract, you and each non-material-supplier subcontractor with a subcontract of $10,000 or more must complete Form FHWA PR-1391 (Appendix C to 23 CFR 230). Submit the forms by August 15.

Training

This section applies if a number of trainees or apprentices is specified in the special provisions.
As part of your equal opportunity affirmative action program, provide on-the-job training to develop full journeymen in the types of trades or job classifications involved.

You have primary responsibility for meeting this training requirement.
If you subcontract a contract part, determine how many trainees or apprentices are to be trained by the subcontractor.

Include these training requirements in your subcontract.
Where feasible, 25 percent of apprentices or trainees in each occupation must be in their 1st year of apprenticeship or training.

Distribute the number of apprentices or trainees among the work classifications on the basis of your needs and the availability of journeymen in the various classifications within a reasonable recruitment area.
Before starting work, submit to the City/County of _____:

1. Number of apprentices or trainees to be trained for each classification.
2. Training program to be used.
3. Training starting date for each classification.

Obtain the City/County of _____ approval for this submitted information before you start work. The City/County of _____ credits you for each apprentice or trainee you employ on the work who is currently enrolled or becomes enrolled in an approved program.

The primary objective of this section is to train and upgrade minorities and women toward journeymen status. Make every effort to enroll minority and women apprentices or trainees, such as conducting systematic and direct recruitment through public and private sources likely to yield minority and women apprentices or trainees, to the extent they are available within a reasonable recruitment area. Show that you have made the efforts. In making these efforts, do not discriminate against any applicant for training.

Do not employ as an apprentice or trainee an employee:

1. In any classification in which the employee has successfully completed a training course leading to journeyman status, or in which the employee has been employed as a journeyman.
2. Who is not registered in a program approved by the US Department of Labor, Bureau of Apprenticeship and Training.

Ask the employee if the employee has successfully completed a training course leading to journeyman status, or has been employed as a journeyman. Your records must show the employee's answers to the questions.
In your training program, establish the minimum length and training type for each classification. The City/County of _____ and FHWA approves a program if one of the following is met:

1. It is calculated to:

    1.1. Meet your equal employment opportunity responsibilities.
    1.2. Qualify the average apprentice or trainee for journeyman status in the classification involved by the end of the training period.

2. It is registered with the U.S. Department of Labor, Bureau of Apprenticeship and Training and it is administered in a way consistent with the equal employment responsibilities of federal-aid highway construction contracts.

Obtain the State's approval for your training program before you start work involving the classification covered by the program.

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Provide training in the construction crafts, not in clerk-typist or secretarial-type positions. Training is allowed in lower level management positions such as office engineers, estimators, and timekeepers if the training is oriented toward construction applications. Training is allowed in the laborer classification if significant and meaningful training is provided and approved by the division office. Off-site training is allowed if the training is an integral part of an approved training program and does not make up a significant part of the overall training.

The City/County of _____ reimburses you 80 cents per hour of training given an employee on this contract under an approved training program:

1. For on-site training.
2. For off-site training if the apprentice or trainee is currently employed on a federal-aid project and you do at least one of the following:

    2.1. Contribute to the cost of the training.
    2.2. Provide the instruction to the apprentice or trainee.
    2.3. Pay the apprentice's or trainee's wages during the off-site training period.

3. If you comply with this section.

Each apprentice or trainee must:

1. Begin training on the project as soon as feasible after the start of work involving the apprentice's or trainee's skill.
2. Remain on the project as long as training opportunities exist in the apprentice's or trainee's work classification, or until the apprentice or trainee has completed the training program.

Furnish the apprentice or trainee:

1. Copy of the program you will comply with in providing the training.
2. Certification showing the type and length of training satisfactorily completed.

Maintain records and submit reports documenting your performance under this section.

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(THE BIDDER'S EXECUTION ON THE SIGNATURE PORTION OF THIS PROPOSAL SHALL ALSO CONSTITUTE AN ENDORSEMENT AND EXECUTION OF THOSE CERTIFICATIONS WHICH ARE A PART OF THIS PROPOSAL)

ATTACHMENT C EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION

The bidder_____, proposed subcontractor _____, hereby certifies that he has_____, has not___, participated in a previous contract or subcontract subject to the equal opportunity clauses, as required by Executive Orders 10925, 11114, or 11246, and that, where required, he has filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance, a Federal Government contracting or administering agency, or the former President's Committee on Equal Employment Opportunity, all reports due under the applicable filling requirements.

Note: The above certification is required by the Equal Employment Opportunity Regulations of the Secretary of Labor (41 CFR 60-1.7(b) (1)), and must be submitted by bidders and proposed subcontractors only in connection with contracts and subcontracts, which are subject to the equal opportunity clause. Contracts and subcontracts which are exempt from the equal opportunity clause are set forth in 41 CFR 60-1.5. (Generally only contracts or subcontracts of $10,000 or under are exempt.)

Currently, Standard Form 100 (EEO-1) is the only report required by the Executive Orders or their implementing regulations.

Proposed prime contractors and subcontractors who have participated in a previous contract or subcontract subject to the Executive Orders and have not filed the required reports should note that 41 CFR 60-1.7(b) (1) prevents the award of contracts and subcontracts unless such contractor submits a report covering the delinquent period or such other period specified by the Federal Highway Administration or by the Director, Office of Federal Contract Compliance, U.S. Department of Labor.

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ATTACHMENT D NONCOLLUSION AFFIDAVIT

(Title 23 United States Code Section 112 and
Public Contract Code Section 7106)

To the CITY / COUNTY of _____
DEPARTMENT OF PUBLIC WORKS.

In accordance with Title 23 United States Code Section 112 and Public Contract Code 7106 the bidder declares that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

Note: The above Noncollusion Affidavit is part of the Proposal. Signing this Proposal on the signature portion thereof shall also constitute signature of this Noncollusion Affidavit.
Bidders are cautioned that making a false certification may subject the certifier to criminal prosecution.

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ATTACHMENT E DEBARMENT AND SUSPENSION CERTIFICATION

TITLE 49, CODE OF FEDERAL REGULATIONS, PART 29

The bidder, under penalty of perjury, certifies that, except as noted below, he/she or any other person associated therewith in the capacity of owner, partner, director, officer, and manager:

- Is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any federal agency;
- Has not been suspended, debarred, voluntarily excluded or determined ineligible by any federal agency within the past 3 years;
- Does not have a proposed debarment pending; and
- Has not been indicted, convicted, or had a civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past 3 years.

If there are any exceptions to this certification, insert the exceptions in the following space.

Exceptions will not necessarily result in denial of award, but will be considered in determining bidder responsibility. For any exception noted above, indicate below to whom it applies, initiating agency, and dates of action.

Notes: Providing false information may result in criminal prosecution or administrative sanctions.
The above certification is part of the Proposal. Signing this Proposal on the signature portion thereof shall also constitute signature of this Certification.

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ATTACHMENT F NONLOBBYING CERTIFICATION FOR FEDERAL-AID CONTRACTS

The prospective participant certifies, by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

(l) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

The prospective participant also agrees by submitting his or her bid or proposal that he or she shall require that the language of this certification be included in all lower tier subcontracts, which exceed $100,000 and that all such sub recipients shall certify and disclose accordingly.

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ATTACHMENT G DISCLOSURE OF LOBBYING ACTIVITIES

COMPLETE THIS FORM TO DISCLOSE LOBBYING ACTIVITIES PURSUANT TO 31 U.S.C. 1352

1. Type of Federal Action:
☐ a. contract
b. grant
c. cooperative agreement
d. loan
e. loan guarantee
f. loan insurance

2. Status of Federal Action:
☐ a. bid/offer/application
b. initial award
c. post-award

3. Report Type:
☐ a. initial
b. material change

For Material Change Only:
year ____ quarter _____
date of last report _____

4. Name and Address of Reporting Entity

☐ Prime ☐ Subawardee
Tier _____ , if known

Congressional District, if known

5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime:

Congressional District, if known

6. Federal Department/Agency:

7. Federal Program Name/Description:

CFDA Number, if applicable _____

8. Federal Action Number, if known:

9. Award Amount, if known:

10. a. Name and Address of Lobby Entity
(If individual, last name, first name, MI)

b. Individuals Performing Services (including address if different from No. 10a)
(last name, first name, MI)

(attach Continuation Sheet(s) if necessary)

11. Amount of Payment (check all that apply)
$ _____ ☐ actual planned

12. Form of Payment (check all that apply):
☐ a. cash
☐ b. in-kind; specify: nature _____
value _____

13. Type of Payment (check all that apply)
☐ a. retainer
☐ b. one-time fee
☐ c. commission
☐ d. contingent fee
☐ e deferred
☐ f. other, specify _____

14. Brief Description of Services Performed or to be performed and Date(s) of Service, including officer(s), employee(s), or member(s) contacted, for Payment Indicated in Item 11:

(attach Continuation Sheet(s) if necessary)

15. Continuation Sheet(s) attached: **Yes** ☐ **No** ☐

16. Information requested through this form is authorized by Title 31 U.S.C. Section 1352. This disclosure of lobbying reliance was placed by the tier above when his transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to Congress semiannually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Signature: _____

Print Name: _____

Title: _____

Telephone No.: _____ Date: _____

Authorized for Local Reproduction
Standard Form - LLL

Federal Use Only:

Standard Form LLL Rev. 09-12-97

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime federal recipient, at the initiation or receipt of covered federal action or a material change to previous filing pursuant to title 31 U.S.C. Section 1352. The filing of a form is required for such payment or agreement to make payment to lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress an officer or employee of Congress or an employee of a Member of Congress in connection with a covered federal action. Attach a continuation sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered federal action for which lobbying activity is and/or has been secured to influence, the outcome of a covered federal action.
2. Identify the status of the covered federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last, previously submitted report by this reporting entity for this covered federal action.
4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District if known. Check the appropriate classification of the reporting entity that designates if it is or expects to be a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the first tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in Item 4 checks "Subawardee" then enter the full name, address, city, State and zip code of the prime federal recipient. Include Congressional District, if known.
6. Enter the name of the federal agency making the award or loan commitment. Include at least one organization level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the federal program name or description for the covered federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans and loan commitments.
8. Enter the most appropriate federal identifying number available for the federal action identification in item 1 (e.g., Request for Proposal (RFP) number, Invitation for Bid (IFB) number, grant announcement number, the contract grant. or loan award number, the application/proposal control number assigned by the federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered federal action where there has been an award or loan commitment by the Federal agency, enter the federal amount of the award/loan commitments for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, State and zip code of the lobbying entity engaged by the reporting entity identified in item 4 to influenced the covered federal action.
    (b) Enter the full names of the individual(s) performing services and include full address if different from 10 (a). Enter Last Name, First Name and Middle Initial (Ml).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (item 4) to the lobbying entity (item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
12. Check the appropriate box(es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate box(es). Check all boxes that apply. If other, specify nature.

14. Provide a specific and detailed description of the services that the lobbyist has performed or will be expected to perform and the date(s) of any services rendered. Include all preparatory and related activity not just time spent in actual contact with federal officials. Identify the federal officer(s) or employee(s) contacted or the officer(s) employee(s) or Member(s) of Congress that were contacted.
15. Check whether or not a continuation sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name title and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instruction, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, D.C. 20503.
SF-LLL-Instructions Rev. 06-04-90«ENDIF»

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ATTACHMENT H SECTION 2. PROPOSAL REQUIREMENTS AND CONDITIONS

2-1.01 GENERAL

The bidder's attention is directed to the provisions in Section 2, "Proposal Requirements and Conditions," of the Standard Specifications and these special provisions for the requirements and conditions which the bidder must observe in the preparation of and the submission of the bid.

The bidder's bond shall conform to the bond form in the Bid book for the project and shall be properly filled out and executed. The bidder's bond form included in that book may be used.

In conformance with Public Contract Code Section 7106, a Noncollusion Affidavit is included in the Bid book. Signing the Bid book shall also constitute signature of the Noncollusion Affidavit.

The Contractor, sub-recipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of Title 49 CFR (Code of Federal Regulations), Part 26 in the award and administration of US DOT-assisted contracts. Failure by the Contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as the recipient deems appropriate. Each subcontract signed by the bidder must include this assurance.

Failure of the bidder to fulfill the requirements of the Special Provisions for submittals required to be furnished after bid opening, including but not limited to escrowed bid documents, where applicable, may subject the bidder to a determination of the bidder's responsibility in the event it is the apparent low bidder on a future public works contracts.

2-1.015--FEDERAL LOBBYING RESTRICTIONS.--Section 1352, Title 31, United States Code prohibits Federal funds from being expended by the recipient or any lower-tier sub-recipient of a Federal-aid contract to pay for any person for influencing or attempting to influence a Federal agency or Congress in connection with the awarding of any Federal-aid contract, the making of any Federal grant or loan, or the entering into of any cooperative agreement.

If any funds other than Federal funds have been paid for the same purposes in connection with this Federal-aid contract, the recipient shall submit an executed certification and, if required, submit a completed disclosure form as part of the bid documents.

A certification for Federal-aid contracts regarding payment of funds to lobby Congress or a Federal agency is included in the Bid book. Standard Form - LLL, "Disclosure of Lobbying Activities," with instructions for completion of the Standard Form is also included in the Bid book. Signing the Bid book shall constitute signature of the Certification.

The above referenced certification and disclosure of lobbying activities shall be included in each subcontract and any lower-tier contracts exceeding $100,000. All disclosure forms, but not certifications, shall be forwarded from tier to tier until received by the Engineer.

The Contractor, subcontractors and any lower-tier contractors shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed by the Contractor, subcontractors and any lower-tier contractors. An event that materially affects the accuracy of the information reported includes:

(1) A cumulative increase if $25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered federal action; or

(2) A change in the person(s) or individual(s) influencing or attempting to influence a covered federal action; or

(3) A change in the officer(s), employees(s), or member(s) contacted to influence or attempt to influence a covered Federal Action.

2-1.02 DISADVANTAGED BUSINESS ENTERPRISE (DBE).—This project is subject to Title 49 CFR 26.13(b):

The Contractor, sub-recipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The Contractor shall carry out applicable requirements of 49 CFR, Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.

Take necessary and reasonable steps to ensure that DBEs have opportunity to participate in the contract (49 CFR 26).

To ensure there is equal participation of the DBE groups specified in 49 CFR 26.5, the Agency specifies a goal for Underutilized Disadvantaged Business Enterprises (UDBEs). UDBE is a firm that meets the definition of DBE and is a member of one of the following groups:

1. Black Americans
2. Native Americans
3. Asian-Pacific Americans
4. Women

References to DBEs include UDBEs, but references to UDBEs do not include all DBEs.

Make work available to UDBEs and select work parts consistent with available UDBE subcontractors and suppliers.

Meet the UDBE goal shown in the Notice to Bidders or demonstrate that you made adequate good faith efforts to meet this goal.

It is your responsibility to verify that the UDBE firm is certified as DBE at date of bid opening. For a list of DBEs certified by the California Unified Certification Program, go to:

http://www.dot.ca.gov/hq/bep/find_certified.htm

Only UDBE participation will count towards the UDBE goal. DBE participation will count towards the Agency's Annual Anticipated DBE Participation Level and the California statewide goal.

Credit for materials or supplies you purchase from UDBEs counts towards the goal in the following manner:

1. 100 percent counts if the materials or supplies are obtained from a UDBE manufacturer.
2. 60 percent counts if the materials or supplies are obtained from a UDBE regular dealer.
3. Only fees, commissions, and charges for assistance in the procurement and delivery of materials or supplies count if obtained from a UDBE that is neither a manufacturer, nor a regular dealer. 49 CFR 26.55 defines "manufacturer" and "regular dealer."

You receive credit towards the goal if you employ a UDBE trucking company that performs a commercially useful function as defined in 49 CFR 26.55.

UDBE Commitment Submittal

Submit UDBE information on the "Local Agency Bidder UDBE Commitment (Construction Contracts)," Exhibit 15-G1 form, included in the Bid book. If the form is not submitted with the bid, remove the form from the Bid book before submitting your bid.

If the UDBE Commitment form is not submitted with the bid, the apparent low bidder, the 2nd low bidder, and the 3rd low bidder must complete and submit the UDBE Commitment form to the Agency. UDBE Commitment form must be received by the Agency no later than 4:00 p.m. on the 4th business day after bid opening.

Other bidders do not need to submit the UDBE Commitment form unless the Agency requests it. If the Agency requests you to submit a UDBE Commitment form, submit the completed form within 4 business days of the request.

Submit written confirmation from each UDBE stating that it is participating in the contract. Include confirmation with the UDBE Commitment form. A copy of a UDBE's quote will serve as written confirmation that the UDBE is participating in the contract.

If you do not submit the UDBE Commitment form within the specified time, the Agency finds your bid nonresponsive.

Good Faith Efforts Submittal

If you have not met the UDBE goal, complete and submit the "UDBE Information - Good Faith Efforts," Exhibit 15-H form with the bid showing that you made adequate good faith efforts to meet the goal. Only good faith efforts directed towards obtaining participation by UDBEs will be considered. If good faith efforts documentation is not submitted with the bid, it must be received by the Agency no later than 4:00 p.m. on the 4th business day after bid opening.

If your UDBE Commitment form shows that you have met the UDBE goal or if you are required to submit the UDBE Commitment form, you must also submit good faith efforts documentation within the specified time to protect your eligibility for award of the contract in the event the Agency finds that the UDBE goal has not been met.

Good faith efforts documentation must include the following information and supporting documents, as necessary:

1. Items of work you have made available to UDBE firms. Identify those items of work you might otherwise perform with its own forces and those items that have been broken down into economically feasible units to facilitate UDBE participation. For each item listed, show the dollar value and percentage of the total contract. It is your responsibility to demonstrate that sufficient work to meet the goal was made available to UDBE firms.
2. Names of certified UDBEs and dates on which they were solicited to bid on the project. Include the items of work offered. Describe the methods used for following up initial solicitations to determine with certainty if the UDBEs were interested, and the dates of the follow-up. Attach supporting documents such as copies of letters, memos, facsimiles sent, telephone logs, telephone billing statements, and other evidence of solicitation. You are reminded to solicit certified UDBEs through all reasonable and available means and provide sufficient time to allow UDBEs to respond.
3. Name of selected firm and its status as a UDBE for each item of work made available. Include name, address, and telephone number of each UDBE that provided a quote and their price quote. If the firm selected for the item is not a UDBE, provide the reasons for the selection.
4. Name and date of each publication in which you requested UDBE participation for the project. Attach copies of the published advertisements.
5. Names of agencies and dates on which they were contacted to provide assistance in contacting, recruiting, and using UDBE firms. If the agencies were contacted in writing, provide copies of supporting documents.
6. List of efforts made to provide interested UDBEs with adequate information about the plans, specifications, and requirements of the contract to assist them in responding to a solicitation. If you have provided information, identify the name of the UDBE assisted, the nature of the information provided, and date of contact. Provide copies of supporting documents, as appropriate.
7. List of efforts made to assist interested UDBEs in obtaining bonding, lines of credit, insurance, necessary equipment, supplies, and materials, excluding supplies and equipment that the UDBE subcontractor purchases or leases from the prime contractor or its affiliate. If such assistance is provided by you, identify the name of the UDBE assisted, nature of the assistance offered, and date. Provide copies of supporting documents, as appropriate.
8. Any additional data to support demonstration of good faith efforts.

The bidder's attention is directed to the provisions in Section 3, "Award and Execution of Contract," of the Standard Specifications and these special provisions for the requirements and conditions concerning award and execution of contract.

Bid protests are to be delivered to the following address: **[Agency to provide information]**

The award of the contract, if it be awarded, will be to the lowest responsible bidder whose bid complies with all the requirements prescribed.

The contract shall be executed by the successful bidder and shall be returned together with the contract bonds, to the Agency so that it is received within 10 days, not including Saturdays, Sundays and legal holidays, after the bidder has received the contract for execution. Failure to do so shall be just cause for forfeiture of the proposal guaranty. The executed contract documents shall be delivered to the following address: **[Agency to provide detailed information if this paragraph is used]**

A "Local Agency Bidder DBE Information (Construction Contracts)," Exhibit 15-G2 form is included in the Bid book to be executed by the successful bidder. The purpose of the form is to collect data required under 49 CFR 26. Even if no DBE participation will be reported, the successful bidder must execute and return the form.

The successful bidder's "Local Agency Bidder DBE Information (Construction Contracts)," Exhibit 15-G2 form should include the names, addresses and phone numbers of DBE firms that will participate, with a complete description of work or supplies to be provided by each and the dollar value of each DBE transaction. When 100 percent of a contract item of work is not to be performed or furnished by a DBE, a description of the exact portion of that work to be performed or furnished by that DBE should be included in the DBE information, including the planned location of that work. A successful bidder certified as a DBE should describe the work it has committed to performing with its own forces as well as any other work that it has committed to be performed by DBE subcontractors, suppliers and trucking companies.

The successful bidder is encouraged to provide written confirmation from each DBE that the DBE is participating in the contract. A copy of a DBE's quote will serve as written confirmation that the DBE is participating in the contract. If a DBE is participating as a joint venture partner, the successful bidder is encouraged to submit a copy of the joint venture agreement. The "Local Agency Bidder DBE Information (Construction Contracts)," Exhibit 15-G2 form shall be completed and returned to the Agency by the successful bidder with the executed contract and contract bonds.

SECTION 4. BEGINNING OF WORK, TIME OF COMPLETION AND LIQUIDATED DAMAGES

Attention is directed to the provisions in Section 8-1.03, "Beginning of Work" in Section 8-1.06 "Time of Completion," and in Section 8-1.07, "Liquidated Damages," of the Standard Specifications and these special provisions.

The Contractor shall begin work within 15 calendar days after the contract has been approved by the attorney appointed and authorized to represent the City/County of _____.

This work shall be diligently prosecuted to completion before the expiration of_____WORKING DAYS beginning on the 15 calendar day after approval of the contract.

(INSERT AMOUNT OF LIQUIDATED DAMAGES)

The Contractor shall pay to the City/County of _____ the sum of $ _____ per day, for each and every calendar day's delay in finishing the work in excess of the number of working days prescribed above.

Liquidated Damages

Liquidated Damages are based on the estimated cost of field construction engineering. In special cases, liquidated damages greater than the estimated field construction engineering cost may be specified, provided detailed reasons are given to support the greater amount. In every case, show the calculations that support the recommended rate. Liquidated damages are not to be used as disincentives to encourage timely completion.

Use the following formula for highway construction projects to avoid excessive liquidated damages:

$$\frac{L\% \text{ (See Table below)} \times \text{Engineer's Estimate} + \text{RE Office Expenses } *}{\text{Working Days } **} = \text{Liq Dam/calendar day}$$

* Resident Engineer office expenses over the life of the contract should be added unless the cost is already included in the Engineer's Estimate.

** Working days used to calculate liquidated damages should not include water pollution establishment or plant establishment days.

LIQUIDATED DAMAGES TABLE (L%)

Project Estimate	Project Type					
	Resurfacing*/Rehab	New Highway	Realignment/ Widening	Landscaping	Soundwall	Others
Over $30 million	10 %	10 %	13%	15 %	15 %	15 %
$10 million to $30 million	10 %	12 %	15 %	15 %	15 %	15 %
$5 million to $10 million	10 %	15 %	15 %	15 %	15 %	15 %
$750k to $5 million	15 %	15%	15 %	18 %	18 %	15 %
Less Than $750k	15 %	20 %	20 %	18 %	20 %	15 %

* Resurfacing projects include AC Surfacing, seal coats, slurry seals, and so on.

The calculated liquidated damages should be rounded up in $100 increments to determine the amount to be specified.

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ATTACHMENT J SUBCONTRACTOR AND DBE RECORDS

Required for ALL construction contracts administered under the Caltrans Standard Specifications

5-1.__ SUBCONTRACTOR AND DBE RECORDS

The Contractor shall maintain records showing the name and business address of each first-tier subcontractor. The records shall also show the name and business address of every DBE subcontractor, DBE vendor of materials and DBE trucking company, regardless of tier. The records shall show the date of payment and the total dollar figure paid to all of these firms. DBE prime contractors shall also show the date of work performed by their own forces along with the corresponding dollar value of the work.

Upon completion of the contract, a summary of these records shall be prepared on "Final Report-Utilization of Disadvantaged Business Enterprises (DBE), First-Tier Subcontractors" Form CEM-2402(F) and certified correct by the Contractor or the Contractor's authorized representative, and shall be furnished to the Engineer. The form shall be furnished to the Engineer within ninety days from the date of contract acceptance. The amount of $10,000 will be withheld from payment until a satisfactory form is submitted.

Prior to the fifteenth of each month, the Contractor shall submit documentation to the Engineer showing the amount paid to DBE trucking companies. The Contractor shall also obtain and submit documentation to the Engineer showing the amount paid by DBE trucking companies to all firms, including owner-operators, for the leasing of trucks. If the DBE leases trucks from a non-DBE, the Contactor may count only the fee or commission the DBE receives as a result of the lease arrangement.

The Contractor shall also obtain and submit documentation to the Engineer showing the truck number, owner's name, California Highway Patrol CA number, and if applicable, the DBE certification number of the owner of the truck for all trucks used during that month. This documentation shall be submitted on "Monthly DBE Trucking Verification" Form CEM-2404(F).

5-1.___DBE CERTIFICATION STATUS

If a DBE subcontractor is decertified during the life of the project, the decertified subcontractor shall notify the contractor in writing with the date of decertification. If a subcontractor becomes a certified DBE during the life of the project, the subcontractor shall notify the Contractor in writing with the date of certification. The Contractor shall furnish the written documentation to the Engineer.

Upon completion of the contract, "Disadvantaged Business Enterprises (DBE) Certification Status Change" Form CEM-2403(F) indicating the DBE's existing certification status shall be signed and certified correct by the Contractor. The certified form shall be furnished to the Engineer within ninety days from the date of contract acceptance.

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ATTACHMENT K PERFORMANCE OF SUBCONTRACTORS

5-1.__ PERFORMANCE OF SUBCONTRACTORS

The subcontractors listed by you in Bid book shall list therein the name and address of each subcontractor to whom the bidder proposes to subcontract portions of the work in an amount in excess of one-half of one percent of the total bid or $10,000, whichever is greater, in accordance with the Subletting and Subcontracting Fair Practices Act, commencing with Section 4100 of the Public Contract Code. The bidder's attention is invited to other provisions of the Act related to the imposition of penalties for a failure to observe its provisions by using unauthorized subcontractors or by making unauthorized substitutions.

UDBEs must perform work or supply materials as listed in the "Local Agency Bidder UDBE Commitment" form specified under Section 2, "Bidding," of these special provisions. Do not terminate a UDBE listed subcontractor for convenience and perform the work with your own forces or obtain materials from other sources without prior written authorization from the Agency.

The Agency grants authorization to use other forces or sources of materials for requests that show any of the following justifications:

1. Listed UDBE fails or refuses to execute a written contract based on plans and specifications for the project.
2. You stipulate a bond is a condition of executing the subcontract and the listed UDBE fails to meet your bond requirements.
3. Work requires a contractor's license and listed UDBE does not have a valid license under Contractors License Law.
4. Listed UDBE fails or refuses to perform the work or furnish the listed materials.
5. Listed UDBE's work is unsatisfactory and not in compliance with the contract.
6. Listed UDBE delays or disrupts the progress of the work.
7. Listed UDBE becomes bankrupt or insolvent.

If a listed UDBE subcontractor is terminated, you must make good faith efforts to find another UDBE subcontractor to substitute for the original UDBE. The substitute UDBE must perform at least the same amount of work as the original UDBE under the contract to the extent needed to meet the UDBE goal.

The substitute UDBE must be certified as a DBE at the time of request for substitution.

The Agency does not pay for work or material unless it is performed or supplied by the listed UDBE, unless the UDBE is terminated in accordance with this section.

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ATTACHMENT L SUBCONTRACTING

5-1.__ SUBCONTRACTING

No subcontract releases the Contractor from the contract or relieves the Contractor of their responsibility for a subcontractor's work.

If the Contractor violates Pub Cont Code § 4100 et seq., the City/County of _____ may exercise the remedies provided under Pub Cont Code § 4110. The City/County of _____ may refer the violation to the Contractors State License Board as provided under Pub Cont Code § 4111.

The Contractor shall perform work equaling at least 30 percent of the value of the original total bid with the Contractor's own employees and equipment, owned or rented, with or without operators.

Each subcontract must comply with the contract.

Each subcontractor must have an active and valid State contractor's license with a classification appropriate for the work to be performed (Bus & Prof Code, § 7000 et seq.).

Submit copies of subcontracts upon request by the Engineer.

Before subcontracted work starts, submit a Subcontracting Request form.

Do not use a debarred contractor; a current list of debarred contractors is available at the Department of Industrial Relations web site at: http://www.dir.ca.gov/dlse/debar.html

Upon request by the Engineer, immediately remove and not again use a subcontractor who fails to prosecute the work satisfactorily.

Each subcontract and any lower-tier subcontract that may in turn be made shall include the "Required Contract Provisions Federal-Aid Construction Contracts" in Section 14 of these special provisions. Noncompliance shall be corrected. Payment for subcontracted work involved will be withheld from progress payments due or to become due, until correction is made. Failure to comply may result in termination of the contract.

5-1.__ PROMPT PROGRESS PAYMENT TO SUBCONTRACTORS

A prime contractor or subcontractor shall pay any subcontractor not later than 10 days of receipt of each progress payment in accordance with the provision in Section 7108.5 of the California Business and Professions Code concerning prompt payment to subcontractors. The 10 days is applicable unless a longer period is agreed to in writing. Any delay or postponement of payment over 30 days may take place only for good cause and with the agency's prior written approval. Any violation of Section 7108.5 shall subject the violating contractor or subcontractor to the penalties, sanctions and other remedies of that section. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies otherwise available to the contractor or subcontractor in the event of a dispute involving late payment or nonpayment by the prime contractor, deficient subcontract performance, or noncompliance by a subcontractor.

5-1._ PROMPT PAYMENT OF FUNDS WITHHELD TO SUBCONTRACTORS

The local agency must include one of the following three provisions (if using *Caltrans Standard Specification*, modify or delete paragraphs 9-1.06 and 9-1.065) to ensure prompt and full payment of any retainage from the prime contractor, or subcontractor to a subcontractor.

(EITHER)

No retainage will be withheld by the agency from progress payments due the prime contractor. Retainage by the prime contractor or subcontractors is prohibited and no retainage will be held by the prime contractor from progress due subcontractors. Any violation of this provision shall subject the violating prime contractor or subcontractor to the penalties, sanctions and other remedies specified in Section 7108.5 of the California Business and Professions Code. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies otherwise available to the prime contractor or subcontractor, in the event of a dispute involving late payment or nonpayment by the prime contractor, deficient subcontract performance or noncompliance by a subcontractor.

(OR)

No retainage will be held by the agency from progress payments due the prime contractor. Any retainage held by the prime contractors or subcontractors from progress payments due subcontractors shall be promptly paid in full to subcontractors within 30 days after the subcontractor's work is satisfactorily completed. Federal law (49 CFR 26.29) requires that any delay or postponement of payment over the 30 days may take place only for good cause and with the agency's prior written approval. Any violation of this provision shall subject the violating prime contractor or subcontractor to the penalties, sanctions and other remedies specified in Section 7108.5 of the Business and Professions Code. These requirements shall not be construed to limit or impair any contractual, administrative, or judicial remedies otherwise available to the prime contractor or subcontractor, in the event of a dispute involving late payment or nonpayment by the prime contractor, deficient subcontract performance or noncompliance by a subcontractor.

(OR)

The agency shall hold retainage from the prime contractor and shall make prompt and regular incremental acceptances of portions, as determined by the agency, of the contract work and pay retainage to the prime contractor based on these acceptances. The prime contractor or subcontractor shall return all monies withheld in retention from a subcontractor within 30 days after receiving payment for work satisfactorily completed and accepted including incremental acceptances of portions of the contract work by the agency. Federal law (49 CFR 26.29) requires that any delay or postponement of payment over 30 days may take place only for good cause and with the agency's prior written approval. Any violation of this provision shall subject the violating prime contractor or subcontractor to the penalties, sanctions and other remedies specified in Section 7108.5 of the Business and Professions Code. These requirements shall not be construed to limit or impair any contractual, administrative, or judicial remedies otherwise available to the prime contractor or subcontractor, in the event of a dispute involving late payment or nonpayment by the prime contractor, deficient subcontract performance or noncompliance by a subcontractor.

5-1.__ FEDERAL REQUIREMENTS (AMERICAN RECOVERY AND REINVESTMENT ACT)

Under the American Recovery and Reinvestment Act (ARRA) of 2009, 9 USC § 902:

SEC. 902. ACCESS OF GOVERNMENT ACCOUNTABILITY OFFICE.

(a) ACCESS.—Each contract awarded using funds made available in this Act shall provide that the Comptroller General and his representatives are authorized:

(1) to examine any records of the contractor or any of its subcontractors, or any State or local agency administering such contract, that directly pertain to, and involve transactions relating to, the contract or subcontract; and

(2) to interview any officer or employee of the contractor or any of its subcontractors, or of any State or local government agency administering the contract, regarding such transactions.

(b) RELATIONSHIP TO EXISTING AUTHORITY.—Nothing in this section shall be interpreted to limit or restrict in any way any existing authority of the Comptroller General.

Under ARRA of 2009, 9 USC § 1515(a):

SEC. 1515. ACCESS OF OFFICES OF INSPECTOR GENERAL TO CERTAIN RECORDS AND EMPLOYEES.

(a) ACCESS.—With respect to each contract or grant awarded using covered funds, any representative of an appropriate inspector general appointed under section 3 or 8G of the Inspector General Act of 1978 (5 U.S.C. App.), is authorized:

(1) to examine any records of the contractor or grantee, any of its subcontractors or subgrantees, or any State or local agency administering such contract, that pertain to, and involve transactions relating to, the contract, subcontract, grant, or subgrant; and

(2) to interview any officer or employee of the contractor, grantee, subgrantee, or agency regarding such transactions.

(b) RELATIONSHIP TO EXISTING AUTHORITY.—Nothing in this section shall be interpreted to limit or restrict in any way any existing authority of an inspector general.

Immediately notify the Engineer if you have been contacted by the U.S. Comptroller, Inspector General, or their representatives. Used in projects with ARRA Federal-aid funds.

Used in projects with American Recovery and Reinvestment Act Federal-aid funds.

5-1.__ MONTHLY EMPLOYMENT REPORT (AMERICAN RECOVERY AND REINVESTMENT ACT)

For the purpose of complying with the American Recovery and Reinvestment Act of 2009, submit a completed Monthly Employment Report form by the fifth of each month for the previous month. For the form, go to: http://www.dot.ca.gov/hq/construc/forms/cem1204.pdf

If you fail to submit a complete and accurate report, the Department withholds 2 percent of the monthly progress estimate. The Department does not withhold more than $10,000 or less than $1,000. The Department releases the withhold upon submission of the completed form.

Used in projects with American Recovery and Reinvestment Act Federal-aid funds

3-1.02 DATA UNIVERSAL NUMBERING SYSTEM (D-U-N-S) NUMBER

For the purpose of complying with the American Recovery and Reinvestment Act of 2009, the successful bidder must provide the Department a D-U-N-S number.

Complete and sign the Data Universal Numbering System (D-U-N-S) Number form included in the contract documents. This form must be submitted with the executed contract.

If your company does not have a D-U-N-S number, you can obtain one by contacting Dun & Bradstreet at:

http://dnb.com/us/

If you fail to submit this information with the executed contract, the City/County of _____ will not approve the contract.

ATTACHMENT M BUY AMERICA REQUIREMENTS

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5-1.__ BUY AMERICA REQUIREMENTS. -- Attention is directed to the "Buy America" requirements of the Title 23 United States Code, Section 313 and the regulations adopted pursuant thereto. In accordance with said law and regulations, all manufacturing processes for steel and iron materials furnished for incorporation into the work on this project shall occur in the United States; with the exception that pig iron and processed, pelletized and reduced iron ore manufactured outside of the United States may be used in the domestic manufacturing process for such steel and iron materials. The application of coatings, such as epoxy coating, galvanizing, painting, and any other coating that protects or enhances the value of such steel or iron materials shall be considered a manufacturing process subject to the "Buy America" requirements.

A Certificate of Compliance, conforming to the provisions in Section 6-1.07, Certificates of Compliance, of the Standard Specifications, shall be furnished for steel and iron materials. The certificates, in addition to certifying that the materials comply with the specifications, shall also specifically certify that all manufacturing processes for the materials occurred in the United States, except for the exceptions allowed herein. The requirements imposed by said law and regulations do not prevent a minimal use of foreign steel and iron materials if the total combined cost of such materials used does not exceed one-tenth of one percent (0.1%) of the total contract cost or $2,500, whichever is greater. The Contractor shall furnish the Engineer acceptable documentation of the quantity and value of any foreign steel and iron prior to incorporating such materials into the work.

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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 DETERMININATION REQUIRED	**PUBLIC INTEREST DETERMININATION REQUIRED**
☐ Use of force account (23 CFR 635.204, 205)* ☐ Use of publicly owned equipment (23 CFR 635.106) ☐ Other: _____	☐ Use of non-competitive negotiated consultant contracts (23 CFR 172.5)* ☐ Use of publicly furnished materials (23 CFR 635.407) ☐ Use of proprietary products and processes (23 CFR 635.411) ☐ Use of contracting method other than competitive bidding (23 CFR 635.104/204)* ☐ Use of mandatory borrow/disposal sites (23 CFR 635.407) ☐ Advertising period less than 3 weeks (23 CFR 635.112)* ☐ Waiver of Buy America Requirements (23 CFR 635.410)** ☐ Other: _____ *** Requires Caltrans District approval** **** Requires FHWA approval**

FEDERAL-AID PROJECT	CLASS OF FEDERAL FUNDS: ☐ IM ☐ NH ☐ STP ☐ OTHER:		
	STEWARDSHIP: ☐ DELEGATED ☐ 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

INSTRUCTIONS

1. Check appropriate box under "Cost-Effective Determination Required" or "Public Interest Determination Required."
2. Check "Class of Funds" as follows: IM-Interstate Maintenance, NH-National Highway, STP-State Transportation Program, Other (all other classes).
3. Provide the Federal-aid Project EA number in first column.
4. Identify Caltrans District-County-State Route-Post Mile, or City and street in second column.
5. List Estimated Cost of the portion of the project subject to this PIF.
6. List the amount of the Federal Funds in the portion of the project subject to this PIF.
7. Describe "General Location" applicable to this PIF.
8. Provide "General Description of Work" affected by this PIF.
9. Explain and give "Reasons that requested approval is considered to be cost-effective, or in the public's best interest." Provide cost analysis or comparison as evidence of cost-effectiveness.
10. "Remarks" is for the Local Agency Representative preparing the Finding.
11. Signature, Name, and Title of Local Agency Representative preparing or approving PIF, as appropriate, and Date.
12. Signature and Name of District Local Assistance Engineer approving the PIF, as required, and Date.
13. Signature and Name of FHWA representative approving the PIF for Buy America waivers, and Date.

EXHIBIT 12-G BIDDER'S LIST OF SUBCONTRACTORS (DBE AND NON-DBE)

PART I

The bidder shall list all subcontractors (both DBE and non-DBE) in accordance with Section 2-1.054 of the Standard Specifications and per Title 49, Section 26.11 of the Code of Federal Regulations. This listing is required in addition to listing DBE Subcontractors elsewhere in the proposal. **Photocopy this form for additional firms.**

Firm Name/ Address/ City, State, ZIP	Phone/ Fax	Annual Gross Receipts	Description of Portion of Work to be Performed	Local Agency Use Only (Certified DBE?)
Name	*Phone*	☐ < $1 million		☐YES
		☐ < $5 million		☐NO
Address		☐ < $10 million		*If YES list DBE #:*
	Fax	☐ < $15 million		
City State ZIP		☐ > $15 million		Age of Firm (Yrs.)
Name	*Phone*	☐ < $1 million		☐YES
		☐ < $5 million		☐NO
Address		☐ < $10 million		*If YES list DBE #:*
	Fax	☐ < $15 million		
City State ZIP		☐ > $15 million		Age of Firm (Yrs.)
Name	*Phone*	☐ < $1 million		☐YES
		☐ < $5 million		☐NO
Address		☐ < $10 million		*If YES list DBE #:*
	Fax	☐ < $15 million		
City State ZIP		☐ > $15 million		Age of Firm (Yrs.)
Name	*Phone*	☐ < $1 million		☐YES
		☐ < $5 million		☐NO
Address		☐ < $10 million		*If YES list DBE #:*
	Fax	☐ < $15 million		
City State ZIP		☐ > $15 million		Age of Firm (Yrs.)

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BIDDER'S LIST OF SUBCONTRACTORS (DBE AND NON-DBE)

PART II

The bidder shall list all subcontractors who provided a quote or bid but were not selected to participate as a subcontractor on this project. This is required for compliance with Title 49, Section 26 of the Code of Federal Regulations. Photocopy this form for additional firms.

Firm Name/ Address/ City, State, ZIP	Phone/ Fax	Annual Gross Receipts	Description of Portion of Work to be Performed	Local Agency Use Only (Certified DBE?)
Name	*Phone*	☐ < $1 million		☐YES
		☐ < $5 million		☐NO
Address		☐ < $10 million		*If YES list DBE #:*
	Fax	☐ < $15 million		
City State ZIP		☐ > $15 million		Age of Firm (Yrs.)
Name	*Phone*	☐ < $1 million		☐YES
		☐ < $5 million		☐NO
Address		☐ < $10 million		*If YES list DBE #:*
	Fax	☐ < $15 million		
City State ZIP		☐ > $15 million		Age of Firm (Yrs.)
Name	*Phone*	☐ < $1 million		☐YES
		☐ < $5 million		☐NO
Address		☐ < $10 million		*If YES list DBE #:*
	Fax	☐ < $15 million		
City State ZIP		☐ > $15 million		Age of Firm (Yrs.)
Name	*Phone*	☐ < $1 million		☐YES
		☐ < $5 million		☐NO
Address		☐ < $10 million		*If YES list DBE #:*
	Fax	☐ < $15 million		
City State ZIP		☐ > $15 million		Age of Firm (Yrs.)

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CHAPTER 13 RIGHT OF WAY

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CHAPTER 13 RIGHT OF WAY

13.1 GENERAL

"Right of Way" refers to the real property rights, which local agencies must possess to construct local assistance transportation projects utilizing federal funds. The provisions of this chapter apply to all local assistance projects involving federal funds **off** the State Highway System (SHS), whether or not these funds are expended for purchase of real property rights. When local agency projects are performed on the SHS or any portion thereof, the local public agency must follow the Caltrans Manuals that apply to the work being done, among them, the *Right of Way Manual* and the *Cooperative Agreement Manual*.

The *Right of Way Manual* is used for projects on the SHS, either conventional highways or expressways and freeways. The Manual has approximately 575 forms and exhibits that are extremely useful and necessary to perform all of the various right of way functions. These forms and exhibits, as well as 17 chapters of right of way processes and procedures are available to all local public agencies for use in performing their right of way work. Caltrans projects may generally be larger than many local agency projects, but the right of way processes and procedures are the same as those performed by local agencies for their projects.

Local public agencies are encouraged to access the Caltrans Right of Way Manual web site at: http://www.dot.ca.gov/hq/row/.

The authority to acquire property for a public project is found in the US Constitution and the Bill of Rights and the processes to exercise this authority are contained in federal law. Under federal laws and regulations that apply whenever federal funds are used for a project, affected property owners and those displaced by the project, are entitled to be treated in ways that provide the due process of law and which ensure they are justly compensated for losses they experience. These laws and regulations are also intended as a safeguard to ensure that federal funds are not unnecessarily or inappropriately expended.

The information in this section has been compiled from many sources, but the underlying federal and state laws remain unchanged. This chapter should not be used as a substitute for these laws, statutes, regulations policies, and/or procedures when conducting right of way activities using federal funds.

Note: All documents and papers related to a project must carry the federal-aid project number for identification.

13.2 FEDERAL-AID AND THE FEDERAL/STATE/LOCAL AGENCY RELATIONSHIP

The Federal Highway Administration (FHWA) is the federal agency most typically involved in transportation projects undertaken with federal funding for the programs discussed in this manual. It has the authority and responsibility for implementing and monitoring federal laws, regulations and executive orders affecting these programs. When a project utilizes federal funding, the FHWA is involved pursuant to these responsibilities and the delegations described below.

Caltrans has reobtained major delegations of authority from FHWA under the provisions of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). Further, it has passed on these delegations to local agency partners to the greatest extent possible. With each delegation goes the responsibility for initiating and completing each project phase in accordance with the appropriate state and federal laws and regulations without extensive FHWA or State Oversight.

ISTEA established provisions for Congress to adopt a National Highway System (NHS) of 155,000 miles of major roads in the United States. This system was established to provide an interconnected system of principle arterials, which serve major populated centers, international border crossings, ports, airports, public transportation facilities, and which meets national defense requirements as well as serving interstate travel. Until Congress made its official adoption, the NHS was defined as all principal arterials, including the Interstate System.

On November 28, 1995, the President signed the legislation defining the NHS. The system includes all interstate routes, a selection of urban and rural principal arterials, the defense strategic highway network and strategic highway connectors.

In California, about 180 miles of local agency principal arterials were selected to be a part of the NHS. Some procedures in this manual for projects on the NHS are different from those for projects not on the NHS (non-NHS). One of the early local agency determinations should be whether the project is on the NHS.

FHWA ROLE

For all federal-aid projects FHWA is responsible for the following project activities:

- Obligation of federal funds
- Approval of E-76 for Right of Way activities and utilities under the Alternate Procedure
- Execution of Project Agreements
- Acceptance of Right of Way Certification for projects on the NHS where total project costs exceed $1 million

The intent of this chapter is to provide local agencies with the basic understanding of Right of Way procedures for locally sponsored federal-aid transportation projects. Local agencies, which will be actively involved in right of way acquisition and relocation, must comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended in 1987 (the Uniform Act). This law can be found in Chapter 10 of the Caltrans *Right of Way Manual*, the FHWA *Project Development Guide* (see Appendices A and B) and at Section 49 of the Code of Federal Regulations (CFR), Part 24.

Note: The Uniform Act must be followed on all local agency projects even if no federal funds are used for the acquisition of right of way for the project. Although, substantial responsibility for the administration of local agency projects has been delegated to Caltrans (see below, "Caltrans Role"), FHWA has retained the overall responsibility for compliance with the Uniform Act. Towards this end, FHWA periodically performs Process Reviews of local agency projects to ensure that the Uniform Act requirements are being met.

In addition, local agencies must also comply with all requirements of Title VI of the 1964 Civil Rights Act on federal-aid projects. This is to ensure that all services and/or benefits derived from any right of way activity will be administered without regard to race, color, gender, or national origin (see FHWA Project Development Guide, Appendix C-12). For additional details on the FHWA/Caltrans relationship, refer to Chapter 2, "Roles and Responsibilities," of the *Local Assistance Procedures Manual* (LAPM).

CALTRANS ROLE

When federal funding is used in any phase of a local assistance project, the FHWA places overall responsibility for the acquisition of right of way and the relocation of individuals, businesses, and utilities with Caltrans. Caltrans in turn has delegated substantial authority to local agencies. On these federal-aid projects, all right of way activities must be conducted in accordance with the Caltrans *Right of Way Manual*.

When the project requires the relocation of utility facilities, Caltrans is responsible for approval of the "FHWA Specific Authorization to Relocate Utilities" and "FHWA Approval of Utility Agreement." More information is available in Chapter 14 "Utility Relocations," of the LAPM. These Agreement forms are both part of form RW 13-15 found in Chapter 13, "Caltrans *Right of Way Manual."*

Caltrans is responsible for fully informing local agencies of their responsibilities accompanying federal-aid transportation projects by ensuring that every local agency receives all current regulations and procedural instructions affecting right of way activity, and on request will provide training, guidance and advice on right of way matters. Further information is provided in the Caltrans *Right of Way Manual*. FHWA's *Project Development Guide* and Caltrans *Right of Way Manual* are available to each local agency. Refer to Flow chart 13-1, "Flowchart of Right of Way Procedures," which gives an excellent overview of the Right of Way process.

CALTRANS DISTRICT ROLES

When questions arise in the development of a federal-aid project, or if it is determined that property rights will be required on the project, the local Caltrans District Local Assistance Engineer (DLAE) should be promptly notified. The DLAE has overall responsibility as liaison with each local agency in that district. In addition, each district has a Right of Way Local Programs Coordinator who is responsible for working with each local agency whose projects involve federal funds.

As part of the overall responsibility assigned to Caltrans by FHWA, Caltrans Right of Way is required to monitor local agency's procedures for right of way appraisal, acquisition, relocation assistance, property management, and utility relocations on all local assistance projects for compliance with applicable state and federal laws and regulations.

THE MONITORING PROCESS

The Caltrans District Right of Way Local Programs Coordinator will monitor right of way activities at any time during the project. Normally, however, most monitoring is performed on a post-audit, spot-check basis to ensure that such activities are performed in compliance with state and federal laws and regulations. Acquisition and relocation activities must be in conformance with the Uniform Act, Federal Stewardship requirements, the FHWA *Project Development Guide,* and the Caltrans *Right of Way Manual.* All right of way functional areas are subject to review. Spot-check monitoring will normally be limited to no more than 25% of the total work performed. Additional

reviews shall be made only when violations are discovered and then only to determine if the violations are prevalent or one-time occurrences (see below, "Monitoring Findings").

The reviewer shall bring all violations discovered to the attention of the local agency. It is the local agency's responsibility to ensure correction. The selection of projects that will be monitored shall be at the discretion of the district based on staff availability, familiarity with the local agency, the project and consultants which may be used, as well as the complexity of the right of way issues.

Monitoring will usually use checklists or outlines to guide the review. Both entry and exit conferences will be conducted to advise local agency staff of the scope and findings of the monitoring visit. A written report will usually be provided to the local agency, **THOUGH NOT NECESSARILY AT THE TIME OF THE EXIT CONFERENCE.**

MONITORING FINDINGS

Ideally, the monitoring review will discover compliance with all applicable laws and regulations. Occasionally, however, there may be other results with findings having different levels of seriousness.

Violations of What Caltrans Considers to be Good Business Practice

These are practices of the local agency, which could be improved with the result being a more efficient or effective operation and/or reduced chance that more serious violations will occur subsequently. Local agencies will be advised of these observations, but there is no penalty associated with noncompliance. Local agencies are free to adopt suggested changes or not as their management judgment indicates.

Violations of Practices Where Correction is Mandatory

Local agencies will be expected to change their practices to conform to Caltrans' requirements. For qualified agencies, failure to do so may jeopardize their qualification status for future projects. In addition, serious violations of this nature must be corrected, particularly when it appears that a violation of property owner's rights is involved. Local agencies will be advised in writing of such violations and of the corrective actions to be taken. During the time the local agency is taking the corrective actions, federal reimbursement may be withheld. Failure to complete the corrective actions within reasonable time periods may result in withdrawal of federal funding for the project.

For additional details, refer to Chapter 20, "Deficiencies and Sanctions" of the LAPM.

QUALIFYING LOCAL AGENCIES

Caltrans qualifies local agencies to perform their own right of way functions (see below, "Qualification of Local Agencies"). Caltrans also provides training and guidance to local agencies seeking assistance on federal-aid projects.

LOCAL AGENCY ROLE

CERTIFICATION OF PROJECTS

The local agency will certify that all Uniform Act requirements have been met on federal-aid projects.

QUALIFICATION OF LOCAL AGENCIES

Caltrans has an agreement with FHWA that allows local agencies to be certified in advance to perform all or some right of way activities based on the local agency's

qualifications, the size of their staff and their ability to perform the technical work, and subsequent reviews. Caltrans District Right of Way staff conducts a qualification review to determine if the local agency is adequately staffed, organized, and has the necessary expertise to perform right of way work properly and timely. The agency must agree to conform to Department's policies and procedures in order to meet state and federal requirements. The review is necessary before the local agency can begin right of way work on a federal-aid project.

To become qualified, the local agency must first contact the **District Right of Way Local Programs Coordinator,** requesting approval of qualification status. The Coordinator will then meet with the local agency's Right of Way/Real Property Department to explain state and federal requirements and what must be done to become qualified. The Coordinator will request copies of organizational charts, staff resumes and duty statements, and will see that the agency has all needed material: the Caltrans *Right of Way Manual*, any necessary policy and procedure memo, and current copies of Titles 23 and 49 of the Code of Federal Regulations. The manuals shall be in sufficient detail to adequately describe operational procedures for the functional areas to be certified so as to provide adequate instructions to Right of Way/Real Property employees on how to perform their assigned duties.

QUALIFICATION LEVELS

The local agency may have experienced staff but not in sufficient number to be qualified for every right of way function. The following levels of qualification can be obtained with prior Department's Region/District approval:

Level 1: Staff is qualified to do technical work in one or more specific functional areas. These areas will be shown in the qualification approval. As an example, some smaller rural agencies have sought approval to perform only appraisal or acquisition functions.

Level 2: Staff is qualified to do technical work in more than one functional area, but not in all. There is sufficient staff available to perform these functions on more than one project at a time.

Level 3: Staff is large enough and qualified to do technical work in all functional areas.

QUALIFICATION TERM

Level 1, 2 & 3 approvals are good for three years and require a review at the end of that time.

Please see the Local Programs Chapter 17, "*Caltrans Right of Way Manual"* for additional information on Local Agency Qualifications.

CALTRANS AUDITS OFFICE

Caltrans Audits and Investigations Office will help evaluate a local agency before the agency is approved for qualification. This audit evaluation will determine if the local agency's cost accumulation, accounting procedures and billing processes are compatible with Caltran's fiscal system, and ensure an awareness of federal reimbursement requirements where necessary. Follow-up reviews will be made necessary to ensure compliance is maintained. When District Right of Way Local Programs Coordinator receives a request from a local agency for prequalification, the Coordinator should notify the Division of Right of Way Local Programs Branch in writing and request Audits and Investigations Office to perform the audit evaluation.

WITHDRAWAL OF QUALIFICATION

It is important to note that the qualification status can be withdrawn if deficiencies are found and not corrected, or if the staffing and experience levels change, so that the local agency can no longer meet the minimum requirements. At the time each agency is notified of its qualification level, the agency is told to inform Caltrans if there are any major personnel changes, which would impact its ability to perform the respective right of way functions.

APPRAISAL REVIEW QUALIFICATION

On federal-aid projects, a formal review of the appraisal is necessary in order to establish the Fair Market Value for the property (see 49 CFR 24.104). A consultant review appraiser must have a valid general license issued by the State Office of Real Estate Appraisers (OREA). The review appraiser must determine that the appraisal meets applicable appraisal requirements and shall prior to acceptance, seek necessary corrections or revisions. If the review appraiser is unable to approve or recommend approval of the appraisal, the reviewer may develop additional documentation in accordance with Sec. 24.103 to support an approved or recommended value. The reviewer must state the basis for the value conclusion.

If the local agency receives a qualification status, Level 1 or 2 without having the staff or means to perform the appraisal review function, the local agency shall hire either a qualified licensed consultant (see below, "Local Agency Selection of Consultants"), **or** another local agency qualified to perform the appraisal review function. Note: Only the local agency can determine the just compensation to be paid. Another agency or consultant cannot do so.

NON-QUALIFIED LOCAL AGENCIES--OPTIONS

Local agencies that are not qualified to perform any or all of the respective right of way functions necessary for the project must either hire another local agency which is qualified to perform those functions, or directly hire a consultant(s) who meets the consultant selection criteria discussed below.

In summary, non-qualified local agencies have the following choices in hiring consultants:

- Contract with a qualified local agency.
- Contract with a private consultant(s) to perform one or more right of way specialties: Appraisals, Appraisal Review Acquisitions, Relocation Assistance, etc.
- Contract with a Right of Way Project Management consultant.
- Utilize a mixture of local agency staff and the resources available as mentioned in the first two items above.
- Contract with a "Turnkey" consultant who can perform all Right of Way functions.

Note**:** It is the local agency's responsibility to verify that the consultants have the necessary Certificates/Licenses to perform the right of way functions needed for the local agency's project.

SELECTION OF CONSULTANTS

The authority for selection of private sector consultants to perform right of way functions on federal-aid projects has been delegated to the local agencies. The selection process will be administered by the local agency, using the "Consultant Selection Criteria and Guide" Exhibit 13-C in this chapter, prepared by Caltrans to establish recommended minimum experience levels and to evaluate the qualifications of prospective consultant firms. After completing the selection process and contracting directly with a consultant whose performance met the local agency's expectations, the agency would be able to utilize this same consultant to perform similar jobs without needing to repeat the selection process if no more than a two-year period has elapsed.

When substantially different right of way services are needed, it is incumbent on the local agency to repeat the consultant selection process in choosing a consultant.

Competitive bidding is one of the cornerstones of a financially successful project. Seeking bids from qualified firms will ensure that the local agency is getting the most reasonable price. Prior to soliciting bids, careful consideration should be given to defining the scope of the consultant's work, estimating the cost of the consultant's work, and determining the type of contract. There are typically four kinds of contracts used: (a) Actual cost plus fixed fee, (b) Cost per unit of work, (c) Specific rates of compensation, and (d) Lump sum.

The local agency should be advised that caution must always be exercised in the choice of a consultant, particularly with regard to the firm's experience on past projects and the firm's references. Each project and each agency have unique demands and just because a prospective consultant may meet the broad qualifications contained in the Consultant Selection Criteria does not also mean that the consultant meets the local agency's requirements.

The local agency is responsible for maintaining written documentation concerning the consultant selection process to ensure that the procedures comply with the "Consultant Selection Criteria and Guide," Exhibit 13-C in this chapter. This information should be made available to Caltrans as part of Caltrans' monitoring process.

Local agencies are responsible and accountable for the actions of their consultants in properly executing their duties and activities in accordance with the Uniform Act. The local agency retains the ultimate responsibility for signing the Right of Way Certifications.

Also, local agencies receiving federal funds must take affirmative steps to assure that Disadvantaged Business Enterprises (DBE) consultants have ample opportunity to compete for consultant work. Such steps include soliciting DBE firms, and when feasible, organizing the project schedule and task requirements to encourage participation by DBE firms.

CONSULTANT CONTRACTS

The local agency which enters into a contract with a consultant for the performance of right of way work, retains ultimate responsibility for the actions of the consultant. Caltrans has established broad criteria for use in evaluating the qualifications in the respective right of way functions, but Caltrans is in no way liable either for devising such criteria or for the performance of consultants chosen by the local agency. In the event the actions or performance of the consultant result in a loss of federal funds for the project, it is the sole responsibility of the local agency to repay these funds.

Consultants must perform right of way functions to the same standards, practices, rules, and regulations as the local agency. The District Right of Way Local Programs/ Assistance staff using the same guidelines discussed above, Federal-aid and the Federal/State/Local Agency Relationship under sublevel heading "Monitoring Process" will monitor the work products of the consultants.

The local agency responsibilities also include the following in connection with project completion:

- Appraisal Review – As noted above, when federal funds are used for any portion of the project, a formal review of the appraisal is required.
- Establishment of just compensation. In projects involving the acquisition of real property, it will be necessary for the local agency to approve the fair market value appraisal and determine what compensation is to be paid. **This is a federal requirement and cannot be delegated to the consultant.**
- Assignment of a Contract Manager to serve as contact person during the course of the project. The Contract Manager should be knowledgeable in all aspects of the project (see below, "Contract Administration").
- If the local agency has any questions or concerns regarding the hiring of Right of Way Consultants, they are encouraged to contact the nearest District Right of Way Office for assistance or guidance.

CONTRACT ADMINISTRATION

The local agency shall designate a Contract Manager to act as the official representative of the agency with full authority and responsibility to manage the contract. In addition to the duties listed in Chapter 10, "Consultant Selection," of the LAPM for the Contract Manager, right of way projects also require the following:

- Performing functional review for each right of way activity.
- Approving and coordinating all consultant activities.
- Approving requests for payment (after completion of the work).
- Preparing interim/final contract completion reports and performance evaluations.

13.3 MASTER AGREEMENT

A master agreement is required with a local agency whenever federal funds are to be used on a local transportation project.

In the master agreement, a local agency agrees to comply with all federal and state laws, regulations, policies and procedures relative to the design, right of way acquisition, construction and maintenance of the completed facility. It is normally processed once with the agency when it begins its first federal-aid funded project. The Local Agency-State Master Agreements are occasionally updated and re-executed to account for changes in laws and policies.

PROGRAM SUPPLEMENT AGREEMENT

Program Supplements to the master agreement formalize the financial responsibilities and provisions for each specific federal-aid funded project. This program supplement identifies the reimbursable phase(s) of work in addition to the types and amounts of

federal and local funds used to finance the locally sponsored project. It is the contractual basis for the state to reimburse the local agency for work done.

Special covenants or clauses in the agreement define the agency's specific responsibilities in implementing and maintaining the project. Others define state or local responsibilities for providing project funds.

13.4 RIGHT OF WAY AUTHORIZATION

When federal funds are to be used for right of way costs, the Field Review Form and the Right of Way Estimate must be completed, and National Environmental Policy Act (NEPA) approval obtained before requesting authorization. If federal-aid is sought for any phase of the project, all right of way activities must conform to federal requirements. Failure to conform to these requirements will jeopardize federal funding. **Note**: If any right of way activities are performed prior to authorization, those activities are normally ineligible for reimbursement later. Requests for authorization should be submitted to the DLAE. If the request is complete, the DLAE will initiate the authorization process.

PROJECT PROGRAMMING

The initial step in obtaining federal-aid on a local assistance project involves selecting and programming the project into a federally approved Transportation Improvement Program. This will require careful estimates of the costs involved for all phases of the project including preliminary and construction engineering, utility relocation, right of way (if additional property interests are required), and construction.

Real property rights that are acquired for a local agency project must be sufficient for all activities necessary for the construction of the project and for the ongoing operation and maintenance of the facility when completed. It is the responsibility of the local agency to determine the property rights that will be necessary for each project and that these rights are sufficient for the project.

Procedures to program projects can be found in Chapter 1, "Introduction /Overview," and Chapter 2, "Financing the Federal-aid Highway Program," of the *Local Assistance Program Guidelines* (LAPG). Questions concerning project programming should be referred to the DLAE.

REQUEST FOR AUTHORIZATION TO PROCEED

After a project is selected and programmed in a Federal Approved State Transportation Improvement Program (FSTIP), the local agency should then contact the DLAE to obtain authorization to receive federal funds. The authorization must precede any activities for which reimbursement will be requested. When the project requires the relocation of utility facilities, the request must include a listing of each affected utility company together with an estimate of the cost of relocation for each company and a request for approval of the use of the Alternate Procedure. The local agency is responsible for initiating the "Request for Authorization (Preliminary Engineering)" through Caltrans to FHWA. For additional details, please refer to Chapter 3, "Project Authorization," of the LAPM.

The project authorization obligates FHWA to reimburse allowable project costs and confirms that federal funds are available in the amount requested for that project. However, this is subject to the condition that acquisition of right of way may only commence after the necessary requirements have been met including NEPA compliance.

The local agency must prepare a "Request for Authorization" package (see Chapter 3, Exhibits 3-A "Request for Authorization to Proceed with Preliminary Engineering," Exhibit 3-B "Request For Authorization to Proceed with Right of Way," Exhibit 3-C "Request for Authorization To Proceed with Construction," and Exhibit 3-D "Federal Transit Administration Transfer," of the LAPM) and certify to the accuracy of all the data on the forms. Separate work authorizations and fund obligations are normally made for preliminary engineering, right of way, and construction, if federal funds are to be used for these phases of the project. The authorization to proceed must be obtained prior to starting an item of work for which the agency will seek reimbursement.

When the DLAE determines that the project has been authorized and obligated, an "Authorization to Proceed" is printed which shows the authorization and obligation dates. This form is then sent to the local agency as verification that they may begin with that phase of the project and subsequently be eligible for reimbursement. If the project cannot be authorized, the local agency is informed and advised what corrective actions are necessary.

AUTHORIZATION TO BEGIN RIGHT OF WAY WORK (E-76)

Each phase (capital/support) or function (appraisals, acquisition, utility relocation, etc.) of right of way claimed for reimbursement must be programmed and authorized by an E-76 prior to beginning that phase or function. Ay work done prior to authorization will be ineligible. An E-76 may program multiple phases.

Local agencies may not proceed with final design or request for authorization to proceed with right of way or construction until full compliance with the provisions of NEPA has been documented and approved by Caltrans. Failure to follow this requirement will make the project ineligible for FHWA reimbursement. Upon final environmental approval, it is incumbent upon the DLAE to provide the local agency with immediate notification and a copy of the signed Categorical Exemption/Categorical Exclusion Determination Form or approved environmental document (Finding of No Significant Impact [FONSI] or Record of Decision [ROD]), so the local agency can commence with final design and/or request authorization to proceed with right of way activities.

Preliminary acquisition activities including a title search and preliminary property map preparation necessary for the completion of the environmental process, can be advanced under preliminary engineering prior to NEPA compliance, while other work involving contact with affected property owners must normally be deferred until NEPA approval, except as provided in 23 CFR 710.503 for protective buying and hardship acquisition, and in 23 CFR 710.501 early acquisition.

Only under these exceptional circumstances will the agency be allowed to acquire property prior to environmental approval. For example, the agency may acquire property in advance of the normal schedule if the owner claims hardship, or the property must be protected from future development. Appropriate documentation must accompany the request to FHWA for approval of Hardship and Protection acquisitions. When making these advanced acquisitions, ensure that the intent of the Uniform Act and the NEPA are not circumvented. For additional information, please refer to Chapter 5 "Hardship and Protection" of the *Right of Way Manual*, or contact Caltrans Right of Way Local Programs Coordinator in your area.

13.5 PRELIMINARY RIGHT OF WAY ACTIVITIES

REQUEST AUTHORIZATION TO PROCEED (PE)

Separate work authorizations and fund obligations are normally made for Preliminary Engineering (PE), Right of Way (including appraisal, acquisition, relocation assistance, and utility relocation) and Construction phases, if federal funds are to be used in each of these phases.

PRELIMINARY STUDIES

At this early stage in the development process, it is crucial to correctly evaluate the project requirements: namely, the limits, location (including existing utilities), scope, costs, and whether any additional right of way will be required. Each agency should establish a process for accumulating this data, which will play an integral part in successfully completing the Field Review, the Preliminary Environmental Study (PES) Form and the Plans, Specifications & Estimate (PS&E) for the project.

FIELD REVIEWS

Formal field reviews, which may include FHWA and Caltrans representatives are not required on local agency transportation projects **off** of the National Highway System (NHS) (for additional details, see Chapter 7, "Field Review" of the LAPM). However, Field Reviews are suggested practice for all complex projects. A representative from FHWA should be consulted on all FHWA High Profile projects. All requests for FHWA participation should be coordinated through the DLAE.

Local Agencies should complete the PES Form and the first two pages of the Field Review Form prior to requesting a Field Review. If it appears that additional right of way will be required, one of the intended results of the Field Review is to provide sufficient data to complete the right of way estimate (see "Right of Way Estimate" in this chapter). The information contained in these two documents is crucial in obtaining FHWA authorization to proceed further with the next stage of the project (see "Request for Authorization to Proceed Right of Way" in this chapter).

The Field Review process brings together all interested parties in order to reach agreement on the important aspects of the project, including such items as the design features, alternative proposals for building the project, respective responsibilities of the various agencies involved, level of documentation required in the NEPA process, and whether a public hearing will be necessary. For Right of Way objectives, the Field Review may confirm the need to acquire right of way and relocate the occupants, or relocate utilities and/or railroad facilities, which can significantly affect the project development in particular, the costs and scheduling. The review also facilitates the identification of compensable property interests plus uncovering project requirements such as the need for temporary construction easements, permits to enter, etc. Therefore, it is strongly encouraged that the Caltrans Right of Way Coordinators be invited to participate in the Field Reviews, as their assistance could be extremely helpful.

When the preliminary review is completed, the local agency is responsible for completing the Field Review Form. If there are right of way requirements for the project, the DLAE should forward a copy of this form to the Right of Way Local Programs Coordinator. For NHS projects, all appropriate forms and attachments must be completed. For non-NHS projects, the two-page Field Review Summary must be completed at a minimum. Items 7 and 9 apply to right of way issues.13.6 Environmental Approval.

13.6 NATIONAL ENVIRONMENTAL POLICY ACT (NEPA)

All local agency federal-aid transportation projects "off" the SHS must comply with the provisions of the NEPA and the implementing regulations (23 CFR 771) thereto. Local agencies may not proceed with final design, right of way acquisition, or project construction until full compliance with the NEPA has been documented and approved by Caltrans.

The level of documentation required in the NEPA process will vary depending upon the NEPA Class of Action. A proposed major highway or a new highway on a different alignment, for example, will normally require an extensive study (an Environmental Impact Statement [EIS]), while minor improvements to existing highways such as a roadway intersection signal installation may require only a short analysis (a Categorical Exclusion [CE]).

All local agency projects must demonstrate compliance with NEPA and other federal environmental laws before proceeding with right of way work or the final design of a project.

PRELIMINARY ENVIRONMENTAL REVIEW--PES

The "Preliminary Environmental Study (PES) Form" Exhibit 6-A of the LAPM is designed to identify such items as the existing conditions in the project area, environmental issues that may require further study and the need for public hearing, or resource or regulatory agency permit. Question No.24 in Exhibit 6-A and Exhibit 6-B "Instructions for Completing the PES Form," specifically relate to right of way impacts and a "YES" answer would indicate that further action is necessary.

PUBLIC HEARINGS

In general, public hearings should be held for a project if there is substantial environmental controversy, if there is widespread interest in holding the hearing or if an agency with jurisdiction over the project requests one. The procedures for holding hearings, including the requirements for notifying the public, the contents of the notification, scheduling, and the hearing process are all discussed in Chapter 8, "Public Hearings," of the LAPM.

Federal regulations require public hearings under certain circumstances. For example, projects being processed with an Environmental Assessment (EA) require a public hearing when significant amounts of right of way will be required for the project. Public hearings are also required during the circulation period of all draft EIS.

Public involvement is advantageous because it can broaden the agency's knowledge of the project area. If a public hearing is to be held and additional right of way or property rights will be required for the project, right of way personnel should be involved as early as possible. A public forum offers an excellent opportunity to discuss the acquisition and relocation impacts with the affected persons. The importance of explaining these projects within the context of a public hearing cannot be overstated. One of the most difficult aspects of any project is the displacement of people and/or personal property. Property owners rarely see the importance of a project when balanced against their own needs and desires. Often the project simply means the disruption of their lives and lifestyle, or the need to relocate and reestablish their residence or business in a new area. As a result, those most directly affected are often hostile and unwilling to reach any agreement on an amicable basis.

The public hearing is often their first real opportunity for information and contact with project representatives. One of the keys to a successful project may be the cooperation engendered at the first public hearing. As the project progresses, there may be a need for additional hearings devoted solely to right of way issues and impacts.

THE ENVIRONMENTAL DOCUMENT

Depending upon the potential for impact, there are three (3)NEPA Class of Actions under which a federal-aid project may be processed. These include: Categorical Exclusion (CE) determination, an Environmental Assessment (EA), or Environmental Impact Statement (EIS) document. The purpose of the environmental determination or document is to disclose to the public and decision makers the proposed action, potential environmental impacts, and proposed avoid, minimization, and mitigation measures to offset adverse impacts. Right of Way acquisition and activities associated with the action must be considered as part of the scope of the action and, the environmental investigation and environmental determination or document must also address impacts associated with Right of Way activities. Guidance on analyzing impacts associated with Right of Way acquisition and use is provided in the *Standard Environmental Reference* (SER) at: http://www.dot.ca.gov/ser/vol1/vol1.htm.

13.7 PROJECTS REQUIRING RIGHT OF WAY/PROPERTY RIGHTS

Local federally funded projects involving the acquisition of right of way should be discussed with the District Local Programs Right of Way Coordinator as early as possible in the project development stage. There are several reasons for this. As noted above, while some PE activities (i.e,, ordering title reports, preparing base maps and appraisal maps, conducting project-wide comparable sales searches and gathering cost estimates) may be conducted and subsequently reimbursed by FHWA prior to NEPA compliance, the majority of right of way activities (such as, negotiating with property owners, relocating displaced persons, and utility relocation) may not be performed on federal-aid projects prior to NEPA compliance. This restriction minimizes the potential for predetermined project site or alignment selection.

While Draft and Final EAs and EISs may identify the preferred alternative, the selected alternative shall not be announced until the FONSI and ROD, respectively. Activities such as assigning appraisers to specific parcels, contacting the property owners to commence appraisal activities (i.e., sending the Notice of Decision to Appraise), and completing the appraisal may not occur until after FONSI or ROD has been signed by Caltrans.

THE RIGHT OF WAY ESTIMATE

If property rights are necessary, the next phase in the project development is the completion of the Right of Way Estimate. The estimate is of primary importance in the cost-efficient delivery of the project. This process and subsequent document provide a detailed analysis of the following:

- Type of properties to be acquired.
- The size and number of the parcels.
- If displacement is to occur, what is the nature (e.g., residential, commercial, etc.), how many are affected and what is the projected timing.
- How much time and what personnel are needed to appraise and acquire the right of way and perform any necessary relocation work, including utilities.
- Any liability for utility relocations.

The Estimate should include:

- The estimated fair market value of the properties to be acquired.
- The anticipated relocation assistance payments.
- The portion of the local agency's liability to relocate utility facilities outside of the right of way.

An accurate estimate of right of way costs based on current market data is essential for forecasting capital expenditures and future staffing needs. For example, overestimating may result in deferring, down-scoping, or eliminating a project; underestimating could affect the financial ability to build the project or inadequate staffing needs. The District Right of Way staff may assist the local agency in preparing and reviewing the estimate documents.

Rough estimates are often prepared during the preliminary phase of a project. However, these estimates should be updated prior to use in a budgeting or programming document. Maps should be available once the project scope is defined. Detailed maps are critical in preparing good right of way estimates.

ADVANCE ACQUISITION/HARDSHIP/PROTECTION

Hardship acquisitions are situations where unusual circumstances have befallen the owner(s) of the property and are aggravated or perpetuated because of the proposed project and cannot be solved by the owner without acquisition by the local agency.

"Protection" acquisitions occur when property is purchased in advance of normal acquisition to prevent development on a proposed alignment. If the purchase were deferred, the result would be higher acquisition, relocation and/or construction costs.

Local agencies may acquire hardship and protection properties with their own funds prior to NEPA compliance without jeopardizing federal participation in future programmed project costs. These advance acquisitions require prior FHWA approval, and any such acquisition must comply with the Uniform Act if the local agency anticipates seeking reimbursement for the acquisition costs when the project is approved for federal- aid. The local agency should immediately contact the District Right of Way Local Programs Coordinator regarding FHWA approval before proceeding with any acquisition. See Chapter 5 for process and procedures of the Caltrans *Right of Way Manual.*

RELOCATION PLANNING

When projects involve displacement, the successful resolution of these displacees' needs requires careful planning. Housing resources must meet the needs of the displaced in terms of size, price, location and timely availability. Advisory services and various notices to vacate, some with specific timing requirements must be provided. Businesses must be given assistance in relocating with a minimum of disruption during the move. Payments must be made to displaced persons at the time they are needed during the move to the new location. These things do not happen automatically, they require planning.

FHWA has long stressed the need for relocation planning. Congress gave new emphasis to the need for consideration of the impacts of displacement in the 1987 Amendment to the Uniform Act. 49 CFR 24.205(a) states that Planning may involve a relocation survey or study which may include the following: (1) An estimate of the number of households to be displaced including information such as owner/tenant status, estimated value and

rental rates of properties to be acquired, family characteristics, and special consideration of the impacts on minorities, the elderly, large families, and the handicapped when applicable, (2) An estimate of the number of comparable replacement dwellings in the area (including price ranges and rental rates) that are expected to be available to fulfill the needs of those households displaced. When an adequate supply of comparable housing is not expected to be available, consideration of housing of last resort actions should be instituted, (3) An estimate of the number, type and size of the businesses, farms, and nonprofit organizations to be displaced and the approximate number of employees that may be affected, and (4) Consideration of any special relocation advisory services that may be necessary from the displacing agency and other cooperating agencies.

TEMPORARY RESIDENTIAL RELOCATION/NIGHTTIME CONSTRUCTION

As part of the relocation planning, consideration should be given to the proposed hours of construction for the project. Some construction may be carried out 24 hours a day. If so, residents in close proximity to the project can be adversely affected when there are unusually high nighttime noise levels at the construction area.

As discussed above, the Uniform Act established a philosophy that people affected by federal projects are to be treated fairly and consistently. This approach has been extended to include reimbursement as part of the construction costs for temporary relocation expenses caused by night construction work. The reimbursement will include payment for motel costs (plus taxes) for the nights when the high noise levels are anticipated.

The procedures for making these payments either to the temporary displacee or directly to the motel have been established. These procedures are found in Chapter 16, "Construction Administration," of the LAPM.

RAILROAD OPERATING FACILITIES

Railroad companies determine which of their facilities are "operating" or "nonoperating." The operating facilities can be "affected" by a construction project in several ways, each of which require different processing. Because of the time required to reach agreement with the respective railroad companies and because of the complexities involved with these agreements, special care should be given to any project where railroad involvement is possible. For additional information, refer to Chapter 8, "Acquisitions" (Railroad) of the Caltrans *Right of Way Manual.*

13.8 APPRAISALS

The Federal Uniform Act contains basic requirements for the appraisal of real property acquired for public purposes. These basic requirements apply to all federal-aid projects. For additional detail, refer to 49 CFR 24.102, 103 and 104, and Chapter 7, "Appraisals," of the Caltrans *Right of Way Manual*.

PREPARE FINAL RIGHT OF WAY REQUIREMENTS/APPRAISAL MAPS

Before commencing appraisal activities, the final right of way or appraisal maps must be completed. The appraisal report when completed should contain additional diagrams, sketches or maps as necessary to understand the property valuation. Significant topography maps should be included for partial acquisitions. The appraiser is responsible for the completeness of the maps and for requesting delineation of pertinent data including in particular, the area of the taking, and any remainder parcels.

APPRAISE RIGHT OF WAY, DETERMINE FAIR MARKET VALUE

Prior to commencing appraisal work on parcels required for the project, the appraiser must advise the property owner of the decision to appraise the property. The notice must be in writing and covers the following:

- A specific area is being considered for a particular public use, i.e., the project.
- The fact that the owner's property lies within the project area.
- All or a portion of the owner's property (which should be generally described) may be acquired for public use.

The letter must offer the owner (or the owner's representative) the opportunity to accompany the appraiser on an inspection of the property. It will give reasonable advance notice. There is no mandatory format for the notice, however, see Chapter 7 Exhibit 7-EX-17 "Notice of Decision To Appraise," of the Caltrans *Right of Way Manual* for a suggested format. The owner will also be given a written explanation of the agency's land acquisition procedures. FHWA publishes a booklet entitled "*Your Property, Your Transportation Project*," which will satisfy this requirement. Title VI brochures should also be sent to the property owners.

All real property shall be appraised before the initiation of negotiations with the owner, and the acquiring agency shall establish an amount it believes to be "**Just Compensation**." Although "**Just Compensation**" is normally defined as the **Fair Market Value**, the two amounts may differ because of unusual circumstances. The Code of Civil Procedure defines Market Value as "(a) The fair market value of the property taken is the highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for doing so, or obliged to sell, and a buyer being ready, willing and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available," "(b) The fair market value of property taken for which there is no relevant comparable market is its value on the date of valuation as determined by any method of valuation that is just and equitable."

APPRAISAL REVIEW

As noted above, on federal-aid projects, a formal review of the appraisal is necessary (see 49 CFR 24.104.). If the local agency is using a private sector review appraiser, the review appraiser must have a valid California license issued by the State Office of Real Estate Appraisers (OREA). If the project sponsor is a qualified agency and performing its own appraisal work, the California Department of Real Estate (DRE) has held that, as employees of a public agency, neither the appraiser, nor the review appraiser needs such a license. The review appraiser must determine whether the appraisal meets applicable requirements and make any necessary corrections or revisions.

If the review appraiser is unable to approve or recommend approval of the appraisal, the reviewer may develop additional documentation to support what is felt to be an approved or recommended value. The reviewer must state the basis for the value conclusion. <u>It is important to remember that the Uniform Act makes it clear that the local agency must establish an amount believed to be just compensation. Therefore, if another agency or a consultant does an appraisal review, the acquiring agency must retain the responsibility for establishing an estimate of just compensation. Another agency or a consultant cannot do so.</u>

APPRAISAL NOT REQUIRED

When the local agency determines that the valuation problem is uncomplicated and the market value is estimated at $10,000 or less based on a review of available data, a formal appraisal report is not required. The $10,000 amount includes any damages to the remainder property but excludes any nonsubstantial construction contract work. This information is consistent with Sec. 49 CFR 24.102 (c) 2.

SEPARATION OF APPRAISAL AND ACQUISITION FUNCTIONS

Local agencies should maintain a separation of the appraisal and acquisition functions, except that the same person can appraise and acquire a parcel if the total valuation excluding nonsubstantial construction contract work is $10,000 or less. This dollar limit also applies to appraisal revisions where the appraiser was previously assigned to negotiate the parcel. The valuation document can be either an appraisal or Determination of Just Compensation.

When the same person prepares the appraisal and does the acquisition, the appraisal should contain a statement substantially as follows: "I understand that I may be assigned as the Acquisition Agent for one or more parcels contained in this Report, but this has not affected my professional judgment or influenced my opinion of value."

All railroad properties should be valued in the full, narrative format. The NonComplex Valuation of $10,000 or less and the Determination of Just Compensation (waiver of appraisal) formats shall not be used. Railroad parcels are not eligible for the one-agent appraise/acquire process. This also includes the appraisal and acquisition of a Temporary Construction Easement from the railroad.

For additional details, refer to Section 7, "Appraisals," of the Caltrans *Right of Way Manual.*

DUAL APPRAISAL REQUIREMENTS

Caltrans policy requires dual appraisal reports for unusually complicated parcels or parcels exceeding $500,000 in value, unless a waiver is granted. This amount includes improvements pertaining to realty, severance damages, and construction contract work. This is to ensure that the owner receives a fair market value offer and that large or complicated appraisals are documented and conclusions supported.

Dual appraisals shall be separate and fully independent in calculations, analysis, and conclusions. This will give a better basis for determining market value and help ensure a sound offer. The appraisers and the local agency management are responsible for maintaining the fact, spirit, and appearance of this independence.

Exceptions to this policy are appropriate in specific instances when the safeguards are demonstrated as unnecessary.

WAIVER OF DUAL APPRAISAL

Waiver of dual appraisals will only be approved for relatively simple appraisals with adequate supporting data for the value conclusions (e.g., vacant land with current comparable sales, etc.) and when the parcel is not complex or controversial. Ordinarily, a waiver will not be approved on very high valued parcels.

If the local agency is a Level 3 qualified agency, one of their appraisal staff designated, as the Review Appraiser would be the person to approve the waiver. If a Consultant is hired as the Review Appraiser that person can recommend a waiver, but the local agency must approve the waiver based on the consultant's recommendation.

13.9 RIGHT OF WAY ACQUISITION

The Uniform Act contains basic requirements for the acquisition of real property, which apply to all projects. For additional details, refer to 49 CFR Part 24 and to the Chapter 8, "Acquisition," of the Caltrans *Right of Way Manual.*

Prior to initiating negotiations for the acquisition of real property, the agency must establish an amount it believes to be just compensation and must make a written offer to the owner(s) to acquire the property for the full amount so established. All local agencies are encouraged to establish a Nominal (minimal) dollar amount of "Just Compensation" for any private property right needed to complete a project. Thus, estimated or appraised property rights acquired, rented or used for a project would be consistent from project to project. In no event, shall such amount be less than the agency's approved appraisal of the fair market value of the property. The agency should make every effort to acquire the property by negotiation. Any increase or decrease in the value of the property to be acquired prior to the date of valuation caused by the transportation project shall be disregarded in determining the compensation for the property. The agency shall provide the owner(s) with a written statement explaining the basis for the amount it established as just compensation or a copy of the completed appraisal.

The acquisition agent is responsible for securing all property rights necessary to certify the project (see below, "Right of Way Certifications").

Please Note: If a private sector consultant is used in the acquisition phase, the consultant must have a valid California Real Estate Broker's license, or Salesperson's license if supervised by a licensed Real Estate Broker. All Right of Way Contracts must be approved for content and signed or initialed by the Real Estate Broker or Principal of the Company.

By signing the Right of Way Contract, the Broker or Principal of the Company acknowledges responsibility for a complete file. (See Exhibit 13-C, "Consultant Selection Criteria and Guide" in this chapter).

The Uniform Act requirements, in general, are as follows:

- A written appraisal establishing just compensation must be approved prior to the initiation of negotiations.
- The written offer must be made promptly in the full amount of the appraisal and contain a summary for its basis.
- At least a 90-day written notice must be given to all lawful occupants.
- The owner's incidental escrow cost must be paid.
- A written (parcel) diary must be maintained.

CONDEMNATION/EMINENT DOMAIN

Eminent Domain is the inherent power of government to acquire property for public use. The Fifth and Fourteenth Amendments to the U.S. Constitution and Article I of the California Constitution provide that such private property shall not be taken without just compensation. Condemnation is the legal proceeding by which the power of eminent domain is exercised.

Public agencies may condemn private property provided that the governing body of the condemning agency (e.g., the Board of Supervisors, City Council, etc.) adopts a Resolution of Necessity at a public hearing. The owner(s) must be provided advance

notice of the hearing. If the owner(s) believe that their property should not be required, they have the right to appear at the hearing and contest the adoption of the Resolution of Necessity.

Great care must be taken in the exercise of the power of eminent domain. The process is discussed in detail in Chapter 9 of the Caltrans *Right of Way Manual.*

RELOCATION ASSISTANCE

The Uniform Act also contains basic requirements when displacement occurs as a result of the transportation project. These requirements are found at 49 CFR 24 Subparts C, D and E. The relocation procedures are also discussed in detail in Chapter 10, "Relocation Assistance," of the Caltrans *Right of Way Manual*.

The purpose of the Uniform Act is to assure fair and equitable treatment of displaced persons, so that such persons do not suffer disproportionate injury from projects designed to benefit the public as a whole. It is important to understand that successful relocation is essential not only to those displaced but also to the progress of the entire highway project.

While the local agency needs information about any displacement, which will occur because of the project, the displaced persons have an equal or greater need for information about the benefits, the eligibility requirements to obtain these benefits, and the appeal process in the events these benefits are denied. FHWA has prepared a broadly written brochure entitled *"Your Rights and Benefits as a Displaced Person."* The brochure explains these matters and is intended to be used by relocation agents and at public hearings. Copies are available from the Caltrans District Right of Way Coordinator. In addition, FHWA has also prepared a more specific explanation of these benefits and the requirements to obtain them. This summary should minimize any disruption caused by the move and maximize the likelihood of a successful relocation. A copy of this summary is provided as Exhibit 13-D, "Uniform Relocation Act Benefits Summary," in this chapter.

GENERAL REQUIREMENTS

The relocation agents and any private sector consultants should meet the selection criteria found in the "Consultant Selection Criteria," Exhibit 13-C in this chapter.

The relocation activities should be coordinated with both the appraisal and acquisition functions.

It is crucial to ensure that:

- Timely calls are made.
- Proper entitlements and advisory services are provided.
- Relocation Assistance Program (RAP) payments are timely and properly calculated.
- The appeal process is communicated to the displacees.
- Diaries are maintained.
- All notices (Eligibility, Vacate, Entitlement, etc.) are timely.

PROPERTY MANAGEMENT

Property management includes the administration of property acquired for transportation projects, so that the public interest is best served. FHWA regulations for the property management function are found in 23 CFR 710. These policies and procedures apply to

all real property acquired by local agencies in connection with projects where federal funds participate in any of the right of way costs for the project. Federal funds may be used to cover the net costs incurred in leasing, rental, maintenance, disposal of improvements, and the clearance of the property. For additional details, refer to Chapter 11, "Property Management," of the Caltrans *Right of Way Manual.*

The management and administration of acquired property includes:

- An inventory of all improvements acquired as part of the right of way.
- An accounting of the property management expenses and the rental payments received.
- An accounting of the disposition of improvements and the salvage payments received.

SPECIAL REQUIREMENTS

If a private consultant provides property management services, the firm must have a valid California Real Estate Broker's license and a minimum of two (2) years experience at the working level in management of rental properties.

See Chapter 17, Exhibit 17- EX 13, "Consultant Selection Criteria and Guide." of the Caltrans *Right of Way Manual.*

Former owners and tenants subject to termination by the local agency on short notice will not be charged more than fair market rents.

EXCESS LANDS (ACQUISITION AND DISPOSAL)

The regulations covering acquisition and disposal of Excess Lands are found in 23 CFR 710 and 771. FHWA no longer requires reimbursement of the federal share of proceeds from the sale of excess real property. Local agencies shall use these funds for subsequent Title 23 (US Code) eligible projects. Local agencies may consider creating a dedicated Title 23 (highway) account where proceeds from the sale of excess will be deposited and only used for Title 23 projects. See 23 CFR 710.403(e).

13.10 RIGHT OF WAY CERTIFICATION

When a local agency performs right of way activities on a federally assisted local project, the local agency prepares the Right of Way Certification. The Right of Way Certification is necessary before a project can proceed to construction. The purpose of the Right of Way Certification is to document that any interests necessary for the project have been, or are being secured, and physical obstructions including buildings, utilities and railroads have been, or will be removed, relocated or protected as required for construction, operation and maintenance of the proposed project. The Right of Way Certification also documents that right of way activities including the relocation of any displacees were conducted in accordance with applicable state and federal laws and regulations.

CERTIFICATION FORMS

A separate Right of Way Certification must be completed by local agencies for each local assistance project even if no right of way is required for the project. All Certifications can be prepared using forms specified by Caltrans (see Exhibit 13-B in this chapter).

On the Right of Way Certification Form, the local agency should use only the portions applicable to the project being certified.

UTILITY RELOCATION

Local agency transportation projects often involve utility relocation. For utility relocation details refer to Chapter 14, "Utility Relocations," of this Manual.

Note: If there are any utility facilities that require adjustment/relocation, even if they are owned and operated by the sponsoring local public agency, the "NO Right of Way Certification" form must not be used to certify the project.

PROJECT CERTIFICATION—RIGHT OF WAY REQUIRED

When additional property rights are required for a local federal-aid project, it is necessary for the agency to certify that these rights were acquired in conformance with the Uniform Act.

All local agencies will certify their own projects, but it is of crucial importance to adhere to the Code of Federal Regulations and the Caltrans *Right of Way Manual* that incorporate these federal regulations, so that any state or federal funds to be used for the project are not jeopardized. This emphasizes the gravity for non-qualified local agencies in the selection of qualified consultants or in contracting with a qualified local agency to perform the respective right of way functions for them.

LEVELS OF CERTIFICATION

There are four levels of Right of Way Certification, which are discussed below.

Certification No. 1

The certification documents the following:

- All the work is within existing right of way acquired for a previous construction project and all new work will be within that existing right of way,

OR

- Acquisitions are complete (escrow's closed and/or Final Orders of Condemnation recorded),

AND/OR

- There are effective Orders for Possession on all remaining unacquired parcels,

AND

- All occupants have vacated the lands and improvements,
- Relocation Assistance and payment requirements have been met,
- All necessary material and/or disposal sites have been secured,

AND

- All rights of way clearance, utility, and railroad work has been completed, or all necessary arrangements have been made (Utility Notices issued, demolition contracts awarded, railroad contracts executed) for the work to be undertaken and completed as required for proper coordination with the physical construction schedules.

Certification No. 2

This level of Certification documents the following:

All the requirements for Right of Way Certification No. 2 are the same as for Certification No. 1, except that one or more parcels are in the agency's possession by virtue of effective Rights of Entry or an Agreement for Possession and Use. Similar documents such as a permit, license, or an approved Right of Way Contract with an effective right of possession date, also require the use of a Certification No. 2. (See limitations on use of "Rights of Entry" contained in Section 13.12 in this chapter)

Certification No. 3

This level of Certification documents the following:

- All requirements are the same as for Certification No. 1, except legal possession or right of occupancy and use of a few remaining parcels are not complete. A Certification No. 3 may only be used in an exceptional circumstance and on a very limited basis. It must be accompanied by a full written justification. At a minimum the justification must include the following:

  1. An outline of the very unusual circumstances that require early advertisement.
  2. A statement how and/or why it is believed to be in the public's interest.
  3. A statement that a Resolution of Necessity has been approved on all parcels yet to be acquired.
  4. The reason why a Certification No. 1 or No. 2 is not possible.
  5. Anticipated actual dates when legal possession and physical occupancy and use, will be obtained and substantiation that such dates can be met (a copy of the executed Order of Possession or Right of Entry can be attached to satisfy this requirement).
  6. A statement that all remaining residential occupants have had replacement housing made available to them (for additional information, see Chapter 10, "Relocation Assistance," of the Caltrans *Right of Way Manual*).
  7. A statement assuring that occupants of residences, businesses, farms, or nonprofit organizations who have not yet moved from the right of way are protected against unnecessary inconvenience and disproportionate injury, or any action coercive in nature.
  8. Identification of each parcel on which legal possession and/or right of occupancy and use has not been obtained.
  9. **BIDS CANNOT BE OPENED UNTIL THE CERTIFICATION 3 IS UPGRADED TO A CERTIFICATION 2.**

Certification No. 3 With a Work-Around (3W)

This special Right of Way Certification 3W may be used only in the most extraordinary circumstances. The local agency must show that there is a critical need to advertise and award the project and describe in detail the extraordinary circumstances. If federal funds are involved in any portion of the project including construction, approval of the work around must be obtained from FHWA in advance of certifying the project for advertising. This Certification will allow physical construction of a project to commence while occupants of businesses, farms, or nonprofit organizations remain within the right of way. All occupants of residences must have had replacement housing made available to them in accordance with the Uniform Act. The Certification must be completed in a timely manner, with proper and complete documentation and justification. Should the local agency anticipate a need to certify the right of way for a project under this type of certification, the District Right of Way Coordinator should be contacted as soon as the circumstances are confirmed during the PS&E stage.

TIME REQUIREMENTS FOR RIGHT OF WAY CERTIFICATIONS

Under ideal conditions, a Certification No.1 would be completed for each project at the PS&E stage. Because this is not always possible, the lower levels of certification allow projects to proceed within limitations while the remaining necessary rights are acquired.

The local agency must transmit all Certifications to the DLAE for all federal-aid projects along with the Request for Authorization. In those cases when a project advances to advertising on a Certification No. 3, an upgraded Certification No.1 or No.2 must be received by the DLAE prior to the bid opening date. In rare cases where a Certification No. 3W is used, an "Updated" Special Certification No. 3W, dated and signed must be received when the local agency has legal and physical possession of the property that is being worked around.

13.11 EMERGENCY RELIEF PROJECT CERTIFICATION

EMERGENCY OPENING PHASE

Emergencies require rapid response. A Right of Way Certification is not required prior to work being done to open the highway. After a situation has officially been proclaimed, emergency actions will often be taken to reopen facilities without going through the usual right of way steps. After the facility has been reopened, the emergency actions must be reviewed for right of way implications. If any persons or properties were affected during the repairs, even temporarily, appropriate steps must be taken, to determine and provide timely just compensation for the property rights acquired that is due to the affected property owner. This may include appraisal and purchase of property rights, relocation assistance, etc.

Following the review and any indicated subsequent actions, either a "No Right of Way" Certification or a Right of Way Certification must be prepared for each project within

180 days of the date of emergency proclamation and submitted for review and accepted by the DLAE or by the District Right of Way Local Programs Coordinator, as described previously.

PERMANENT RESTORATION PHASE

Once the facility has been reopened and the emergency is over, any further work to restore or improve the facility is no longer exempted from the requirements for certification prior to advertising, obtaining bids, etc. Restoration projects shall follow the procedures outlined in this chapter (see Chapter 11, "Disaster Assistance," of the LAPG).

13.12 RIGHT OF WAY CERTIFICATION FORM--DISCUSSION

In order to assist the local agency in completing the certification form, the following explanations are provided for each of the items, which appear on the certification.

For additional information, see Chapter 14, "Project Certification" of the Caltrans *Right of Way Manual.*

STATUS OF REQUIRED RIGHT OF WAY

All new property rights required for a project must be included in the Right of Way Certification. This includes any interests in real property that lie outside of the existing right of way boundary lines, as well as regular parcels acquired by deed, Final Orders of Condemnation and Orders for Possession. It also includes temporary interests such as rights of entry (see below, "Rights of Entry"), construction or access easements, permits to enter during construction, licenses, etc. It is important to include the expiration date of any temporary rights in the Certification, so that they may be evaluated in terms of the construction schedule. Rights OF Entry

A Right of Entry allows an agency representative to enter someone's property for a specific purpose at a specified time. Obtaining a Right of Entry can require that the agency pay just compensation at the time agency takes possession. A Right of Entry does not replace the Right of Way Contract. It shall not be used to certify control of the right of way for the project. The local agency must first have an appraisal of the property rights prepared and present an offer of settlement to the owner. The Right of Entry will not be utilized if the project will displace people or impact improvements of a significant nature. A Right of Entry is appropriate only when the local agency would normally acquire the needed interest, but the owner cannot or will not provide an executed right of way contract, and eminent domain proceedings are not the practical approach. It is used only in extraordinary circumstances and can never be used for the sole reason of meeting the scheduled Certification date.

NOTE: The Form that is acceptable is the state's "Agreement for Possession and Use," Exhibit 8-EX-25 of the Caltrans *Right of Way Manual.* This Form should not replace the use of a Right of Way Contract.

STATUS OF ACCESS CONTROL

Access to the project must be adequate to meet the needs during construction. At the same time, access rights for persons whose property abuts on the project boundaries cannot be denied or unreasonably restricted, unless other access is available or provided to the owner during construction. If no access can be provided, the owner is entitled to compensation during the course of construction.

STATUS OF AFFECTED RAILROAD OPERATING FACILITIES

The local public agency must confirm that all arrangements have been made with the railroad. If railroad-operating right of way is not within the project limits or ends two feet of the rail crossing, then "**NONE**" would be noted on the Certification form. Railroads are considered clear for advertising when all arrangements have been made with the railroad for entry on to their property and/or for working on or near the tracks. Types of agreements that may be required include Temporary Construction Easement or Right of Entry, Construction and Maintenance Agreements or Service Contracts. Contact the railroad for specific requirements.

MATERIAL AND DISPOSAL SITES

When projects involve the excavation or importation of soils and other materials to or from a material and/or disposal site, separate agreements providing for the use of the sites, the owner's name, and the duration of the agreement must be listed.

Note: Typically, on local public agency projects there is excess material, which the contractor disposes of as part of the contract. The disposal site is not a project need. Under these circumstances, in completing the No Right of Way Certification, the "**NO**" column should be checked. Only when a separate disposal site is necessary as a part of the project should the "**YES**" answer be given.

UTILITY RELOCATION

It is the local agency's responsibility to provide for the relocation, protection or removal of all private and public utility facilities which conflict with the construction of the proposed project. It is necessary to reach agreement concerning: (1) the date by which the relocation will be completed, (2) the financial liability for the relocation costs with each of the utility companies having facilities within the project area or that are affected in some way by the project, and (3) who will perform the utility relocation work.

Note: **23 CFR 635.309(b) requires utility arrangements to be completed prior to project construction except where it is determined such work is not feasible or practical**. Federal participation in the utility relocation costs is a right of way issue and not a construction matter, even if the relocation will occur during construction. A separate Authorization Approval must be received prior to any utility relocation.

RIGHT OF WAY CLEARANCE

The preliminary investigations included in the field review will reveal the presence of any improvements or physical obstructions that must be removed prior to construction. Care should be taken in arranging for the removal of these items in order to properly coordinate with the construction schedule.

AIRSPACE AGREEMENTS

Airspace leases are revenue-producing agreements for parcels within (above or below) the operating right of way. When subsequent projects are proposed, which affect the airspace leasehold areas or pose a problem for the lessee's use of the site, provision must be made in the contract to minimize this conflict. If airspace leasehold area is required for the project, the lease must be cancelled and arrangements for the lessee's relocation must be made prior to certifying the project.

COMPLIANCE WITH THE RELOCATION ASSISTANCE PROGRAM

The Uniform Act prescribes certain benefits and protections for persons displaced by local projects, which are funded in whole or in part with federal money. Among other benefits the Uniform Act provides are relocation payments for residential displacees and for businesses, farms, and nonprofit organizations. The Act also provides certain protections such as requiring the availability of replacement housing for residential displacees, minimum standards for such housing, and assurances that displacees have sufficient time in which to choose their replacement properties. Finally, the Act provides for certain "advisory services" for displacees. Each of these legal requirements must be satisfied and then addressed in the Right of Way Certification.

COOPERATIVE AGREEMENTS

Cooperative Agreements are defined as any formal agreement between Caltrans and a local agency for a project on the SHS wherein the parties share in the development activities. If there are Cooperative Agreements covering responsibilities or obligations for the respective portions of the project, these agreements must be listed on the Right of Way Certification form.

ENVIRONMENTAL MITIGATION

When an approved NEPA document includes mitigation commitments involving the acquisition of property, a list of those commitments along with the date each parcel is expected to be acquired, must be listed on the Right of Way Certification. While wetland and floodplain mitigation is mainly the responsibility of the project engineer and their environmental staff and/or consultant, the mitigation measures involving the acquisition of property to accommodate replacement wetlands is the responsibility of the District Right of Way staff. To ensure the most efficient and expeditious implementation of mitigation commitments, it is imperative that the local agency project engineer, District Right of Way Engineer and District Environmental staff collaborate closely on the acquisition of mitigation parcels and the subsequent implementation of mitigation measures.

ACCEPTANCE OF RIGHT OF WAY CERTIFICATION

When there are right of way issues involved, the local agency will certify that the issues have been resolved. Because local agencies are now certifying their own projects, it should be stressed that the authorized official or designated alternate executing the Certification must be certain that the proper right of way procedures have been followed and that the requirements of the Uniform Act have been met.

All local agencies may certify their own projects but it is of crucial importance to adhere to state and federal standards, so that the federal funds for the project will not be jeopardized. This emphasizes the gravity for non-qualified agencies in the selection of qualified consultants or in contracting with a qualified agency to perform the various right of way functions. Upon receipt, the District Right of Way Local Programs Coordinator will review the Certification to see that each item has been completed in compliance with federal and state laws and regulations and if applicable, the date by which the right of way will be cleared.

If all of the right of way issues have been dealt with in a satisfactory manner, both duplicate originals will be accepted and a signed original copy will be returned to the local agency.

If there are irregularities in the Certification and it cannot be accepted as submitted, the Right of Way Local Programs Coordinator will return the Certification to the local agency with an explanation as to why it cannot be accepted and the steps that are necessary for acceptance.

Certifications 1, 2, and 3 will be accepted in the district. Certifications 3W will be forwarded to Caltrans headquarters for review and FHWA's approval.

13.13 REIMBURSEMENT/FISCAL POLICY

PURPOSE

This section contains critical requirements and basic principles relating to the eligibility of Right of Way transactions for federal reimbursement. From this overview, the local agency should be able to understand the overall federal and state requirements. Detailed procedures are found in Chapter 5, "Accounting/Invoices," of the LAPM.

REIMBURSEMENT PROCESS OVERVIEW--CALTRANS

Caltrans receives federal funds on a reimbursement basis. This means Caltrans must first obtain Authorization to Proceed (E-76), incur costs, and bill the FHWA for payment before receiving payment. Federal funds are received by Caltrans as reimbursement for federally eligible expenditures.

As noted above, the normal sequence of events to obtain prior Federal Authorization and reimbursement through Caltrans is:

a. Obtain authorization to begin work. Federal authorization is gained by obtaining an E-76, "Approval to Proceed" which means funding is available. Only eligible expenditures incurred for work after the date FHWA approves the request are reimbursable.

b. Reimbursement is limited to the amount shown on the E-76. However, the amount can be revised. If necessary, execute a revised E-76 with FHWA. The revised E-76 is used to increase or decrease the federal funding limit shown on previous agreements.

c. Submit progress payment invoices during the course of the work and a final invoice upon completion, along with the other documents discussed below.

d. Final Voucher Project with FHWA after work is completed. Caltrans may audit project charges to ensure that FHWA is billed for all federally eligible expenses. When Caltrans has billed FHWA for all expenses, it sends vouchering documents to FHWA and closes out the project.

Project costs incurred prior to approval of the E-76 are ineligible for federal reimbursement. Charges incurred for eligible costs after the E-76 is signed are federally reimbursable. Actual federal reimbursement is not made until an E-76 is approved and executed. If there is no Program Supplement or an award package for construction, no reimbursement will be given even if the E-76 is approved and executed. Progress payments can be made during the Right of Way phase. Upon completion of a project, Caltrans may audit the charges and close out the project.

If the local agency wants federal participation for a Hardship or Protection parcel, federal approval must be obtained in advance of the NEPA compliance. If approval is not obtained, the local agency should be aware that the acquisition must still comply with the Uniform Act in order to be eligible for federal reimbursement for other project costs.

REPORTING COSTS

FHWA has approved Caltrans' cost accounting and cost coding systems. FHWA has agreed as to which Caltrans activities and expenditures are eligible for reimbursement for each phase of work. These agreements are incorporated into Caltrans' accounting system, coding instructions, and manuals--serving as a model for local agencies.

The local agency must be able to separate all costs, and code them as eligible or ineligible. Caltrans will review this breakdown to ensure only eligible costs are reimbursed.

Right of Way costs are recorded in Caltrans' accounting system in two categories:

- Capital Outlay
- Incidental (Support)

Capital Outlay consists of those Right of Way costs necessary to acquire and clear right of way for the construction of the project. All Capital Outlay costs must be charged to a specific project. In order to meet the FHWA requirements, Capital Right of Way costs must be documented in sufficient detail to determine eligibility. This includes transactions for land, improvements, damages, utility relocation, demolition and clearance, relocation assistance, condemnation deposits and income and expense relating to sale of improvements.

Incidental costs include personnel and operating expenses of the Right of Way functions, which produce the Capital Outlay payments. The term "Incidental Cost" is used by FHWA, and "Support Cost" is used by Caltrans.

A Federal Project number is assigned to each project and must be noted on all project documents.

PROGRESS PAYMENTS

Procedures for submitting invoices for payment are discussed at considerable length in Chapter 5, "Accounting/Invoices," of the LAPM. Reference should be made to this chapter for an explanation of these procedures and sample invoice forms.

REIMBURSEMENT OF LOCAL AGENCY'S EXPENDITURES

Reimbursement of local agency's costs on federal-aid projects follows the same requirements as for Caltrans-State funded projects. The major difference between state funded and local assistance funded projects is project expenditures for local projects are not entered initially into Caltrans mainline accounting system. They are accounted for and maintained within the local agency's project and fiscal system. The local agency is responsible for correctly identifying and segregating reimbursable costs as prescribed by federal and state requirements.

Local agencies submit individual project claims to Caltrans periodically. Caltrans is responsible for obtaining reimbursement from FHWA for the local agencies. This is accomplished through Caltrans' Current Billing and Reporting System (CBARS.) Project claims are entered into Caltrans' accounting system and become part of the Current Bill submitted to FHWA. Caltrans makes payment of the funds to the local agency from the highway account, and Caltrans then receives reimbursement from FHWA through the Current Bill. Whenever possible, reimbursement for final right of way costs should be claimed at the time they are known rather than waiting for the final project costs.

REIMBURSEMENT INVOICES/PROGRESS PAYMENT REQUEST

Procedures for submitting invoices for payment are discussed at considerable length in Chapter 5, "Accounting/Invoices," of this manual. Reference should be made to this Chapter 5 for an explanation of these procedures and sample invoice forms.

SALARIES AND WAGES

Generally, salaries, wages and related costs, (e.g., travel and per diem) are eligible for federal reimbursement when incurred by employees who directly or indirectly are working on project related activities. Reimbursable activities for the acquisition of rights of way are:

- Preparation of right of way maps and deeds
- Surveying pertaining to right of way engineering needs only
- Making economic studies and other related preliminary work
- Appraisal for parcel acquisition
- Review of appraisals
- Parcel negotiations
- Preparation for the trial of condemnation cases
- Management and disposition of properties acquired
- Negotiations for utility relocation

- Relocation advisory assistance activities
- Other related labor expenses

OPERATING EXPENSES--PROJECT RELATED

Title and escrow costs are project-related capital expenses that are eligible for federal reimbursement. Direct payment to title and escrow companies should be recorded against capital outlay support EA (Phase 2). Escrow closing statements and title company billings should be retained in the project file to support costs claimed on a Progress Payment Request.

COST ACCUMULATION CENTERS

Cost accumulation centers may be used to capture related types of costs for later distribution to all projects or other benefiting activities for which work was performed during the accounting period.

These are small items of costs that affect several projects and may be eligible for reimbursement, but will result in a disproportionate amount of time and number of documents for separate project accounting in relation to the amount of costs involved.

COSTS OF MANAGEMENT

The costs of management, general supervision, and other administrative support activities above the first level are usually eligible for reimbursement as indirect costs.

FINAL PAYMENT/PROJECT COMPLETION

When the project is complete, the final request for payment shall be submitted to the DLAE as part of the Final Report of Expenditures. The procedures for submitting the final invoice and other supporting documents are discussed in detail in Chapter 17, "Project Completion," in the LAPM. Included in Chapter 17 are samples of each document. The final invoice will be reviewed in the district by the DLAE prior to payment. The final invoice for right of way costs should be submitted as soon as these costs are known in order to expedite the audit of the claim and reimbursement. The Final Report should contain final right of way maps for the project, a list of the parcels acquired for the project, and a breakdown of the right of way costs incurred.

After the final invoice is received, the Caltrans Audit Branch in Sacramento may perform an audit. An audit is done to verify that the expenses claimed for reimbursement were actually incurred, were eligible, and sufficiently documented. If exceptions are found, the local agency will be asked to justify or support the costs. Any costs which cannot be justified or supported shall be declared ineligible for federal reimbursement and the local agency will be required to repay these funds.

FINAL COST ADJUSTMENTS

ADJUSTMENT OF ELIGIBILITY OF COSTS

Generally, the right of way boundary lines determine the eligibility of right of way costs. Only those parcels within the right of way lines are eligible. This eligibility determination is made parcel by parcel at the time of acquisition and again when the "As Built" lines are known. Adjustment of eligibility of costs is necessary when the "As Built" lines are different from the lines at the time of acquisition. It is recommended that

the local agency prepare a Parcel List (see discussion below and sample in Chapter 17 "Project Completion," Exhibit 17-K, Attachment 1"Sample Final Report of Right of Way," in the LAPM) to be used as a control to assure that the accounting is complete and accurate as related to the final lines. The Parcel List will show which parcels need costs adjusted to the final right of way lines.

THE FINAL REPORT OF RIGHT OF WAY EXPENDITURES

Procedures to be followed at the completion of the project are discussed in Chapter 17, "Project Completion," in the LAPM. The discussion includes sample documents and the supporting documents to be submitted when final payment is sought and a project is being closed out.

When the project is complete, a summary of the progress payments is submitted on a Final Report of Right of Way Expenditures, Form FM 1592A (see Chapter 17, Exhibit 17-K " Sample Report of Completion of Right of Way Expenditures," in the LAPM). This claim should be submitted when final right of way costs are known in order to expedite the audit of the claim and reimbursement. This report is due within six months of completion of acquisition. The final Report shall also include the following:

- Parcel List
- Final maps (those attached to the Right of Way Certification if not previously sent)
- Breakdown of Right of Way Costs

The total participating costs should equal the "Participating Costs to Date" as shown on the Final Progress Payment Request (Form FM 1592A).

FINAL VOUCHERING

The last phase of a federal-aid participating project is the final vouchering and closing of the project. This step is very important. After the project has been completed, a final voucher must be prepared and submitted to the FHWA as an E-76 by the Division of Accounting. The final voucher is a segregated summary of the project's total costs and a determination of the final federal share. Caltrans Division of Accounting uses the local agency's Final Report as the basis for the final voucher. The Final Report of Right of Way Expenditures must follow the Detail Estimate submitted to the FHWA.

RECORD RETENTION

Local Agency-State Agreements provide for retention of records. Ordinarily, this is a three-year period after FHWA payment of the final voucher or a four-year period from the date of the final payment under the contract, whichever is longer. Caltrans will notify the local agency of the beginning date for record retention.

Note: All documents and papers related to the project must carry the federal-aid project number for identification.

FEDERAL POLICIES SPECIFICALLY RELATED TO THE REIMBURSEMENT OF RIGHT OF WAY COSTS

The right of way lines determine the eligibility of right of way acquisition costs. Generally, costs for parcels inside the right of way lines are eligible; those outside are ineligible. However, there are some exceptions to the general rule that must be dealt with

on an individual basis, e.g., an improvement which needs to be removed would be eligible for reimbursement.

The following are current federal policies that are to be used for claiming right of way costs for federal reimbursement.

A. Acquisitions

Federal participation in right of way costs requires prior authorization from FHWA. In order to obtain this authorization, it is necessary to identify the costs, parcels to be acquired, the cost, and the phase for which authorization is being requested. Costs to be reimbursed with federal funds for eligible parcel acquisition reimbursement, initiation of acquisition (first written offer) cannot begin until the E-76 has been approved by FHWA.

The following describes the three basic parcel types as related to the proposed right of way line:

- A Core Parcel is one, which is acquired in its entirety (full acquisition) whether or not the parcel lies entirely within the proposed right of way lines.
- An Excess Parcel is that portion of a property not within the right of way lines that is acquired, even though it is not needed for construction or maintenance of the highway facility. The acquisition costs for excess parcels are not eligible for reimbursement.
- A Non-Core Parcel is one, which is not required in its entirety (partial acquisition) leaving the grantor with ownership of an adjacent remainder.

Federal-aid authorization/agreement is required for both "Full Acquisition" and "Partial Acquisition."

B. Acquisition of Uneconomic Remnants

If prior FHWA approval has been secured, federal funds can participate in the acquisition costs of uneconomic remnants.

C. Acquisition of Property Specifically for Exchange

Acquisition of property specifically for exchange occurs where the agency agrees to obtain property for the grantor in exchange for the required right of way. This occurs primarily in connection with public utilities or other public agencies where substitute property is acquired by the local agency to replace property required for the project. Both properties must be appraised. The costs of such acquisition are chargeable directly to the Right of Way Capital Outlay EA. This type of acquisition is treated as acquisition of replacement property. Without prior federal approval, reimbursement cannot be obtained.

D. Functional Replacement

This involves the replacement of real property in public ownership, either lands or facilities, or both, acquired for a highway project with other lands or facilities which will provide equivalent utility. FHWA has specific procedures, which must be followed, and requirements, which must be met if the costs for a functional replacement property are to be reimbursed. These procedures are discussed in 23 CFR 710.509. For additional information, see Chapter 7, " Appraisals" and Chapter 8, "Acquisitions,"of the Caltrans *Right of Way Manual*

E. Condemnation Deposits and Interest Thereon

The amounts deposited in court in connection with the condemnation of a parcel are reimbursable. Subsequent progress billings must account for differences between the original amount deposited and the amount of the final settlement or award.

When settlements include interest, such interest payments can only be claimed for federal reimbursement in specified situations. Participation is available for a period not to exceed 45 days, if court procedures result in the owner not being able to withdraw a deposit made in support of an Order for Possession. If the deposit is available and the owner declines to withdraw it, any subsequent interest payment is ineligible for reimbursement.

Interest is reimbursable on the amount of an award in excess of the original deposit from the date of the original deposit until date of settlement or award. If court procedures prevent immediate delivery of the excess amount due following settlement or award, participation in interest on the excess amount for a period not to exceed 45 days is available. Participation may be allowed in the required interest payment on the excess until 45 days after final determination when the local agency has appealed an award.

Federal participation is not allowed in interest costs based on appraised fair market value of the property, when a Right of Entry has been secured except in cases of unusual circumstances and with prior approval of the FHWA.

Interest on amount of award over the deposit is an eligible expense with certain limits. Interest is not eligible for federal reimbursement for nonparticipating costs such as acquired excess land, goodwill awards, or awarded defendant court costs.

F. Klopping

Klopping Damages (frustrated development rights) are always ineligible costs. The only damages that are eligible are those created by the before and after values to the remaining property.

G. Goodwill

Awards or settlements involving loss of goodwill, interest on goodwill, and defendant's costs in a goodwill action are all now eligible for federal reimbursement. Costs to appraise goodwill and/or try a goodwill action are also eligible for reimbursement.

H. Personal Property

As a general rule, costs for the purchase of personal property are ineligible for federal reimbursement. An exception would be where it is necessary to acquire the furniture of a furnished apartment.

I. Defendant's Costs in Connection with Condemnation Action

Federal participation is not allowed when the local agency is ordered to pay for the costs of a property owner's attorney fees, appraiser fees, expert witness fees or similar costs which are incurred by the property owner in connection with acquisition of right of way, through condemnation proceedings or awarded as court costs in litigated cases.

J. Utility Relocations

The following must exist for reimbursement of utility relocation costs and /or to be eligible for reimbursement:

- An E-76 for "Preliminary Engineering – Utility" must be approved before any preliminary utility design work is commenced.
- An E-76 for "Utility Alternate Procedure" together with a list of every utility company's facility to be adjusted and the best available estimate of the cost involved must be approved before any relocation work can commence for any of the affected utility facilities. See 23 CFR 645.119 (e)(2).
- An FHWA Specific Authorization (form RW 13-15) must be approved by Caltrans for each utility relocation listed on the E-76 before any relocation construction work can commence. The Specific Authorization must be supported by a Report of Investigation, Utility Agreement, Notice to Owner and other documentation as outlined in Chapter 13 "Utility Relocation," of the *Right of Way Manual* and Chapter 14 "Utility Relocations," of the LAPM.
- The FHWA Approval of Utility Agreement (also form RW 13-15) must be approved by Caltrans before reimbursement is requested from FHWA.
- Immediately after Caltrans approves the Utility Agreement, authorized expenditures by the utility company can be reimbursed. No audit is necessary and receipts for payments are not required by FHWA before progress payments are made.
- Final payments can be reimbursed only when costs for the utility work covered by the agreement are supported by evidence of payment by the local agency with fully itemized billings.
- Costs must be identified in each Utility Agreement.

K. Demolition and Clearance

The federal government will participate in demolition costs of improvements on or within the right of way lines, provided the improvements involved are demolished subsequent to the authorization date of the project. This can occur regardless of whether or not the federal government participated in the cost of acquisition of the improvements. But, if federal funds did not participate in acquisition, then demolition must be separately authorized. The federal government may also participate in clearance and demolition costs on improvements on a parcel outside the right of way lines as long as the parcel was acquired solely for an exchange and is eligible for federal participation.

When a demolition contract includes improvements not eligible for participation, a separate bid item should be established in the bid proposal for the ineligible improvements so that the costs may be segregated.

When improvements purchased with federal participation are sold for salvage, federal funds are to be credited with the proceeds of the sale.

It should be stressed that whenever possible, improvements should be sold with the excess land rather than demolished to provide an income rather than incur an expense.

L. Relocation Assistance Program (RAP)

Federal and state laws require that relocation assistance be provided to any person,

household, business, farm or nonprofit organization displaced because of the acquisition of real property by a public entity for public use. Basically, there are two programs:

- The Relocation Advisory Assistance Program, which aids in locating suitable replacement properties.
- The Relocation Payments Program, which provides payments for certain costs in relocating.

Local agencies must comply where federal funds are to be used for the acquisition or construction for the proposed project. RAP is a complex program and will not be covered here. Caltrans *Right of Way Manual*, Chapter l0 provides detailed instructions on eligibility.

M. Disposition of Excess Lands

For accounting purposes, excess land is defined as that portion of any acquisition of right of way that lies outside the established right of way line and is not needed for the construction or maintenance of the highway facility. The only exceptions are the acquisition of property for replacement housing purposes, and the acquisition of property specifically for the purpose of exchange with another governmental agency or utility company.

The disposition of excess land is accomplished in a number of ways--competitive bid sales, fair market value exchanges, or inclusion into the right of way in a new project. (Federal funds cannot be used for the acquisition of excess lands.)

N. Sales of Excess--Damages

FHWA regulations set forth criteria concerning transactions involving the sale of excess property for more or less than the original cost.

Generally, local public agencies will not request federal moneys on the acquisition of excess parcels, but where federal participation is involved in excess acquisition, the subsequent sale or disposal of the parcel no longer requires the local agency to return a portion of the proceeds to FHWA. The proceeds of the sale must be used for subsequent Title 23 (US Code) eligible projects. The local agency's accounting procedures must be able to track these Title 23 funds.

On federal-aid right of way projects, damages may be claimed under the following conditions:

- The excess must have been acquired in connection with the project and with federal participation in right of way costs authorized for the parcel.
- The excess exchange or sale transaction must occur within two years after opening the highway to traffic, or within two years after submitting the final voucher to the FHWA--whichever is earlier.
- The excess exchange or sale transaction must involve the complete disposal of the entire parcel. Interim transactions, such as sale or exchange of a portion of the parcel or sale of improvements should be noted for ultimate determination of total gain or loss.

- The local agency receives less than the value of the excess when the excess is sold or exchanged. Damages may be claimed for reimbursement under the conditions detailed above.

O. Exchange Transactions

When local agency-owned land is exchanged for other land to be incorporated into the right of way of a federal-aid project, federal funds may participate in the current fair market value of the excess land being exchanged. However, federal participation will not exceed the fair market value of the land being acquired.

Note: FHWA is likely to be involved in two transactions--the initial acquisition and the subsequent exchange or disposal.

The accounting requirements to record the exchange transaction involve consideration of the following:

- The Phase 9 or right of way EA is charged for the market value of the right of way acquired.
- Damages on the exchange of the excess may be claimed if the local agency receives less than the exchanged land's fair market value.
- Federal reimbursement for the market value of exchanged, cash, and construction features may not exceed the total market value of the right of way parcel being purchased.

Excess need not have been acquired on a federal-aid project to allow reimbursement of market value, but for severance damages (including selling costs), the excess parcel must have been originally purchased on a project with federal participation.

P. Right of Way Sales Credits

Sales credits are due to FHWA funds when a right of way bought with federal funds is sold, then subsequently declared to be excess because of an alignment change, modification or termination action. The following time limits apply

If excess right of way results from an alignment change:

- Excess should be disposed before final vouchering the project or no later than two years from the time the highway is opened to traffic--whichever is earlier.
- An extension of time limits can be granted by the FHWA.
- If property is not sold within the approved time limit, the cost of the excess acquisition must be credited to the project.

If excess results because the property is no longer needed for the purposes of the highway project:

- If within ten years of the modification or termination action the resulting excess property is neither sold, nor reused on another federal projects, then the FHWA must receive credit for the market value of the property at the end of ten years. If the parcel is on a terminated project, prior federal approval is required for disposal (23 CFR 480).

- When crediting federal funds is required, the cost of the disposition may be offset against the sales price.
- Except for parcels on the Interstate program, the disposal of excess resulting from a project's termination is treated the same as any other disposal. Then the parcel can be used for another highway project without giving a credit to FHWA.

The net proceeds of the sales credit should be shown on the Progress Payment requests as credit to the project's capital costs. This procedure reduces acquisition costs and payment due to the local agency.

Q. Rental Income and Expense and Disposition of Improvements

Vacated or improved land, acquired prior to actual need for highway construction must be available for rent. FHWA participates in rental income and property management expenses if the property was acquired with federal funds.

Rental account records must be maintained to record income and direct expenses identifiable to a parcel. Eligible property management costs include costs such as repairs to a rental unit, activities of a rental agent, advertising, etc. Any rental income or expense apportioned to a property's excess portion is ineligible for federal participation. The federal share of net rental income should be shown on the Progress Payment Requests as a credit to the project, or a deduction from any payment due to the local agency.

The local agency should separate costs incurred to collect rent on a parcel-by-parcel basis, and then offset the costs against the actual rent collected.

Accounting records must be maintained for the disposition of improvements. Net income from the sale of improvements, except those on excess land, is shown as a credit to the project. Cost of the sale of improvements within the right of way is considered an expense that is a debit item and may be applied to gross sales proceeds. These credits must be given to the acquisition phase and not the rental phase.

13.14 DEFINITIONS

Access rights - The right of ingress and/or egress to and from a property, which abuts on an existing street or highway. Access rights cannot be denied or unreasonably be restricted, unless other access is available. If it is not, compensation is paid for this restriction of access.

Advanced Acquisition - The acquisition of property by the local agency temporarily using their own funds prior to NEPA approval of the environmental document. To be eligible for future federal reimbursement, right of way activities must have been performed in accordance with all federal/state guidelines and the property acquired must be included in the right of way for the project. The two types of Advance Acquisition are Hardship and Protection:

- Hardship - a situation where unusual personal circumstances not shared by others (example; financial, or health) accrue to an owner of property and are aggravated or perpetuated by the pending project and can only be resolved by early acquisition of the property by the agency.

- Protection - a situation where substantial building activity or appreciation of vacant land value is likely to occur and early acquisition by the agency is needed to prevent development of the site and avoid higher acquisition, relocation or construction costs in the future.

  Note: Hardship and Protection acquisitions must comply with the Uniform Act, Title VI of the Civil Rights Act, and 49 CFR 24. Local agencies must ensure all right of way activities comply with these criteria to avoid jeopardizing federal participation in subsequent project costs.

Bundle of Rights - ownership of real property includes a great many rights, such as the right of occupancy and use, the right to sell it in whole or in part, the right to bequeath, the right of transfer by contract for a specific period of time. It is also referred to as the benefits to be derived by the occupancy and use of the real estate.

Damages - the loss in the value of the remainder in a partial acquisition of a property.

Dedication - Pursuant to the "police power" of government, this involves the setting aside of property for public use without compensation as a condition precedent to the granting of a permit, license, or zoning variance by a local governmental agency. The property owner must initiate contact with the local agency for a request to develop before the local agency can proceed with dedication requirements.

Donation - the voluntary conveyance of real property without compensation, which may be utilized for an improvement project. Donations of future right of way can only be accepted if the offer to donate is done voluntarily by the property owner who is advised of the right to receive an appraisal but signs a written waiver of the right to be compensated.

Right of way that is donated for federal-aid transportation projects must also comply with the provisions of NEPA, even if no other right of way or rights in real property are required for the project.

Easement - the right or privilege to use real property (including access rights) is distinct from the ownership of real property. There are a number of types as follows:

- Highway Easement - a right or rights granted or acquired for the construction, maintenance, and operation of a highway, which does not transfer fee title.
- Slope, Drainage or Utility Easements - easements for these purposes, covering areas which will either remain permanently under the acquiring agency control, or be relinquished, or conveyed to a utility owner by agreement.
- Temporary Easement - a property right which is required for only a limited time period. On a specific date, all of the acquiring agency's interest in the area is terminated. An example is a Temporary (Construction) Easement that is used when the agency must enter a property for temporary use during construction of the project.

There must be a specified time period for which the temporary right exists which is sufficient to allow for delays in advertisement of the project and for the anticipated construction order of work.

Eminent Domain - the inherent power reserved by government to acquire private property rights by due process of law when the necessity arises. When exercising this right, two

basic requirements must be met: the use must be public, and just compensation must be paid to the owner prior to taking possession of the property.

Environmental Mitigation – measure necessary to mitigate adverse impacts resulting from a federal-aid transportation project. Mitigation must represent a reasonable public expenditure after considering the impacts of the action and the benefits of the proposed mitigation measures. Mitigation measures typically assist in compliance with federal statutes (example; Federal Endangered Species Act), Executive Orders (example; E.O. 11990 Protection of Wetlands, E.O. 11998 Protection of Floodplains) or Administrative regulation or policy. In some instances mitigation will require the acquisition of alternate sites to replace wildlife habitat or wetlands, or by building sound walls for noise attenuation.

Excess - property acquired for a project but which is in excess of the right of way requirements. Excess is created when there is a design change or when additional property was acquired to avoid an "uneconomic remnant." Whenever there is federal participation in right of way acquisition, any subsequent decertification and ensuing disposal (sale or trade) of the newly created excess land requires FHWA's prior approval.

Fee Simple - an absolute ownership without limitations or restrictions but subject to the inherent powers of government; namely, eminent domain, escheat, police power, and taxation.

Hazardous Materials/Waste - A material is hazardous if it poses a threat to human health or the environment. The term "hazardous waste" is applicable to storage, deposit, contamination, etc., involving a hazardous material, which has escaped, or has been abandoned. It can be defined in general terms as any of the following:

- Flammable
- Reactive (subject to spontaneous explosion or fire) substances
- Corrosive--Toxic

Regulations require all toxic substances be removed in accordance with applicable environmental laws prior to a public project proceeding to construction.

Inverse Condemnation - the legal process initiated by a property owner to claim compensation for the taking of, or damages, to his property as a result of a public project.

Just Compensation - the amount paid to a property owner for the losses suffered as a result of the project. The measure of Just Compensation is Fair Market Value (see below, Market Value).

Local Agency - a unit of government (e.g., county, city, municipality) authorized to undertake a project for which federal-aid is requested. This is sometimes referred to as local public agency.

Market Value - The California Code of Civil Procedure Section 1263.320 defines "Fair Market Value"of property acquired as:

(a) The highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for doing so, nor obliged to sell, and a buyer being ready, willing and able to buy but under no particular necessity for doing so, each dealing with the other with full knowledge of all the uses and purposes for which the property is adaptable and available.

(b) The fair market value for which there is no relevant comparable market is its value on the date of valuation as determined by any method of valuation that is just and equitable.

Negotiation - the process of communication whereby an agreement is arrived at for the voluntary transfer of ownership at terms mutually acceptable to all parties of interest.

Partial Acquisition - the taking of only a part of a property for public use under the power of eminent domain and for which just compensation must be paid, offsetting the damages and/or special benefits to the remaining property.

Permit to Enter and Construct/Construction Permit - used when temporary rights are needed to perform work solely for the owner's benefit. These documents provide no permanent rights to the local agency (and the rights would not be condemned). Permits to Enter would also be used to collect data for hazardous waste or soil analysis and for environmental analysis. It is possible to make payment for a Permit to Enter when appropriate.

Real Estate - refers to the physical land and appurtenances including structures affixed thereto.

Relocation Assistance - the process by which a government agency meets the legal requirements for providing relocation services, moving cost payments, increased costs to find and acquire replacement property for all eligible individuals, families, and business displaced by a project. (Not to be confused with relocation of utilities).

Remainder - property remaining in possession of the owner after a partial acquisition.

Required Right of Way - any interests in real property required for the project that lay outside the existing right of way line. Includes any requirements from state or local agency-owned excess land, land purchased for other projects, and land purchased by other agencies.

Right of Entry - a document used to obtain permission to enter and perform some activity prior to the effective date of a Right of Way Contract or an Order for Possession. It shall not be used to certify control of right of way for the project, except in emergency situations only. Solicitation of Rights of Entry prior to the appraisal process should be restricted to circumstances, which are exceptional or emergency in nature. Ordinarily, the Right of Entry will not dislocate people or impact improvements of a significant nature. In all instances when a Right of Entry is secured, the document must explain the provisions for use, disposal, amount, and the time period (see **"**Rights of Entry," in Section 13.12). Rights of Entry should not be confused with Temporary (Construction) Easement.

Right of Way Certification - a written statement prepared by the local agency summarizing the status of all right of way related matters with respect to a proposed construction project. An authorized Caltrans Right of Way Representative will accept the Right of Way Certification.

Turnkey Consultant -A consulting firm that would be considered a "Multifunctional Organization." A firm that provides the expertise in all areas of Right of Way (Appraisal, Acquisition, Relocation Assistance, Utilities, Property Management, Excess Lands).

Uneconomic Remnant - a remainder of land so small or irregular that it has little or no value or utility to the owner.

13.15 REFERENCES

23 Code of Federal Regulations (23 CFR Part 710 and 771)

49 Code of Federal Regulations, Part 24 (49 CFR 24)

23 Code of Federal Regulations, 635.309(b)

Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended in 1987 (Uniform Act)

Title VI of the 1964 Civil Rights Act

Caltrans, *Right of Way Manual*

Local Assistance Procedures Manual (LAPM)

Local Assistance Program Guidelines (LAPG)

Standard Environmental Reference (SER)

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EXHIBIT 13-B RIGHT OF WAY CERTIFICATION LOCAL ASSISTANCE PROJECT (OFF STATE HIGHWAY SYSTEM)

CITY OF _____

(OR)

COUNTY OF _____

(Please note: This form is intended for use on local assistance projects, off the State Highway System, where federal funds are used and where right of way or rights in real property are required. This form could also be used when local agencies of work on the State Hwy System.)

ONLY THE PARAGRAPHS RELATING TO THE SPECIFIC PROJECT SHOULD BE USED

PROJECT: _____
Federal Program # (if available)

RIGHT OF WAY CERTIFICATION NO. _____

Project Location:_____

(Insert 1, 2, or 3 for the type of Certification being made)

General Description of Project_____

1. STATUS OF REQUIRED RIGHT OF WAY

Right of way (has been) (will be) acquired in accordance with applicable policy and procedure covering the acquisition of real property. (City) (County) (has) (will have) legal and physical possession and right to enter on all lands as follows:

(Note: Parcels shown in Items A 1-7 should total the number shown in line A.)

A. Total number of parcels required. _____

1. Parcels acquired (escrow closed or Final Order of Condemnation recorded.) _____*

2. Parcels covered by Order for Possession. _____*

Parcel No.	**Owner**	**Effective Date**

3. Parcels covered by Right of Entry _____*

Parcel No.	**Owner**	**Type****	**Effective Date**	**Date Funds Made Available to Owner++**

*Note:Detail should be added showing expiration dates of documents with fixed termination dates, such as temporary easements.

** Either RE or RE in approved RC (Right of Way Contract)

++ If no entry is made in this column a full explanation is required.

4. Parcels covered by a Right of Entry executed prior to appraisal. _____

Parcel No.	**Owner**	**Effective Date**

5. Parcels covered by Resolution of Necessity only. _____*

(Used only rarely in a Certification No.3 situation where the project must be advertised, the Resolution of Necessity has been adopted but the Order of Possession has not yet been served.)

Parcel No.	**Owner**	**City/County Resolution Date**	**Anticipated OP Effective Date**

6. Parcels covered by other acquisition documents as follows: _____*
(Explain: This section is meant to cover acquisitions where the document is a license, permit, etc., not otherwise covered by paragraph 1, 2, 3, 4 or 5 above.)

Location (P.M./K.M.)	**Owner**	**Type Document**	**Effective Date**	**Expiration Date**

7. Number of Parcels with a value in excess of $500,000 _____

Dual Appraisals for each parcel? _____ Yes _____ No

B Construction Permits, etc., required. _____*

Location (P.M./K.M.)	**Owner**	**Type Document**	**Effective Date**	**Expiration Date**

2. STATUS OF ACCESS CONTROL

A. Conventional Highway, not required

(**OR**)

B. Freeway/Expressway

(**OR**)

*Note: Detail should be added showing expiration dates of documents with fixed termination dates, such as temporary easements.

C. Non-Interstate Access Controlled Highway (or other facility with access control) (Access Being Acquired-Use with (b) or (c) above). Except as provided in the approved plans for the project, all right to access to, or from the section of highway to be improved under the project and the abutting property either are prohibited by law, or have been acquired, or are being acquired in condemnation proceedings heretofore commenced and which will be prosecuted to completion.

(OR)

(Access Previously Acquired-Use with (b) or (c) above.) Except as provided in the approved plans for the project, all rights of access to, or from the section of highway to be improved under the project and the abutting property either are prohibited by law, or have been acquired under a previous project.

3. STATUS OF AFFECTED RAILROAD OPERATING FACILITIES

None affected.

(OR)

The _____ Railroad has approved the proposed work, which is within their right of way but which does not require the adjustment of railroad facilities. The necessary clauses will be placed in the contract special provisions. The project may now be advertised.

(OR)

The _____ Railroad (and when needed, the Public Utilities Commission) has approved the proposed work, which is within the railroad right of way and does require the adjustment of railroad facilities. The railroad, or its contract forces, will provide the necessary labor, materials and/or equipment to adjust their facilities. The necessary clauses will be placed in the contract special provisions. The project may now be advertised.

4. MATERIAL SITE(S)

None required
Commercial — Select appropriate statement
Optional site(s) secured as follows:
Mandatory site(s) secured as follows:

Parcel/Agreement #	**Owner**	**Document/Effective Date**	**Expiration Date**

*Note: Detail should be added showing expiration dates of documents with fixed termination dates, such as temporary easements.

5. DISPOSAL SITE(S) – Select appropriate statement.

None required
Commercial
Optional site(s) secured as follows:
Mandatory site(s) secured as follows:

Parcel/Agreement #	Owner	Document/Effective Date	Expiration Date

6. STATUS OF REQUIRED UTILITY RELOCATIONS - Select appropriate statement(s)

None required

(OR)

All utility work has been completed.

(OR)

All utility work will be completed by a stated date prior to award of the contract (see schedule below).

(OR)

All necessary arrangements have been made for the completion of all remaining utility work required to be coordinated with project construction. The special provisions in the contract provide for the coordination (see schedule below).

(AND)

Arrangements have been made with the owners of all conflicting utility encroachments, which will remain within the right of way of the project so that adequate control of the right of way will be achieved.

**NOTE: (Remove words in parenthesis if not applicable.)

(AND)

Federal participation has been authorized. (If applicable.)

(AND)

The following utilities are located within the project rights of way but require no relocation:

Company	Type Facility

(AND)

The following utilities are in conflict with the project and require relocation as follows:(If applicable)

Right of Way Notice No.	Notice Date	Company	Liability % (Owner=O) (City/CO.=C)	Type Facility	Relocation schedule Start Date & End Date (or) Concurrent with construction (or) Bid Item*

*Additional information required for each bid item: (If highway contractor will complete work as part of the highway contract.)

Bid Item No.	Type Facility	Liability (Owner/City or County)	Federal Participation (Yes/No). If yes, a copy of Specific Authorization to Relocate Utilities memorandum must be attached.

7. RIGHT OF WAY CLEARANCE

There were no improvements or obstructions located within the limits of this project.

(OR)

All right of way clearance work has been completed and there are no improvements or obstructions remaining within the right of way area required for construction.

(OR)

All necessary arrangements have been made for remaining right of way clearance work to be undertaken and completed as required for proper coordination with the construction schedule as follows:

Parcel No.	Location (P.M.)	Description	Salvable/ Non-Salv.	Method of Disposal	Date Site Available to Construction Contractor

8. AIRSPACE AGREEMENTS

There are no airspace lease properties within the limits of this project.

(OR)

All necessary arrangements have been made with airspace lessee(s) and/or special provisions in the contract to minimize conflicts between lessee's activities and contractor's operations.

(OR)

Airspace lease (describe) has been cancelled effective (date).

(OR)

(Explanation of other disposition of airspace lease area.)

9. COMPLIANCE WITH RELOCATION ASSISTANCE PROGRAM REQUIREMENTS

Compliance was not required as there were no displacements for this project.

(OR)

The (City) (County) has complied with the Federal Uniform Relocation Assistance and Real Property Acquisition Act, as amended. The (City) (County) has also complied with all the steps relative to relocation advisory assistance and payments as required by applicable policies and procedures, and no person has been required to relocate without at least 90 days written notice. If residential relocation was involved, all individuals and/or families have been relocated to decent, safe and sanitary housing, or the (City) (County) has made replacement housing available to the relocatees.

Types of relocation involved on this project:

Personal property relocation:
Residential relocation:
Business, farm or nonprofit relocation:
NOTE: (Enter only those types involved in the specific project.)

Exceptions:

Occupants of residences, businesses, farms or nonprofit organizations who have not yet moved from the right of way will be protected against unnecessary inconvenience and disproportionate injury or any action coercive in nature.

Parcel No.	**Location (P.M.)**	**Name of Occupant (Owner) (Tenant)**	**Date to Vacate**	**Type Occupancy (Res., Bus., Farm, Nonprofit Org., or Personal Property only)**

10. COOPERATIVE AGREEMENTS

None required

(OR)

Agency Agreement No. or Document No.
Attach Copy of Cooperative Agreement

11. ENVIRONMENTAL MITIGATION

No environmental mitigation parcels are required for this project.

(OR)

All environmental mitigation parcels on the project have been acquired

(OR)

Acquisition of environmental mitigation parcels is ongoing. (Give detailed explanation)

12. CERTIFICATION (USE THE APPROPRIATE STATEMENT)

I hereby certify the right of way on this project as conforming to 23 CFR 635.309(b), (c)(1) or (c)(2). The project may be advertised with contract award being made at any time.

(OR)

I hereby certify the right of way on this project as conforming to 23 CFR 635.309(c)(3). The project may be advertised at any time. The project will be certified as conforming to paragraph (b), (c)(1) or (c)(2) by _____.
(Date)

(AND)

Explanation and reasons why a #3 Certification is being used and substantiation that the Cert. #1 or #2 date given above is realistic.

The following certification statement will be used on the initial submittal of Special Certification No.3:

"I hereby certify the right of way on this project as conforming to 23 CFR 635.309(c)(3*)*. The project may be advertised at any time. Approvals from FHWA are attached for the work-around. Appropriate notification has been included in the Bid Documents. An updated Certification No.3 will be provided by _____."
(Date)

(OR)

The following certification statement will be used on the updated Special Certification No. 3 required no later than 15 days prior to bid opening:

"I hereby certify the right of way on this project as conforming to 23 CFR 635.309(c)(3). The project has been advertised and the contract may be awarded. Approvals from FHWA are attached for the work-around. I have confirmed that all appropriate notifications have been included in the Bid Documents concerning said work-around."

13. INDEMNIFICATION BY LOCAL AGENCY

The (City) (County) agrees to indemnify, defend, and hold harmless the Department of Transportation (Caltrans) from any and all liabilities which may result in the event the right of way for this project is not clear as certified. The (City) (County) shall pay from its own nonmatching funds, any costs which arise out of delays to the construction of the project because utility facilities have not been removed or relocated, or because rights of way have not been made available to (City) (County) for the orderly performance of the project work.

CITY (OR)
COUNTY OF _____

By: _____

As authorized Resolution No. _____
Dated_____

The undersigned Caltrans Official has reviewed this Right of Way Certification as to form and content. Based on the review of the documents submitted, the Certificate is accepted on behalf of the local public agency. It remains the sole responsibility of the local public agency to ensure compliance with the Federal Uniform Act and this Certificate is accepted on their behalf.

Accepted as to form and content:

By _____

Title _____

Date _____

Distribution: Local agency completes this form, signs and sends it to the DLAE, who forwards it to District Right of Way for signature. Right of Way signs the completed form, keeps a copy for their files and sends original back to DLAE, who makes a copy of this file and sends the original back to the local agency. (There is an exception: If the local agency is doing work on an Interstate Highway, and requesting a Right of Way Certification #3 with a work-around, the Certification [Exhibit 13-B)] is sent to HQ Right of Way Local Programs, who forwards it to FHWA for their approval. But if the locals are doing work on the State Highway System, then they follow the instructions and guidelines of the *Right of Way Manual*, not the LAPM.)

EXHIBIT 13-A CONSULTANT SELECTION CRITERIA AND GUIDE

APPRAISAL CONSULTANTS

To be used on projects where property rights are to be acquired for a project, whether those rights are temporary, permanent, in fee, or easement, or compensable damages accrue to property as a result of the project. The appraiser measures the fair market value of the rights to be acquired.

When selecting appraisal consultants, care must be exercised to ensure that the candidates have expertise in the specific appraisal field appropriate for the contemplated project. The greater the complexity of the project, the greater the need for highly specialized and/or experienced appraisers.

Appraisal Consultants are required to possess:

- Appropriate Appraisal license as issued by the CA Office of Real Estate Appraisers in accordance to the degree, complexity and value of the appraisal required:
  a) Residential License for any non-complex 1- 4 family property with value of 1 million and nonresidential property with a transaction value up to $250,000.
  b) Certified Residential for any 1- 4 family property without regard to transaction value or complexity and nonresidential property with a transaction value up to $250,000.
  c) Certified General for all real estate without regard to transaction value or complexity.
- Appraisal License is required by law for transportation projects on or off the State Highway System.
- Minimum two (2) years experience of appraisal of rights for eminent domain purposes.
- Successful completion of a course in appraisal of partial acquisitions for public agencies.
- Knowledge of the Uniform Relocation and Real Property Acquisition Policies Act and state eminent domain Law. Work samples provided by the consultant should be reviewed by the LPA.
- Specific knowledge and experience appropriate for the proposed project.

Appraiser Responsibilities under the Uniform Act:

- Property owner must be notified in writing of agency's decision to appraise.
- Property owner or designee must be given opportunity to accompany appraiser during property inspection.
- Responsibility of sending Title VI information.
- Diary entry of notifications and contacts.
- Appraisal to contain minimum recognized standards for public acquisition (Zoning, Property Rights to be acquired, Highest and Best Use Analysis, Comparables, Improvements Acquired, Damages, Cost to Cure, etc.)
- All appraisals must contain Appraiser and Review Appraiser Certificates.

REVIEW APPRAISER CONSULTANTS

Each appraisal must be reviewed by a qualified review appraiser and contain a Review Appraiser Certificate. The review appraiser is the person responsible for appraisal quality and value determination. The review appraiser must remain independent and must not be subject to undue influence or pressure from any source to arrive at a particular value or to accept inadequate appraisal reports. It is essential that the review appraiser understands that his/her responsibility is to recommend an estimate of value for just compensation determination by the acquiring agency. **The Uniform Act requires that an official of the acquiring agency must make the final determination of just compensation.**

Review Appraiser Consultants are required to possess:

- Certified Residential License for any 1- 4 family property without regard to transaction value or complexity and nonresidential property with a transaction value up to $250,000, **or**
- Certified General License for all real estate without regard to transaction value or complexity.
- Minimum two (2) years experience reviewing appraisals for eminent domain purposes.
- Knowledge of the Uniform Relocation and Real Property Acquisition Policies Act and state eminent domain Law.
- Specific knowledge and experience appropriate for the proposed project.

Review Appraiser Responsibilities under the Uniform Act:

- Confirmation of Analysis of Highest and Best Use, Damages, and Cost to Cure Damages.
- Confirmation of Valuation.
- Confirmation of Calculations and Report Integrity.
- Prepare signed statement certifying value of appraisal reviewed, including an explanation of the basis for recommendation.

Acquisition Consultants

To be used when rights are to be acquired, whether those rights are temporary, permanent, in fee, or easement, or compensable damage payments are to be made as a result of the project.

When selecting acquisition consultants, care must be exercised to ensure that the candidates have expertise with the conditions affecting the acquisition that are present in the contemplated project. These may vary, and some factors to be considered include property type, type of occupancy, and project design/impact on remainder.

Acquisition Consultants must possess:

- Real Estate Broker's or Salesperson's License (when under the direct supervision of a Real Estate Broker) as issued by the CA Department of Real Estate (required by law). All Right of Way Contracts must be approved for content and signed or initialed by the Real Estate Broker.

- Minimum two (2) years experience in the acquisition of rights for eminent domain purposes.
- Knowledge of the Uniform Relocation and Real Property Acquisition Policies Act and state Eminent Domain Law. By signing the Right of Way Contract, the Broker or Principal of the Company acknowledges responsibility for maintaining a complete file on each parcel.
- Specific knowledge and experience appropriate for the proposed project.

It is **extremely important** for the local agency to be fully aware of the acquisition consultant's qualifications and knowledge of the Uniform Act. If there are violations by the acquisition consultant or consulting firm, the local agency could jeopardize a portion of, or all of the federal funding for the entire project.

If you have questions or concerns, please contact the Department's Right of Way Local Programs Coordinator in your area.

Acquisition Consultants Responsibilities under the Uniform Act:

- Ensure establishment of just compensation by local agency prior to initiation of negotiations.
- Expeditious acquisition within 30-days of approved appraisal.
- First Written Offer should be presented in person when possible.
- Summary Statement (basis for the appraisal) to be included with the first written offer.
- Owner to be given responsible time to consider offer and present material relevant to value determination (i.e. 30 days and a minimum of 3 contacts).
- Payment is required before taking possession unless date of possession clause is used in contract.
- Local agency is responsible for payment of all incidental expenses (title, escrow, surveys, prepayment penalties, etc.)
- Preparation of Administrative Settlements when it is reasonable and in the public interest.
- Diary entries including confirmation of delivering Title VI information if project is federally funded.

Relocation Consultants

To be used when there are occupants and/or personal property within the project area that must be relocated outside the project area. Occupancy may be residential or nonresidential, including agricultural uses. Relocation specialists may be used to prepare the relocation impact documents (part of the NEPA compliance process) in the planning stage. Refer to: http://www.dot.ca.gov/ser/vol1/sec3/community/ch24cia/chap24cia.htm. A consultant proficient in both acquisition and relocation may be retained for both functions under the "caseworker" approach.

When selecting relocation consultants, care must be exercised to ensure that the candidates have expertise with types of occupancy affected by contemplated project, whether residential (owner-occupied), residential (tenant-occupied), personal property only, business, or nonprofit organization. The greater the complexity of the project, the greater the need for highly specialized and/or experienced relocation consultants.

Relocation Consultants should possess:

- Minimum two (2) years experience at the working level providing public agency relocation assistance.
- Knowledge of the Uniform Relocation and Real Property Acquisition Policies Act and state eminent domain Law.
- Specific knowledge and experience appropriate for the proposed project.

Property Management Consultants

To be used when tenants will be in occupancy of the right of way after the agency has acquired the property but prior to displacement.

When selecting property management consultants, care must be exercised to ensure that the candidates have expertise with types of tenancies affected by the contemplated project, whether residential, personal property only, business, or nonprofit organization. The greater the complexity of the project, the greater the need for highly specialized and/or experienced property management consultants.

Property Management Consultants should possess:

- Real Estate Broker's or Salesperson's License (when under the direct supervision of a Real estate Broker) as issued by the CA Department of Real Estate (required by law).
- Minimum two (2) years experience at the working level in management of rental properties.
- Knowledge of applicable sections of the Uniform Relocation and Real Property Acquisition Policies Act, state eminent domain law, and Landlord Tenant Law.
- Specific knowledge and experience appropriate for the proposed project.

Right of Way Project Management Consultants

May be used to coordinate and direct the work of other consultants as well as local agency staff. Will have primary responsibility to ensure the work products for the project satisfy all requirements of applicable laws, statutes, regulations, policies, and procedures.

Project Management Consultants should possess:

- Minimum five (5) years experience at a supervising, managerial, or oversight level in a right of way organization operating with the power of eminent domain.
- Knowledge of the Federal and State Uniform Relocation and Real Property Acquisition Policies Act and Article 1, Section 19, California Constitution (granting the power of eminent domain law).
- Familiarity with project management theories and techniques, including project scheduling, staff assignments, and coordination and communication with other project entities.

Project Management Consultant or Principal of the consulting firm's responsibilities:

- Ensure right of way process has been followed in accordance with the Uniform Act.
- Ensure consultants have appropriate licenses for the scope of work.
- Ensure Broker signs or initials all right of way contracts.
- Approval of all right of way files (signature in diary) that files are complete and in accordance to the Uniform Act with appropriate diary entries.

Turnkey Right of Way Consultants

Multi-functional organizations that may be used to provide all right of way services required of a given project. Should be competent in each individual functional area. Turnkey consultants must have sufficient staff to preserve separation of the appraisal, appraisal review, and acquisition functions. An individual may be technically proficient in multiple functions, but may not be used as a turnkey consultant. All appropriate licenses/certifications are required for the type of services performed.

EXHIBIT 13-B UNIFORM RELOCATION ACT BENEFITS SUMMARY

The following explanation is general in nature and is not intended to be a complete statement of Federal and State Relocation laws and regulations. Any questions concerning relocation should be addressed to the Caltrans District Right of Way Local Programs Coordinator.

Any persons to be displaced will be assigned to a relocation advisor, who will work closely with each displacee in order to see that all payments and benefits are fully utilized, and that all regulations are observed, thereby avoiding the possibility of displacees jeopardizing or forfeiting any of their benefits or payments. At the time of the first written offer to purchase, owner/occupants are given a detailed explanation of the agency's relocation services. Tenant occupants of properties to be acquired are contacted soon after the first written offer to purchase, and also are given a detailed explanation of the Relocation Program. To avoid loss of possible benefits, no individual, family, business, farm, or nonprofit organization should commit to purchase or rent a replacement property without first contacting a relocation advisor.

I. Relocation Assistance Advisory Services

In accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, the local agency sponsoring the project will provide relocation advisory assistance to any person, business, farm or nonprofit organization displaced as a result of the acquisition of real property for public use, who has certified that they are legal resident of the United States. The local agency will assist displacees in obtaining comparable replacement housing by providing current and continuing information on the availability and prices of both houses for sale and rental units that are "decent, safe, and sanitary." Nonresidential displacees will receive information on comparable properties for lease or purchase. (For business, farm, and nonprofit organization relocation services, see Section IV.)

Residential replacement dwellings will be in equal or better neighborhoods at rents or prices within the financial ability of the individuals and families displaced, and reasonably accessible to their places of employment. Before any displacement occurs, comparable replacement dwellings will be offered to displacees that are open to all persons regardless of race, color, religion, sex, national origin, and consistent with the requirements of Title VIII of the Civil Rights Act of 1968 will be offered to displacees. This assistance will also include the supplying of information concerning federal and state assisted housing programs, and any other known services being offered by public and private agencies in the area.

Persons who are eligible for relocation payment(s) and who are legally occupying the property required for the project will not be asked to move without first being given at least 90-days written notice. Occupants eligible for relocation payment(s) will not be required to move unless at least one comparable "decent, safe, and sanitary" replacement residence, available on the market, is offered to them by the local agency.

II. Residential Relocation Payments Program

The Relocation Payment Program will help eligible residential occupants by paying certain costs and expenses. These costs are limited to those necessary for or incidental to the purchase or rental of the replacement dwelling and actual reasonable moving expenses to a new location within 50 miles of the displacement property.

Any actual moving costs in excess of the 50 miles are the responsibility of the displacee. The Residential Relocation Program can be summarized as follows:

Moving Costs

Any displaced person who lawfully occupied the acquired property, regardless of the length of occupancy in the property acquired, will be eligible for reimbursement of moving costs. Displacees will receive either the actual reasonable costs involved in moving themselves and personal property up to a maximum of 50 miles, or a payment based on a fixed moving cost schedule.

Replacement Housing Payment – 180 day Owner-Occupants

In addition to moving and related expense payments, fully eligible homeowners may be entitled to payments for increased costs of replacement housing. Homeowners who have owned and occupied their property for 180 days or more prior to the date of the first written offer to purchase the property, may qualify to receive a price differential payment and may qualify to receive reimbursement for certain nonrecurring costs incidental to the purchase of the replacement property. An interest differential payment is also available if the loan rate for the mortgage on the replacement dwelling is higher than the loan rate on the displacement dwelling, subject to certain limitations. The maximum combination of these three payments that the owner-occupant can receive is $22,500. If the total entitlement (without the moving payments) is in excess of $22,500, the Last Resort Housing Program will be used. (See the explanation of the Last Resort Housing Program below.)

Replacement Housing Payment – 90 day Occupants

Tenants who have occupied the property to be acquired by the local agency for 90 days or more and owner-occupants of 90-179 days prior to the date of the first written offer to purchase may qualify to receive a rental differential payment. This payment is made when the local agency determines that the cost to rent a comparable "decent, safe, and sanitary" replacement dwelling will be more than the present rent of the displacement dwelling. As an alternative, the tenant may qualify for a down payment benefit designed to assist in the purchase of a replacement property and the payment of certain costs incidental to the purchase, subject to certain limitations noted below under the Down Payment section. The maximum amount payable to any tenant of 90 days or more and any owner-occupant of 90-179 days, in addition to moving expenses, is $5,250. If the total entitlement for rental supplement exceeds $5,250, the last Resort Housing Program will be used. A 90-day occupant may choose to convert their Rent Differential to a Down Payment to aid in purchasing a replacement property. The down payment and incidental expenses cannot exceed the maximum payment of $5,250. The one-year eligibility period in which to purchase and occupy a "decent, safe, and sanitary" replacement dwelling will apply.

Last Resort Housing

Federal regulations (49 CFR 24) contain the policies and procedures for implementing the Last Resort Housing Program on federal-aid projects. Last resort housing benefits are, except for the amounts of payments and the methods in making them, the same as those benefits for standard residential relocation as explained above. Last resort housing has been designed primarily to cover situations where a displacee cannot be relocated because of lack of available comparable replacement housing, or when the anticipated replacement housing payments exceed the $5,250 and $22,500 limits of the standard relocation procedure, because either the displacee lacks the financial ability or other valid circumstances. In certain exceptional situations, Last Resort Housing may also be used for tenants of less than 90 days.

Other Relocation Information: After the first written offer to acquire the property has been made, the local agency will, within a reasonable length of time, personally contact the displacees to gather important information, including the following:

- Preferences in area of relocation.
- Number of people to be displaced and the distribution of adults and children according to age and sex.
- Location of school and employment.
- Specific arrangements needed to accommodate any family members' special needs.
- Financial ability to relocate into a comparable replacement dwelling, which will adequately house all members of the family.

III. The Nonresidential Location Assistance Program

The Nonresidential Relocation Assistance Program provides assistance to businesses, farms, and nonprofit organizations in locating suitable replacement property, and reimbursement for certain costs involved in relocation. The Relocation Advisory Assistance Program will provide current lists of properties offered for sale or rent, suitable for a particular business's specific relocation needs. The types of payments available to eligible businesses, farms and nonprofit organizations are moving and searching expenses, and possibly reestablishment expenses or a fixed In Lieu Payment instead of any moving, searching and reestablishment expenses. The payments types can be summarized as follows:

Moving Expenses

Moving expenses may include the following actual, reasonable costs:

- The moving of inventory, machinery, equipment and similar business-related property, dismantling, disconnecting, crating, packing, loading, insuring, transporting, unloading, unpacking, and reconnecting of personal property.
- Loss of tangible personal property provides payment for actual, direct loss of personal property that the owner is not permitted to move.
- Expenses related to searching for a new business site, up to $1,000 for reasonable expenses actually incurred.

REESTABLISHMENT EXPENSES

Reestablishment expenses related to the operation of the business at the new location, up to $10,000 for reasonable expenses actually incurred.

In Lieu Payment

A fixed payment in lieu of moving and searching payments and reestablishment payment may be available to businesses, which meet certain eligibility requirements. This payment is an amount equal to the average annual net earnings for the last two taxable years prior to the relocation and may not be less than $1,000 or more than $20,000.

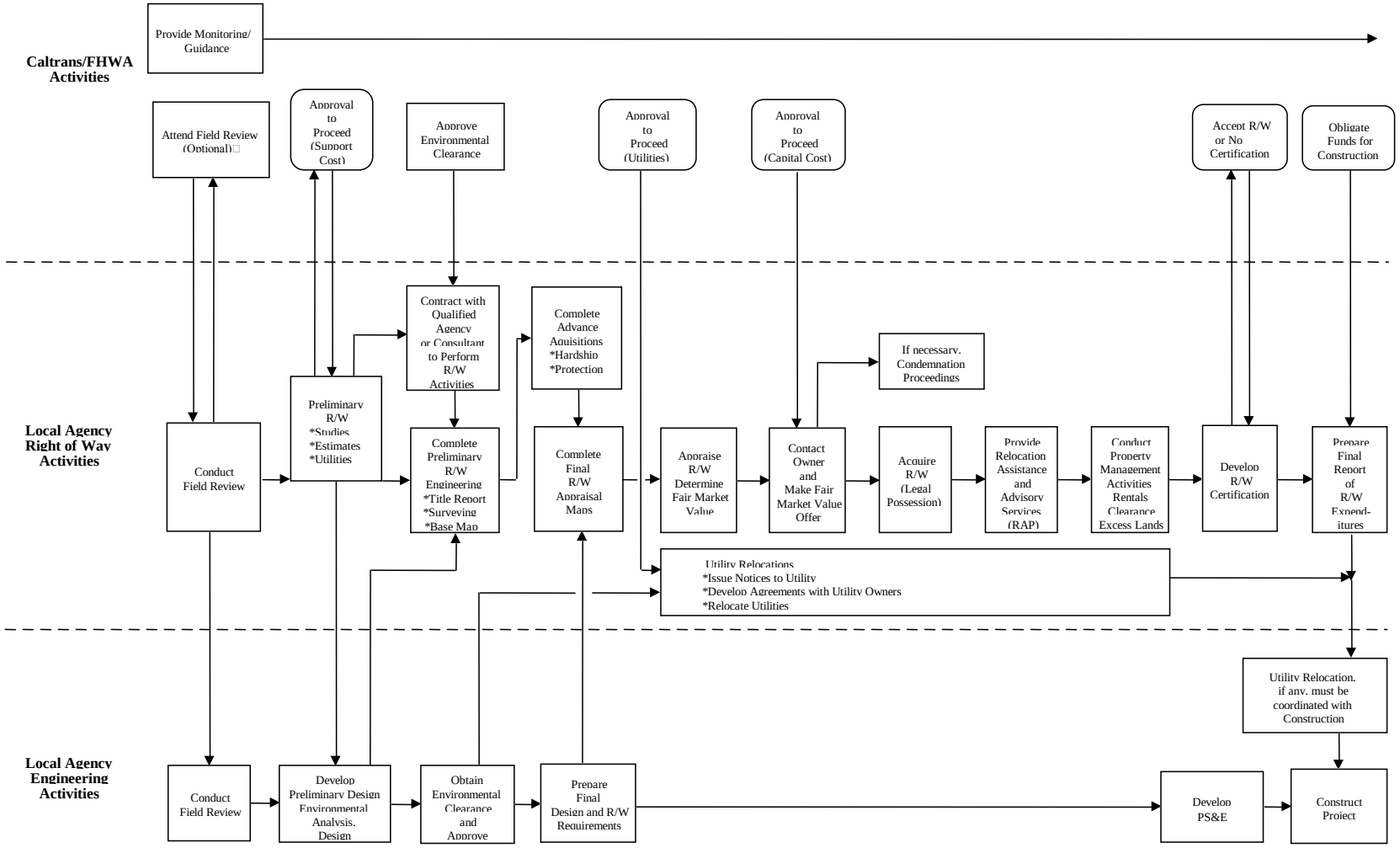
IV. ADDITIONAL INFORMATION

Reimbursement for moving costs and replacement housing payments are not considered income for the purpose of the Internal Revenue Code of 1954, or resources for the purpose of determining the extent of eligibility of a displacee for assistance under the Social Security Act, local "Section 8" Housing Programs, or other federal assistance programs.

Right To Appeal

Any person, business, farm or nonprofit organization which has been refused a relocation payment by the local agency Relocation Advisor, or who believes that the payment(s) offered by the agency are inadequate, may appeal for a special hearing of their complaint. No legal assistance is required. Information about the appeal procedure is available from the Relocation Advisor.

FIGURE 13-1 FLOWCHART OF RIGHT OF WAY PROCEDURES



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CHAPTER 14 UTILITY RELOCATIONS

14.1 INTRODUCTION

The procedures in this chapter have been designed to comply with the FHWA's regulations and requirements under Code of the Federal Regulations (CFR) governing utility relocations. The purpose of this chapter is to provide guidelines to the local agency when performing Right of Way Utility Relocations on projects outside of the State Highway System (SHS) and financed with federal funds ("Off-System" project).

Utility Relocation procedures in this chapter only apply when relocating public utility facilities that serve the general public. Service connections and private utilities are handled through Right of Way Acquisition under Cost to Cure (23 CFR710.203.)

Forms and Exhibits included in this chapter are to provide the local agency with working samples. The language in these forms has been reviewed and approved by Caltrans Legal Department. The local agency has the option to modify the format of these forms or to use its own forms. However, the local agency's own forms have to satisfy all required elements under 23 CFR 645.113, and the use of non-approved forms and clauses will require reviewing and approval by Caltrans Legal Department on a case-by-case basis.

For any locally sponsored project that involves any portion of a state's right of way under a Cooperative Agreement ("On System" Project), Right of Way Utility Relocations will be accomplished in accordance with the Utility Procedures described in the *Caltrans Right of Way Manual* (ROW Manual) and *Encroachment Permits Manual*.

These manuals are available online at the following URLs:

ROW Manual:
http://www.dot.ca.gov/hq/row/rowman/manual/

Encroachment Permits Manual:

http://www.dot.ca.gov/hq/traffops/developserv/permits/encroachment_permits_manual/

DEFINITIONS

Public Utility Facilities - publicly and privately owned utility facilities, which serve the public.

Impacted Utility Facility - a public utility facility has been identified as in conflict with the proposed activity of a transportation project.

Utility Relocation - any adjustment to the impacted utility facility required by the proposed transportation project.

Owner - utility company, municipal utility department, who owns the impacted facility.

Utility Coordinator - local agency's person who acts as a liaison with owners.

District Utility Coordinator: Caltrans Right of Way Utility Coordinator assigned to this project.

Conflict Resolution Plan - (a.k.a. Relocation Plan) plan from owner to resolve the conflict with activity of a transportation project. This plan should clearly define scope of work and the duration of construction.

Claim Letter - owner's liability determination along with supporting documentations. It is the owner's responsibility to support their claim.

Unanticipated Utility Relocation – unforeseen, or discovery utility relocations as a result of accident or incomplete utility verification/conflict identification.

UTILITY RELOCATION PROCEDURES

The following steps have been modeled after the Caltrans Right of Way Utility Relocations procedures. These activities are performed in different stages of project development (see Exhibit 14-H, "Stages of R/W Utilities Through Stages of Project Development") to ensure proper and complete utility clearance prior to Right of Way Certification.

This procedure is designed to identify utility conflicts early in the design stage. It provides the Project Engineer with an opportunity to evaluate the proposed plan and make adjustments to avoid or lessen the impact on existing utility facilities. Thus, it reduces utility relocation cost, saves time, and prevents discovery conflicts during construction.

It is strongly recommended that each local agency adopt and follow these procedures:

UTILITY VERIFICATION:

- In the early phase of the Design process, the Utility Coordinator sends a proposed project plan to owner and request for owners' facility map(s) of any facility located within project limits.

  Utility Coordinator forwards owners' map(s) to the Project Engineer. The Project Engineer plots all existing facilities onto UTILITY SHEET (refer to Caltrans *Design's Standard Plan* or *American Society of Civil Engineers* [ASCE], *Standard Guidelines for the Collection and Depiction of Existing Subsurface Utility Data*).

IDENTIFYING CONFLICT:

- Project Engineer identifies all impacted utility facilities within project limits.
- Provide conflict maps for each impacted facility to the Utility Coordinator.

REQUESTING CONFLICT RESOLUTION PLAN: (This step would be done only after National Environmental Policy Act [NEPA] approval.)

- Utility Coordinator contacts and informs the owner(s) of the conflict(s) and requests conflict resolution plan(s), detail cost estimate(s), and owner's liability determination.
- When the above items are received from owner(s), the Utility Coordinator will forward the plan(s) to the Project Engineer for approval.

LIABILITY DETERMINATION:

After the conflict resolution plan(s) is approved by the Project Engineer:

- A liability determination must be made to determine whether the local agency is legally liable for any portion or all of the relocation cost. (See Chapter 13, "Utility Relocation," Section 13.04.00 of ROW Manual for guidance.)

- Liability can be determined by property rights, franchise rights/agreements, state and local statutes/ordinances, permits, or finding by the local agency's counsel.
- Complete "Report of Investigation" (ROI) (see Exhibit 14-E.) This is the document that determines the local agency's liability for relocation costs.
- The cost of relocating such facilities is eligible for federal participation:
  a) Only when the relocation is made necessary by the proposed construction.
  b) Only when the local agency is legally liable to pay for any portion of the relocation.

Utility Coordinator shall send proposed copy of ROI, Notice to Owner (NTO), and Utility Agreement to District Local Assistance Engineer (DLAE) and Caltrans District Utility Coordinator for review and approval, prior to sending out to owner.

NOTE: For an "On-System" project, the local agency must ensure that all utility relocations and encroachments are accomplished in accordance with Caltrans policies, procedures, standards, practices, and statutes. In addition, any existing agreements or contracts between the Department of Transportation (Caltrans) and a utility owner will also obligate the local agency in such circumstances.

NOTIFYING OWNER:

- After the conflict resolution plan is approved and liability is determined, Utility Coordinator shall seek concurrence from the owner in case the liability determination is different from owner's claim letter.
- Once the owner concurs with liability (this is referred to as "Meeting of the Minds"), the Utility Coordinator will issue a written NTO ("Notice to Owner," see Exhibit 14-D) to the owner. The local agency must make all necessary arrangements with the owners of affected utility facilities for their relocations.
- The NTO will clearly define the impacted facility, owner's conflict resolution plan number and date, estimated completion date, and liabilities.
- The local agency shall provide all other necessary permit(s) related to the relocation to the owner prior to the commencing of work**. Only when any ordered work is located within the SHS**, **a Caltrans Encroachment Permit is required**. Utility Coordinator can request the permit through the Caltrans District Utility Coordinator.
- If the local agency is liable for any portion of the relocation, a Utility Agreement (see Exhibit 14-F, "Utility Agreements" and Exhibit 14-G, "Utility Agreement Clauses") will also be prepared and sent to owner along with the NTO.
- The local agency's liability portion and authority to pay for the relocation must be clearly cited in its Utility Agreement and in the "liability" section of the NTO.

NOTE: For an "On-System" project, on freeway projects, state policy and procedure take precedence for cost liability determination even where relocation work to support or accommodate the project may take place outside of the state's right of way.

RIGHT OF WAY UTILITY CLEARANCE MEMO:

- Once all utility conflicts have been resolved, the Project Engineer and the Utility Coordinator will issue a Utility Clearance Memo that clearly lists all conflicts, locations, the NTO numbers and issued date, liability, and estimated completion date.
- The information on this memo will be incorporated into the Right of Way Certification.

MANAGING THE PHYSICAL RELOCATION:

- Prior to any physical relocation work being commenced, the Project Engineer and Utility Coordinator shall make sure all agreements have been executed, Specific Authorization/Approval of Utility Agreement has been approved (if federal funding is sought), and funding has been secured.
- Project Engineer and Utility Coordinator shall monitor the progress and verify that the relocation has been carried out according to the conflict resolution plan and schedule.

MANAGING RELOCATION INVOICES:

- The Utility Coordinator will process utility relocation invoices for reimbursement in accordance to the procedures described in Chapter 5, "Accounting/Invoices," of the *Local Assistance Procedures Manual* (LAPM).
- Project Engineer and Utility Coordinator shall make sure the owner provides credit when applicable, for salvage value, betterment, and all supporting documents are attached to the invoice.

UTILITY RECORDS KEEPING:

Utility Coordinator will create a Utility File for each impacted facility. These records will be retained by the local agency as required by FHWA regulations.

Section 23 CFR 645.119 (c)(1(iv), Alternate Procedure approval, requires documentation of actions taken in compliance with state and federal policies. All engineering decisions affecting the utility relocation from the beginning of planning to the completion of relocation and billing, should be documented in the local agency's Utility File diary.

It is essential that documented field verification of the progress and completion of all reimbursable utility work be provided by the local agency. This required documentation is met by the use of detailed inspector's diaries or their equivalent.

If the local agency wishes not to request federal participation for the utility relocation work on projects off the SHS, even though they will be requesting federal participation in other right of way activities and/or the construction phases of the project, the local agency may use its own utility relocation policy and procedure as long as they comply with FHWA's regulations and requirements under 23 CFR Part 645 and other related federal regulations. However, the local agency must provide the proposed utility relocation plan to the DLAE for forwarding to the Caltrans District Utility Coordinator for review so that proper right of way certification on utility relocation matters may be given prior to construction.

14.2 FEDERAL REIMBURSEMENT

Federal regulations governing utility relocation are described extensively in 23 CFR Part 645. Local agencies should be familiar with these regulations. The following procedures are based on the above-mentioned and other federal regulations. **When the local agency requests federal participation in utility relocations, these regulations must be followed.**

Under the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy Users (SAFETEA-LU) and the FHWA Alternate Procedure process 23 CFR 645.119, and E-76, utility relocation work has been delegated to Caltrans on "Delegated" projects for full review oversight requirements by FHWA (see Chapter 2, "Roles and Responsibilities," of the LAPM), and Caltrans also has approval authority for "Specific Authorization" and "Approval of the Utility Agreement."

The Utility Coordinator will send all submissions to the Caltrans District Utility Coordinator for review and approval.

The following items must be included in the request:

1. Copy of Notice to Owner
2. Fully executed Utility Agreement
3. Approved owner's conflict resolution plan showing the necessary relocations
4. The completed Report of Investigation and any supporting documents
5. An itemized estimate of the local agency's relocation costs

Such review typically takes three (3) weeks. Submission must be submitted in advance of the proposed ROW Certification date. The DLAE is not responsible for delays due to an incomplete or erroneous relocation package.

ANTICIPATED UTILITY RELOCATIONS

To apply and qualify for federal reimbursement, these steps must be followed:

AUTHORIZATION TO PROCEED (E-76)

Prior to the start of any physical utility relocation work, the local agency must complete the "Request for Authorization to Proceed with Utility Relocation" form (see Exhibit 3-C, Chapter 3 and Exhibit 3-E "Request for Authorization Data Sheet," of the LAPM,) where all anticipated utility facilities requiring relocation will be listed with an estimated cost to relocate each facility.

On page 2 of the above referenced Exhibit 3-C, under Utility Relocation, the "Alternate Procedure" box must be checked. The completed E-76 must request the use of the Alternate Procedure 23 CFR 645.119 (e) (2)) and must include a list of every utility facility anticipated to be relocated along with the utility company's name and best available estimate of the total local agency costs involved for each facility.

The E-76 request must be submitted to the DLAE, who will forward the request to the Caltrans District Utility Coordinator for review and comment. The E-76 request form will then be processed by the DLAE.

SPECIFIC AUTHORIZATION TO RELOCATE UTILITIES

In addition to the "Request for Authorization to Proceed" and prior to commencement of any physical relocation, the local agency must also request and receive a "Specific Authorization to Relocate Utilities" (Form RW 13-15-or Exhibit 14-C of this chapter) for each utility relocation. Either the utility owner or the construction contractor may perform all or portions of the utility facility relocation for which Specific Authorization approval is requested.

NOTE: RW Form 13-15 (Exhibit 14-C) is a dual form, containing both the "FHWA Specific Authorization to Relocate Utilities" and "FHWA Approval of Utility Agreement."

i) Work by Utility Owner or Owner's Contractor

If the relocations are to be performed by the utility owner and federal participation is requested, the Field Review Form (see Chapter 7, "Field Review," of the LAPM) should include the item with sufficient detail to allow programming of the work in the right of way phase for approval by FHWA under a Utility Agreement.

NOTE: Prevailing Wages are required for any works performed by Owner's contractor (Labor Code Section 1720)

ii) Work by Local Agency's Highway Contractor

If the relocations are to be performed during the construction phase by the local agency's highway contractor, the work should be included in the plans and specifications like any other work. The local agency must add an explanation to this effect to the "Remarks" section of the Specific Authorization Request to Relocate Utilities (Exhibit 14-C) and must attach a copy of the approved Specific Authorization to the Right of Way Certification submittal. Utility relocation costs may be included in the highway contract as a bid item, as supplemental work, or as a contract change order, and financed from funds in the construction work authorization.

In the event a major change in scope of work and/or relocation cost is found to be necessary, a revised Specific Authorization to Relocate Utilities must be immediately submitted for authorization prior to the new work being commenced.

Any minor change that does not include changes in scope of the work, addition or deletion of the proposed conflict resolution plan, may be submitted in a letter to Caltrans describing the change including revised maps and estimate, and requesting that the change be included under the original authorization.

APPROVAL OF UTILITY AGREEMENT

The local agency must submit each executed Utility Agreement and a request for FHWA approval of the Utility Agreement to the DLAE for processing. This approval authority has been delegated to Caltrans Division of Right of Way and Land Surveys by FHWA. Such review and approval typically takes three (3) weeks if the local agency used the pre-approved utility clause ("Utility Agreement Clauses," Exhibit 14-G, of this chapter).

Upon approval, Caltrans will provide the local agency with the FHWA Approval of Utility Agreement form (Exhibit 14-C) for each Utility Agreement. Any exceptions to the approval will be noted in writing on the "Remarks" section of the form, and the local agency will be requested to concur with the exceptions or to prepare a rebuttal. It is anticipated that agreement will be reached on all such items prior any physical work commencement to avoid the loss of eligibility.

It is strongly recommended that the standard Utility Agreement Clauses found in Exhibit 14-G be used in every circumstance. Use of nonstandard clauses requires Caltrans Headquarters Legal review and recommendation before the Utility Agreement can be executed. When applicable, the following items should be shown in the itemized estimate(s) of the relocation costs.

i) Credits

- FHWA Regulations (23 CFR 645.117 (h)) require salvage credit to any highway or freeway project for the value of facilities removed as part of the relocation for future use or resale.
- FHWA Regulations (23 CFR 645.117 (h)) also require betterment credit for the cost of any betterment to the facility being replaced or adjusted.

NOTE: When it is an "On-System" project.

State law (Section 705 of the California Streets and Highways Code) requires that utility owners itemize estimate, and invoice for utility relocation to show a credit for the used life of an existing utility facility being replaced in connection with improvement to a freeway. Where these credits are received by the local agency, they must be properly listed on the invoice and deducted from the total federal-aid reimbursement amount.

ii) Removal Only

Where the entire utility transaction consists of removal without replacement, consideration should be given to handling it as a right of way clearance item and invoicing for federal reimbursement in that fashion. If processed as a right of way clearance activity, the following conditions apply:

- The utility owner must have a property right in the existing location, which is compensable in eminent domain.
- The local agency must enter into an agreement with the owner providing for the removal of the facility. In support of the invoice for federal reimbursement, the file must contain information to show that the cost of removal by the utility owner was more cost-effective than the local agency buying the facilities and having them removed by some other method.

Where legitimate "removal without replacement" charges are included in a utility owner's invoice and the local agency has not arranged to receive a credit for salvage (see above), the charges may be invoiced for federal reimbursement only when they are reduced by the amount of salvage attributable to the subject facilities, as shown by the utility owner's records available for audit as noted in the Utility Agreement (48 CFR 31).

iii) Using Right of Way Clearance Contract

Where utility relocation work is performed by the local agency under a right of way clearance contract, a conformed copy of the executed contract must be forwarded to the DLAE before submitting an invoice for federal reimbursement.

iv) Using Consultants

When a local agency or utility owner employs a consulting engineer to perform engineering services in connection with a specific utility relocation and federal participation is involved, the procedures in Chapter 10, "Consultant Selection," of

the LAPM shall apply. The consultant agreement must satisfy the criteria specified in Chapter 13, Section 14 of the Caltrans *ROW Manual* including a completed pre-award evaluation, if applicable. These steps must be performed by the local agency early in the process to avoid loss of eligibility.

NONREIMBURSABLE

FHWA regulations prohibit federal reimbursement for costs of interest during construction or interest on funds borrowed by the owner for performing the relocation.

UNANTICIPATED UTILITY RELOCATION

After the normal period to apply for Specific Authorization to Relocate Utilities has expired and an unanticipated utility relocation is encountered, the Utility Coordinator must immediately notify the DLAE and request a Special Authorization to Relocate Utilities.

The Special Authorization to Relocate Utilities is reserved for those cases where required work could not be identified in time to secure normal authorization, or when the contractor's operations will be delayed. The local agency must provide a statement with full explanation of the special circumstances for the request. Requests for Special Authorization to Relocate Utilities must be based on substantial reasons.

Special Authorization to Relocate Utilities must be upgraded by the local agency to full Specific Authorization status before the local agency submits an invoice for reimbursement.

SPECIAL AUTHORIZATIONS

There are two types of Special Authorization to Relocate Utilities: 1) written, and 2) verbal. Both verbal and written Special Authorization to Relocate Utilities is "preliminary authorization." The request will be reviewed and approved on case-by-case basis. No utility work may begin before Special Authorization to Relocate Utilities is obtained, or risk the eligibility for reimbursement.

The submittal for either written or verbal Special Authorization to Relocate Utilities request must contain:

- Reason for special "preliminary authorization."
- Name of the owner, type of facility, as they are listed in the E-76.
- Best available liability determination, including documentation such as an ROI.
- Best available itemized cost and estimate.
- Breakdown of time, material, and equipment costs.
- Relocation plan showing the right of way, access control, existing and proposed utility facility.
- The name of the entity who will perform the work (if the utility owner's contractor, explain how the contractor was selected).

WRITTEN AUTHORIZATION

If a written Special Authorization to Relocate Utilities is obtained, a complete request package ("Submittal Requirements for Federal Participation in Utility Relocations," Exhibit 14-A in this chapter) must be submitted to the DLAE within 30 days. The DLAE will forward the request package to the Caltrans District Utility Coordinator for review and approval.

The approval should contain a statement that the Caltrans District Utility Coordinator has reviewed the relocation plans and is familiar with the circumstances requiring Special Authorization to Relocate Utilities.

VERBAL AUTHORIZATION

Verbal Special Authorization to Proceed may be requested, if during construction a previously unknown utility conflict is discovered that will delay the contractor. Verbal Special Authorization to Proceed may be obtained from the Caltrans District Utility Coordinator (via the DLAE) by telephone or fax. The Caltrans District Utility Coordinator will confirm each verbal authorization via letter to the local agency's Project Engineer. Such confirmation letters shall be issued within five (5) working days or sooner, depending on the complexity of the relocation and the circumstances, which necessitate it. A copy of each confirmation letter will be sent to the DLAE.

If Verbal Special Authorization to Proceed is obtained, the local agency must furnish a written submittal to the DLAE confirming the information and containing a fully documented relocation plan. This must be accomplished within 30 days. An appropriate diary of decisions and discussions shall be maintained.

14.3 HIGH AND LOW RISK UNDERGROUND FACILITIES

Caltrans' Policy on High and Low Risk Underground Facilities Within Highway Rights of Way requires all high risk utility facilities located within project limits are positively identified and to be shown on project plan.

For Federally Participating "Off-System" projects, compliance with the state's policy on High and Low Risk Underground Facilities is not mandatory. It is, however, highly recommended that this policy be followed to insure the maximum safety during construction of the project.

NOTE: When it is an "On-System" project.

All local agency projects on the SHS shall conform to the state's "Policy on High and Low Risk Underground Facilities within Highway Rights of Way." See *Caltrans Project Development Procedures Manual* (PDPM), Appendix LL, Utilities. A copy of the policy may be obtained from Caltrans Division of Design. It is also available online at: http://www.dot.ca.gov/hq/oppd/pdpm/apdx_htm/apdx_ll/apdx_ll.htm

When performing Right of Way Utility Relocation on a "On-System" project, local agency's Project Engineer must complete the "Project Engineer's Certification of Utility Facilities" and submit it as an attachment to the project certification, as required by the policy.

14.4 AUDIT REQUIREMENTS

Utility Coordinator is responsible to submit request for any applicable audits as described in Section 5.8 of Chapter 5 of the LAPM.

NOTE: When it is an "On-System" project.

The following are requirements for Pre-Award Evaluation and Post Award Audit. The Utility Coordinator is responsible to submit requests for audit when applicable:

PRE-AWARD EVALUATION:

Caltrans pre-award evaluation is required for Utility Agreements, contracts and subcontracts involving federal funds. The local agency shall make a written request through the DLAE, for a pre-award evaluation to Caltrans Audits on Utility Agreements which equal or exceed $1 million, for lump sum Utility Agreements over $100,000, or where a consultant will perform preliminary engineering equal or exceeding $1 million. These requirements are subject to change. Please contact the Caltrans District Utility Coordinator for information on current authorization limits and details.

POST AWARD AUDIT:

The State is responsible to conduct final post audits of actual and necessary costs incurred by utility owners pursuant to a Utility Agreement or contract on federal-aid projects. This also applies to subcontractors under the prime agreement.

14.5 REFERENCES

- 23 *Code of Federal Regulations* (CFR) 645
- 48 *Code of Federal Regulations* (CFR), Chapter 1, Part 31
- *California Streets and Highways Code*, Sections 702, 703, 705, and 706
- *Caltrans Encroachment Permits Manual*
- *Caltrans Project Development Procedures Manual*, Appendix LL, Utilities
- *Caltrans Right of Way Manual* (ROW Manual)
- *Code of Civil Procedure*, Section 1268.350
- *Government Code*, Section 53630
- *Intermodal Surface Transportation Efficiency Act* (ISTEA)
- *Water Code* Sections 7034 and 7035
- SAFETEA-LU Web site at: http://www.fhwa.dot.gov/safetealu/factsheets.htm".

Exhibit 14-A Local Agency Submittal Requirements
for Federal Participation in Utility Relocations

LOCAL AGENCY SUBMITTAL REQUIREMENTS FOR FEDERAL PARTICIPATION IN UTILITY RELOCATIONS

To obtain federal participation for a specific utility relocation, a request for "Specific Authorization" must be submitted to Caltrans. The request must contain the following:

1. ☐ A color coded plan prepared on highway layout sheets, clearly, and accurately showing the following:
    - ☐ Existing and proposed right of way lines
    - ☐ Existing and proposed access control lines (if applicable)
    - ☐ Existing and proposed highway centerline
    - ☐ For the existing and for the proposed utility facility, show their:
        - ☐ Location
        - ☐ Type
        - ☐ Size
        - ☐ Length
        - ☐ Clearly plot and label the type of property rights the owner is claiming as a prior right (if applicable)
        - ☐ Clearly plot and label the type of proposed property rights to be supplied by the state (if applicable)
        - ☐ Show geometric features if the relocation is related to them
        - ☐ Provide a color coded legend and title block on the plan
2. ☐ One copy of a detailed itemized estimate of cost showing, as a minimum the following:
    - ☐ Estimated cost of labor
    - ☐ Estimated cost of materials (list the major items of materials)
    - ☐ Estimated cost of transportation and equipment
    - ☐ Estimated cost of overhead (include a list of major components)
    - ☐ Estimated cost of any new right of way required

- ☐ Estimated credit for salvage and depreciation
- ☐ Estimated credit for betterment

The estimate submitted with the request for Specific Authorization must contain an entry for each of the items listed above. If a particular item is not applicable, a zero amount shall be shown.

Unit costs such as broad gauge units of property may be used for estimate purposes where the utility owner uses such units in its own operation. These costs normally include overhead, labor, transportation, equipment, and materials. Right of way costs and estimated credits must be given separately. If this type of estimate is used, it must be identified as a "broad gauge" estimate.

If it is not possible to obtain an adequate estimate from the owner, the local agency may prepare an estimate based on the owner's plan using current cost data from similar utility relocation work. Justification for use of an estimate prepared by the local agency must be submitted with the request.

If the estimate is to be used for a lump sum Utility Agreement, federal regulations require that it must be accurate, comprehensive, verifiable, and in sufficient detail to give a clear picture of the work involved and the cost of the individual items. The estimate should be broken down by:

- ☐ Direct labor by class, rate, and time
- ☐ Labor surcharges
- ☐ Overhead and indirect construction charges
- ☐ Materials and supplies, by item, quantity, and price
- ☐ Handling charges
- ☐ Transportation
- ☐ Equipment by size, type, rate, and time
- ☐ Preliminary engineering
- ☐ Construction engineering
- ☐ Salvage and depreciation credits
- ☐ Betterment credit
- ☐ Other items as required by 23 CFR 645

Utility owners should be advised that lump sum agreements cannot be entered into on federal-aid projects, unless the owners are prepared to supply the required detailed itemized estimate in the planning stage. Please contact the Caltrans District Utility Coordinator (via the District Local Assistance Engineer [DLAE]) for information on additional requirements and/or restrictions.

3. ☐ Copies of the proposed Utility Agreement and Notice to Owner

4. ☐ Documentation supporting owner's claim of prior rights
5. ☐ A letter of transmittal in triplicate requesting Specific Authorization containing:

   The file data including county, route, notice number, Utility Agreement number (if different), federal project number, and name of the utility owner. If both right of way and construction funds are involved, the right of way and construction federal project numbers must be shown (the Utility Agreement must also contain both numbers). If all of the work is to be performed by the highway contractor, only the construction federal project number need be shown.

   Location of the work by geographical limits.

   General description of what is to be done including a list of the major facilities involved.

A statement describing who will perform the work. In order to comply with federal requirements, the transmittal must contain one or more of the following statements as applicable:

THE WORK WILL BE PERFORMED BY:

- **The utility owner's forces:** The local agency has determined this is cost-effective and has verified the owner is qualified to perform the work in a satisfactory manner with its own personnel and equipment.
- **The utility owner's continuing contractor:** The local agency has determined this is cost-effective and verified the contract between the owner and the contractor is in writing and that similar work is regularly performed for the owner under the contract at reasonable costs.
- **Competitive bid contract**: The owner is not adequately staffed or equipped to perform the work with its own forces. The local agency will verify that the utility owner will award the contract for the work to the lowest, qualified, responsible bidder based on an appropriate solicitation.
- **The Local Agency's highway contractor**: The utility work is to be included in the local agency's highway construction contract. The local agency has determined this is the most cost-effective method.

  The local agency is responsible for making the determination and documenting within a statement, the following:

  ☐ The dates between which it is anticipated the work will be performed.

  ☐ A determination as to whether the local agency's payment standards or 23 CFR 645 payment standards are more restrictive and the reasons supporting said determination.

  ☐ An explanation of any significant difference between the existing facility and the proposed rearrangement as shown on the plans and the itemized estimate of cost. For example, if an increase in size or capacity is shown on the plans and betterment credits are not reflected in the itemized estimate, an explanation and justification must be included.

  ☐ If prior rights of the owner are involved and a Joint Use Agreement or Consent to Common Use Agreement is required, include the following statement: "Joint Use Agreement(s) or Consent to Common Use Agreement(s) will be executed by both parties, and an original copy will be retained by the local agency."

☐ If the utility will occupy any portion of the new highway right of way and does not have prior rights in the old location, include a statement that the relocation plan does not contain encroachments contrary to the policy of the authority having jurisdiction over the right of way and that the appropriate standard encroachment permit will be issued.

For local agency use, please refer to the Caltrans-approved "Report of Investigation," Form RW 13-3 in the Caltrans *ROW Manual*.

Distribution: 1) Local agency submits to DLAE

Exhibit 14-B Local Agency Utility Agreement Provisions for Federal Participation

LOCAL AGENCY UTILITY AGREEMENT PROVISIONS FOR FEDERAL PARTICIPATION

The following provisions apply to Utility Agreements on federally participating utility relocations:

1. The federal project number identification (right of way or construction, whichever is appropriate) must be stamped or typed on each copy of the Utility Agreement.
2. The Utility Agreement must contain the following:

   ☐ The basis for liability

   ☐ A description of the work

   ☐ The location of the work

   ☐ A schedule for accomplishing the work

   ☐ The method of performing the work

   ☐ Provision for an acceptable method of developing relocation costs

   ☐ The Utility Agreement must incorporate 23 CFR 645 by reference using one of the following:

   "It is understood that said highway is a federal-aid highway and accordingly, 23 CFR 645 is hereby incorporated into this Agreement."

   Where the owner protests the inclusion of 23 CFR 645:

   "It is understood that said highway is a federal-aid highway and accordingly, 23 CFR 645 is hereby incorporated into this Agreement with the understanding that provisions governing reimbursement procedures are applicable to the relationship between the local agency, the state, and the United States."

   "Incorporation of 23 CFR 645 is not required in agreements with federal agencies."

   Refer to Exhibit 14-G, "Utility Agreement Clauses," of this chapter for more utility clauses. Chapter 13, "Utility Relocation," Section 13.07.00.00 of the Caltrans *ROW Manual* may be used as a guide for the preparation of Utility Agreements.

3. Where the actual cost of the utility relocation exceeds by 25% the estimated cost included in the Utility Agreement, an amendment to the Utility Agreement must be prepared and executed.

4. The local agency must promptly submit a conformed copy of the fully executed Utility Agreement along with the "Request for FHWA Approval of Utility Agreement" (Exhibit 14-C in this chapter) to the DLAE for processing by the Caltrans District Utility Coordinator. No utility owner or consultant invoices will be processed until the Utility Agreement has been granted written FHWA Approval of Utility Agreement by Caltrans.

The following must be included with the transmittal:

☐ Two copies of the transmittal memorandum.

☐ One copy of the local agency's detailed itemized estimate of relocation cost. This is not needed if a satisfactory estimate was included with the local agency's request for Specific Authorization (Exhibit 14-C in this chapter) and there is no significant change.

☐ One set of "as built" plans, if complete, or a statement that there is no significant change anticipated from the relocation plan previously submitted in the Specific Authorization request package.

Exhibit 14-C FHWA Specific Authorization/Approval of Utility Agreement

Memorandum

To: **DEPARTMENT OF TRANSPORTATION**
LOCAL ASSISTANCE

Date :_____
File No.:_____

Attention:_____.
District DLAE

From: _____
(LOCAL AGENCY)

Subject: ☐ FHWA SPECIFIC AUTHORIZATION TO RELOCATE UTILITIES

☐ FHWA APPROVAL OF UTILITY AGREEMENT

OWNER'S NAME:

PROJECT DESCRIPTION:

NOTICE NUMBER: UA NUMBER:

E-76 ALT PROC APPROVED: STATUS CERT DATE:

RELOCATION COST ESTIMATE: $ EA:

DESCRIPTION OF RELOCATION WORK:

REMARKS:

☐ THE UTILITY RELOCATION WORK AUTHORIZED COMPLIES WITH THE PROCEDURES IN 23 CFR 645.

☐ THE UTILITY AGREEMENT APPROVED COMPLIES WITH THE PROCEDURES IN 23 CFR 645.

EFFECTIVE DATE: _____ BY: _____
District Utility Coordinator

Distribution: 1) Utility Coordinator – File, 2) DLAE – File, 3) District Utility Coordinator – File,
4) Office Chief – Federal Programs Accounting (MS-33), 5) Office Chief – Budget Federal Resources (MS- 24)
6) Office Chief – HQ RW Utilities (MS-37)

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Exhibit 14-D Notice to Owner

NOTICE TO OWNER

(Name of LOCAL AGENCY) Page 1 of 1

NOTICE TO OWNER

No. _____

COUNTY	**ROUTE/ STREET**	**POST MILE**	**PROJECT #**
(Name of the County)			
Federal Aid No.			

Owner's Plan No.	
Date:	**"On-System" Yes ☐ No ☐**

To: *(Name of the Owner)*
(Owner address)

Because of the (*Name of Local Agency's)* transportation project to *(project description),* in *(Name of the City and County),*

which affects your facilities: *(impacted facility)* as shown on Map *(number).*

You are hereby ordered to: _____.

Your work schedule shall be: from_____, 200X to _____, 200X.

Notify (*Name Project Engineer)*, telephone (999) 123-4567, _____hours prior to initial start of work, and an additional_____hours notification for subsequent starts when the work schedule is interrupted.

Liability is____ % Owner (*or Agency*) pursuant to _____.

Owner Rep: _____
Public Works Coordinator
(Rep's address if differ from the above)

cc: Resident Engineer
Permit

By _____
(Name)
Local Agency Director

THIS NOTICE DOES NOT CONSTITUTE A PERMIT. OBTAIN AN ENCROACHMENT PERMIT BEFORE STARTING WORK.

Distribution: 1) Owner, 2**)** Utility Coordinator – File, 3) RE – File
4) DLAE – File, 5) District Utility Coordinator - File

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Exhibit 14-E Report of Investigation

REPORT OF INVESTIGATION

(Name of LOCAL AGENCY)

REPORT OF INVESTIGATION

COUNTY	ROUTE	POST MILE	PROJECT #

Fed. Aid No.	
Notice to Owner No.	
Utility Owner	
Impacted Utility Facility	

This Report of Investigation is submitted for review and approval. The following support documents are attached:

Approval of FHWA Specific Authorization is ☐ is not ☐ requested.

- ☐ A copy of the Utility Relocation Plan as described in Sections 13.05.03.00 and 13.05.03.01 of the ROW Manual.
- ☐ A copy of the owner's liability claim letter.
- ☐ A copy of the owner's estimate of cost.
- ☐ A copy of the proposed Utility Agreement.
- ☐ A copy of the proposed Notice To Owner.
- ☐ A copy of the owner's prior rights claim supporting documentation.

1. PROJECT LOCATION AND DESCRIPTION:

2. LIABILITY DATA:

A. PROJECT IS AN: "On-System" ☐
"Off-System" ☐
Other ☐

B. DATES:

Route adoption: Dd/mm/yyyy (if applicable)

Freeway resolution: Dd/mm/yyyy (if applicable)

Appraisal map: Dd/mm/yyyy (if applicable)

Installation of Existing Facilities: Dd/mm/yyyy

C. UTILITY OWNER IS: Public ☐ Private ☐

.

D. EXISTING UTILITY FACILITY IS LOCATED:

	Yes	No
1) In existing State Highway right of way?	☐	☐
2) On other public way, i.e., city street?	☐	☐
3) On private property?	☐	☐
4) Intersecting installation?	☐	☐
5) Longitudinal installation?	☐	☐

E. UTILITY OWNER'S AUTHORITY FOR INSTALLATION:

1) Fee-owned land ☐
2) Recorded easement ☐
3) Unrecorded easement ☐
4) Prescriptive right ☐
5) Joint Use Agreement (JUA) or Consent to Common Use Agreement (CCUA) ☐
6) Franchise ☐
7) State permit ☐
8) County permit ☐
9) City permit ☐
10) Joint Pole Agreement* ☐
11) Other (describe below) ☐

F. Yes No

☐ ☐ Is the owner's authority for installation based on a deed (item E.1), 2), 3) or 5) above)? If **YES**, the preparer of this Report of Investigation asserts that to the best of her/his ability:

☐ ☐ The deed has been read.

☐ ☐ The description has been accurately plotted and is clearly shown on the attached plan.

☐ ☐ The title has been investigated and that:

☐ ☐ The grantor was the owner as of the date on the deed.

☐ ☐ The owner's facilities are located within the area described in the deed.

☐ ☐ The public agency has prior rights to the area described in the deed or recorded map to which the state will be the successor in interest. If **YES**, show the date the public acquired their rights and explain the nature of those rights here or in the narrative.

Yes No

G. ☐ ☐ Are there contractual obligations contained in the documents checked in item E. above that require the owner to relocate, or are there special conditions in the owner's authority for installation?

If **YES**, explain here in narrative:

_____
_____
_____
_____
_____

H. LIABILITY RECOMMENDATION IS BASED ON (check all that apply):

☐ Section _____ of the Streets and Highway Code

☐ Section _____ of the Master Contract, dated _____

☐ Water Code Section 7034

☐ Water Code Section 7035

☐ Prior and superior rights of the Utility Owner

☐ Other, explain:

I. LIABILITY APPORTIONMENT:

Agency _____ **%** **Utility Owner** _____ **%**

Explain apportionment:

3. RELOCATION PLAN DETAILS:

A. IT IS ANTICIPATED THE UTILITY WORK WILL BE COMPLETED BY:

Prior/concurrent/after construction (dd/mm/yyyy).

B. ENCROACHMENTS:

☐ There will be no encroachments within the project area.

☐ There are encroachments **and**:

Yes No

☐ ☐ All new or existing encroachments comply with current agency's Policy.
If "**NO**," a copy of the letter approving the exception to the encroachment policy is attached.

☐ ☐ The Caltrans standard Encroachment Permit will be or has been issued. If "**NO**," explain in narrative.

C. LUMP SUM:

Yes No

☐ ☐ The lump sum payment method will be used.
If "**YES**," a detailed and itemized estimate is attached.

D. THIS RELOCATION WILL BE FUNDED WITH:

Yes No

☐ ☐ Agency funds only.

☐ ☐ Federal participation in the funding.

4. THE WORK WILL BE PERFORMED BY: (check those which apply)

☐ **The utility owner's forces:** The district has determined this is cost-effective and has verified the owner is qualified to perform the work in a satisfactory manner with its own personnel and equipment.

☐ **The utility owner's continuing contractor:** The district has determined this is cost-effective and verified the contract between the owner and the contractor is in writing and that similar work is regularly performed for the owner under the contract at reasonable costs.

☐ **Competitive bid contract:** The owner is not adequately staffed or equipped to perform the work with its own forces. The district will verify that the utility owner will award the contract for the work to the lowest qualified responsible bidder based on an appropriate solicitation

☐ **State's highway contractor:** The utility work is to be included in state's highway construction contract. The district has determined this is the most cost-effective method.

5. REVIEW OF ESTIMATE:

Depreciation: $_____ ☐ None*
Salvage: $ _____ ☐ None* * If none, state why below.

6. BETTERMENT:

☐ There is no betterment.
☐ Betterment in the amount of $_____ has been identified for:

7. CERTIFICATION:

Yes No

☐ ☐ The project engineer has certified that the relocation plan will clear the project.

☐ ☐ The Utility Coordinator has reviewed the proposed relocation and has determined it is a cost-effective plan to functionally restore the utility owner's operating facilities that existed prior to the state's highway project.

8. ATTACH A NARRATIVE DISCUSSION OF THE PROPOSED UTILITY WORK TO THIS REPORT WHICH INCLUDES:

A. Description of existing utility facility and its location.
B. Discussion of owner's authority for installation of the existing utility facility.
C. Description and justification of proposed relocation plan.
D. Property rights needed.
E. Any non-standard aspects of the relocation, documents, etc.

9. THE ESTIMATED COST TO THE PROJECT IS AS FOLLOWS:

Consisting of Design funds: $ _____

Consisting of Construction funds: $ _____

Consisting of Right of Way funds: $ _____

Total: $ _____

Prepared By:

_____ Date:_____

Utility Coordinator

Approval Recommended:By:

_____ Date:_____

Agency Director

Distribution: 1) Utility Coordinator, 2) DLAE – File, 3) District Utility Coordinator - File

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Exhibit 14-F Utility Agreements

UTILITY AGREEMENTS

(Name of LOCAL AGENCY)

UTILITY AGREEMENT

County	**Route**	**P.M.**	**Project #**
Fed. Aid. No.			
Owner's File			
FEDERAL PARTICIPATION: On the Project : Yes/No **On the Utilities: Yes/No**			

UTILITY AGREEMENT NO. XXXX.xx

The (*Name of local agency)* hereinafter called "LOCAL AGENCY" proposes to *(project description)*_____on _____ Street, in ____City/Town, _____ County, California.

And: ***Owner's name***

hereinafter called "OWNER," owns and maintains *(impacted facility)* facilities; within the limits of LOCAL AGENCY's project that requires relocation of said facilities to accommodate LOCAL AGENCY's project.

It is hereby mutually agreed that:

I. WORK TO BE DONE:
(Use appropriate clause(s) in EXHIBIT 14-G, Section I)

II. LIABILITY FOR WORK
(Use appropriate clause(s) in EXHIBIT 14-G, Section II)

III. PERFORMANCE OF WORK
(Use appropriate clause(s) in EXHIBIT 14-G, Section III)
Use Clause III-6, Prevailing Wages, when applicable.

IV. PAYMENT FOR WORK
(Use appropriate clause(s) in EXHIBIT 14-G, Section IV)

V. GENERAL CONDITIONS
(Use appropriate clause(s) in EXHIBIT 14-G, Section V)

IN WITNESS WHEREOF, the above parties have executed this Agreement the day and year above written.

LOCAL AGENCY	**(OWNER)**
By: _____	By: _____
(Name) Local Agency Director	*(Name)* *(Title)*
Date: _____	Date: _____

Distribution: 1) Owner, 2) Utility Coordinator, 3) DLAE –File, 4) District Utility Coordinator – File

EXHIBIT 14-G UTILITY AGREEMENT CLAUSES

UTILITY AGREEMENT CLAUSES

Use of these clauses will reduce errors and omissions as well as save preparation, review, and approval time as the clauses have been pre-reviewed and approved by Caltrans, as well as most major Utility Owners. The clauses are numbered for each section of the Utility Agreement. The Local Agency preparing the Utility Agreement will need to select the appropriate clause(s) for each section. Some of the clauses pertain to involvement with State Highway Right of Way; a careful analysis should be made to determine which clauses would be appropriate.

Section I. Work to be Done:

I-1. Work Performed by Owner per Owner's Plan:

"In accordance with Notice to Owner No. _____ dated _____, OWNER shall _____. All work shall be performed substantially in accordance with OWNER's Plan No. _____ dated _____ consisting of _____ sheets, a copy of which is on file in the Office of the LOCAL AGENCY at _____. Deviations from the OWNER's plan described above initiated by either the LOCAL AGENCY or the OWNER, shall be agreed upon by both parties hereto under a Revised Notice to Owner. Such Revised Notices to Owner, approved by the LOCAL AGENCY and acknowledged by the OWNER, will constitute an approved revision of the OWNER's plan described above and are hereby made a part hereof. No work under said deviation shall commence prior to receipt by the OWNER of the Revised Notice to Owner. Changes in the scope of the work will require an amendment to this Agreement in addition to the revised Notice to Owner."

NOTE: Significant changes in previously approved plans and itemized estimates require a revised FHWA Specific Authorization.

I-2. Work Performed by Local Agency's Contractor per Local Agency's Plans:

"In accordance with Notice to Owner No. _____ dated _____, LOCAL AGENCY shall relocate OWNER's _____ as shown on LOCAL AGENCY's contract plans for the improvement of _____ , which by this reference are made a part hereof. OWNER hereby acknowledges review of LOCAL AGENCY's plans for work and agrees to the construction in the manner proposed.

Deviations from the plan described above initiated by either the LOCAL AGENCY or the OWNER, shall be agreed upon by both parties hereto under a Revised Notice to Owner. Such Revised Notices to Owner, approved by the LOCAL AGENCY and acknowledged by the OWNER, will constitute an approved revision of the plan described above and are hereby made a part hereof. No work under said deviation shall commence prior to receipt by the OWNER of the Revised Notice to Owner. Changes in the scope of the work will require an amendment to this Agreement in addition to the revised Notice to Owner. OWNER shall have the right to inspect the work during construction. Upon completion of the work by LOCAL AGENCY, OWNER agrees to accept ownership and maintenance of the constructed facilities and relinquishes to LOCAL AGENCY ownership of the replaced facilities."

NOTE: Whenever liability is determined pursuant to Water Code Sections 7034 or 7035, Standard Clauses I-2, 3 or 4, may be modified by the deletion of the sentence: "Upon completion of the work by LOCAL AGENCY, OWNER agrees to accept ownership and maintenance of the constructed facilities and relinquishes to LOCAL AGENCY ownership of the replaced facility." (Also Clause V-10 will need to be added to the Utility Agreement.)

I-3. Work Performed by Local Agency's Contractor per Owner's Plan:

"In accordance with Notice to Owner No. _____ dated _____, LOCAL AGENCY shall relocate OWNER's _____ as shown on OWNER's Plan No. _____ dated _____, which plans are included in LOCAL AGENCY's Contract Plans for the improvement of _____ which, by this reference are made a part hereof.

Deviations from the OWNER's plan described above initiated by either the LOCAL AGENCY or the OWNER, shall be agreed upon by both parties hereto under a Revised Notice to Owner. Such Revised Notices to Owner, approved by the LOCAL AGENCY and acknowledged by the OWNER, will constitute an approved revision of the OWNER's Plan described above and are hereby made a part hereof. No work under said deviation shall commence prior to receipt by the OWNER of the Revised Notice to Owner. Changes in the scope of the work will require an amendment to this Agreement in addition to the revised Notice to Owner. OWNER shall have the right to inspect the work by LOCAL AGENCY's contractor during construction. Upon completion of the work by LOCAL AGENCY, OWNER agrees to accept ownership and maintenance of the constructed facilities and relinquishes to LOCAL AGENCY ownership of the replaced facilities."

NOTE: See NOTE under Clause I-2.

I-4. Work Performed by Both Owner and Local Agency's Contractor per Owner's Plan:

"In accordance with Notice to Owner No. _____ dated _____, OWNER shall _____ _____. All work shall be performed substantially in accordance with OWNER's Plan No. _____ dated _____ , consisting of _____ sheets, a copy of which is on file in the Office of the LOCAL AGENCY at _____."

"Deviations from the OWNER's plan described above initiated by either the LOCAL AGENCY or the OWNER, shall be agreed upon by both parties hereto under a Revised Notice to Owner. Such Revised Notices to Owner, approved by the LOCAL AGENCY and acknowledged by the OWNER, will constitute an approved revision of the OWNER's plan described above and are hereby made a part hereof. No work under said deviation shall commence prior to receipt by the OWNER of the Revised Notice to Owner. Changes in the scope of the work will require an amendment to this Agreement in addition to the revised Notice to Owner."

"It is mutually agreed that the LOCAL AGENCY will include the work of _____ as part of the LOCAL AGENCY's highway construction contract. OWNER shall have access to all phases of the work to be performed by the LOCAL AGENCY for the purpose of inspection to ensure that the work being performed for the OWNER is in accordance with the specifications contained in the highway contract. Upon completion of the work performed by LOCAL AGENCY, OWNER agrees to accept ownership and maintenance of the constructed facilities and relinquishes to LOCAL AGENCY ownership of the replaced facilities."

NOTE: See NOTE under Clause I-2.

Section II. Liability for Work:

II-1. Local Agency's Expense – California Streets and Highways Code (S&HC), Section 702 or 703:

"The existing facilities are lawfully maintained in their present location and qualify for relocation at LOCAL AGENCY's expense under the provisions of Section (702) or (703) of the Streets and Highways Code."

II-2. Local Agency's Expense - S&HC 704:

"This is a second or subsequent relocation of existing facilities within a period of ten years; therefore, relocation is at LOCAL AGENCY's expense under the provisions of Section 704 of the Streets and Highways Code."

II-3. Local Agency's Expense - Superior Rights:

"Existing facilities are located in their present position pursuant to rights superior to those of the LOCAL AGENCY and will be relocated at LOCAL AGENCY's expense."

II-4. Local Agency's Expense - Service Line on Private Property:

"The facilities are services installed and maintained on private property required for highway purposes and will be relocated at LOCAL AGENCY's expense."

II-5. Local Agency's Expense - Prescriptive Rights:

"The existing facilities are located in their present position pursuant to prescriptive rights prior and superior to those of the LOCAL AGENCY and will be relocated at LOCAL AGENCY's expense."

II-6. Owner's Expense - Encroachment Permit:

"The existing facilities are located within the LOCAL AGENCY's right of way under permit and will be relocated at OWNER's expense under the provisions of Sections (673) and (680) of the Streets and Highways Code."

II-7. Owner's Expense - Trespass:

"The existing facilities are located within the LOCAL AGENCY's right of way in trespass and will be relocated at OWNER's expense."

II-8. Local Agency or Prorated Expense – Right of Way Contract:

"The existing facilities described in Section I above will be relocated (at LOCAL AGENCY's expense) (at _____% LOCAL AGENCY expense and _____% OWNER expense) as set forth in Right Of Way Contract No. _____ dated _____."

II-9. Local Agency or Prorated Expense - Master Agreement:

"The existing facilities described in Section I above will be relocated (at LOCAL AGENC's expense) (at _____% LOCAL AGENCY's expense and _____% OWNER's expense) in accordance with (Section _____ of the Master Agreement dated _____) (Sections _____ of the Master Agreement dated _____ in accordance with the following proration: _____ _____)."

NOTE: Where liability for portions of the utility facility to be relocated will be based on different sections of the Master Agreement, the equation used to develop the overall percentage of liability is to be included in the Agreement.

II-10. Prorated Expense - No Master Agreement:

"The existing facilities described in Section I above will be relocated at _____% LOCAL AGENCY's expense and _____% OWNER's expense in accordance with the following proration: _____."

NOTE: Insert the equation used to develop the overall percentage of liability for the relocation following the word "proration."

II-11 Liability in Dispute - Deposit is not a Waiver of Rights

"Ordered work described as _____ is in dispute under Section _____ of the Streets and Highways Code. In signing this AGREEMENT neither LOCAL AGENCY nor OWNER shall diminish their position nor waive any of their rights nor does either party accept liability for the disputed work. LOCAL AGENCY and OWNER reserve the right to have liability resolved by future negotiations or by an action in a court of competent jurisdiction."

NOTE: The appropriate Payment for Work clause (IV-1, 2, 8 or 9) must also be modified by inclusion of "after final liability determination" and "immediately following 90 days."

Section III. Performance of Work:

III-1. Owner's Forces or Continuing Contractor Performs Work:

"OWNER agrees to perform the herein-described work with its own forces or to cause the herein described work to be performed by the OWNER's contractor, employed by written contract on a continuing basis to perform work of this type, and to provide and furnish all necessary labor, materials, tools, and equipment required therefore; and to prosecute said work diligently to completion."

III-2. Owner Performs Work by Competitive Bid Process:

"OWNER agrees to cause the herein described work to be performed by a contract with the lowest qualified bidder, selected pursuant to a valid competitive bidding procedure, and to furnish or cause to be furnished all necessary labor, materials, tools, and equipment required therefore, and to prosecute said work diligently to completion."

III-3. Local Agency's Contractor Performs All or Portion of Work:

"OWNER shall have access to all phases of the relocation work to be performed by LOCAL AGENCY for the purpose of inspection to ensure that the work is in accordance with the specifications contained in the Highway Contract; however, all questions regarding the work being performed will be directed to LOCAL AGENCY's Resident Engineer for their evaluation and final disposition."

III-4. Owner to Hire Consulting Engineer:

"Engineering services for locating, making of surveys, preparation of plans, specifications, estimates, supervision, inspection, _____ (delete or add services as established by the Owner's Agreement with the consultant) are to be furnished by the consulting engineering firm of _____ on a fee basis previously approved by LOCAL AGENCY. Cost principles for determining the reasonableness and allowability of consultant costs shall be determined in accordance with 48 CFR, Chapter 1, Part 31."

III-5. Owner and Local Agency's Contractor Performs Work:

"OWNER agrees to perform the herein described work, excepting that work being performed by the LOCAL AGENCY's highway contractor, with its own forces and to provide and furnish all necessary labor, materials, tools, and equipment required therefore, and to prosecute said work diligently to completion."

III-6. Prevailing Wages Requirements for Contracted Work:

"Pursuant to Public Works Case No. 2001-059 determination by the California Department of Industrial Relations dated October 25, 2002, work performed by OWNER's contractor is a public work under the definition of Labor Code Section 1720(a) and is therefore subject to prevailing wage requirements. OWNER shall verify compliance with this requirement in the administration of its contracts referenced above."

Section IV. Payment for Work:

IV-1. Owner Operates Under PUC or FCC Rules:

"The LOCAL AGENCY shall pay its share of the actual cost of the herein described work within 90 days after receipt of OWNER's itemized bill in quintuplicate, signed by a responsible official of OWNER's organization and prepared on OWNER's letterhead, compiled on the basis of the actual cost and expense incurred and charged or allocated to said work in accordance with the uniform system of accounts prescribed for OWNER by the California Public Utilities Commission (PUC) or Federal Communications Commission (FCC), whichever is applicable."

"It is understood and agreed that the LOCAL AGENCY will not pay for any betterment or increase in capacity of OWNER's facilities in the new location and that OWNER shall give credit to the LOCAL AGENCY for all accrued depreciation on the replaced facilities and for the salvage value of any material or parts salvaged and retained or sold by OWNER."

NOTES:

(1) **When a lump sum payment method is to be used, substitute Clause IV-8 or IV-9 as appropriate for Clause IV-1 or IV-2 and IV-3.**

(2) See Clause IV-10 for work being done by Local Agency's contractor.

IV-2. Owner Does Not Operate Under PUC or FCC Rules:

"The LOCAL AGENCY shall pay its share of the actual cost of the herein described work within 90 days after receipt of OWNER's itemized bill in quintuplicate, signed by a responsible official of OWNER's organization and prepared on OWNER's letterhead, compiled on the basis of the actual cost and expense. The OWNER shall maintain records of the actual costs incurred and charged or allocated to the project in accordance with recognized accounting principles."

"It is understood and agreed that the LOCAL AGENCY will not pay for any betterment or increase in capacity of OWNER's facilities in the new location and that OWNER shall give credit to the LOCAL AGENCY for all accrued depreciation on the replaced facilities and for the salvage value of any material or parts salvaged and retained or sold by OWNER."

NOTES:

(1) Section 705 of the S&H Code states that publicly owned sewers on freeways do not need to give credits for accrued depreciation. In these cases the following words "... for all accrued depreciation on the replaced facilities and …" shall be eliminated from the second paragraph above.

(2) See Clause IV-1 for work done being done by Local Agency's contractor.

IV-3. For All Owners - Progress/Final Bills:

"Not more frequently than once a month, but at least quarterly, OWNER will prepare and submit progress bills for costs incurred not to exceed OWNER's recorded costs as of the billing date less estimated credits applicable to completed work. Payment of progress bills not to exceed the amount of this Agreement may be made under the terms of this Agreement. Payment of progress bills which exceed the amount of this Agreement may be made after receipt and approval by LOCAL AGENCY of documentation supporting the cost increase and after an Amendment to this Agreement has been executed by the parties to this Agreement."

"The OWNER shall submit a final bill to the LOCAL AGENCY within 180 days after the completion of the work described in Section I above. If the LOCAL AGENCY has not received a final bill within 180 days after notification of completion of OWNER's work described in Section I of this Agreement, and LOCAL AGENCY has delivered to OWNER fully executed Director's Deeds, Consents to Common Use or Joint Use Agreements as required for OWNER's facilities; LOCAL AGENCY will provide written notification to OWNER of its intent to close its file within 30 days and OWNER hereby acknowledges, to the extent allowed by law that all remaining costs will be deemed to have been abandoned."

"The final billing shall be in the form of an itemized statement of the total costs charged to the project, less the credits provided for in this Agreement, and less any amounts covered by progress billings. However, the LOCAL AGENCY shall not pay final bills, which exceed the estimated cost of this Agreement without documentation of the reason for the increase of said cost from the OWNER. If the final bill exceeds the OWNER's estimated costs solely as the result of a revised Notice to Owner as provided for in Section I, a copy of said revised Notice to Owner shall suffice as documentation."

"In any event if the final bill exceeds 125% of the estimated cost of this Agreement, an amended Agreement shall be executed by the parties to this Agreement prior to the payment of the OWNERS final bill. Any and all increases in costs that are the direct result of deviations from the work described in Section I of this Agreement shall have the prior concurrence of LOCAL AGENCY."

"Detailed records from which the billing is compiled shall be retained by the OWNER for a period of three years from the date of the final payment and will be available for audit in accordance with Contract Cost Principals and Procedures as set forth in 48 CFR, Chapter 1, Part 31 by LOCAL AGENCY and/or Federal Auditors."

NOTES:

(1) See NOTE under Clause IV-1.

(2) Audit standards of 48 CFR, Part 31 have been accepted as Caltrans standard for all projects.

(3) Under Clause 1V-3, regarding the standard 180 days for Owner to submit a final bill, the Local Agency can negotiate a shorter time frame in which the Owner must submit their final bill.

IV-4. Advance of Funds - Local Agency Liability:

"OWNER, at the present time, does not have sufficient funds available to proceed with the relocation of OWNER's facilities provided for herein. It is estimated that the cost of the work provided for by this Agreement and, as hereinafter set forth, is the sum of $_____. LOCAL AGENCY agrees to advance to OWNER the sum of $_____ to apply to the cost of the work to be undertaken as provided hereinabove. Said sum of $_____ will be deposited by the LOCAL AGENCY with OWNER within 45 days after execution of the Agreement by the parties hereto and upon receipt of an OWNER's bill for the advance."

"It is further agreed that upon receipt of the monies agreed upon to be advanced by LOCAL AGENCY herein, OWNER will deposit said monies in a separate interest-bearing account or trust fund in State or National Banks in California having the legal custody of said monies in accordance with and subject to the applicable provisions of Section 53630, et seq., of the Government Code, and all interest earned by said monies advanced by LOCAL AGENCY and deposited as provided for above shall be credited to LOCAL AGENCY."

"In the event actual relocation costs as established herein are less than the sum of money advanced by LOCAL AGENCY to OWNER, OWNER hereby agrees to refund to LOCAL AGENCY the difference between said actual cost and the sum of money so advanced. In the event that the actual cost of relocation exceeds the amount of money advanced to OWNER, in accordance with the provisions of this Agreement, LOCAL AGENCY will reimburse OWNER said excess costs upon receipt of five (5) copies of an itemized bill as set forth herein."

NOTE: Generally, advance of funds should not exceed 90% of the Agreement amount due to possible credits for depreciation, salvage, etc. No funds should be advanced to cover owner initiated betterments.

IV-5. Loan of Funds - Owner Liability:

"OWNER recognizes its legal obligation to relocate its facility at its own cost, but at the present time does not have sufficient funds available to proceed with the relocation of OWNER's facilities provided for herein. It is estimated that the cost of the work provided for by this Agreement, and as hereinafter set forth, is the sum of $_____. LOCAL AGENCY agrees to advance to OWNER the sum of $_____, in accordance with Section 706 of the Streets and Highways Code, to apply to the cost of the work to be undertaken as provided hereinabove. Said sum of $_____ will be deposited by the LOCAL AGENCY with OWNER within 45 days after execution of the Agreement by the parties hereto and upon receipt of an OWNER's bill for the advance. It is understood that OWNER shall pay interest upon receipt of said advance. The rate of interest shall be the rate of earnings of the California Surplus Money Investment Fund and computation shall be in accordance with Section 1268.350 of the Code of Civil Procedure."

IV-6. Agreement for Identified Betterments:

"It is understood that the relocation as herein contemplated includes betterment to OWNER's facilities by reason of increased capacity in the estimated amount of $_____ (which represents _____% of the estimate dated _____. Said _____% shall be applied to the actual cost of work done) and OWNER shall credit the LOCAL AGENCY for the actual cost of said betterment; all of the accrued depreciation and the salvage value of any materials or parts salvaged and retained by OWNER."

IV-7. Local Agency Performs Work - Owner Requested Betterments:

"The LOCAL AGENCY shall perform the work under Section I above at no expense to OWNER except as hereinafter provided."

"It is understood that the relocation as herein contemplated includes betterment to OWNER's facilities by reason of increased capacity in the estimated amount of $_____, said amount to be deposited upon demand in the _____ Office of the LOCAL AGENCY prior to the time that the subject freeway/highway contract bid is opened by the LOCAL AGENCY. The final betterment payment shall be calculated based upon the actual quantities installed as determined by the LOCAL AGENCY's engineer and the current cost data as determined from the records of the OWNER. In addition, the OWNER shall credit the LOCAL AGENCY at the time of the final bill for all the accrued depreciation and the salvage value of any material or parts salvaged and retained by the OWNER."

IV-8. Lump Sum/Flat Sum Billing Agreements (Excluding SBC):

"Upon completion of the work, and within 90 days after receipt of OWNER's bill in quintuplicate, signed by a responsible official of OWNER's organization and prepared on OWNER's letterhead, LOCAL AGENCY will pay OWNER the lump sum amount of $_____. The above lump sum amount has been agreed upon between the LOCAL AGENCY and the OWNER and includes any credits due the LOCAL AGENCY for betterment, depreciation and salvage."

NOTE: For lump sum amounts in excess of $25,000, the following clause should be added.

"LOCAL AGENCY and OWNER further agree that for lump sum payments in excess of $25,000 the LOCAL AGENCY shall have the option of performing an informal audit of OWNER's detailed records from which the billing is compiled. The purpose of LOCAL AGENCY's audit shall be to establish the continued acceptability of using lump sum payments for high cost relocations and shall not in any way affect the amount or acceptability of the lump sum amount herein agreed to. OWNER shall keep supporting detailed records available for LOCAL AGENCY review for a period of one year following OWNER's submittal of final bill."

IV-9. Lump- Sum/Flat Sum SBC Billing Agreements:

"Upon completion of the potholing and relocation work, and within 90 days after receipt of OWNER's bill in quintuplicate, signed by a responsible official of OWNER's organization, and prepared on OWNER's letterhead; LOCAL AGENCY will pay OWNER the lump sum amount of $_____. The above lump sum amount for the physical relocation work has been agreed upon between the LOCAL AGENCY and the OWNER and includes any credits due the LOCAL AGENCY for betterment, depreciation, and salvage."

"In addition to the amount specified above, the LOCAL AGENCY will pay the OWNER an additional amount of $_____ for each pothole location requested by the LOCAL AGENCY in order to determine the location of the OWNER's facilities. It is estimated that _____ pothole locations will be required. The final cost for potholing will be the lump sum amount of $_____ per pothole location times the actual number of pothole locations."

NOTE: For lump sum amounts in excess of $25,000, the following clause should be added.

"LOCAL AGENCY and OWNER further agree that for lump sum payments in excess of $25,000 the LOCAL AGENCY shall have the option of performing an informal audit of OWNER's detailed records from which the billing is compiled. The purpose of LOCAL AGENCY's audit shall be to establish the continued acceptability of using lump sum payments for high cost relocations and shall not in any way affect the amount or acceptability of the lump sum amount herein agreed to. OWNER shall keep supporting detailed records available for LOCAL AGENCY review for a period of one year following OWNER's submittal of final bill."

IV-10. Local Agency's Contractor Performs Portion of Work-Owner Liability:

NOTE: Insert the following Clause after Clause IV-1 or IV-2.

"The OWNER shall pay its share of the actual cost of said work included in the LOCAL AGENCY's highway construction contract within 90 days after receipt of LOCAL AGENCY's bill; compiled on the basis of the actual bid price of said contract. The estimated cost to OWNER for the work being performed by the LOCAL AGENCY's highway contractor is $_____."

"In the event actual final relocation costs as established herein are less than the sum of money advanced by OWNER to LOCAL AGENCY, LOCAL AGENCY hereby agrees to refund to OWNER the difference between said actual cost and the sum of money so advanced. In the event that the actual cost of relocation exceeds the amount of money advanced to LOCAL AGENCY, in accordance with the provisions of this Agreement, OWNER hereby agrees to reimburse LOCAL AGENCY said deficient costs upon receipt of an itemized bill as set forth herein."

Section V. General Conditions:

V-1. Local Agency Liable for Review and Design Costs, and Project Cancellation Procedure Clause:

"All costs accrued by OWNER as a result of LOCAL AGENCY's request of __(date)__ to review, study and/or prepare relocation plans and estimates for the project associated with this Agreement may be billed pursuant to the terms and conditions of this Agreement."

"If LOCAL AGENCY's project which precipitated this Agreement is canceled or modified so as to eliminate the necessity of work by OWNER, LOCAL AGENCY will notify OWNER in writing, and LOCAL AGENCY reserves the right to terminate this Agreement by Amendment. The Amendment shall provide mutually acceptable terms and conditions for terminating the Agreement."

V-2. For All Owners - Notice of Completion:

"OWNER shall submit a Notice of Completion to the LOCAL AGENCY within 30 days of the completion of the work described herein."

V-3. Owner to Acquire New Rights of Way:

"Total consideration for rights of way to be acquired by OWNER for this relocation shall not exceed (e.g., $2,500) unless prior approval is given by the LOCAL AGENCY. Said property shall be appraised and acquired in accordance with lawful acquisition procedures."

NOTE: A reasonable easement cost limitation should be stated to preclude excessive acquisition cost.

V-4. Local Agency to Provide New Rights of Way Over State Lands:

"Such Easement Deeds as deemed necessary by the LOCAL AGENCY will be delivered to OWNER conveying new rights of way for portions of the facilities relocated under this Agreement over available LOCAL AGENCY owned property outside the limits of the highway right of way."

"LOCAL AGENCY's liability for the new rights of way will be at the proration shown for the relocation work involved under this Agreement."

NOTE: New rights of way means a right of way described in the same language as found in the OWNER's document by which it acquired, or held, its original right of way.

V-5. Local Agency to Provide New Rights of Way Over Private Lands:

"LOCAL AGENCY will acquire new rights of way in the name of either the LOCAL AGENCY or OWNER through negotiation or condemnation and when acquired in LOCAL AGENCY's name, shall convey same to OWNER by Easement Deed. LOCAL AGENCY's liability for such rights of way will be at the proration shown for relocation work involved under this Agreement."

NOTE: New rights of way means a right of way described in the same language as found in the OWNER's document by which it acquired, or held, its original right of way. In those cases where the OWNER requests acquisition be made in their name, it will be permissible to negotiate or condemn in their name; provided the OWNER has the power to condemn and the Local Agency has OWNER's consent for condemnation on OWNER's behalf. The above paragraph should be revised accordingly.

V-6. Joint Use Agreement (JUA) or Consent to Common Use Agreement (CCUA) to be issued:

"Where OWNER has prior rights in areas which will be within the highway right of way and where OWNER's facilities will remain on or be relocated on LOCAL AGENCY highway right of way, a Joint Use Agreement or Consent to Common Use Agreement shall be executed by the parties."

V-7. Master Agreement Specifies Equal Replacement Rights:

"Upon completion of the work to be done by LOCAL AGENCY in accordance with the above-mentioned plans and specifications, the new facilities shall become the property of OWNER, and OWNER shall have the same rights in the new location that it had in the old location."

V-8. Federal-Aid Clause - No Master Agreement:

"It is understood that said highway is a federal-aid highway and accordingly, 23 CFR 645 is hereby incorporated into this Agreement."

V-9. Federal-Aid Clause - Master Agreement:

"It is understood that said highway is a federal-aid highway and accordingly, 23 CFR Part 645 is hereby incorporated into this Agreement by reference; provided, however, the provisions of any agreements entered into between the LOCAL AGENCY and the OWNER pursuant to state law for apportioning the obligations and costs to be borne by each, or the use of accounting procedures prescribed by the applicable federal or state regulatory body and approved by the Federal Highway Administration (FHWA), shall govern in lieu of the requirements of said 23 CFR Part 645."

NOTE: The FHWA allows liability to be determined in accordance with the terms of Master Agreements in lieu of otherwise applicable S&H Code sections.

V-10. Facilities Replaced per Liability Determination Under Water Code Sections 7034 & 7035:

"Inasmuch as Water Code Sections (7034) and (7035) require LOCAL AGENCY to be responsible for the structural maintenance of the conduit portion of OWNER's facilities, which transports water under the highway at Engineer's Station _____, LOCAL AGENCY will repair or replace the conduit portion of OWNER's facilities, which lies within the LOCAL AGENCY highway right of way when such becomes necessary unless such repair or replacement is made necessary by negligent or wrongful acts of the OWNER, its agents, contractors or employees; provided that the OWNER shall keep the conduit clean and free from obstruction, debris, and other substances so as to ensure the free passage of water in said conduit. In no event shall LOCAL AGENCY be liable for any betterment, change, or alteration in said facility made by or at the request of the OWNER for its benefit."

NOTE: See NOTE under Clause I-2 and Section 13.11.05.01 of the ROW Manual.

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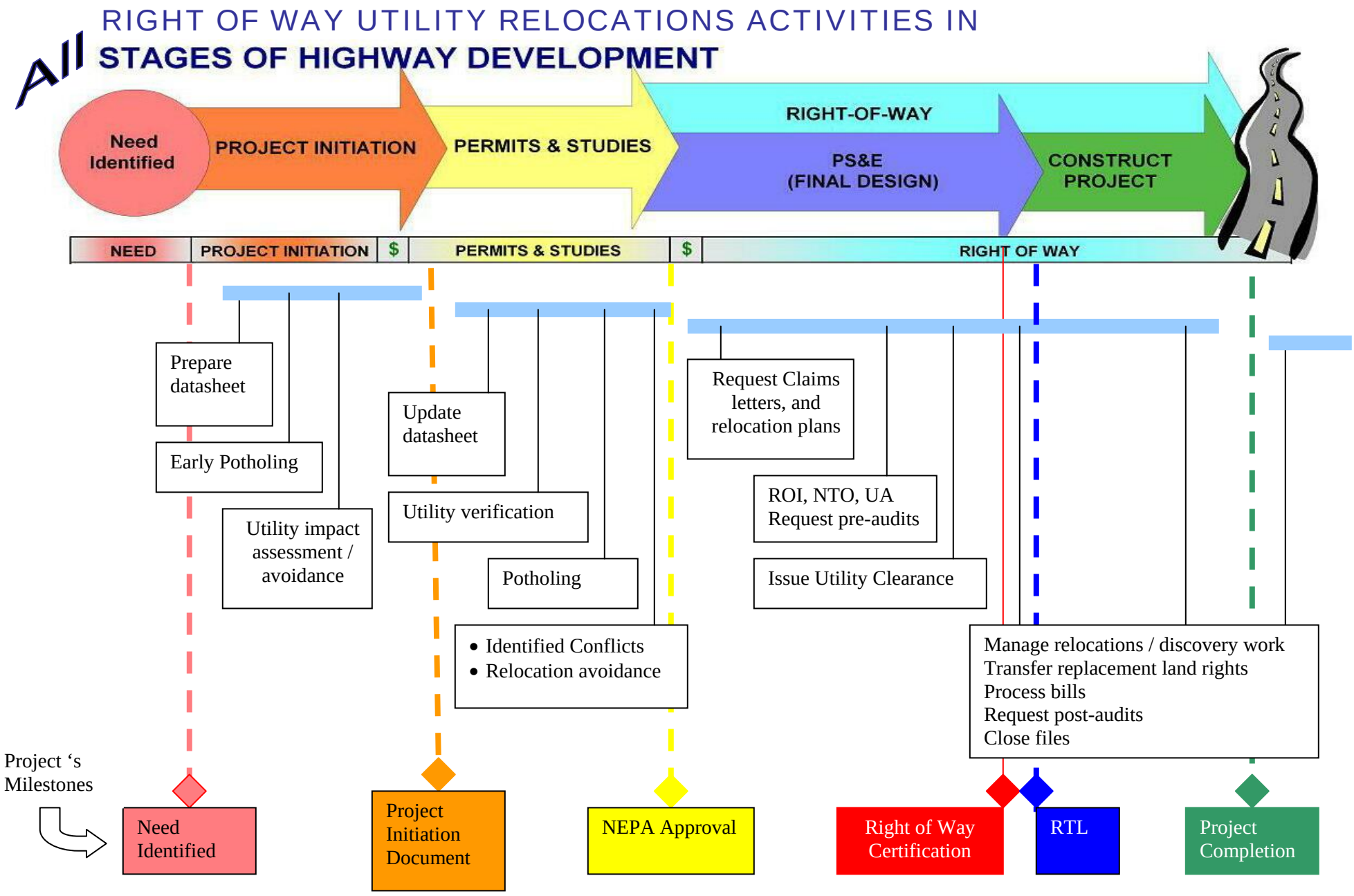
RIGHT OF WAY UTILITY RELOCATIONS ACTIVITIES IN
All
STAGES OF HIGHWAY DEVELOPMENT
Need Identified
PROJECT INITIATION
PERMITS & STUDIES
RIGHT-OF-WAY
PS&E (FINAL DESIGN)
CONSTRUCT PROJECT
NEED
PROJECT INITIATION
$
PERMITS & STUDIES
$
RIGHT OF WAY
Prepare datasheet
Early Potholing
Utility impact assessment / avoidance
Update datasheet
Utility verification
Potholing
• Identified Conflicts
• Relocation avoidance
Request Claims letters, and relocation plans
ROI, NTO, UA Request pre-audits
Issue Utility Clearance
Manage relocations / discovery work
Transfer replacement land rights
Process bills
Request post-audits
Close files
Project 's Milestones
Need Identified
Project Initiation Document
NEPA Approval
Right of Way Certification
RTL
Project Completion

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CHAPTER 15 ADVERTISE AND AWARD PROJECT

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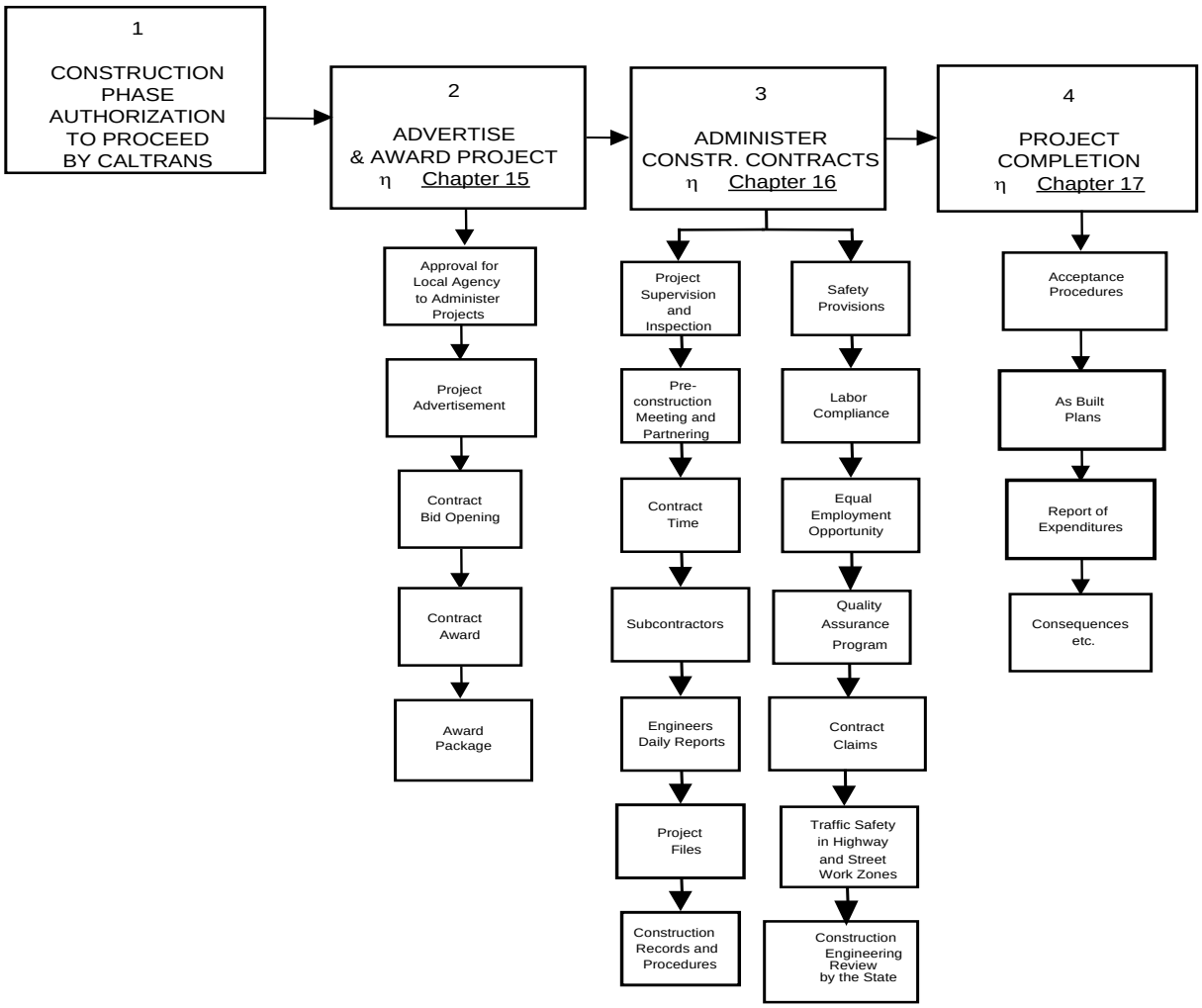
CHAPTER 15 ADVERTISE AND AWARD PROJECT

15.1 INTRODUCTION

This chapter, Chapter 16, "Administer Construction Contract," and Chapter 17, "Project Completion," are for use by local agencies who administer federal-aid construction projects under an "Administering Agency-State Agreement." These three chapters replace the previously issued *Local Programs Manual, Volume II*, titled "Contract Administration Procedures." When a locally sponsored project funded with federal-aid is within the state right of way (R/W) and the State (Caltrans) is the administering agency, the state's *Construction Manual* is normally used.

FIGURE 15-1 ADVERTISE & AWARD PROJECT



This chapter covers the activities beginning with advertising of a construction contract and continuing through the bid opening, award, and detail estimate procedures. It has been prepared mainly as a guide for administration of federal-aid contracts by local agencies. Each local agency Resident Engineer should be familiar with the contents of this chapter, Chapter 16, "Administer Construction Contract," and Chapter 17, "Project Completion" before administering such contracts.

15.2 DEFINITION OF TERMS ACRONYMS

- AASHTO - American Association of State Highway and Transportation Officials
- AC - Advance Construction
- ASTM - American Society for Testing and Materials
- Administering Agency - The state or a city, county, other public agency, or nonprofit organizations, that advertises, opens bids, awards and administers the contract. They are frequently called local agency or agency and were previously called responsible agency.
- Bid Rigging - a conspiracy to disrupt or circumvent the competitive environment by establishing a competitive advantage for certain bidders.
- CCO - Contract Change Order
- CE - Construction Engineering. This phase includes the work of project advertising[1] through construction, preparation of as-built plans, final estimates, and payments. This phase must be authorized prior to advertising, and CE must be separately identified in this authorization.
- CFR - Code of Federal Regulations
- Contingencies - An amount of funds usually a small percentage of the detail estimate, set aside for unforeseen items or quantities of work not specified in the contract documents, but required to complete the project. The percentage used for contingencies varies depending on the type and scope of work.
- Contract Administration - Includes advertising, opening bids, award, and execution of the contract; control of work and material; and making payments to the contractor.
- Contractor - The person or persons, firm, partnership, corporation, or combination thereof, who have entered into a contract with the administering agency, as party or parties of the second part of his/her or their legal representatives.
- DBE - Disadvantaged Business Enterprise. A for-profit "small business concern" that is at least 51 percent owned and controlled by one or more socially and economically disadvantaged individuals. One or more such individuals must also control the management and daily business operations. These individuals must be citizens (or lawfully admitted permanent residents) of the United States and (1) any individual who a recipient finds to be a socially and economically disadvantaged individual on a case-by-case basis, or (2) who are either Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Subcontinent Asian Americans (persons whose origin are from India, Pakistan, Bangladesh, Bhutan, Maldives Islands, Nepal or Sri Lanka), Women, or any other group found

[1] CE includes advertising only if not included in PE phase and only after authorization date.

to be socially and economically disadvantaged by the Small Business Administration (see 49 CFR, Part 26)

- Department of Transportation - The Department of Transportation of the State of California, as created by law, also referred to as Department, State, or Caltrans.
- District - A subdivision of the department organized to administer the affairs of the Department for a specific geographical area and for the local agencies in that area (see Exhibit 2-A of the LAPM).
- DLA - Division of Local Assistance (Caltrans Headquarters unit only)
- DLAE - The District Local Assistance Engineer, the individual in each district responsible for providing services and assistance to the local agencies.
- E-76 - Federal-aid Program Document titled: "Authorization to Proceed" Form.
- EA - Expenditure Authorization number
- EEO - Equal Employment Opportunity
- ER - Emergency Relief
- Finance Letter - A document required by Local Program Accounting (see Exhibit 15-N) and submitted by the administering agency to Caltrans with information required as backup for the federal-aid/state project agreement.
- Full Oversight - Projects on the Interstate that are new or reconstruction (not 3R) greater than $1 million for which FHWA has Full Oversight.
- FSTIP - Federal Statewide Transportation Improvement Program
- HPMS - Highway Performance Monitoring System
- Headquarters - The Headquarters office of the Department located at 1120 "N" St., Sacramento, CA 95814.
- Invoice - A detailed list of expenditures that an administering agency requests reimbursement for with federal funds, pursuant to the Local Agency-State Agreement (see Chapter 5, Exhibit 5-B, "Sample Federal-aid Invoice with Two Appropriations & Different Reimbursement Rates").
- ISTEA - Intermodal Surface Transportation Efficiency Act of 1991. ISTEA was an Act signed by the President on December 18, 1991, providing authorization for six (6) years for highways, highway safety, and mass transportation. ISTEA was superseded by TEA-21 in 1998 and by SAFETEA-LU in 2005.
- LRH - Last Resort Housing
- Local Agency - A California city, county or other local public agency. In many instances this term is used loosely to include nonprofit organizations
- Local Agency-State Agreement - Agreement between the State and local agency. Generally refers to the Master Agreement and all supplemental agreements (Program Supplements) to the Master Agreements. These agreements are required for the State to provide reimbursement to the local agency for all federal-aid projects.

- Locode - Numeric identifier for each local agency or administering agency (assigned by the Division of Local Assistance).
- LPP - Local Programs Procedures. Documents used for deployment of new procedures and policies between updates of Local Assistance manual, guidelines and programs. Each procedure is numbered according to calendar year and order in which released.
- MPO - Metropolitan Planning Organization
- NHS - National Highway System, a specially Designated Highway System established by the Intermodal Surface Transportation and Efficiency Act of 1991 and adopted by the United States Congress.
- Office Engineer - Chief of the Headquarters or District Office of Office Engineer. The office engineering unit is responsible for insuring that the PS&E is complete, biddable and buildable.
- PE - Preliminary Engineering, this phase includes all project initiation and development activities undertaken after its inclusion in the approved FSTIP through the completion of PS&E. It may include preliminary Right of Way engineering and investigations necessary to complete the NEPA document.
- PS&E - Plans, Specifications & Estimate
- Prequalification - The AASHTO defines prequalification as a means of predetermining job experience and work capacity and to identify individuals and organizations from which the agency may accept a bid. The AASHTO also has encouraged the use of prequalification procedures in its *1981 Suggested Guidelines for Strengthening Bidding and Contract Procedures*.
- RAP - Relocation Assistance Program
- R/W - Right of Way, This phase includes the work necessary to appraise and acquire project right of way, relocate individuals or businesses, and revise or relocate utilities.
- Report of Expenditures - Collectively refers to the following final report documents: Final Inspection of Federal-aid Project (FIF 7/96), Final Invoice, Final Detail Estimate, Change Order Summary (containing liquidated damages/contractor's claims, date of completion, date of acceptance by City or County), Final Report of Utilization of Disadvantaged Business Enterprise (DBE), Materials Certificate, and Report of Completion of Structures if bridges were constructed.
- Resident Engineer - A qualified Engineer who is empowered to administer the contract.
- S&H Code - California Streets and Highways Code
- SHA - State Highway Agency (Caltrans)
- SAFETEA-LU - Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users signed into law by President George W. Bush on August 10, 2005, with guaranteed funding for highways, highway safety, and public transportation totaling $244.1 billion. SAFETEA-LU represents the largest surface transportation investment to date. SAFETEA-LU was built on the foundation established by the two preceding Federal Transportation Acts: ISTEA and TEA-21.

- State-Authorized Project - A classification for federal-aid projects, which are not subject to FHWA review and oversight required by *Title 23 Code of Federal Regulations*. For State-Authorized federal-aid projects, the FHWA and Caltrans exercise the maximum degree of delegation of authority to local agencies (see Chapter 2, Section 2.4, "Stewardship - Letters of Agreement" and Figure 2-1, "FHWA Oversight).
- Supplemental Work - Work that is anticipated but because of its uncertainty, cannot be included as a contract item e.g., additional staking, utility work, etc. If supplemental work is determined to be needed, a change order is required to include it in the contract. This work should normally be part of the contingencies.
- Surety - A security against loss or damage or for the fulfillment of contract obligation, bond.
- TEA-21 - Transportation Equity Act for the 21st Century. Enacted on June 9, 1998, which authorized the federal surface programs for highways, highway safety, and transit for the six year period 1998-2003.
- UDBE -Underutilized Disadvantaged Business Enterprise. A firm meeting the definition of a DBE as specified in 49 CFR, Part 26 and is one of the following groups: Black American, Asian-Pacific American, Native America, or Women.

15.3 APPROVAL FOR LOCAL AGENCY TO ADMINISTER PROJECTS

MAJOR NHS PROJECTS

Caltrans must approve the local agency's construction administration procedures before a local agency can advertise the construction of a federally financed major NHS project (see Chapter 7 "Field Reviews" for the determination by the DLAE of which NHS projects will be considered major). The procedures should be discussed in general at the field review and detailed written procedures shall be approved by the DLAE before the local agency will be allowed to administer any construction contracts for the project. **Additionally, a local agency shall not advertise the project until it has received in writing an "Authorization to Proceed" with construction from Caltrans (see Chapter 3, "Project Authorization").**

The written construction administration procedures should cover the following items:

- Construction Management personnel and procedures
- Consultant use and selection
- Project advertisement, bid opening and award procedures
- Pre-Construction Procedures
- Subcontracting
- Traffic Safety procedures
- Materials Testing

- Change order review and approval procedures
- Oversight procedures if a State highway is involved
- Maintenance of records and Access
- Estimates and Progress Payment

The DLAE will consult with Headquarters DLA for assistance with the review and approval of the local agency procedures.

ALL OTHER PROJECTS

Approval by Caltrans of the local agency's construction administration procedures will not be required for all other projects. However, each agency that administers a federal-aid construction project will be required to complete a "Local Agency Construction Contract Administration Checklist" (Exhibit 15-A) before their "Request for Authorization to Proceed with Construction" will be approved. **A local agency shall not advertise a project until it has received in writing an "Authorization to Proceed" with construction from Caltrans (see Chapter 3, "Project Authorization").**

15.4 PROJECT ADVERTISEMENT

INTRODUCTION

Project advertisement may be "locally administered" or "State administered." Whenever a local agency advertises for bids, opens bids, and awards the contract, the project is considered "locally administered." This decision must be made at an early stage of the project, and before final agreement. Federal-aid projects must be advertised by either a local agency authorized to do so or by the State. **The State advertises local agency projects only on an exception basis, and with prior written approval from the District Director.** The written approval is accomplished through the execution of a cooperative agreement between the two agencies. State administered projects usually occur when the project is located on a State highway, and there is a mixture of several fund sources to finance the project construction. If the State agrees to administer a project, the procedures included in the Caltrans *Construction Manual*, Chapter II, Section 2-90, "Local Assistance Projects and Projects Funded by Others," will apply in lieu of the requirements of this manual.

On locally administered projects, the construction engineering is performed by local agency personnel, unless arrangements are made to hire a consultant. If a consultant is used, the local agency must still designate an employee of the agency as the person in responsible charge of the project. The only exception to this procedure is if the administering agency has hired a consultant on retainer to act as the City Engineer or Public Works Director. Then the consultant may act as the person in responsible charge of the project.

Construction engineering for "locally administered" projects shall be performed in accordance with the requirements found in Chapter 16, "Administer Construction Contract" of this manual.

Each local agency and all of its contractors, subcontractors, and vendors shall take all reasonable steps to assure that DBEs have equitable opportunity to compete for and perform contracts (see Chapter 9, "Civil Rights and Disadvantaged Business Enterprises").

WARNING:
No project shall be advertised for bids, nor shall any project work (by contract or other than contract) be undertaken, and no materials shall be purchased on any federal-aid project, prior to issuance of "Authorization to Proceed" by FHWA. Violation of this requirement shall result in the project being ineligible for federal funding.

Only one exception to this requirement can be made. It is for emergency relief projects involving emergency repair/opening of a facility. For more information on emergency relief projects see the *Local Assistance Program Guidelines*, Chapter 11, "Disaster Assistance".

Advertising costs shall be charged to the preliminary engineering work authorization if such authorization has been requested and has been established for the purpose of federal reimbursement.

PROCEDURES

Prior to project advertisement, the administering agency shall certify that their final PS&E package complies with all applicable federal and state regulations and procedures (see Exhibit 12-C "PS&E Certification"). Local agencies should also complete and retain the "Local Agency Project Advertising Checklist" (Exhibit 15-C) in the project files prior to requesting an Authorization to Proceed. All administering agencies must submit a completed "Request for Authorization" with the PS&E Certification before they can receive verification that construction has been authorized by Caltrans.

Upon receipt of "Authorization to Proceed" for construction by Caltrans, the local agency can proceed to advertise the project.

During the advertising period, the administering agency shall notify all prospective bidders of PS&E addenda in the same manner as all other nonfederal-aid projects. For award of federal-aid contracts, the local agency is required to certify that all bidders certify receipt of all addenda. The administering agency shall ensure free and open competition. The advertisement period is determined by the administering agency. A minimum advertisement period of three weeks is required for all federal-aid projects. Caltrans District Local Assistance Engineer may approve shorter periods in special cases where justified with a local agency Public Interest Finding (LAPM Exhibit 12-F). The advertising period begins with publication of a "Notice to Contractors" in a newspaper receiving wide local circulation. The Notice shall identify the DBE project availability advisory. The administering agency is responsible to approve and issue all addenda to the PS&E during the advertising period.

The local agency shall assure that all updated estimates are fundable from available local or federal resources.

As soon as the project is advertised, the local agency shall furnish the DLAE with one copy of the "as advertised" plans and special provisions or two copies if structures (bridges) are involved.

15.5 CONTRACT BID OPENING

INTRODUCTION

The contract bid opening is a public forum for the announcement of all bids, and is that point in time where the bids are opened and read aloud. It is also the last moment that bids can be accepted. No bids can be accepted during or after bids are opened. Normally the advertisement/bid documents will state a final time in which bids can be accepted. For the bidder, the reading of the bids confirms whether his bid is successful. For the local agency and the general public, this forum establishes the cost to build the project. The bid opening requirements as outlined below apply to all federal-aid highway construction projects.

REQUIREMENTS

FHWA policy requires all bids to be opened publicly and read aloud either item-by-item or by total amount. If a bid is not read, the bidder is to be identified and the reason for not reading the bid announced.

Reasons for not reading a bid include the bid itself being nonresponsive, often called "irregular" or the bidder is determined to be unreliable. Responsive bid and responsible bidder are defined as:

A Responsive bid is one that meets all the requirements of the advertisement and proposal, while

A Responsible bidder is one who is physically organized and equipped with the financial ability to undertake and complete the contract.

Some reasons for not reading a bid due to bidding irregularities include:

- Failure to sign the bid
- Failure to furnish the required bid bond
- Failure to include a unit bid price for each item
- Failure to include a total amount for the bid
- Failure to prepare the bid in ink
- Failure to submit a completed addenda certification statement
- Failure to submit a noncollusion affidavit
- Failure to commit to the achievement of the UDBE contract goals or demonstrate good faith efforts to do so
- Inclusion of conditions or qualifications not provided for in the specifications
- Submission of a materially unbalanced bid

The above examples do not include all possible bidding irregularities. The local agency's standard specifications govern regarding what constitutes a bidding irregularity. Accordingly, the local agency's bidding documents should clearly identify those requirements with which the bidder must comply to make the bid responsive.

Just as the bid may be rejected for being irregular or unresponsive, a bid may also be rejected on the grounds that the bidder is not a responsible bidder. A bidder may be deemed not responsible because of past unsatisfactory performance, as evidenced by failure to meet the local agency's qualification requirements, or because of State or federal suspension/debarment action. The administering agency should check to see if a contractor is suspended or debarred from federal contracts. A publication titled, *A Listing of Parties Excluded from Federal Procurement and Nonprocurement Programs* is available electronically in the internet at: http://epls.arnet.gov.

Note: Contractor's "Debarment and Suspension Certification" is part of the "Notice to Contractors and Special Provisions" boilerplate.

In summary, a successful bid opening should identify the **responsible bidder** submitting the lowest **responsive bid**.

PROCEDURES

The administering agency shall follow its own procedures for bid opening, provided such procedures include:

- As bids are received, they shall be logged in and stamped with the time and date.
- The bids shall be retained in a secure place until the designated time and place for public opening.
- All bids received in accordance with the terms of the advertisement shall be publicly opened and announced either item by item or by total amount.
- If any bid received is not read aloud, the name of the bidder and the reason for not reading the bid aloud shall be publicly announced at the bid opening.
- Negotiation with contractors, during the period following the opening of bids and before the award of the contract shall not be permitted.

If a local agency elects to prequalify contractors, the agency's prequalification procedures shall not include procedures or requirements for bonding, insurance, prequalification, qualification or licensing of contractors, which may operate to restrict competition, to prevent submission of a bid by, or to prohibit the consideration of a bid submitted by any responsible contractor, whether resident or nonresident of the State wherein the work is to be performed.

Prequalification of contractors may be required as a condition for submission of a bid or award of contract only if the period between the date of issuing a call for bids and the date of opening of bids affords sufficient time to enable a bidder to obtain the required prequalification rating. For further discussion on prequalification of bidders see: AASHTO publication on *Suggested Guidelines for Strengthening Bidding and Contract Procedures* (which is available in the FHWA *Contract Administration Core Curriculum*).

The agency's bidding procedures shall not discriminate against any qualified bidder regardless of political boundaries. No bidder shall be required to obtain a license before submitting a bid or before the bid is considered for award of a contract, which includes federal financing; however, a State contractor's license must be obtained upon award of the contract. The local agency may also withhold payment under such contract until such time as the contractor furnishes proof of a proper license in compliance with State laws. No local agency shall bid in competition with, or enter into a subcontract with private contractors. As bids are received, they shall be logged in and stamped with the time and date. The bids shall be retained in a secure place until the designated time and place for public opening.

The administering agency shall retain the following completed documents for the successful bidder in the project file:

- Local Agency Bidder UDBE Commitment (Construction Contracts) (Exhibit 15-G1)
- Local Agency Bidder DBE Information (Construction Contracts) (Exhibit 15-G2)
- A list of bidders and total amounts bid with an item-by-item breakdown (see Exhibit 15-D, "Bid Tabulation Summary Sheet [Sample]") of the three lowest bidders
- The Noncollusion Affidavit (see Chapter 12, "Plans Specifications & Estimate," Exhibit 12-E, Attachment D, "Noncollusion Affidavit")
- A Local Agency Bid Opening Checklist (Exhibit 15-I)

Where the lowest bid exceeds the engineer's estimate by an unreasonable amount as defined by established agency procedures, or where competition is considered to be poor for the size, type, and location of project, bids may be rejected unless an award of contract is justified as being in the best interest of the public. See Section 15.6, "Contract Award, Bid Analysis Process," and *FHWA Technical Advisory T 5080.4 (December 29, 1980), and T 5080.6 (December 17, 1982)* for additional information regarding bid reviews. These technical advisories can be found in the appendix to the *US DOT, FHWA pub; Contract Administration Core Curriculum.*

The administering agency shall assure that all bids submitted include a completed addenda certification statement. The addenda certification statement is as follows:

ADDENDA - This bid is submitted with respect to the changes to the contract included in addendum number/s_ (Fill in number/s if addenda have been received.)

Warning - If an addendum or addenda have been issued by the administering agency and not noted above as being received by the bidder, this Bid may be rejected.

15.6 CONTRACT AWARD

INTRODUCTION

WARNING:

No project shall be advertised for bids, nor shall any project work (by contract or other than contract) be undertaken, and no materials shall be purchased on any federal-aid project, prior to issuance of "Authorization to Proceed" by Caltrans or the FHWA. Violation of this requirement shall result in the project ineligible for federal funding.

The contract award is a critical milestone for all federal-aid projects. At this point, the administering agency must have a complete financial package assuring adequate funding for the project. The administering agency shall award federal-aid contracts on the basis of the lowest responsive and responsible bidder. It is the administering agency's responsibility to assure that all successful bidders are licensed contractors upon award of any contract incorporating State or federal-aid funds.

BID ANALYSIS PROCESS

The administering agency should conduct a **bid analysis** for each project. The bid analysis is required for projects on the National Highway System. The bid analysis is the process performed to justify the award or rejection of the bids and should assure that good competition and the lowest possible cost were received. A proper bid analysis better ensures that funds are being used in the most effective manner. A bid analysis also assists the agency in preparing accurate engineering estimates on future projects.

The bid analysis process is an examination of the unit bid prices for reasonable conformance with the engineer's estimated prices. Beyond the comparison of prices, other factors that a bid analysis may consider include:

- Number of bids
- Distribution or range of the bids
- Identity and geographic location of the bidders
- Urgency of the project
- Unbalancing of bids
- Current market conditions and workloads
- Potential for savings if the project is re-advertised
- Comparison of bid prices with similar projects in the letting
- Justification for significant bid price differences
- Other factors as warranted

The *Contract Cost Data* publication by Caltrans is available to assist local agencies in preparing accurate engineers estimates. This annual publication is available in electronic form on the Internet. Instructions for downloading this information are located at: http://www.dot.ca.gov/hq/esc/oe/awards/#item_code.

Not all of the factors above need to be considered for bids that indicate reasonable prices or show good competition. However, when the low bid exceeds the engineer's estimate by an unreasonable amount, a more thorough analysis should be undertaken to determine if the bids should be rejected or a justification for award of the contract can be made. In order to justify award of a contract under these circumstances, the following criteria should be examined:

- Was competition good?
- Is the project essential and deferral would be contrary to public interest?
- Would re-advertisement result in higher bids?
- Is there an error in the engineer's estimate?
- Is the increase within the amount programmed in the FTIP?

For NHS projects, written justification shall be included in the project file for projects where the lowest responsible bidder exceeds the engineer's estimate by 10% or more. The justification should explain the reasons for the difference between the engineer's estimate and bid amount, and why it was decided to award the contract.

Regarding the adequacy of competition, the FHWA "*Guidelines on Preparing Engineer's Estimate, Bid Reviews and Evaluatio*n" outlines recommended procedures for preparing engineer's estimates and or reviewing bids prior to award. The web site is at http://www.fhwa.dot.gov/programadmin/contracts/ta508046.cfm. Location and availability of bidders should also be considered when determining adequacy of competition. Some projects may be so essential that deferral, even for 60 days, would not be in the public's interest. Examples of such projects might include:

- Safety projects to correct an extremely hazardous condition where the traveling public is in danger.
- Emergency repairs or replacement of damaged facilities.
- Projects to close substantial gaps in otherwise completed facilities to allow opening to traffic.
- Projects that are critical to staged or phased construction and delay would significantly impact the completion of the whole project.

Unbalanced bids are one of the factors to review in a bid analysis. The two types of unbalanced bids are as follows:

- A mathematically unbalanced bid is a bid that contains lump sum or unit bid items that do not reasonably reflect the actual costs (plus reasonable profit, overhead costs, and other indirect costs) to construct the item, and

- A materially unbalanced bid is a bid that generates reasonable doubt that award to that bidder would result in the lowest ultimate cost to the government.

To detect mathematical unbalancing, the unit bid items should be evaluated for reasonable conformance with the engineer's estimate and compared with the other bids received. There are no definitive parameters (e.g., an amount or percent of variance from the engineer's estimate) that constitutes an unbalanced bid. The degree of unbalancing of a bid may depend on the reason for the unbalancing. Mathematically unbalanced bids, although not desirable, may be acceptable.

The determination of mathematically unbalanced bids may be aided by the use of one of the several computer software packages now available. However, the final decision should not preclude the use of engineering judgment. Care must also be exercised to ensure that unit bids for mobilization do not mask unbalancing. Also, "token bids" (i.e., bids with large variations from the engineer's estimate) should be considered as mathematically unbalanced bids and further evaluation and other appropriate steps should be taken to protect the public interest.

There may be situations where the quantity of an item could vary due to inaccuracies in the estimating, errors in the plans, changes in site conditions or design, etc. In such situations, the bids should be further evaluated to determine if the low bidder will ultimately yield the lowest cost. If unbalancing creates reasonable doubt that award would result in the lowest ultimate cost, the bid is materially unbalanced and should be rejected or other steps should be taken to protect the public interest.

AWARD PROCEDURES

The administering agency shall follow its normal procedures for award of the project and is delegated the authority to determine the lowest responsive/responsible bidder without concurrence to award by Caltrans or the FHWA. Written justification shall be included in the project file for all projects that are not awarded to the lowest bidder. The administering agency shall follow its normal procedures for award of the contract and assure that all federal requirements are followed. A bid analysis is not a requirement but is recommended. The administering agency shall retain the executed contract, document the award date, and the Preconstruction conference minutes. The State shall not participate in resolving disputes between the administering agency and its bidders.

It is the responsibility of the administering agency to verify with the DLAE and RTPA/MPO that the appropriate amount of federal funds is authorized before the project is awarded.

POST-AWARD REVIEWS

The administering agency should conduct post-award bid evaluations to assure against bid rigging. An adequate number of projects awarded over a sufficient time period should be evaluated. A period of approximately 5 years should be selected for an initial evaluation to determine if any abnormal competitive bid patterns exist. The following information should be considered in a post-award review for abnormal bid patterns:

- Number of contract awards to a specific firm
- Project bid tabulations
- Firms that submitted a bid and later become a subcontractor on the same project

- Rotation of firms being the successful bidder
- Consistent percentage differential in the bids
- Consistent percentage of the available work in a geographic area to one firm or to several firms over a period of time
- Consistent percentage differential between the successful bid and the engineer's estimate
- Location of the successful bidder's plant versus location of the other bidders' plants
- Variations in unit bid prices submitted by a bidder on different projects in the same bid opening
- Type of work involved
- Number of plans and proposal taken out versus the number of bids submitted
- Any other items that indicate noncompetitive bidding
- On re-advertised projects, if the eventual successful bidder was also low bidder on the first letting

TERMINATION OF CONTRACTS

(a) All NHS contracts exceeding $10,000 shall contain suitable provisions for termination by the administering agency, including the manner by which the termination will be effected and the basis for settlement. In addition, such contracts shall describe conditions under which the contract may be terminated for default as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor.

(b) Prior to termination of a federal-aid contract that is subject to FHWA Full Oversight, the administering agency shall consult with and receive the concurrence of the Caltrans DLAE. In addition, for all other federal-aid contracts the administering agency shall notify the DLAE of the termination. The extent of federal-aid participation in contract termination costs, including final settlement, depends on the merits of the individual case. However, under no circumstances shall federal funds participate in anticipated profit for work not performed.

(c) Except as provided for in paragraph (e) of this section, normal local agency federal-aid plans, specifications, estimates, advertising, and award procedures are to be followed when an administering agency awards the contract for completion of a terminated federal-aid contract.

(d) When an administering agency awards the contract for completion of a federal-aid contract previously terminated for default, the construction amount eligible for federal participation on the project should not exceed whichever amount is the lesser, either:

(1) The amount representing the payments made under the original contract plus payments made under the new contract, or

(2) The amount representing what the cost would have been if the construction had been completed as contemplated by the plans and specifications under the original contract.

(e) If the surety awards a contract for completion of a defaulted federal-aid contract, or completes it by some other acceptable means, the FHWA considers the terms of the original contract in effect and that the work be completed in accordance with the approved plans and specifications included therein. No further FHWA approval or concurrence action is therefore needed in connection with any defaulted federal-aid contract awarded by a surety. Under this procedure, the construction amount eligible for federal participation on the project should not exceed the amount representing what the cost would have been, if the construction had been completed as contemplated by the plans and specifications under the original contract.

15.7 AWARD PACKAGE

The administering agency shall complete and forward the following information as **one** package to the DLAE immediately after award of the contract and prior to submitting the first invoice of the construction phase:

- The Local Agency Contract Award Checklist (Exhibit 15-L in this chapter)
- Detail Estimate (Exhibit 15-M in this chapter)
- Finance Letter (Exhibit 15-N in this chapter)
- Resident Engineer's Construction Contract Administration Checklist (see Exhibit 15-B in this chapter)
- Copy of the Local Agency Bidder DBE Information (Construction Contracts) (Exhibit 15-G2 in this chapter)

The purpose of the Local Agency Award Checklist is to minimize delays in processing payments for federal-aid projects.

A "Detail Estimate" (see Exhibit 15-M) and "Finance Letter" (see Exhibit 15-N) must be prepared outlining all project costs by Improvement Type Code. From the information contained in the Detail Estimate, Division of Local Assistance will prepare a revised Authorization to Proceed (E-76), which automatically updates the funding agreement between Caltrans and FHWA. If the award amount is more, or significantly less than the amount estimated at the time of authorization, the administering agency should submit a revised E-76 and revised Finance Letter to the DLAE along with the Award Package.

NOTE: If the amount of federal funds obligated and agreed to in the "Authorization to Proceed (E-76) " is less than the full pro-rata share, the federal reimbursement ratio used in the Detail Estimate and subsequent progress invoices will be held at the ratio of federal funds to total project funds authorized in the E-76. That ratio may be increased in the final Detail Estimate and Final invoice up to the full pro-rata share to utilize the full amount of federal funds authorized.

The local agency and State personnel involved shall ensure timely processing of the Master Agreement, Program Supplement, Detail Estimate, and Finance Letter. The local agency is responsible for ensuring that the various forms are complete and accurate.

If at any time during construction, the project cost is expected to overrun, the administering agency must submit a Revised Detail Estimate **along with a request for modification of the Authorization to Proceed (E-76)**, and a revised Finance Letter. The Revised Detail Estimate should include the effects of all change orders and anticipated changed work through the end of the contract. This is to avoid future revisions.

It is the administering agencies responsibility to ensure that there are enough federal-aid funds programmed by their MPO/RTPA (STP, TEA, or CMAQ) or Caltrans (HSIP, HBP, ER, and RRX), to cover an increase due to a revised detail estimate. If additional federal funds are required, the local agency must obtain written approval from the MPO/RTPA or Caltrans prior to submitting a Revised Detail Estimate.

The Resident Engineer assigned to the project shall complete and sign the Resident Engineer's Construction Contract Administration Checklist. The purpose of this checklist is to assure that the resident engineer is familiar with the federal requirements before the project starts. Deficiencies in contract administration procedures discovered by process reviews are difficult to correct "after the fact." If the project has proceeded to the point that a deficiency cannot be corrected, federal and/or state funds may be withdrawn.

The DLAE shall perform a review of these documents for correct format and obvious errors and/or omissions. Complete and accurate documents will be forwarded to the DLA. The master agreement and program supplement must be executed prior to reimbursement. Invoices from the administering agency for the construction phase will be processed for reimbursement only after the project award information is submitted.

15.8 REFERENCES

23 USC 112
23 USC 114(a)
23 CFR 635
23 CFR part 40
23 CFR 630 Subpart C
49 CFR 26
California Public Contract Code, Chapter 6, Section 6100
California Public Contract Code Section 7106
FHWA TA T 5080.4, *Preparing Engineer's Estimate and Reviewing Bids* - 1980
FHWA TA T 5080.6 *Guidelines on Contract Procedures with Emphasis on Bid Reviews and Evaluation* - 1982
DOT, FHWA 1997 *Contract Administration Core Curriculum*
FHWA *Final Report Process Review on Competition in Bidding and Engineer's Estimate Review* - 1991
US DOT/US Dept. of Justice, *Suggestions for the Detection and Prevention of Construction Contract Bid Rigging* - 1983
AASHTO *Suggested Guidelines for Strengthening Bidding and Contract Procedures* - 1981
SAFETEA-LU Web site: http://www.fhwa.dot.gov/safetealu/index.htm

EXHIBIT 15-A LOCAL AGENCY CONSTRUCTION CONTRACT ADMINISTRATION CHECKLIST

Local Agency _____

I ADVERTISE AND AWARD PROJECT

A. Project Advertisement

☐ Projects are not advertised until the Authorization to Proceed (E-76) for the construction phase has been approved by Caltrans FHWA.

☐ For all Federal-aid projects, a minimum of three weeks for project advertisement is required (15.4 "Project Advertisement").

B. Contract Bid Opening

☐ All bids are opened publicly and read aloud either item-by-item, or by total amount. If a bid is not read, the bidder is to be identified and the reason for not reading the bid announced (15.5 "Contract Bid Opening")

The following documents will be completed and retained in the project files.

☐ For federal-aid projects, a list of bidders and total amount bid with an item-by-item breakdown (Exhibit 15-D, "Sample Bid Tabulation Summary Sheet") of the three lowest bidders.

☐ Bidders' list to be compiled from prime and subcontractors bidding or quoting on contract.

☐ If the goal is specified, Local Agency Bidder UDBE Commitment (Construction Contracts) (Exhibit 15-G1).

☐ EEO Certification (Exhibit 12-E, Attachment C), The Noncollusion Affidavit (Exhibit 12-E, Attachment D), Non-Lobbying Certification (Exhibit 12-E, Attachment F), Disclosure of Lobbying Activities (Exhibit 12-E, Attachment G)

☐ Local Agency Bid Opening Checklist (Exhibit 15-I)

C. Contract Award

☐ Contracts are awarded on the basis of the lowest responsive bid from a responsible bidder (15.6 "Contract Award").

☐ For all NHS projects, a bid analysis will be performed (15.6 "Contract Award").

☐ No negotiations with contractor occurred prior to award (not allowed).

The following documents will be forwarded to the Caltrans District Local Assistance Engineer immediately after award of the contract:

☐ Contract Award Checklist (Exhibit 15-L)

☐ Detail Estimate (Exhibit 15-M)

☐ Local Agency Bidder DBE Information (Construction Contracts) (Exhibit 15-G2)

☐ Finance Letter

☐ RE's Checklist

D. Subcontracting

☐ For all federal-aid transportation projects, at least 30% of the contract work is to be performed by the prime contractor (see Chapter 16, Section 16.6 "Subcontractors")

_____ _____

Local agency's person in "Responsible Charge" (date)

Distribution: (1) Original Local Agency Project File
(2) One copy - DLAE

EXHIBIT 15-B RESIDENT ENGINEER'S CONSTRUCTION CONTRACT ADMINISTRATION CHECKLIST

This form is to be completed and signed by the local agency's Resident Engineer and submitted with Local Agency's Award Package

This form was created to help local agency Resident Engineers with the administration of the federal-aid projects. This list does not contain all the federal-aid requirements for administration of federal-aid projects. Resident Engineers are advised to review the *Local Assistance Procedures Manual* to be familiar with all the federal-aid requirements.

This form shall be used as reference if the local agency's federal-aid project is subject to a Process Review.

Local Agency Name _____

Federal-aid Project No. _____

1. Contract Staffing:

☐ Names and titles of all staff assigned to the contract shall be in the contract files and shall be adequate (see Chapter 16, Section 16.3 "Project Supervision and Inspection").

☐ Date of Pre-construction Conference (Attendees list in contract file)_____

2. Authorization:

☐ Date of the "Authorization to Proceed with Construction" _____
(Shall be prior to date project was advertised)

☐ Date the project was advertised _____

3. Contract Files:

☐ Files shall be in an established order and separate from other contracts (see Chapter 16, Section 16.8 "Project Files").

Check one of the following: Index used on this project is ☐ Local agency's standard for all jobs, or
☐ For federal-aid jobs only.

4. Resident Engineer's/Construction Inspectors Daily Diaries:

☐ Shall be current, thorough and neat with detailed information on all work performed (see Chapter 16, Section 16.7 "Engineer's Daily Reports").

5. Construction Records and Accounting Procedures:

☐ Detail Estimate(s) and Finance Letter(s) are in the project files.

☐ Amount of federal-aid funds encumbered for the project, _____

☐ Program Supplemental Agreement is in the project files.

Distribution: 1) Local Agency Project File
2) DLAE (please put on first page only)

☐ There shall be source documents supporting progress payments made to Contractor.

☐ There shall be separate item sheets for each contract item paid.

☐ There shall be a procedure for Administrative or Labor Compliance deductions.

☐ Invoices to the State shall match progress payments made to the Contractor.

6. Contract Time:

☐ A method shall be established to determine contract time (see Chapter 16, Section 16.5 "Contract Time").

7. Labor Compliance:

☐ Certified payrolls shall be spot-checked against daily diaries and prevailing wages (see Chapter 16, Section 16.11 "Labor Compliance").
Local agency's Labor Compliance Officer: _____

8. EEO:

☐ Maintain records to ensure EEO requirements are performed and documented in contract record (see Chapter 16, Section 16.12 "Equal Employment Opportunity").

Local agency's EEO Compliance Officer: _____

9. EEO/Wage Rate/False Statements Posters:

☐ Federal posters shall be posted for every worker to see at, or near, the contractor's office at the construction site or at the workers central gathering point.

10. Employee Interviews:

☐ There shall be employee interviews conducted (see Chapter 16, Exhibit 16-N).

11. OJT: (Refer to Chapter 12, Section 12.9, pages 12-23 thru 25 of the LAPM)

☐ Is the job less than 100 working days? Yes ☐ No ☐

If Yes, proceed to Item #12. If No, answer the questions below.

What is the total dollar amount of the items listed on page 12-24: $_____

What is the required number of trainees for this contract? _____

☐ Documentation will be retained in project files to account for the apprentices on the job.

12. DBE:

☐ UDBE Contract Goal Percentage:_____

☐ Local Agency's DBE Liaison Officer:_____

☐ Verified that copies of the completed Local Agency Bidder UDBE Commitment (Construction Contracts) (Exhibit 15-G1) and the Local Agency DBE Information (Construction Contracts) (Exhibit 15-G2) have been submitted to the DLAE immediately upon award.

☐ A copy of the Contractor's completed Local Agency Bidder UDBE Commitment (Construction Contracts) (Exhibit 15-G1) in project files.

☐ A copy of the Contractor's completed Local Agency Bidder DBE Information (Construction Contracts) (Exhibit 15-G2) in project files.

☐ Contractor has been provided "Monthly DBE Trucking Verification" Form (see Chapter 16, Exhibit 16-Z, of the LAPM)

13. CCOs/CLAIMs:

☐ A CCO approval process shall be established. For NHS projects, major change orders will be approved by DLAE prior to performance of work (see Chapter 16, Section 16.13 "Contract Change Orders").

☐ There shall be a list of the approved CCOs.

☐ All CCOs shall note federal-aid eligibility or not.

☐ Pending claims to be identified and documentation in contract file

14. Traffic Safety in Highway and Street Work Zones:

☐ Traffic Control Plan (TCP)/Traffic Management Plan (TMP) in the PS&E? Yes ☐ No ☐
(see Chapter 16, Section 16.6 "Traffic Safety in Highway and Street Work Zones")
Comments:

Responsible Person _____ (if not the RE)

☐ Local Agency shall field review the project to see that the TCP agrees with the actual conditions.

☐ Local Agency shall be analyzing construction work site accidents for the purpose of correcting deficiencies which might be found to exist on these projects and to improve the content of future TCPs.

15. Materials Files:

☐ The Quality Assurance Program (QAP) is in the project files (see Chapter 16, Section 16.14 "Quality Assurance Program").

☐ There shall be procedures for and filing of: (if appropriate)

Notice of Materials to be used
Certifications of Compliance
"Buy America" Requirements

☐ Acceptance Sampling and Testing Reports shall be in the files.

☐ There shall be a "Summary Log" of tests.

☐ Frequency tables shall be used.

☐ Failed tests shall be documented in the files with cross references to re-tests.

☐ Resident Engineer shall review all test reports.

16. Environmental

☐ The approved NEPA document is in the project files.

☐ The construction project shall adhere to the mitigation requirements in the approved NEPA document.

17. For Projects on the State Highway System

☐ A Caltrans Encroachment Permit has been issued.

☐ Local Agency shall comply with State's Representative's oversight requirements.

_____ _____

Local Agency's Resident Engineer agency employee or Consultant, (Consultants on retainer are considered Local Agency employees)

Local Agency's person in "Responsible (Local) Charge" if Resident Engineer is a Consultant.

Date: _____

EXHIBIT 15-C LOCAL AGENCY PROJECT ADVERTISING CHECKLIST

Project:_____
DIST-----CO-----RTE------PM------Agency

Federal Project #_____

Location:_____

Limits:_____

	YES	NO	NOT APPLICABLE
PS&E Review	[ ]	[ ]	[ ]
Are the following complete?			
Mitigation commitments incorporated	[ ]	[ ]	[ ]
Right of Way Certification	[ ]	[ ]	[ ]
Design	[ ]	[ ]	[ ]
Traffic (Electrical/Signing/Striping)	[ ]	[ ]	[ ]
Materials	[ ]	[ ]	[ ]
Landscaping	[ ]	[ ]	[ ]
Hydraulics	[ ]	[ ]	[ ]
Permits	[ ]	[ ]	[ ]
Bridge Plans	[ ]	[ ]	[ ]
Are all encroachments permits obtained?	[ ]	[ ]	[ ]
Are design exceptions approved?	[ ]	[ ]	[ ]
Is material testing and sampling arranged?	[ ]	[ ]	[ ]
DBE Annual Submittal Form approved?	[ ]	[ ]	[ ]
Is there force account work for this project?	[ ]	[ ]	[ ]
Is agency furnished material approved?	[ ]	[ ]	[ ]
Are the federal funds for construction authorized?	[ ]	[ ]	[ ]
Has a fund allocation been approved by the California Transportation Commission (if required)?	[ ]	[ ]	[ ]
Have a complete set of Plans and Special Provisions been sent to the Caltrans District Local Assistance Engineer (two copies if structures (bridges) are involved)?	[ ]	[ ]	[ ]

How long is the advertisement period?_____

Reviewed by:_____
(Name of Local Agency Representative)
Title:_____
Date: _____

Distribution: Local Agency Project File

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EXHIBIT 15-D BID TABULATION SUMMARY SHEET (SAMPLE)

Project Information: _____
DIST----------CO----------RTE----------PM----------Agency

Federal Project Number: _____

Location: _____

Limits: _____

Bid Opening date: _____ Estimated Award date: _____		Engineers Estimate		Bidder # 1 Name		Bidder # 2 Name		Bidder # 3 Name	
Item #	Bid Item & Quantity	Unit Price	Cost	Unit Price	Cost	Unit Price	Cost	Unit Price	Cost

Distribution: For NHS projects: (1) Original-Caltrans DLAE, (2) Copy - Local Agency Project File
For Non-NHS projects: None

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EXHIBIT 15-G1 LOCAL AGENCY BIDDER UDBE COMMITMENT (CONSTRUCTION CONTRACTS)

NOTE: PLEASE REFER TO INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM

LOCAL AGENCY: _____ LOCATION: _____

PROJECT DESCRIPTION: _____

TOTAL CONTRACT AMOUNT: $ _____

BID DATE: _____

BIDDER'S NAME: _____

CONTRACT UDBE GOAL**:** _____

CONTRACT ITEM NO.	ITEM OF WORK AND DESCRIPTION OR SERVICES TO BE SUBCONTRACTED OR MATERIALS TO BE PROVIDED (or contracted if the bidder is a UDBE)	UDBE CERT NO. AND EXPIRATION DATE	NAME OF EACH UDBE (Must be certified on the date bids are opened - include UDBE address and phone number**)**	DOLLAR AMOUNT UDBE

For Local Agency to Complete:

Local Agency Contract Number: _____

Federal-aid Project Number: _____

Federal Share: _____

Contract Award Date: _____

Local Agency certifies that all UDBE certifications have been verified and information is complete and accurate.

_____ _____ _____
Print Name Signature Date
Local Agency Representative

(Area Code) Telephone Number: _____

Total Claimed UDBE Participation

$_____

_____%

_____
Signature of Bidder

_____
Date (Area Code) Tel. No.

_____
Person to Contact (Please Type or Print)

Local Agency Bidder UDBE Commitment (Construction Contracts)
(Rev 6/26/09)

Distribution: (1) Original – Local agency files

INSTRUCTIONS - LOCAL AGENCY BIDDER
UDBE COMMITMENT (CONSTRUCTION CONTRACTS)

ALL BIDDERS:

PLEASE NOTE: It is the bidder's responsibility to verify that the UDBE(s) falls into one of the following groups in order to count towards the UDBE contract goal: 1) African Americans; 2) Asian-Pacific Americans; 3) Native Americans; 4) Women. This information may be submitted with your bid. If it is not, and you are the apparent low bidder or the second or third low bidder, it must submitted and received as specified in the Special Provisions. Failure to submit the required UDBE commitment will be grounds for finding the bid nonresponsive

A UDBE is a firm meeting the definition of a DBE as specified in 49 CFR and is one of the following groups: African Americans, Asian-Pacific Americans, Native Americans, or Women.

The form requires specific information regarding the construction contract: Local Agency, Location, Project Description, Total Contract Amount, Bid Date, Bidder's Name, and Contract UDBE Goal.

The form has a column for the Contract Item Number and Item of Work and Description or Services to be Subcontracted or Materials to be provided by UDBEs. Prime contractors shall indicate all work to be performed by UDBEs including, if the prime is a UDBE, work performed by its own forces, if a UDBE. The UDBE shall provide a certification number to the Contractor and expiration date. Enter the UDBE prime's and subcontractors' certification numbers.The form has a column for the Names of UDBE contractors to perform the work (who must be certified on the date bids are opened and include the UDBE address and phone number).

IMPORTANT: Identify **all** UDBE firms participating in the project regardless of tier. Names of the First-Tier UDBE Subcontractors and their respective item(s) of work listed should be consistent, where applicable, with the names and items of work in the "List of Subcontractors" submitted with your bid.

There is a column for the UDBE participation dollar amount. Enter the Total Claimed UDBE Participation dollars and percentage amount of items of work submitted with your bid pursuant to the Special Provisions. (If 100% of item is not to be performed or furnished by the UDBE, describe exact portion of time to be performed or furnished by the UDBE.) See Section "Disadvantaged Business Enterprise (DBE)," of the Special Provisions (construction contracts), to determine how to count the participation of UDBE firms.

Exhibit 15-G1 must be signed and dated by the person bidding. Also list a phone number in the space provided and print the name of the person to contact.

Local agencies should complete the Local Agency Contract Award, Federal-aid Project Number, Federal Share, Contract Award Date fields and verify that all information is complete and accurate before signing and filing.

EXHIBIT 15-G2 LOCAL AGENCY BIDDER DBE INFORMATION (CONSTRUCTION CONTRACTS)

(Inclusive of all DBEs including the UDBEs listed at bid proposal)

NOTE: PLEASE REFER TO INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM

LOCAL AGENCY: _____ LOCATION: _____

PROJECT DESCRIPTION: _____

TOTAL CONTRACT AMOUNT: $_____

BID DATE: _____

BIDDER'S NAME: _____

CONTRACT UDBE GOAL: _____

CONTRACT ITEM NO.	ITEM OF WORK AND DESCRIPTION OR SERVICES TO BE SUBCONTRACTED OR MATERIALS TO BE PROVIDED (or contracted if the bidder is a DBE)	DBE CERT NO. AND EXPIRATION DATE	NAME OF EACH DBE (Must be certified on the date bids are opened - include DBE address and phone number)	DOLLAR AMOUNT DBE

For Local Agency to Complete:

Local Agency Contract Number: _____

Federal-aid Project Number: _____

Federal Share: _____

Contract Award Date: _____

Local Agency certifies that all DBE certification have been verified and Information is complete and accurate.

_____ _____ _____
Print Name Signature Date
Local Agency Representative

(Area Code) Telephone Number: _____

Total Claimed DBE Participation $_____

_____%

_____
Signature of Bidder

_____
Date (Area Code) Tel. No.

_____
Person to Contact (Please Type or Print)

For Caltrans Review:

_____ _____ _____
Print Name Signature Date
Caltrans District Local Assistance Engineer

Local Agency Bidder DBE Information (Construction Contarcts)
(Rev 6/26/09)

Distribution: (1) Copy – Fax or scan a copy to the Caltrans District Local Assistance Engineer (DLAE) within 15 days of contract execution. Failure to send a copy to the DLAE within 15 days of contract execution may result in de-obligation of funds for this project.
(2) Copy – Include in award package to Caltrans District Local Assistance
(3) Original – Local agency files

INSTRUCTIONS - LOCAL AGENCY BIDDER DBE INFORMATION (CONSTRUCTION CONTRACTS)

SUCCESSFUL BIDDER:

The form requires specific information regarding the construction contract: Local Agency, Location, Project Description, Total Contract Amount, Bid Date, Bidder's Name, and Contract UDBE Goal.

The form has a column for the Contract Item Number and Item of Work and Description or Services to be Subcontracted or Materials to be provided by DBEs. Prime contractors shall indicate all work to be performed by DBEs including work performed by its own forces, if a DBE.The DBE shall provide a certification number to the Contractor and expiration date. Enter DBE prime and subcontractors certification number. The DBE contractors should notify the Contractor in writing with the date of the decertification if their status should change during the course of the contract. The form has a column for the Names of DBE certified contractors to perform the work (must be certified on the date bids are opened and include DBE address and phone number.

IMPORTANT: Identify **all** DBE firms participating in the project--including all UDBEs listed on the UDBE Commitment form (Exhibit 15-G1), regardless of tier. Names of the First-Tier DBE subcontractors and their respective item(s) of work listed should be consistent, where applicable, with the names and items of work in the "List of Subcontractors" submitted with your bid.

There is a column for the DBE participation dollar amount. Enter the Total Claimed DBE Participation dollars and percentage amount of items of work submitted with your bid pursuant to the Special Provisions. (If 100% of item is not to be performed or furnished by the DBE, describe exact portion of time to be performed or furnished by the DBE.) See Section "Disadvantaged Business Enterprise (DBE)," of the Special Provisions (construction contracts) to determine how to count the participation of DBE firms.

Exhibit 15-G2 must be signed and dated by the successful bidder. Also list a phone number in the space provided and print the name of the person to contact.

Local agencies should complete the Local Agency Contract Number, Federal-aid Project Number, Federal Share, Contract Award Date fields and verify that all information is complete and accurate before signing and sending a copy of the form to the District Local Assistance Engineer within 15 days of contract execution. Failure to submit a completed and accurate form within the 15-day time period may result in the de-obligation of funds on this project.

District DBE Coordinator should verify that all informations is complete and accurate. Once the information has been verified, the **District Local Assistance Engineer** signs and dates the form.

EXHIBIT 15-H UDBE INFORMATION —GOOD FAITH EFFORTS

UDBE INFORMATION - GOOD FAITH EFFORTS

Federal-aid Project No. _____ Bid Opening Date _____

The _____(City/County of)_____established an Underutilized Disadvantaged Business Enterprise (UDBE) goal of _____% for this project. The information provided herein shows that a good faith effort was made.

Lowest, second lowest and third lowest bidders shall submit the following information to document adequate good faith efforts. Bidders should submit the following information even if the "Local Agency Bidder UDBE Commitment" form indicates that the bidder has met the UDBE goal. This will protect the bidder's eligibility for award of the contract if the administering agency determines that the bidder failed to meet the goal for various reasons, e.g., a UDBE firm was not certified at bid opening, or the bidder made a mathematical error.

Submittal of only the "Local Agency Bidder UDBE Commitment" form may not provide sufficient documentation to demonstrate that adequate good faith efforts were made.

The following items are listed in the Section entitled "Submission of UDBE Commitment" of the Special Provisions:

A. The names and dates of each publication in which a request for UDBE participation for this project was placed by the bidder (please attach copies of advertisements or proofs of publication):

Publications	Dates of Advertisement

B. The names and dates of written notices sent to certified UDBEs soliciting bids for this project and the dates and methods used for following up initial solicitations to determine with certainty whether the UDBEs were interested (please attach copies of solicitations, telephone records, fax confirmations, etc.):

Names of UDBEs Solicited	Date of Initial Solicitation	Follow Up Methods and Dates

C. The items of work which the bidder made available to UDBE firms including, where appropriate, any breaking down of the contract work items (including those items normally performed by the bidder with its own forces) into economically feasible units to facilitate UDBE participation. It is the bidder's responsibility to demonstrate that sufficient work to facilitate UDBE participation was made available to UDBE firms.

Items of Work	Bidder Normally Performs Item (Y/N)	Breakdown of Items	Amount ($)	Percentage Of Contract

_____
_____
_____

D. The names, addresses and phone numbers of rejected UDBE firms, the reasons for the bidder's rejection of the UDBEs, the firms selected for that work (please attach copies of quotes from the firms involved), and the price difference for each UDBE if the selected firm is not a UDBE:

Names, addresses and phone numbers of rejected UDBEs and the reasons for the bidder's rejection of the UDBEs:

_____
_____
_____
_____

Names, addresses and phone numbers of firms selected for the work above:

_____
_____
_____
_____

E. Efforts made to assist interested UDBEs in obtaining bonding, lines of credit or insurance, and any technical assistance or information related to the plans, specifications and requirements for the work which was provided to UDBEs:

_____
_____
_____
_____

F. Efforts made to assist interested UDBEs in obtaining necessary equipment, supplies, materials or related assistance or services, excluding supplies and equipment the UDBE subcontractor purchases or leases from the prime contractor or its affiliate:

_____
_____
_____
_____

G. The names of agencies, organizations or groups contacted to provide assistance in contacting, recruiting and using UDBE firms (please attach copies of requests to agencies and any responses received, i.e., lists, Internet page download, etc.):

Name of Agency/Organization	Method/Date of Contact	Results

H. Any additional data to support a demonstration of good faith efforts (use additional sheets if necessary):

_____
_____

NOTE: USE ADDITIONAL SHEETS OF PAPER IF NECESSARY.

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EXHIBIT 15-I LOCAL AGENCY BID OPENING CHECKLIST

Project Information: _____
DIST----------CO----------RTE----------PM----------Agency

Federal Project Number: _____

Location: _____

Limits: _____

Bid opening date and time	
Bid opening by	Name:
Bids publicly opened and read aloud?	(Yes/No)
Addenda certified by	
Advertisement date	
Engineers Estimate Compared?	(Yes/No)
Low Bidder Name	
Amount	
Number of Bidders	
Bid irregularities?	(Yes/No)
Noncollusion affidavit included (Exhibit 12-E, Attachment D)?	(Yes/No)
Low Bid signed?	(Yes/No)
Local Agency Bidder UDBE Commitment (Construction Contracts) included (Exhibit 15-G1)	(Yes/No
All Addenda certified by all bidders?	(Yes/No)

Reviewed by: _____
(Name of Local Agency Representative)

Title: _____

Date: _____

Distribution: Original- Local Agency Project File

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EXHIBIT 15-L LOCAL AGENCY CONTRACT AWARD CHECKLIST

Project Sponsor: _____

Federal-aid project #: _____

Location: _____
DIST-------CO-------(Road/Street or RTE)-------PM-------Agency

Limits: _____
(Physical limits reference post miles or intersections)

Has Caltrans issued an "Authorization to Proceed" in writing with federal funds included for construction, and is the amount correct?	(yes/no)
Copy of engineers estimate:	to be attached
Is material testing and sampling arranged?	(yes/no)
Copy of low bidder's proposal:	to be attached
Low Bid signed in ink?	(yes/no)
Is a Good Faith Effort Statement of UDBE Participation included in the low bidder's proposal?	(yes/no)
Only required if UDBE goal is not achieved (Exhibit 15-H)	not applicable
Local Agency Bidder UDBE Commitment included (Exhibit 15-G1	to be attached
Is the Noncollusion Affidavit (Chapter 12, "PS&E," Exhibit 12-E, Attachment D) included in the low bidders' proposal?	(yes/no)
Is the Bid summary (itemized bids for 3 lowest bidders) complete?	(yes/no)
Addendum procedures adhered to?	(yes/no)
TIP information, Authorized amount	$ amount
Include TIP page number or amendment number here:	
Bid opening procedures were adhered to?	(yes/no)
Date DLA's Federal Wage Rate website was checked for updates *	date
Date of bid opening	date
Date of award	date
Amount of award	$ amount
Detail Estimate (Exhibit 15-M):	to be attached
Finance Letter (Exhibit 15-N):	to be attached
Resident Engineer's Construction Contract Administration Checklist	to be attached
Is successful bidder licensed?	(yes/no)

Reviewed by: _____
(SIGNATURE OF LOCAL AGENCY REPRESENTATIVE)

_____
(NAME PRINTED OR TYPED)

Title: _____

Date: _____

Phone Number: _____

NOTE: If the answer is " No" to any of the above questions, a letter of explanation is required. The DLAE shall review the explanation and determine if the local agency is eligible for federal funds.

* **If the date listed is more than 10-calendar days before bid opening, local agency must provide documentation that web site was subsequently checked within the 10-calendar day period or after bid opening, and there were no changes in the applicable federal wage rates.**

Distribution: For all NHS Projects 1) Original plus one copy –DLAE
2) Copy- Local Agency Project files

EXHIBIT 15-M DETAIL ESTIMATE

File:_____
Federal Project No.:_____
Project Location:_____
Date: _____

To be used as a basis of agreement for Federal-aid Project #(1)_____
in the City/County of(2)_____
_____
_____
_____

Construction Authorization Date:(3)_____,200___
Type: (4)
Preliminary Engineering (Authorization Date:(5)_____, 200___

Right of way (Acquisition Authorization Date:(6)_____, 200 __
Acquisition (No. Parcels _____) $_____
RAP
(number homes _____) $_____
(number businesses _____) $_____
LRH (Parcel No. Name _____) $_____
TOTAL COST $(7)_____

Utilities (Authorization Date:(8) _____, 200 __
Total Cost $_____

Improvement Type Code: (9)_____ Length (10)_____(miles)

Item Estimate (11)

ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	AMOUNT
1	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	$
2	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	$
3	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	$
”	”	”	”	”	”
”	”	”	”	”	”

Subtotal Contract Items	$_____
Agency/State Furnished Materials	$(12)_____
Force Account (Day Labor) - striping, etc.	$_____
Total	$_____
Contingencies (Including supplemental work)	$(13)_____
Contract Total	$_____
Construction Engineering	$(14)_____
TOTAL COST	$_____

Distribution: All Projects: (1) Original + 4 copies-Caltrans District Local Assistance Engineer. (2) Copy-Local Agency Project File

DETAIL ESTIMATE SUMMARY (15)

	Total Cost	Participating Cost	Federal Funds	Other Funds
Preliminary Engineering	$_____	$_____	$_____	$_____
Right of way	$_____	$_____	$_____	$_____
Construction: Improvement type Code _____	$_____	$_____	$_____	$_____
Code _____	$_____	$_____	$_____	$_____
Construction Engineering:	$_____	$_____	$_____	$_____
Total Cost	$_____	$_____	$_____	$_____

Contract Items Participating = $(16)_____ = _____%

Contract Items nonparticipating = $_____ = _____%

Total = $_____ = 100.00 %

* Reimbursement Ratio: (17) _____%

Appropriation Code(s) (18)

Name/Date Prepared_____

* Reimbursement ratios may vary within each phase of work such as Emergency Relief PE for Emergency Repair (100%) and PE for restoration (88.53%). In these cases, the detailed estimate shall include two separate lines of preliminary engineering.

Distribution: All Projects (1) Original + 4 copies-Caltrans District Local Assistance Engineer.
(2) Copy-Local Agency Project File

DETAIL ESTIMATE INSTRUCTIONS

1. File
   - Fill in project identification
     example: Dist-County-Rte-City: 07-LA-0-LA
   - Federal-aid Project #: STPL-5006(023)
   - Federal-aid Program: Surface Transportation Program, population > 200,000
2. Project Location
   - Fairly detailed (list intersections or project limits, etc.) Should agree with Authorization to Proceed
3. Construction Authorization Date
   - FHWA/Caltrans authorization date on the Authorization to Proceed
4. Type
   - General type of work (signalization, widening, construct four-lane divided street, etc.) Chapter 3, "Project Authorization," Exhibit 3-F-(Item 38)
5. P.E. Authorization
   - FHWA/Caltrans authorization date on the Authorization to Proceed
6. Right of way Authorization
   - FHWA/Caltrans authorization date on the Authorization to Proceed
7. Right of way Costs
   - Total for project
8. Utility Authorization
   - FHWA/Caltrans authorization date on the Authorization to Proceed
9. Improvement Type Code

01 New Construction Roadway	23 Transit
03 Reconstruction, Added Capacity	24 Traffic Management/Eng. HOV
04 Reconstruction, No added Capacity	26 Ferry Boats
05 4R Maintenance Resurfacing	28 Facilities for Pedestrian & Bicycle *
06 4R Maintenance-Restoration & Rehab	29 Acquisition of Scenic Easements *
07 4R Maintenance-Relocation	30 Scenic or Historic Highway Prog. *
08 Bridge, New Construction	31 Landscaping & Scenic Beautification*
10 Bridge Repl. Added Capacity **	32 Historic Preservation*
11 Bridge Repl. No Added Capacity **	33 Rehab & Operation of Historic Facility*
13 Bridge Rehab. Added Capacity **	36 Archeological Plan & Research *
14 Bridge Rehab. No Added Capacity **	37 Mitigation of Water Pollution*
15 Preliminary Engineering *	38 Safety & Education of Ped. Bike*
16 Right of Way	39 Establishment of Transp. Museum*
17 Construction Engineering *	40 Special Bridge*
18 Planning	42 Training
20 Environmental Only	43 Utilities
21 Safety	44. Other
22 Rail/Highway Crossing	45Debt Service

*Transportation Enhancement Projects must use these Types of Improvements.
**Projects using these Improvement Types must report a National Bridge Inventory Structure Number.

10. Length
    - Length in miles (to nearest 0.1) is required for roadway codes and for bridge codes
    - Measured along center line
    - Not required for "Miscellaneous" codes

11. Item Estimate
    - List Each bid item per sample format
    - Separate by "improvement type code" as noted above in item # 9. (should be same as preliminary estimate)
    - Place nonparticipation work directly following participating work of similar codes
    - Separate as "not part of Federal-aid Project" that work which is beyond project limits of federal participation but is being done under the same contract

12. State/Agency Furnished Materials
    - List each item and cost of all items or expenses that are to be furnished by other than contractor
    - Should agree with items listed in Special Provisions and Plans

13. Contingencies
    - Generally 5% to 10%
    - FHWA does not want supplemental work segregated from contingencies
    - If large amount of supplemental work, 10% may be exceeded, but contingencies should always be at least 5%
    - Separate for each code, etc.

14. Construction Engineering
    - Separate for each code, etc.
    - Indicate staking, construction trailer, etc., if claimed for reimbursement

15. Detail Estimate Summary
    - Summary generally broken down only between P.E., Construction, and Right of way
    - Improvement Type Codes and nonparticipating involved, must be outlined in summary
    - Calculate P.E., Construction (by code) and Right of way separately at appropriate reimbursement ratio
    - Federal funds share of phase cannot be more than the fund reimbursement ratio times the participating costs. (Always round down to the nearest dollar).

16. Federal Participation Calculation
    - Use contract items only

17. Reimbursement Ratio (Federal) (See list in Chapter 3, "Project Authorization")
    - Use current ratio
    - Project ratio if under funded

18. Program Code(s) (Federal) NOTE: Formerly known as Appropriation Code(s)
    - Program code(s) applicable to the program(s) involved (see list in Chapter 3, "Project Authorization")

19. Revised Detail Estimate or Modification
    - Required when federal funds are to be changed from what was previously under agreement
    - Changes can be accomplished by updating item costs, supplemental work, contingencies, etc.
    - Change Title to "Revised Detail Estimate."
    - Must remain consistent with FTIP/FSTIP rules
    - Wording to be changed in Item 2 by adding "To be used as basis <u>for modification</u> of agreement for federal-aid project."
    - Remaining instructions are unchanged

EXHIBIT 15-N FINANCE LETTER

DEPARTMENT OF TRANSPORTATION
DIVISION OF ACCOUNTING
LOCAL PROGRAM ACCOUNTING BRANCH

ATTN: _____

Date: _____
Agency: _____
Fed Project No.: _____
EA No.: _____
PPNO.: _____
Bridge No : _____

Work on State Highway (Y or N): _____ **If yes, provide following:**
Administered by State or Local? _____
Project Manager Name: _____
Accounting Program Code(s): _____
Coop or Contribution Agrmnt No.: _____

	TOTAL COST OF WORK	FEDERAL PARTICIPATIN COST	FEDERAL FUND TYPE (1)	FEDERAL FUND TYPE (2)	STATE MATCH FUNDS	LOCAL MATCH FUNDS	OTHER FUNDS
PRELIMINARY ENGINEERING							
Agency Preliminary Engineering							
State Furnished Preliminary Engineering							
Overhead at _____ %							
RIGHT OF WAY (R/W)							
Purchase Costs							
Relocation Assistance /Utility							
CONSTRUCTION							
Contract Items _____							
Utilities _____							
Supplemental Work _____							
Contingencies _____							
Trainees _____							
Agency/State Furn. Mat. _____							
Contract Total: _____							
CONSTRUCTION ENGINEERING							
Agency Construction Engineering							
State Furnished Construction Engineering							
Overhead at _____ %							
State Furnished Materials Testing							
Overhead at _____ %, Subjob _____							
Striping by Agency							
Force Account Work by Agency							
TOTALS:							

Federal Participation: _____
Federal Appn. Code(s): _____
Federal Reimbursement Rate(s) for Progress Invoice:

PHASE	FED (1)	FED (2)
PE		
R/W		
CON		

Certification

I certify that this Finance Letter accurately reflects the current cost estimate for all phases of the project obligated but not fully expended.

Signature : _____
Title : _____
Project location : _____

For questions regarding finance letter, contact:
Printed Name: _____
Telephone No.: _____

Distribution: 1) Original + 4 copies- DLAE
2) Copy- Local Agency Project File

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CHAPTER 16 ADMINISTER CONSTRUCTION CONTRACTS

CONTENTS

SECTION/SUBJECT PAGE NUMBER

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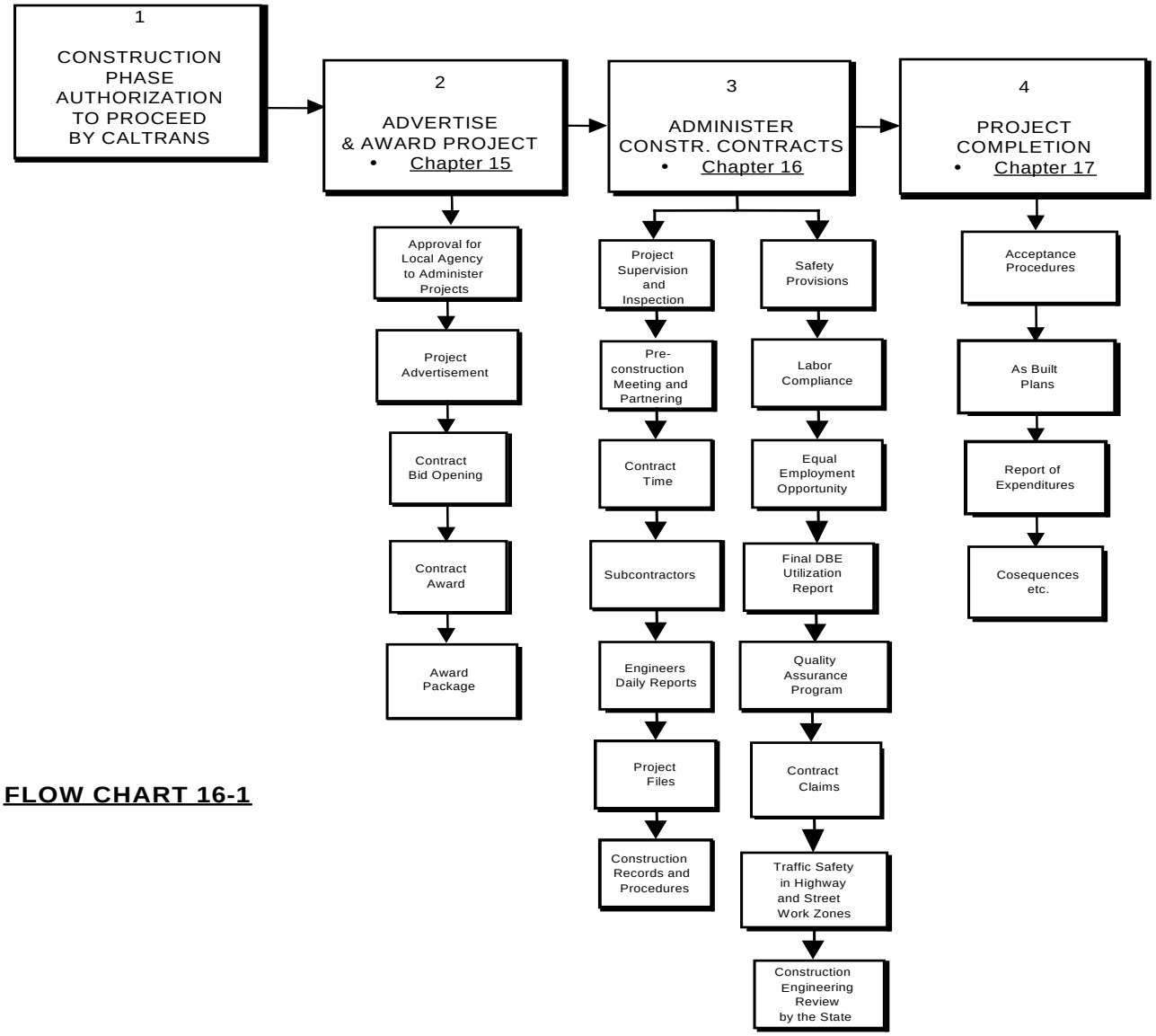
CHAPTER 16 ADMINISTER CONSTRUCTION CONTRACTS

16.1 INTRODUCTION

This chapter, Chapter 15, *Advertise and Award Project,* and Chapter 17, *Project Completion* of this manual are for use by local agencies, who administer federal-aid projects under "Administering Agency-State Agreement." These three chapters replaced the previously issued Local Programs Manual, Volume II, titled *Contract Administration Procedures*. When a locally sponsored project funded with federal-aid is within the State R/W and the State (Caltrans) is the administering agency, the State's *Construction Manual* is normally used in lieu of these procedures.

ADMINISTER CONSTRUCTION CONTRACTS FLOWCHART



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This chapter covers the topics beginning with project supervision, contract time, subcontractors, Engineer's daily reports, projects files, construction records and procedures, safety provisions, labor compliance, equal opportunity employment, disadvantaged business enterprise, contract change orders, material sampling and testing, and traffic safety in the highway and street zones. This chapter has been prepared mainly as a guide for administration of federal-aid contracts by local agencies. Each local agency resident engineer should be familiar with the contents of this chapter, Chapter 15, *Advertise and Award Project,* and Chapter 17, *Project Completion*, before administering such contracts.

The University of California Berkeley Institute of Transportation Studies (ITS) conducts courses titled the Resident Engineer Academy, and "Construction Administration and Project Completion of Federal-aid Project." These courses are offered to local agency Resident Engineers (REs) through the Cooperative Training and Assistance Program (CTAP). The RE Academy is designed to introduce new RE to the roles and responsibilities of being an RE, and to the requirements of the Federal-aid Program. (To attend the RE Academy you need to contact your District Local Assistance Engineer (DLAE.) The "Construction Administration and Project Completion of Federal-aid Projects" explains in detail the federal-aid requirements in this chapter and Chapter 17, *Project Completion*.

This manual is not a contract document. It is a book of reference and instruction to be used in the administration of federal-aid projects. In case of conflicts the contract documents and the Local Agency-State agreements shall prevail.

16.2 DEFINITIONS OF TERMS

- AASHTO - American Association of State Highway and Transportation Officials
- ASTM - American Society for Testing and Materials. A national technical society formed in 1902 to standardize specifications, methods of testing materials, and publish information regarding improvement of engineering materials.
- Acceptance Testing (AT) - The testing of materials entering a construction project to verify that the materials, or products, comply with contract specifications.
- Certificate of Compliance - A certificate signed by the manufacturer of materials stating that the materials involved comply in all respects with the requirements of the specifications.
- Construction - As defined in the United States Code (USC): The term "construction" means the supervising, inspecting, actual building, and all expenses incidental to the construction or reconstruction of a highway, including locating, surveying, and mapping (including the establishment of temporary and permanent geodetic markers in accordance with specifications of the National Oceanic and Atmospheric Administration in the Department of Commerce), resurfacing, restoration, and rehabilitation, acquisition of rights of way, relocation assistance, elimination of hazards of railway grade crossings, elimination of roadside obstacles, acquisition of replacement housing sites, acquisition and rehabilitation, relocation, and construction of replacement housing, and improvements which directly facilitate and control traffic flow, such as grade separation of intersections, widening of lanes, channelization of traffic, traffic control systems, and passenger loading and unloading areas. The term also includes capital improvement which

directly facilitate an effective vehicle weight enforcement program, such as scales (fixed and portable), scale pits, scale installation, and scale houses and also includes costs incurred by the state in performing federal-aid project related audits which directly benefit the federal-aid highway program.

- Contract Claim - A demand for additional compensation, which cannot be resolved between the contractor and the local agency representative in responsible charge of the project.
- Contract Claim Award - A payment made by a local agency to a federal-aid contractor on the basis of an arbitration or mediation proceeding, administrative board determination, court judgment, negotiated settlement, or other contract claim settlement.
- Contract Claim Defense Costs - Local agency costs related to the defense and settlement of contract claims including, but not limited to salaries of employees, consultants, attorney fees, boards of arbitration, appeals boards, courts or similar tribunals.
- CFR - Code of Federal Regulations. Document produced by the federal government implementing the requirements of federal statutes.
- DBE - Disadvantaged Business Enterprise See Chapter 9, Section 9.5.
- Delegated Project – A lower risk project not selected as High Profile project, for which Caltrans has authority for all aspects of a federal-aid project except those activities which may not be delegated by federal law (requiring Federal Highway Administration [FHWA] approval). Prior to September 2007 these projects were referred to as "State-Authorized" projects defined by set criteria (rather than risk) such as non-Interstate 3R projects, Interstate construction projects under $1 million, non-NHS projects, and so forth. Over 99% of local assistance projects are delegated in which Caltrans or the local agency has approval authority for most project level activities.
- Final Invoice - For an example see Chapter 17, *Project Completion*, Exhibit 17-C, and refer to Chapter 5, *Accounting/Invoices,* for instructions.
- Force Account - A basis of payment for the direct performance of highway construction work with payment based on actual cost of labor, equipment, and materials furnished with consideration for overhead and profit.
- Foremen - Men and women in direct charge of crafts workers or laborers performing work on the project.
- "Frequency Tables (Tables)" - See Exhibit 16-R, *Size, Frequency, and Location of Sampling and Testin*g.
- High Profile – High Profile projects are high risk projects for which the FHWA maintains project level approval for many project delivery activities. Prior to September 2007 these projects were referred to as FHWA "Full Oversight" projects based on set criteria (rather than risk) such as Interstate construction over $1 million, major Intelligent Transportation System, and so forth. Very few local assistance projects are High Profile project.
- Independent Assurance Sampling and Testing (IAST) - Periodic testing by a specially trained tester, to verify that acceptance testing is being performed correctly with accurate test equipment.
- Laborer, Semi-Skilled - All laborers classified by specialized type of work.
- Laborer, Unskilled - Non-classified laborers.

- Local Agency - A California City, County, or other local public agency. In many instances this term is used loosely to include nonprofit organizations.
- Maintenance - As defined in the USC: the preservation of the entire highway, including surface, shoulders, roadsides, structures, and such traffic control devices as are necessary for its safe and efficient utilization.
- "Materials Certificate" - See Chapter 17, *Project Completion*, Exhibit 17-F.
- Mechanics - Equipment service and maintenance personnel
- NHS - National Highway System
- Officials (Managers) - Officers, project engineers, superintendents, etc., having management level responsibilities and authority
- Others - Miscellaneous job classifications are to be incorporated in the most appropriate category listed on the form. All employees on the project should thus be accounted for.
- Progress Invoice - Periodic billing invoice by local/regional agencies for reimbursement of costs on ongoing contracts.
- QAP - Quality Assurance Program
- QC/QA - Quality Control/Quality Assurance - see "Statistical Quality Assurance" in this chapter
- Quality Assurance Program - A sampling and testing program that will provide assurance that the materials and workmanship incorporated in each highway construction project are in conformance with the contract specifications. The main elements of a Quality Assurance Program are acceptance testing and independent assurance sampling and testing.
- RE - Resident Engineer. A registered engineer who is empowered to administer the construction contract.
- SHA - State Highway Agency (Caltrans)
- Source Inspection - Acceptance testing of manufactured and prefabricated materials at locations other than the job site.
- State-Authorized Project - A classification for federal-aid projects, which are not subject to FHWA review and oversight required by *Title 23 Code of Federal Regulations*. For State-Authorized federal-aid projects the FHWA and Caltrans exercises the maximum degree of delegation of authority to local agencies (see Chapter 2, Section 2.4, *Stewardship - Letters of Agreemen*t, and Figure 2-1, *FHWA Oversight*).
- Supervisors - All levels of project supervision, if any, between management and foreman levels
- TCP - Traffic Control Plan

16.3 PROJECT SUPERVISION AND INSPECTION

INTRODUCTION

Construction engineering is eligible for federal-aid reimbursement if it is identified and programmed in the "Authorization to Proceed." A fifteen percent (15%) limitation on construction engineering is required for the federal-aid program on a statewide basis. For more information on programming construction engineering see Chapter 3, *Project Authorization*.

For "Delegated" projects, FHWA has assigned the responsibility of contract administration and construction inspection to Caltrans. This responsibility is conveyed to Caltrans by way of an E-76, which is executed for each federal-aid project. For all local federal-aid projects, further delegation of responsibility is made by Caltrans to the agency administering the project by way of the state/local agreements called master agreements and program supplements. This delegation is based on the following conditions:

- All federal requirements shall be met on work performed under a contract awarded by a local public agency.
- Force account work shall be in full compliance with Chapter 12, *Plans, Specifications & Estimate*, Section 12.2, *Method of Construction*.
- Local public agency is adequately staffed and suitably equipped to undertake and satisfactorily complete the work.
- Local public agency shall provide a full-time employee of the agency to be in responsible charge of the project that employs consultants for construction engineering services.

Such an arrangement does not relieve the Caltrans of overall project responsibility. Caltrans shall review local agency project staffing by periodic process reviews to assure compliance.

PROJECT STAFFING

Adequate construction personnel shall be provided to ensure adequate field control, conformance with the contract specifications, accurate contract payments to the contractor, and that quality transportation facilities are constructed. Local agencies shall include in the project records the names and titles of all staff assigned to each federal-aid project.

The documentation of project staffing is essential in making a determination of the adequacy of the local agency's construction staffing.

PROCEDURES

The administering agency must designate a qualified engineer who is empowered to administer the contract. The agency may employ a consultant to provide construction engineering services such as inspection or survey work, however, the agency must provide a full-time employee to be in charge of and have administrative control of the project. A consulting firm that is on retainer as City Engineer is considered as a full-time publicly employed engineer.

Contractors, including those operating in joint venture, are required under the contract to designate in writing a person or p00ersons authorized to supervise the work and to act for the contractor on the project. The administering agency's engineer is to assure that this information is on file. The addresses and local telephone numbers of such persons should be included.

The work must be inspected to assure compliance with the contract. Deviations must promptly be brought to the contractor's attention. Material samples must be taken and tests performed as noted in Section 16.14 of this chapter or in accordance with the local agencies own Quality Assurance Program. A record must be made of the engineer's and inspector's activities, as noted in Section 16.7 of this chapter.

The activities of the engineer and inspector may vary considerably depending on the terms of the contract; such as, end result specifications; method specification; types of measurement and payment clauses; experience of the contractor; complexity of the work; adequacy of the plans and specifications; protection of the public; and other factors. The local agency shall assign the necessary personnel to the project to assure that all the requirements of the contract are being fulfilled.

When a problem arises, the Resident Engineer may request assistance or clarification from the DLAE. The DLAE shall evaluate staff availability and determine if assistance can be provided. It is recommended that Chapter VI of the Caltrans *Construction Manual* be reviewed for more specific activities relating to roadwork. For structure work the State's *Bridge Construction Records and Procedures Manual* contains much technical reference material.

16.4 PRE-CONSTRUCTION CONFERENCE AND PARTNERING

PARTNERING

Partnering is a relationship between the local agency and the contractor, formed in order to effectively complete the contract to the benefit of both parties. The purpose of this relationship is to maintain cooperative communication and to mutually resolve

conflicts at the lowest possible management level. A Caltrans special provision on partnering is included as a sample in the "Boiler Plate" contract documents in Section 12.8 of this manual.

Partnering is not a requirement of the federal-aid program, but it is eligible for participation as part of the construction engineering cost of the project. Generally, the costs are shared between the contractor and administering agency. Partnering can be a valuable extension of the pre-construction conference.

Partnering is not an alternate dispute resolution method. It is a change in the attitude and the relationship between owner and contractor. Partnering is the creation of a relationship between the owner and contractor that promotes achievement of mutual and beneficial goals. Partnering is where trust, cooperation, teamwork and the successful attainment of mutual goals are the hallmark.

The keys to making partnering work include communication, willing participants, senior management support, up front commitment, and a plan. Communication starts early in the process through a team-building session. All the key managers for the project are assembled for a workshop which focuses on team building, goal setting, identifying issues, and solving problems. The workshop is run by a facilitator who ensures all issues are brought out into the open. Authority to solve problems is delegated to the lowest level. Follow up meetings are held to evaluate goals and objectives.

When a local agency chooses to use the partnering approach, the partnering workshop can be independent of the pre-construction conference or integrated as a breakout session

When formal partnering is desired the contract should contain appropriate specifications for partnering. The Caltrans Office Engineer in each district is available to assist in providing specifications for the process. Partnering is not always appropriate and judgment should be exercised when selecting which projects this process would be beneficial to. Informal partnering may also be beneficial and does not require contract provisions to be implemented.

PRE-CONSTRUCTION CONFERENCE

For all construction projects, the administering agency shall schedule a pre-construction conference, unless the administering agency determines that the project is of such a minor nature that a meeting is not necessary.

The meeting shall be attended by representatives of the local agency and contractor. It is suggested that other affected agencies, local authorities (police, fire, etc.), and public utilities personnel be invited to attend. When an invitation is extended to Caltrans, representation will be up to the DLAE when he/she determines resources are available. Additional meetings may be advisable where considerable effort and time is required to cover specific areas, such as labor compliance, Equal Employment Opportunity (EEO), record keeping, etc.

Local agency representatives shall explain the various forms, reports, as well as sanctions for noncompliance with local, state, and federal requirements. Discussion is to include requirements for Equal Employment Opportunity, state and federal safety, labor compliance and DBE. Potential utility and traffic safety problems should also be discussed, as well as National Environmental Policy Act (NEPA) compliance requirements.

A written record of attendance and items discussed shall be made by the administering agency. A copy of the written record or the reasons for not holding the pre-construction conference shall be kept in the project files.

16.5 CONTRACT TIME

PROCEDURES

The administering agency is responsible for reviewing working days, contract time requirements, and documenting time extensions according to their own requirements. These requirements must be consistent with other similar projects not using federal-aid. Contract time extensions proposed after acceptance of the contract must have written approval of the administering agency. Generally the approval is made by change order for a specified amount of working days. Approvals can be made if the justification demonstrates a delay to the controlling item of work in the contractors schedule

The administering agency shall maintain a written record of project progress. This record must indicate factors which may affect the work, such as weather conditions, utility delays, strikes or labor disputes, and material shortages. Based on these factors a record of working days shall be maintained.

Documentation similar to Exhibit 16-A, "Weekly Statement of Working Days," Form CEM-2701 (Old HC-146) is an acceptable record of project progress and shall be retained in the project file. A discussion of the use of the form is contained in Section 2-08 of the State's *Construction Manual*.

16.6 SUBCONTRACTORS

INTRODUCTION

Subcontracting procedures apply to all federal-aid highway projects.

PROCEDURES

1. FEDERAL-AID PROJECTS

Contracts for federal-aid projects shall specify the minimum percentage of work that a contractor must perform with "its own organization." This percentage shall be not less than thirty percent (30%) of the total original contract price excluding any identified "specialty items"[1]. When "specialty items" are specifically identified, they may be performed by subcontract and the amount of any such specialty items may be deducted from the total original contract before computing the amount of work required to be performed by the contractor's own organization. The contract amount upon which the above requirement is computed includes the cost of materials and manufactured products which are to be purchased or produced by the contractor under the contract provisions.

[1] Local agencies which use *Caltrans Standard Specifications* or the *Standard Specifications for Public Works Construction (Green Book)* and choose to use the thirty percent (30%) specified for federal-aid projects must include a special provision to override the *Caltrans Standard Specifications Section 8-1.01,* or the *Green Book specifications Section 2-3.2,* which require that the minimum percentage of work that a contractor must perform with its own organization is fifty percent (50%) excluding any identified specialty items.

2. SUBCONTRACTING

a. The contractor must request permission in writing and receive written consent from the local agency **before** subletting any portion of a contract to a first tier subcontractor. This is accomplished by using the "Subcontracting Request" (FORM DC-CEM-1201). This form is included as Exhibit 16-B, of this chapter and states what portion of an item is to be subcontracted along with the dollar value of that item. The requirement for written consent does not apply to second and lower tier subcontracts. However, all weekly payroll, labor compliance, EEO, insurance and other contractual obligations remain in effect regardless of tier. All subcontracts shall be in the form of a written agreement and contain all pertinent provisions and requirements of the prime contract including all or a portion of the federal boiler plate specifications. Certain provisions of the boiler plate are required based on the dollar amount of the contract, or type of facility being constructed. Refer to Chapter 12, "Plans Specifications & Estimate," for specific details of these requirements.

b. There are special requirements for DBE trucking as reporting must be done monthly on all trucking done by DBE subcontractors in order to document DBE participation. Monthly reporting will be accomplished using Exhibit 16-Z, "Monthly DBE Trucking Verification".

3. TERMS: Terms used above are defined as follows**:**

"its own organization" - includes only workers employed and paid directly by the prime contractor, and equipment owned or rented, with or without operators. Such term does not include employees or equipment of a subcontractor, assignee, or agent of the prime contractor.

"Specialty Items" - are limited to items of work that require highly specialized knowledge, craftsmanship or equipment not ordinarily available in the type of contracting organizations qualified and expected to bid on the contract as a whole. The items are generally limited to minor components of the overall contract. However, the fabrication and erection of certain types of steel structures are of such a nature and intricacy that they should be considered "specialty items" even though the cost of this work may constitute the major portion of the contract amount. For each individual construction contract, the administering agency must select any items that are to be treated as "specialty items" and list such selected items in the Special Provisions, or bid schedule.

16.7 ENGINEER'S DAILY REPORTS

PROCEDURES

The administering agency's Resident Engineer, Assistant Resident Engineers, and construction inspectors shall keep daily reports to record work in progress.

The Daily Reports shall record the hours worked by men and equipment:

- Where work is being paid for based on the cost of labor, equipment, and material
- When there is an anticipated change in character of work
- When there is a potentially significant overrun or underrun, or
- When there is disputed work or a potential claim

The detail should be sufficient to permit review of the contractor's costs of the work in a manner similar to force account. Equipment should be identified sufficiently to enable determination of the applicable rental rates and operator's minimum wage. In some cases it may be desirable to record dates of arrival or departure of equipment, as well as idle time for breakdown or other reasons.

The narrative portion of the report should include a description of the contractor's operation and the location where the work was performed. It should also include statements made by the contractor or agency personnel, which are pertinent to the work. The report must also contain the name of the contractor or subcontractor performing the work.

When the report is used to determine compliance with the labor provisions (see (Section 16.11, "Labor Compliance") of the contract, include the following additional information:

- The names or identification numbers of the contractor's personnel
- The respective classifications of the work being performed
- The number of hours worked on the date covered by the report

Reporting for labor compliance shall be done on a random spot-check basis only. The number of reports for labor compliance purposes should vary with the size and duration of the contract and the degree of compliance revealed by checking previous reports. One report per week for each operation being performed on the project should be used as an initial guide. The frequency may be reduced after a high degree of compliance has been verified.

An example of both the Resident Engineer and Assistant Resident Engineers daily report forms used by Caltrans are shown as Exhibit 16-C.

The engineers' daily reports discussed herein are required in addition to the extra work reports submitted by the contractor. For more information on the organization and use of the daily reports see the Caltrans *Construction Manual*, Chapter I, Section 1-10, and Chapter III, Section 3-00 and Section 3-01.

16.8 PROJECT FILES

An administering local agency must establish a separate record file for each federal-aid highway project. The project file shall contain all data pertinent to the work and to the

the requirements of the specifications. In general, project files should support: 1) adequacy of filed control, 2) conformance to contract specifications, and 3) contract payments to the contractor. The file must be complete, available at a single location, and organized and maintained in a manner that permits inspection by Caltrans and FHWA personnel during process reviews or random checks.

Generally, whenever the local agency is unable to produce requested data or information, it shall be assumed by reviewing personnel the required actions were either never performed or not properly recorded. Organized project files can minimize these negative assumptions.

DLAEs shall periodically perform process reviews and inspect, during construction, local agency project files for compliance with federal and State requirements. Organization and content of the project file is one indicator of the effective and efficient management of the project by the resident engineer. It also minimizes resources necessary for conducting process reviews.

ORGANIZATION OF FILES

Local agency administered federal-aid highway project files shall be organized and include the following information indicated below:

Project Record Filing System - Locally Administered Federal-aid Projects

1. Project Personnel

2. Correspondence
   a. Contractor
   b. General

3. Weekly record of working days (if contract time is specified. See Sections 12.9 and 16.5 of this manual)

4. Materials Data[1]
   a. Certificate of Proficiency -Form 03-HC-1 (Exhibit 16-D)[2]
   b. Independent Assurance Sampling and Testing - Form MR-0102 (Exhibit 16-E)[4]
   c. Report of Witness Tests- Form MR-0103 (Exhibit 16-F)[4]
   d. Project Acceptance Test Results and Initial Tests (no form available)
   e. Project Independent Assurance Tests (no form available)[4]
   f. Report of Comparison Between Independent Assurance Tests (IAT) and Acceptance Tests - Form MR-0104 (Exhibit 16-G)[4]
   g. Summary of Independent Assurance Testing - Form MR-0105 (Exhibit 16-H)[4]
   h. Notice of Materials to be Used - Form HC-30 (3/81) (Exhibit 16-I)[4]
   i. Notice of Materials to be Furnished - Form MR-0608 (Old: TL-608) (Exhibit 16-J)[4]
   j. Notice of Materials to be Inspected - Form MR-0028 (Old: TL-28) (Exhibit 16-M)[4]
   k. Report of Inspection of Material - Form TL-29 (REV. 2-80) (Exhibit 16-K)[4]
   l. Field Laboratory Assistant Reports

[1] Material Data will vary according to the Local Agency's Quality Assurance Program (QAP). Items listed are required for the Caltrans QAP if adopted by the local agency.
[2] Used for NHS projects only.
[2] Note that these forms are not standard and vary by agency and manufacturer

m. Certificates of Compliance[1]
n. Material Testing Summary Log (as specified in Section 16.14, "Quality Assurance Program")

5. Engineer's Daily Reports
   a. Resident engineer
   b. Structure engineer

6. Contract Item Pay Quantity Documents

7. Contract Change Orders

8. Extra Work Reports

9. Progress Pay Estimates and Status of Funds

10. Labor Compliance and EEO records

11. Contractor's Payrolls

12. Final Report

13. Materials Certificate

14. DBE Records

Other sections of this chapter explain the contents of the above listed file categories.

A large and complex local agency project usually requires a more detailed record-keeping system. The record-keeping system described in Caltrans *Construction Manual*, Section 3-01-1 is suggested for large projects. This chapter includes a standardized category system which helps the Resident Engineer and staff keep their files organized.

AVAILABILITY

All contract documentation and backup records shall be available at any time for inspection by Caltrans and FHWA reviewing personnel. Use of a uniform project record-keeping system, together with diligent maintenance of the system, greatly facilitates a process review and minimizes negative findings. Good records of all construction activities clearly demonstrate to all concerned that project supervision and control were attained on the project.

16.9 CONSTRUCTION RECORDS AND ACCOUNTING PROCEDURES

PROCEDURES

On "State Administered" projects, the procedures outlined in the State's *Construction Manual* shall be followed. On "Locally Administered" projects, a similar accounting system should be used. The essential elements of the system are as follows:

[1] Note that these forms are not standard and vary by agency and manufacturer

1. It must contain a file of source documents supporting payments made to contractors. Source documents shall be any written record(s) prepared by the administering agency which clearly record:

    - To what specified portion of work it applies;
    - The necessary measurements and/or calculations by which the quantity is Determined; and
    - The name of the individual who made the determination.

2. The calculations on source documents are to be checked in accordance with good engineering practice and the name of the checker included thereon. Checking should be performed as soon as practicable, but in any event prior to payment of a final estimate. Quantities from source documents must be entered in the appropriate project records.

3. Weighmaster certificates are source documents and must be validated by a representative of the administering agency at the point of delivery.

4. It should contain a separate item sheet for each contract item and each other appropriate accounting category such as; adjustments of compensation; extra work payments; payments for materials not yet incorporated into the work; and deductions.

5. It should contain a contingency balance and anticipated changes sheet, on which the current estimated probable final cost of the work is recorded.

6. It must provide for retention of the records in accordance with the local agency-State Agreement. This agreement requires that records be retained by the local agency for a period of three years from the date of final payment under the project program supplement.

Progress Estimates must be prepared and a copy submitted to the Caltrans Accounting Service Center Attention: Local Programs Accounting Branch with each invoice requesting reimbursement. The local agency may use its own format. The Progress Estimate shall be used as part of the back-up for the invoice shown as Exhibit 16-L.

Chapter III, Section 3-02, of the Caltrans *Construction Manual* is a good reference document to assist local agencies in organizing their accounting system for a typical federal-aid project.

16.10 SAFETY PROVISIONS

INTRODUCTION

This section applies to <u>all</u> federal-aid projects.

Federal and State laws have established occupational safety and health standards with which all employers must comply. These laws basically require an employer to provide a safe place of employment; i.e., one that is reasonably free from danger to life, or health.

PROCEDURES

The contractor shall be required under the contract specifications to comply with

safety rules and regulations (see the FHWA Form 1273 section titled "Safety - Accident Prevention"). The "Construction Safety Orders" of the California Division of Industrial Safety apply to all federal-aid contracts.

In administering this part of the contract, the engineer is required to see that the contractor properly provides for the safety of the workmen. **Under no circumstances should the contractor be instructed orally or in writing on how to correct a deficiency.** The unsafe condition should simply be identified as well as the specific regulation involved if it is known. In carrying out the responsibilities of assuring safety compliance as a contract requirement, the following guidelines shall be used:

1. **Imminent Hazard** -- These are conditions that, if not corrected, would likely result in an accident causing severe or permanently disabling injury, or death.

   When an imminent hazard is found to exist or when the Contractor permits repeated occurrences of a hazardous condition the Resident Engineer should take the following steps:

   1. Advise the Contractor verbally of the condition and the need for immediate correction.

   2. Remove all employees from the hazardous exposure.

   3. Have the Contractor remove all personnel not necessary to make the corrections. Complete all necessary abatement actions.

   4. If the Contractor complies, document the incident in the contract's Safety Diary with appropriate references in the Resident Engineer's Diary.

   5. If the Contractor does not comply, shut-down the affected operation(s). Document the condition(s) and your order in writing.

   Whenever it is necessary to shut-down a Contractor's operation the Local Agency Construction Safety Coordinator and the Division of Occupational Safety and Health should be notified of the hazardous condition and the actions taken. Diaries giving all details leading up to the suspension and copies of orders by the Resident Engineer and/or the Division of Occupational Safety and Health shall be maintained in of the contract files (Category 6 if Caltrans' filing system is used).

2. **Dangerous Conditions (Serious Hazards)** -- These are conditions that do not present an immediate danger to workers, but if not corrected could result in a disabling injury and possibly death, or could develop into an imminent hazard.

   When a dangerous condition (sometime referred to as a Serious Hazard) is found to exist the Resident Engineer should take the following steps:

   1. Advise the Contractor verbally of the condition and the need for timely correction. If appropriate, set a compliance deadline.

   2. Remove State and Consultant employees from the hazardous exposure.

   3. If the Contractor complies, document the incident in the contract's Safety Diary with appropriate references in the Resident Engineer's Diary.

4. If the Contractor does not comply, consider ordering the shut-down of affected operation(s). Document the condition(s) and your order in writing. If the operation is ordered to be shut-down, proceed in the same manner as described for an imminent hazard.

3. Minor or Non-Serious -- These are conditions that could result in minor injuries or that may be classified as a threat to health.

When a non-serious or minor condition is found to exist the Resident Engineer should take the following steps:

1. Advise the Contractor verbally of the condition and the need for correction.

2. If the Contractor complies, document the incident in the contract's Safety Diary.

3. Protect State and consultant employees from exposure.

4. If the Contractor fails to correct the condition or permits its repeated occurrence, the Construction Safety Coordinator should be notified.

CITATIONS & INFORMATION MEMORANDUM

Cal/OSHA issues citations if, during an inspection, they observe an employee exposed to an unsafe or unsanitary condition. Citations may also be issued in situations where an employee exposure can be shown to have occurred even though it was not observed during the course of the inspection. Every citation will identify the violation and the gravity of the violation (serious, general or regulatory).

In addition to the authority to issue citations, Cal/OSHA has the authority to prohibit entry into an unsafe area or to use unsafe equipment (Labor Code Section 6325) when an imminent hazard exists. The violation of this type of order is a misdemeanor.

When an actual exposure can not be demonstrated, but a condition is found to exist that would be a violation if an exposure where to occur, then Cal/OSHA may issue an "Information Memorandum." To allow an employee to be exposed to a condition identified in an Information Memorandum constitutes a willful violation of the Safety Orders.

Should a Contractor receive a Citation, shut-down order (yellow tag) or an Information Memorandum, the Construction Safety Coordinator should be notified. The Resident Engineer should react to the Cal/OSHA action as outlined in the previous section. The level of action shall be based on the severity as determined by Cal/OSHA.

16.11 LABOR COMPLIANCE

INTRODUCTION

Labor compliance regulations apply to all projects both on and off the NHS system.

PROCEDURES

The administering agency (defined in Chapter 15) is responsible to designate a labor compliance officer to enforce the contract provisions and ensure that all labor compliance requirements are performed and documented in the project file. Generally, labor compliance requirements are discussed at the pre-construction conference.

Labor compliance requirements shall be monitored by Caltrans through a process review or a mini process review. Process review teams should include representatives from Caltrans District Local Assistance and a District Labor Compliance Officer. Coordination for the process review is the responsibility of the DLAE.

When labor compliance problems are discovered by the administering agency they should be reported to DLAE for statistical purposes. The local agency is responsible for determining the appropriate action required to remedy or address the problem. When labor compliance problems are discovered by process review, they should be documented in the process review report with a recommendation for correction of the problem. The report shall be submitted to Headquarters Division of Local Assistance, Attention: Process Review Committee. The committee shall review the report and recommendations for statewide consistency and implement approved recommendations.

The administering agency must maintain sufficient records to ensure contractor/subcontractor compliance with wage and apprenticeship sections of the contract. Specific actions required, include but are not limited to:

Preparing inspector's daily reports which note employee, labor classifications, hours worked, and equipment working on the project. Ideally, the number of employees, names, classifications, and hours worked should be noted on each daily report. See "Resident and Assistant Engineers Daily Report" (forms CEM-4501 and HC-10A4) Exhibit 16-C, (first and second page). If this is not possible, then as a minimum, the data must be reported in at least one diary during the week.

- Conducting spot interviews with employees on the project. A form similar to, or State Form HC-0031 should be used (, "Employee Interview: Labor Compliance/EEO").The Spanish version of this form can be downloaded at: http://www.dot.ca.gov/hq/construc/forms/cem2504s.pdf
- Maintaining written evidence of apprentices employed on the project.
- Ensuring that the contractor submits certified payrolls and/or owner operator listings (as appropriate) for their work and from all subcontractors or equipment rental companies who perform work on the project. Every laborer or mechanic performing work on the project must appear on either a certified payroll or owner operator list.
- Spot checking the payrolls or listings to ensure that at least the applicable Davis-Bacon or State prevailing wage rates as referred by the Special Provisions are paid.
- Cross checking reports, interviews, payrolls and wage rates in order to determine the contractor's and subcontractor's compliance. Comparing all force account or day labor work to certified payrolls. Employees' names, classifications, and wage rates should match.
- Ensuring that the contractor posts all specified posters, notices, wage determinations, etc. at the job site.

- Applying necessary sanctions against the prime contractor for failure to submit payrolls or noncompliance with the labor standard requirements. Sanctions must be in conformance with current Caltrans policy as described in the *Construction Manual, Chapter IX, Section 9-01, "Labor Compliance."*
- Reporting any apparent violation of state or federal labor requirements to the DLAE immediately upon discovery. In the case of local agency contracts that are 100 percent federally funded, violations should also be reported to the US Department of Labor (a listing of their office addresses is shown in Exhibit 16-Q). This information shall be forwarded to and maintained by the HQ Local Assistance Civil Rights Coordinator and is to be forwarded on form FHWA-1494 semi-annually, to the Caltrans Headquarters Construction Office. Caltrans Headquarters Construction is responsible for summarizing the information statewide and submitting it to FHWA. The local agencies may contact the District Labor Compliance Officer for advice, training, and assistance as needed, or the following for labor compliance cases at the California Department of Industrial Relations, Division of Labor Standards Enforcement

Southern California
Public Works Contracts
Division Of Labor Standards Enforcement
6150 Van Nuys Blvd., Rm. 100
Van Nuys, Ca 91401
(818) 901-5538

Northern California
Public Works Contracts
Division of Labor Standards Enforcement
2424 Arden Way, Rm. 340
Sacramento, Ca 95825
(916) 263-2842

16.12 EQUAL EMPLOYMENT OPPORTUNITY

INTRODUCTION

Equal Employment Opportunity (EEO) requirements apply to all federal-aid construction contracts and all related subcontracts of $10,000 or more. The Contractor is subject to the U.S. Department of Transportation EEO and nondiscrimination requirements pursuant to 23 USC 140 and its implementing regulations. In addition, the contractor is subject to the U.S. Department of Labor's federal-aid contract requirements that include women and minority recruitment goals and the adherence to specific EEO and affirmative action standards pursuant to 41 CFR, Chapter 60 (see FHWA Form 1273, Exhibit 12-E, Chapter 12).

PROCEDURES

A proactive approach to ensure compliance is to discuss the requirements of the contract at the pre-construction conference. The EEO responsibilities specifically listed in the "Required Contract Provisions, Federal-aid Construction Contracts (Form 1273)" are broad and inclusive, requiring specific actions regarding all aspects of employment including but not limited to recruitment, hiring, upgrading, promotion, transfer, overtime, demotion, layoff, termination, training, working with the union, addressing discrimination complaints, and dissemination of EEO policy.

RECORDKEEPING

The administering agency must document contractor's compliance with the EEO requirements according to the FHWA Form 1273, Exhibit 12-E, Chapter 12 and maintain the record for three years.

COMPLIANCE REVIEWS

Caltrans Civil Rights Office selects a federal-aid prime contractor to be reviewed. Caltrans Civil Rights Office conducts formal compliance reviews of federal-aid prime and subcontractors during the peak employment period of both Caltrans and local agency federal-aid contracts. The formal compliance review consists of a desk audit and an on-site review that examines the contractor's personnel policies, EEO practices, workforce composition (i.e., job classification, race, gender) and documentation of the contractor's efforts to recruit women and minorities in all aspects of employment. An EEO Contractor Compliance Review model based on 23 CFR Part 230, Subparts A and D is used by the Caltrans Civil Rights Office.

REPORTING

The FHWA Form PR-1391, (see sample: Exhibit 16-O, "Federal-aid Highway Construction Contractors Annual EEO Report", Chapter 16) is prepared by the prime contractor and by each subcontractor if the federal-aid construction contract work exceeds $10,000. The reporting period is only for federal-aid construction contracts that are active during the last pay period in July. If the contract is completed prior to the last pay period in July, or the construction contract does not begin until August, then no PR-1391 report needs to be filed.

It is the responsibility of the administering agency to ensure that the prime and subcontractors complete the form accurately and timely. The administering agency must review, countersign and submit the PR-1391 to the DLAE by August 25 of each year. Failure to submit the report form timely may result in sanction and/or a process review. The DLAE compiles and forwards the reports to the Division of Local Assistance Civil Rights Coordinator no later than August 30.

U.S. Department of Labor (DOL), Executive Order 11246 - Only the DOL has the authority to determine compliance with EO 11246 and its implementing regulations. Local agencies do not have independent authority to determine compliance with EO 11246, and 41 CFR, Chapter 60, or the minority and female goals established by the Office of Federal Contract Compliance Programs, (OFCCP). If the administering agency becomes aware of any possible violations of EO 11246 or 41 CFR, Chapter 60, the administering agency has the authority and responsibility to notify the OFCCP. For contact information, see Exhibit 16-Q, " U.S. Department of Labor, Office of Federal Contract Compliance Programs (Offices Within California)"Chapter 16.

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16.13 CONTRACT CHANGE ORDERS

PROCEDURES

Any change of the approved plans or specifications or work required which was not included in the contract must be covered by a contract change order. All change orders are to be approved by the administering agency in advance of any work being done on the change. **CAUTION: Additional** federal funds required for change orders may be jeopardized if work is done before authorization is received from Caltrans (see Chapter 4 of this manual for more information on project authorization). To receive authorization for additional federal funds the administering agency shall submit the following to the DLAE:

- A letter explaining the change order
- A revised detailed estimate
- Written approval for additional federal funds for the change order from the RTPA/MPO

Approval must be received in writing for the additional federal funds from the DLAE before the change order is approved by the administering agency. All information regarding approved change orders shall be retained in the project construction records.

It is recommended that Section 2-50 of the Caltrans *Construction Manual* be reviewed for additional information on change orders. The procedures described therein shall be followed on "State administered" local assistance projects. For "locally administered" projects, the following procedures apply.

Changes on planned design/environmental/mitigation features may need to be reevaluated before proceeding with the change. Any change in environmental mitigation commitments, permit conditions, agreements with resource agencies, or the introduction of new social, environmental, or economic issues that need to be addressed under applicable federal, State, or local law shall be referred to Caltrans for further action.

If the change order work is of an emergency nature and additional federal funds are needed, the administering agency shall request the increase in federal funds from the DLAE and RTPA/MPO. Approval for additional federal funds may be given verbally, but the local agency shall submit the request in writing to the DLAE and RTPA/MPO immediately to confirm such approval in writing. The request by the administering agency shall include a revised detail estimate. The approval for additional federal funds shall be retained in the construction records.

The administering agency is responsible for determining eligibility of all change orders. Some examples of work which require change orders are listed below:

- Revisions to geometric design (main road, ramps, frontage road, or crossing)
- Revision of the structural section above sub-base level
- Revisions in conflict with standards upon which project approval was based
- Revisions involving addition, deletion, or relocation of major structures
- Any change in planned access provisions
- Any change which should alter the scope of the contract
- Any change related to type or quality of materials to be furnished
- Changes in specifications or specified method of processing
- Adjustments resulting from the application of the Caltrans *Standard Specifications Section 9-1.08.* Changes resulting in an increase or decrease of over 25 percent in a significant item of the contract or total contract amount, or changes resulting in adjustment in unit prices when due to change in the character of the work. A "significant" item shall be one for which the bid schedule amount for the item exceeds 5 percent of the-total bid.
- Force account work over $15,000 in amount and not provided for, in an approved PS&E as supplemental work, or within the amount budgeted for contingencies

A change order may be determined participating, participating in part, or nonparticipating, in regards to using federal funds. In general, most changes are participating provided they are necessary to complete the project as originally contemplated at the time the plans and specifications were approved.

Nonparticipation should not be a determination used in order to circumvent federal requirements (i.e., waiver of Buy America in order to accept foreign materials would jeopardize project funding).

NONPARTICIPATING

Following are some items which normally are **nonparticipating:**

- Utility work - betterments or work not programmed
- Plant establishment periods of over 3 years[1]
- Work outside project limits as defined in the project authorization document
- Work not on properly designated route
- R/W obligation not programmed
- R/W obligation already compensated
- Work chargeable to other programs
- Maintenance work (except Demonstration Programs)
- Work not in accordance with approved Specifications, unless quality is not reduced
- Non highway related work
- Work outside of local agency rules or limits
- Work done for CCOs which exceeds the authorized amount of federal funds.
- Work over and above amount programmed
- Deviations from design standards
- Nonconforming materials
- Equipment rental rates in excess of those allowed by FHWA (see equipment rental rates at the end of this section for more information).

TIME EXTENSIONS

Change orders shall also provide the time needed to accomplish the work. Standard specifications should require the contractor to submit an activity schedule that outlines the contract operations from start to finish. Reasonably, this schedule should depict the planned operation by day or week and may take the form of a critical path. A trace of the critical path identifies the controlling operations. In the absence of a critical path or activity schedule, a determination of the controlling operation(s) is necessary.

If work covered by a change order affects a controlling operation, an extension of the contract time is warranted. If the controlling operation is unaffected, an extension of the contract time is not warranted. In order to establish the time required to perform the work, an estimate of the time should be developed as the other components (i.e., labor, equipment, and materials) are estimated.

[1] *Federal Policy Guide*, December 9, 1991, Transmittal 1 23 CFR 752, Section 752.4 Landscape development. Normal one year plant establishment periods may be extended to a 3 year period where survival is considered essential to their function, such as junkyard screening and urban landscape projects.

Occasionally, there are events that are beyond the control of either the local agency or the contractor that affect the controlling operation. These should be enumerated in the local agency's standard specifications and be acceptable to support an extension of contract time. Such events include the following:

- Labor strikes (including job pickets)
- Public protests (to the project)
- General riot
- Declaration of war
- "Acts of God"
- Traffic accidents (e.g., hazardous spills)

Events that are normally considered to be under the control of the contractor and, as such, do not warrant a time extension include:

- Shutdowns for maintenance
- Breakdowns
- Suspensions or stop work orders for violation of safety or pollution regulations
- Shutdowns for construction accidents
- Materials delays

MATERIALS DELAYS

The contractor is responsible for the timely order and delivery of materials for the project. A delay in delivery of materials does not in itself generally support an extension of contract time. However, if an unusual market condition (i.e., an industry-wide strike, natural disaster, or area-wide shortage) occurs, a time extension may be in order.

RIGHT OF WAY DELAYS

Because of the Right of Way Certification required from the local agencies prior to the FHWA project authorization, the FHWA policy generally does not permit participation in time extensions for such delays. Whenever the railroad or utility is permitted to adjust its facilities coincidentally with contract operations, such activities must be clearly addressed in the contract provisions. All parties should understand that any interference by the railroad or utility to the contractor's operations generally will not constitute an allowable delay. In general, an extension of contract time due to ROW delays is very unusual and is the exception rather than the rule. For federal-aid eligibility of an extension, it must be shown that:

- The construction work was actually delayed by the ROW, railroad, or utility difficulty;
- The contractor did everything required by the contract to minimize the delay; and
- The local agency was unable to exercise effective control of the situation despite its best efforts.

Caution: Compensation for right of way delays is not eligible for federal participation if the delay is defined as per Caltrans *Standard Specification*s, Section 8-1.09, "Right of Way Delays."

All questions regarding eligibility (federal funding participation) can be directed to the DLAE for guidance.

Process reviews shall be conducted by DLAE periodically to monitor approved change orders. If change orders are found to be ineligible during a process review, federal funds paid for the change order shall be withdrawn from the project.

EQUIPMENT RENTAL RATES

Federal policy requires that actual costs be used to determine extra work payments; however, actual equipment costs are not readily available. Therefore, the FHWA permits the local to specify in their construction contract specifications the use of commercially available rate guides (i.e., *Dataquest Rental Rate Blue Book*) as well as equipment rate schedules developed by SHAs (*Caltrans Blue Book*) which are in conformance with the federal cost principles and the FHWA's policy contained herein.

The federal cost principles applicable to rental rates for contractor furnished equipment are contained in 48 CFR, Part 31. The provisions in OMB Circular 87 apply when State-owned equipment is used.

Rental Rate Guides: A State may, subject to the FHWA's concurrence, adopt the *Dataquest Rental Rate Blue Book* or another industry rate guide, or it may develop its own guide (which Caltrans has done, and is referred to as the *Caltrans Blue Book*). The State must make the determination that the equipment rental rates developed or adopted fairly estimate a contractor's actual cost to own and operate the equipment. It is the FHWA's responsibility to review each State's rates for compliance with the policy.

Adjustment Factors: Equipment is not expected to operate for 12 consecutive months. Maps at the beginning of each (*Dataquest Rental Rate Blue Book*) equipment section indicate adjustment factors based on climate and regional costs. Rate adjustment tables indicate adjustment factors based on equipment age. The adjustment factors in the maps and tables are to be applied when determining the eligible rate.

Maximum Rate: The Blue Book adjusted rates cover all eligible equipment related costs. Therefore, they are considered to be the maximum eligible rates for federal-aid participation purposes.

Hourly Rates: The developer of the Blue Book accumulates all contractor costs for owning a piece of equipment on an hourly basis. The monthly rate displayed in the rental guide is determined by multiplying the hourly accumulated costs by the monthly standard of 176 hours. Therefore, for periods of equipment use less than the standard 176 hours per month, federal-aid participation shall be limited to the hourly rate obtained by dividing the monthly rate by 176. Premium rates contained in the rate guides shall not be used.

Standby Equipment Rates: The contractor continues to incur certain ownership costs when equipment is required to be on standby. The use of a standby rate is appropriate when equipment has been ordered to be available for force account work but is idle for reasons which are not the fault of the contractor. While an industry standard does not exist for standby rates, it has been the normal practice of the courts to reduce published ownership rental guide rates by 50 percent for standby rate usage. Therefore, the FHWA will accept use of 50 percent of the ownership rental rates of an approved guide as the standby rate in lieu of a contractor's actual standby costs. There should be no operating costs included in the rate used, and standby time should not exceed 8 hours per day, 40 hours per week, or the annual usage hours as established by the rate guide.

Mobilization: The costs required to mobilize and demobilize equipment not available on the project is eligible for reimbursement. Standby rates should be used for equipment while being hauled to and from the project. This will be in addition to applicable rates for the hauling equipment. All costs associated with the assembly and disassembly of the equipment for transport should also be considered in the mobilization costs.

Overhead: Equipment overhead includes such items as insurance, property taxes, storage, licenses and record keeping. The Blue Book rates include all equipment overhead costs. Therefore, if a project or home office overhead rate is proposed to be applied to a Blue Book rate, the State must assure that it contains no equipment overhead cost factors. The reasonableness of such a rate shall be determined by the Division Administrator.

Profit: Profit on equipment rental is not provided for in the Blue Book published rates. There is no federal regulation which prevents the addition of an amount for profit. If a State has a policy for the payment of profit, it should be followed on federal-aid contracts. If a profit amount is to be used, the reasonableness must be determined by the Division Administrator based on experience.

Contractor Leased Equipment: When a contractor obtains equipment through a third party rental agreement for use in a force account situation, the cost will normally be the invoice cost. The invoice cost should be comparable with other rental rates of the area. *The Associated Equipment Distributors (AED) Rental Rate and Specifications* may be used to evaluate the costs for such equipment rental. Since rental agreements vary, the specific operating costs included in the rental agreement may need to be determined. There may be additional eligible operating costs not covered by the agreement which the contractor incurs and should be reimbursed (i.e., fuel, lubrication, field repairs, etc.).

Note: The AED book is not acceptable as a rate guide for contractor owned equipment.

The AED rates are based on national averages of rates charged by equipment distributors and do not reflect the contractors cost of owning and operating the equipment.

16.14 QUALITY ASSURANCE PROGRAM

INTRODUCTION

A Quality Assurance Program (QAP) is a sampling and testing program that will provide assurance that the materials and workmanship incorporated in each highway construction project are in conformance with the contract specifications. The main elements of a Quality Assurance Program are acceptance testing and independent assurance sampling and testing.

The requirements for the type of QAP depend on whether the project is on or off the NHS. Where appropriate, sections of this chapter are divided into two parts; NHS Projects, and Non-NHS Projects.

The QAP for all local agency projects shall include acceptance tests (AT). AT results shall be used to determine the quality and acceptability of materials and workmanship incorporated into the project. Both California and the American Society for Testing and Materials (ASTM) test methods are acceptable. The California Test Methods are published on the Internet and the address is:

http://tresc.dot.ca.gov/ctms/mindex.html

CALTRANS TRANSLAB HOME PAGE

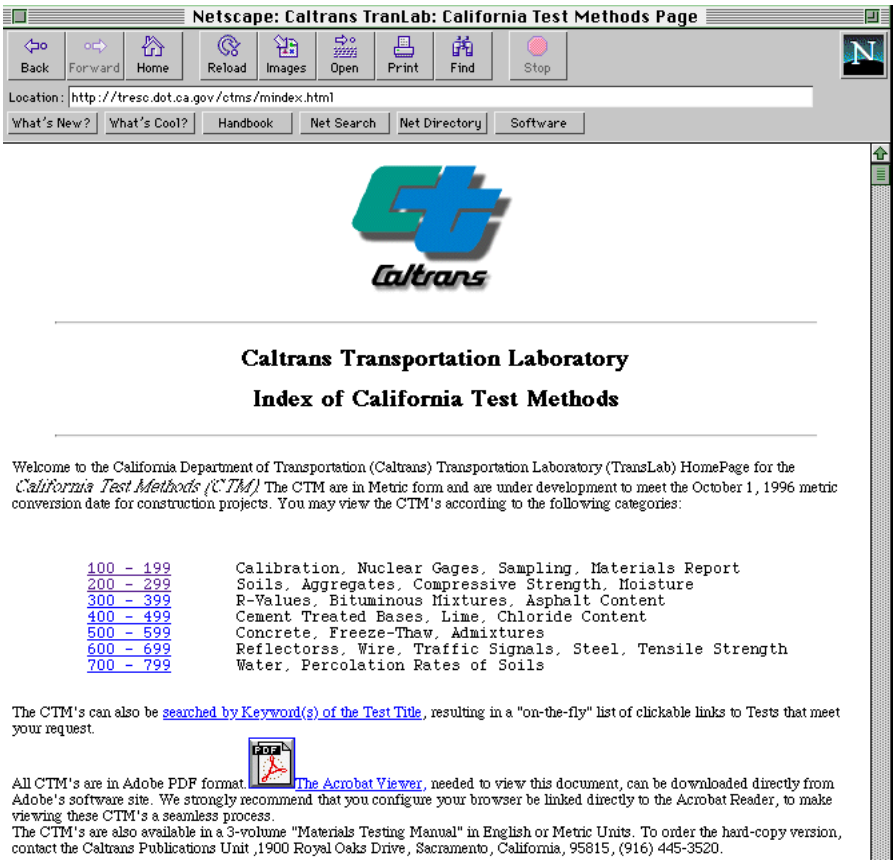


Figure 16-1

Figure 16-1 is a copy of the index page on the Internet for obtaining the metric version of these California Test Methods. "Caltrans Test Method - ASTM Test Method Conversion Chart" is attached as Exhibit 16-S.

Material testing and sampling costs are eligible to be charged to the construction engineering phase of the project.

Failure by a local agency to comply with the requirements described in this section may result in loss of federal funds.

NON -NHS PROJECTS

For federal-aid projects off the National Highway System, local agencies may adopt their own Quality Assurance Program used for transportation projects not utilizing federal-aid funds, or adopt the Caltrans QAP described in this section. Caltrans will not process a Request for Authorization for Construction without verification of an adopted QAP.

For local agencies that adopt the Caltrans QAP procedures the following shall apply:

- Caltrans will certify the local agency's (or their consultants') laboratory or acceptance testers if Caltrans test methods are used.
- If the local agency's QAP does not include Caltrans test methods, Caltrans will not conduct the testing unless the local agency is also administering a project on the NHS or State Highway System at the same time. The local agency shall either conduct the testing or contract out with a consultant that meets local agency requirements.
- Acceptance of manufactured and prefabricated structural materials shall be based on either a Certificate of Compliance and/or source inspection by the local agency or a qualified consultant. If the administering agency cannot perform the source inspection and qualified consultants are not available, the agency may request that Caltrans conduct the inspections on a reimbursed basis (see "Source Inspection" in this chapter for details on requesting Caltrans' services).

For local agencies that do not adopt Caltrans QAP, they shall develop their own QAP that includes as a minimum:

- Acceptance Testing - procedures for regular testing of materials entering a construction project to verify that the materials, or products, comply with contract specifications or standards
- Independent Assurance Sampling and Testing - procedures to verify that acceptance testing is being performed correctly by:
    a) Verifying that equipment used for acceptance testing is properly calibrated and in good working condition.
    b) Witnessing sampling and testing by the Acceptance Tester.
    c) Splitting material samples and comparing the test results between the Acceptance Tester and Independent Assurance Sampler and Tester.
- Testing of Manufactured Materials - procedures for inspecting, accepting and testing of manufactures and prefabricated materials either by source inspection, job site inspection, or certificate of compliance

  Whatever QAP the local agency chooses for projects off the NHS, the program decided upon shall be documented and approved by the Public Works Director. A non-registered Public Works Director must delegate the approval to the City/County Engineer if such individual is appropriately registered. If the City/County Engineer is not registered, the delegation can be made to the highest level engineer in the agency who is. Copies of the approved quality assurance program shall be kept on file and available for State review.

If the local agency chooses to use the Caltrans test methods, Caltrans METS will perform the IAST if requested. Otherwise, it is the local agency's responsibility to perform IAST with its own staff, or hire a consultant determined qualified by the local agency.

NHS PROJECTS

It is Caltrans' responsibility to have a Quality Assurance Program (QAP) for use on both State highway and local street and road federal-aid construction projects. The QAP described in this section meets the requirements of the Federal Highway Administration (FHWA) for local agency projects. **Local agencies must follow the QAP procedures described in this section for all projects on the NHS.**

The Caltrans QAP requires IAST as a check on the reliability of sampling and testing performed during acceptance testing. The independent assurance sampling and testing is not to be used for determining quality and acceptability of material incorporated into the job. Such tests are used only for the purpose of determining the reliability of testing personnel, procedures used, and calibration of testing equipment. When the local agency elects to use ASTM test methods, it is Caltrans' responsibility to perform necessary IAST with its own ASTM proficient staff and equipment, or hire a qualified consultant to perform the ASTM IAST.

GENERAL PROCEDURES

Local projects covered by a cooperative agreement may be administered by the State. All material sampling and testing required for State-administered cooperative projects is performed as described in Chapter 6 of the Caltrans *Construction Manual* and the *Quality Assurance Program Manual*. Local projects typically are administered by the local agency. Materials sampling and testing for these projects must use the procedures described in this manual.

NHS PROJECTS

Correlation Testing Program

Testing and inspection of materials that cannot be adequately performed by the awarding local agency must be arranged for in advance of advertising a project. Testing options are permitted provided the laboratory utilized is a participant in a correlation testing program approved by the Caltrans Office of Materials Engineering and Testing Services. Three correlation testing programs approved by Caltrans are:

- The AASHTO Materials Reference Laboratory (AMRL)
- Cement and Concrete Reference Laboratory (CCRL)
- Caltrans' own Reference Samples Program (RSP)

These correlation testing programs conform to the FHWA requirement that each State Transportation Agency must participate in an approved laboratory inspection and comparative sample testing program. All laboratories which use Caltrans' test methods must participate in the Caltrans Reference Sample Program. Those laboratories which do not use Caltrans' test methods may participate in the AMRL and CCRL programs to fulfill correlation testing program requirements.

Qualifying Laboratories

In addition to their own staff, a local agency may use any of the following options for sampling and testing materials:

- Laboratory operated by another local agency
- Caltrans laboratory (if Caltrans "local assistance work for others" resources are available)
- Private consultant laboratory
- Require a certificate of compliance in lieu of testing manufactured products

A private consultant laboratory may be permitted to subcontract materials testing, provided the test results are received by the Resident Engineer within 7 days after materials are sampled. The subcontractor must be approved by the local agency and must be a participant in an approved correlation testing program. All materials provisions that apply to the consultant laboratory shall apply to the subcontracted consultant.

Any laboratory providing testing services for projects located in California (except for products manufactured out of state) shall be under the responsible engineering management of a California registered professional Engineer with experience in inspection and testing of construction materials. The Engineer shall certify the results of all tests performed by laboratory personnel under his supervision.

Agencies using the *Standard Specifications for Public Works Construction* (commonly referred to as the Green Book) can as outlined in Section 4-1.3.3, select a consultant laboratory to sample and test material at locations too distant for the agency staff to conduct the sampling and testing. This specification allows for the agency to have the contractor pay for the costs of this service, however the contractor shall not select or exercise any authority over the consultant laboratory.

Certification of Personnel

Acceptance sampling and testing by project personnel or construction, or central laboratory personnel shall be performed only by those who have been certified by the District Materials Engineer or other designated district authority, to be proficient in acceptance sampling and testing. These personnel shall possess a current "Certificate of Proficiency for an Acceptance Tester," (MR-0111) (old Form HC-1) (Exhibit 16-D) which is valid in all districts. This certificate is required for all samplers and testers, including personnel from the District Materials Laboratory, construction (including Resident Engineers and their assistants), construction field laboratory, Office of Structures Construction, local agencies, and consultant laboratory employees, including employees of sub-contracted laboratories.

The District Materials Engineer shall individually certify personnel of local agencies and consultant employees upon receiving from them evidence of training, experience and/or certification by a non-Caltrans organization such as the "National Institute for Certification in Engineering Technologies" (NICET).

A copy of each person's certificate of proficiency, is to be on file in both the District Materials Laboratory, and the Resident Engineer's project files. The MR-0111 form lists the sampling and testing which the individual is authorized to perform.

A person possessing the MR-0111 Certification issued on the basis of a certification from NICET or other organizations recognized by Caltrans, if observed by qualified IAST personnel not to be performing materials sampling and testing in accordance with applicable test methods, shall have his or her MR-0111 certification withdrawn or modified for the particular test method observed to have been incorrectly performed.

During witness and split sample testing, acceptance testers should carry adequate identification with them so that Independent Assurance sampling and testing personnel can verify certification of personnel. Acceptance testers without valid identification shall not be allowed to perform sampling and testing.

A person whose certification has been withdrawn for a particular test method may have the certification revalidated upon demonstration that deficiencies have been eliminated to the satisfaction of the Caltrans District Materials Engineer.

In cases of extreme emergency, sampling and testing may be performed by someone not certified. The local agency Resident Engineer is to assure himself or herself of the person's competency and every effort should be made to obtain a certified person as soon as possible. These occasions should be limited to unforeseen circumstances. Prior arrangements shall be made to have certified personnel available for foreseeable occasions such as vacation, compensating time off, rotation, or separation.

Laboratory Equipment Calibration Requirements

The local agency laboratory shall calibrate field construction laboratory equipment and portable field test equipment (sand cones, scales, moisture test equipment, slump cones, air meters, etc.) prior to use on construction projects, and re-calibrate as frequently as required. The maximum interval between calibrations is one year. The local agency is responsible for calibration of laboratory testing equipment used for testing on local agency projects, whether or not the equipment is owned by the local agency, a consultant contractor, or sub-contractor. Consultant laboratory-supplied equipment shall be calibrated by the consultant or local agency, and evidence of such calibration shall be provided to the Caltrans District Materials Engineer upon request.

Calibration of test equipment shall conform to Section 8-03, "Field Tests," of the Caltrans *Construction Manual*. [1]Limited resources are available for calibrating asphalt concrete testing equipment for local agencies. This Caltrans service requires the agency and Caltrans to be under agreement and that payment for the service be provided prior to performance of the service. Contact the Caltrans Accounting Service Center-Reimbursement Unit for procedures on making advance payment. Two sections in the *Quality Assurance Program Manual* (Part 3-10, "Testing Equipment Used on Construction Projects Administered by Local Agencies," and Appendix B, "Procedures for Calibrating Materials Testing Equipment") describe the procedures that the Independent Assurance Sampler and Tester personnel are to use when calibrating materials testing equipment for local agencies.

Local agencies and/or private consultants electing to use nuclear test equipment to determine soil, aggregate or asphalt concrete compaction, shall calibrate their nuclear gages on Caltrans' standard density blocks. Calibration arrangements should be made by contacting a Caltrans District Local Assistance Engineer, a Caltrans Independent Assurance Sampler and Tester, or a Caltrans Radiation Safety officer. A minimum of 3 working days advance notice is required for nuclear gage calibration. Nuclear gages not calibrated on Caltrans Standard density blocks shall not be accepted. Specified

[1] Engineering Service Center Policy Memo dated 11/2/94

calibration tables for each device shall be used for all State and federally-funded contracts on the NHS. All nuclear gage compaction tests conducted without Caltrans' calibration tables shall be reported "Unacceptable" by Caltrans' IAST personnel.

Upon proper calibration, a decal shall be firmly affixed to each piece of calibrated equipment. Decal type and required information are specified on page 63 Appendix B of the *Quality Assurance Program Manual*. A manufacturer's or service contractor's decal is acceptable as long as the above-required information is readily available.

Should such decal become unreadable or lost, then the equipment is to be re-calibrated as soon as possible. Where such equipment either requires repair or cannot be repaired, a timely repair or replacement shall be secured.

The Caltrans Office of Materials Engineering and Testing Services, local agency, private contractor and sub-contractor laboratories shall participate in one or all of the following;

- The AASHTO Materials Reference Laboratory (AMRL),
- The Cement and Concrete Reference Laboratory (CCRL) inspection programs,
- The Caltrans Reference Sample Program

All laboratories shall maintain their laboratory testing equipment in accordance with recognized national calibration standards.

Local agencies that have their own laboratories may participate in Caltrans' RSP. The local agencies are furnished reference samples of road construction materials upon which they shall perform specific tests (California Test Methods). The results of such tests shall be submitted to the Office of Materials Engineering and Testing Services for analysis and evaluation. Test results which have poor correlation shall be repeated using new material. The District Materials Engineer shall be assigned follow-up responsibilities regarding retesting of reference samples by participating laboratories.

Notification of Equipment Calibration

Whenever a local agency wishes a Caltrans laboratory to perform equipment calibration, the local agency and/or the Caltrans District Local Assistance Engineer (DLAE) must furnish the following to the appropriate Caltrans District Materials Engineer:

- A letter requesting required testing services (letter should note if ASTM test methods shall be used in lieu of the California Test Methods (CTM))

- Specific instructions on how the agency is to be billed

- A Engineering Authorization number provided by the Caltrans DLAE

An advance deposit (procedures and amounts of advance deposits vary by Caltrans Districts) is required to cover the cost of calibration done by Caltrans. All such requests shall be made through the appropriate Caltrans DLAE.

Manufactured and Assembled Materials

A local agency may permit the use of certain manufactured products, materials or assemblies accompanied by a Certificate of Compliance prior to sampling and testing,

provided these products, materials or assemblies do not involve structural integrity or safety to the public. Additionally, these items must have a history of having met specifications based upon previous sampling and testing. The manufacturer of the products, materials or assemblies shall sign the Certificate of Compliance and state that the included materials and workmanship conform in all respects to the project specifications for the material.

Certificate of Compliance

Acceptance of manufactured and prefabricated structural materials shall be based on either a Certificate of Compliance and/or source inspection by the local agency, qualified consultant or Caltrans (see "Source Inspection" in this chapter).

The contract documents should specify which materials require a Certificate of Compliance. For such specified materials the Resident Engineer is responsible for insuring that a Certificate of Compliance is furnished with each lot of these materials delivered to the work site. The certified material lot number and project number shall be clearly identified on the certificate and on lot tags affixed or stenciled to the released materials. All materials accepted on the basis of a signed Certificate of Compliance shall be referenced by project inspectors to daily inspection reports and laboratory releases. Certified materials such as Portland Cement and Asphalt products shall be sampled for testing as indicated in the "Size, Frequency and Location of Sampling and Testing Tables" (Exhibit 16-R) (hereinafter referred to as "Frequency Tables").

Manufactured products, materials or assemblies used on the basis of a Certificate of Compliance may be sampled again at the job site and tested at any time during the life of the contract. Items found later not in conformance with contract requirements shall be subject to rejection whether in place or not. The form and distribution of Certificates of Compliance shall be acceptable to the DLAE. A Certificate of Compliance for each item shall be kept in the Resident Engineer's file. Exhibit 16-T is a listing of materials typically accepted by a Certificate of Compliance for projects advertised using Caltrans Standard Specifications - 1995 edition.

NON-NHS PROJECTS

For federal-aid projects off the National Highway System, the local agency may develop its own procedures for certification of personnel performing acceptance testing. Caltrans will certify acceptance testers if Caltrans test methods are used and if requested by the local agency.

TYPES OF SAMPLING AND TESTING

PRELIMINARY SAMPLES AND TESTS

Preliminary Tests are tests prior to award of a contract. Construction personnel rarely sample for Preliminary Tests. Such tests are for design purposes or to provide data for the "Materials Information" package for prospective bidders.

Samples and tests on potential sources sampled after award of the contract are typically called "Initial Samples and Tests," or "Process Control Samples and Tests." Normally, these samples and tests are performed on material proposed for use in the work by the contractor. The purpose of these tests is to:

- Determine the ability of a material or product to meet specifications; or

- Indicate to the contractor the extent of processing and control required to produce a material that meets specifications. Sufficient samples should be taken to assure the local agency Resident Engineer that the proposed materials are capable of producing a finished product of the specified quality.

ACCEPTANCE SAMPLING AND TESTING

Tests of materials entering the work are called "Acceptance Tests" (AT). Acceptance sampling and testing of materials or work should start the first day a construction material is placed or work is performed. To obtain the greatest benefit, testing should be performed as soon as possible after samples are taken or segments of work are completed. This provides early test data for the Resident Engineer's and contractor's guidance.

The local agency Resident Engineer shall maintain a material and testing "Summary Log" for each material requiring multiple sampling and testing as defined in the "Frequency Tables." The "Summary Log" shall include appropriate data such as station location, depth of test sample, approximate quantity of material represented by the test sample, test result, and tester. Failing tests results require retesting of the material with cross references of the retest to the initial failing test result previously entered in the "Summary Log."

Representative samples of all materials entering into the work shall be sampled at the location specified in the standard specifications or special provisions. If not so specified, the samples shall be taken at the location indicated in the "Frequency Tables."

SOURCE INSPECTION

Source Inspection is acceptance testing of manufactured and prefabricated materials at locations other than the job site.

If the administering agency cannot perform the source inspection and qualified consultants are not available, the agency may request that Caltrans conduct the inspections on a reimbursed basis for NHS and non NHS projects. Caltrans HQ Engineering Service Center - Office of Materials Engineering and Testing Services (METS) will agree to this work only to the extent that their inspectors are available. (Caltrans will continue to provide Source Inspection services for local assistance projects, as long as resources are available, on a reimbursed basis.) METS is responsible for assigning personnel for Caltrans' source inspection services.

The local agency must make the request sufficiently in advance for METS to make this determination and to allow for special processing to cover reimbursement for the State's services. Requests received after the "Request for Authorization" has been submitted for the construction phase of the project will not be considered.

In order for a local agency to receive Caltrans' Source inspection services, the following must occur: (see also the following flow chart for number references)

1. Local agency submits "Request for Source Inspection" (see Exhibit 16-V) to District Local Assistance Engineer (DLAE).

Note: This should be submitted at least 30 days prior to the local agency submittal of the "Request for Authorization to Proceed with Construction." Justification should be based on requirements above.

2. DLAE receives the request for source inspection services. DLAE faxes a copy of request for source inspection services to METS or DLAE rejects the request and returns it to the local agency.

3. METS notifies the DLAE, within 5 working days, that METS can do the inspection or that the local agency has to make their own arraignments. METS also provides an estimated cost for the source inspection service.

4. DLAE notifies local agency that their request has been rejected by Caltrans.

5. Local agency makes other arrangements for source inspection.

6. DLAE obtains single phase EA (9XXXXX) for the project and assigns a subjob number (33333) for materials testing, or, obtains a multiphase EA (XXXXX7) for the project.

7. DLAE notifies local agency that their request for Caltrans source inspection (reimbursed) services has been accepted. DLAE also gives the local agency the project EA (and subjob # if required) and the estimated cost for the reimbursed services

8. The local agency sends in the "Request for Authorization to Proceed with Construction," "Local Programs Agreement Checklist" and "Finance Letter," to DLAE along with other required documentation.

   Note: Checklist and Finance Letter require the identification of Source Inspections.

9. DLAE reviews the local agency's submittal package, inputs "Request for Authorization" into FADS system, and transmits the package to DLA Area Engineer.

10. DLA Area Engineer reviews package and authorizes construction

11. DLA Area Engineer prepares Program Supplement Agreement (PS) with special covenant, for reimbursed services, and transmits PS to local agency after funds are certified by Local Programs Accounting.

12. DLA Area Engineer transmits Finance Letter along with other information to Local Programs Accounting (LPA)

13. LPA bills the local agency for an advance deposit to cover the estimated full amount of the reimbursed services. EA is shown on the bill.

14. Local agency executes the PS and returns it to DLA. Local agency also submits advance deposit to LPA.
    Note: The Program Supplemental Agreement has to be executed and advance deposit received before Caltrans can perform the reimbursed services.

15. Local agency advertises and awards construction contract.

16. The Local agency's Resident Engineer completes the top portion of Caltrans' "Notice of Materials to be Used" form # CEM-3101 including not only the information listed, but also, includes the Resident Engineer's mailing address, phone number and Federal/State aid project number. The additional information is required so that the Caltrans' inspectors know where to send the inspection report.

17. Resident Engineer gives CEM-3101 to the contractor to fill out the bottom portion.

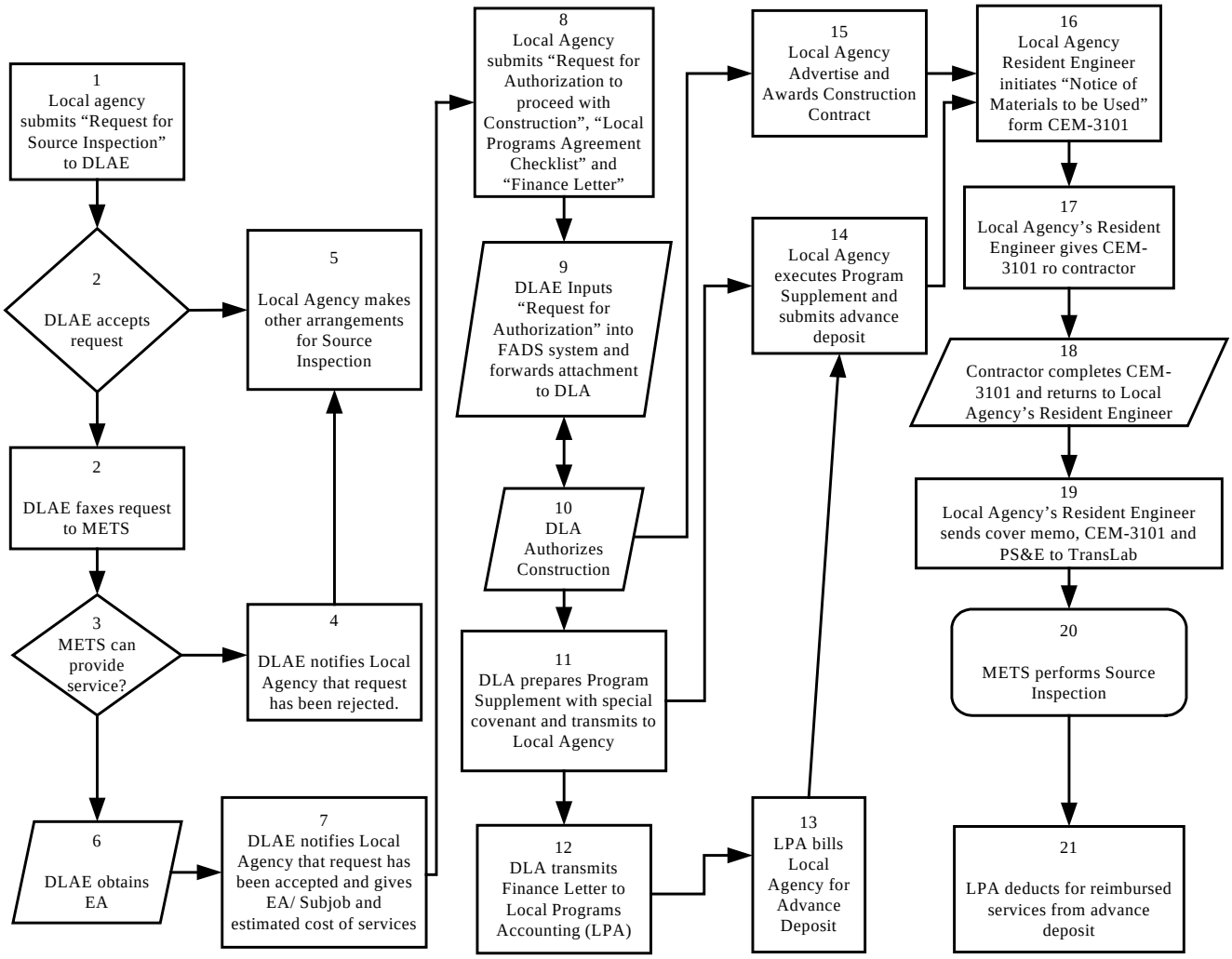
18. Contractor completes the bottom portion and returns CEM-3101 to the Resident Engineer.

19. Resident Engineer sends "Cover Memo" (see Exhibit 16-W), the CEM-3101 and one set of PS&E, to Caltrans HQ Office of Materials Testing & Engineering Services, MS # 5, 5900 Folsom Blvd., Sacramento, CA 95819.

20. METS inspector performs source inspection, see Caltrans *Construction Manual*, Section 8-02-1 for the Source Inspection procedures.

21. LPA deducts reimbursed services from the advance deposit. After LPA deducts for the reimbursed services any remaining funds will be refunded to the local agency. Or, the local agency will be billed for any Caltrans' Source Inspection services provided that was not covered by the advance deposit.

Source Inspection Procedures



REPORTING TEST RESULTS

The following are goals for reporting material tests results to the Resident Engineer:

- When the aggregate is sampled at materials plants, test results for Sieve Analysis, Sand Equivalent and Cleanness Value should be submitted to the Resident Engineer within 24 hours after sampling.
- When materials are sampled at the job site, test results for compaction and maximum density should be submitted to the Resident Engineer within 24 hours after sampling.
- When soils and aggregates are sampled at the job site, test results for Sieve Analysis, Sand Equivalent and Cleanness Value should be submitted to the Resident Engineer within 72 hours after sampling.
- When soils and aggregates are sampled at the job site, test results for "R" Value and asphalt concrete extraction should be submitted to the Resident Engineer within 96 hours after sampling.

When sampling products such as Portland Cement Concrete (PCC), cement-treated base (CTB), asphalt concrete (AC), and other such materials, the time of such sampling shall be varied with respect to the time of day insofar as possible, in order to avoid a predictable sampling routine. The reporting of AT test results for tests not performed by the Resident Engineer staff shall be done on an expedited basis such as by fax or telephone.

INDEPENDENT ASSURANCE SAMPLING AND TESTING

The primary purposes of independent assurance samples and tests (IAST) are:

- To verify that project sampling and testing of materials is performed correctly (i.e., test the tester)
- To ensure that equipment is properly calibrated

NHS Projects

Independent assurance sampling and testing is mandatory for **all NHS projects**. Caltrans shall perform the IAST requirement. The local agency Resident Engineer shall schedule on a timely basis with the Caltrans Materials Engineer, the independent assurance testing of his/her personnel responsible for the acceptance testing on the project. The frequency of IAST tests to be performed or witnessed by the IAST personnel are listed in the *Quality Assurance Manual*.

Independent assurance samples are taken at random for the purpose of making independent checks on the reliability of the acceptance test results. Generally, acceptance sampling and testing personnel shall go to a central location to have IAST conducted. Both independent assurance test samples and acceptance test samples should be taken from the same point in the material delivery process, and normally are split samples for purposes of comparing test results between the IAST and field laboratory (acceptance) tester. IAST does not have to be performed on materials actually incorporated into the work. The tests, however, shall be performed while a project is active and the same AT tester and testing equipment shall be used for the project. The split sample is to be tested separately by the field laboratory person and by the IAST laboratory person using separate equipment. Independent assurance samples are to be tested on equipment that <u>is not</u> assigned to the project.

All sampling by independent assurance testing personnel must be identified as an independent assurance sample even when the number of IASTs may exceed the sampling schedule. Such identity must be maintained throughout the testing procedure. Independent assurance samples shall be kept under the direct control of the independent assurance sampler until they are shipped or delivered to the testing laboratory.

Acceptance tester results are compared with IAST results by the Caltrans District Materials Engineer. The local agency Resident Engineer is responsible to see that the frequency of IAST testing is conducted in accordance with the *Quality Assurance Program Manual*. The Caltrans District Materials Engineer is responsible for the resolution of testing differences and reporting results to the local agency Resident Engineer in a timely manner.

Poor correlation between acceptance testers' results and the independent assurance testers' results indicate probable deficiencies with the job quality acceptance sampling and testing procedures. Independent assurance samples and tests are not to be used for determining compliance with contract requirements. Such contract compliance is determined only by acceptance testing, as mentioned earlier under "Tests on Material Entering the Work." The frequency of IAST is described in the *Quality Assurance Program Manual*, Section 3-13, "Performing Independent Assurance Sampling and Testing Functions."

The following are the procedures to follow for IAST when performed on all NHS local agency contracts:

1. IAST is required for each federal-aid contract on the NHS. The Caltrans DLAE is responsible for assuring that there is a continual process in the district where the local agency Resident Engineer and the IAST testing laboratory are notified prior to the start of work. This is accomplished by forwarding a copy of the PS&E package to the District Materials Engineer for review and determination of the required IAST requirements. The IAST requirements are then sent to the DLAE on Form MR-0102, "Independent Assurance Sampling and Testing letter" (see Exhibit 16-E). The IAST requirements are determined from the *Quality Assurance Program Manual* and are recorded on either the "Report of Witness Test" (Form MR-0103), or the "Corroboration Report" (Form MR-0104). Results are retained in summary on the "Independent Assurance Sampling and Testing Log Summary" (Form MR-0110) (See *the Quality Assurance Program Manual*, Appendix C for examples of MR forms mentioned above). The frequency of IAST is specified in Table 1, "Frequency of Split Sample and Witness Tests" of the *Quality Assurance Program Manual*. The DLAE is responsible for assuring that acceptance testing and IAST activities are monitored by the local agency Resident Engineer during the construction phase of each federal-aid project on the NHS.

2. The local agency Resident Engineer is responsible for a timely notification of the appropriate Materials Laboratory when IAST is needed based on information from #1.

3. For Caltrans-administered local agency contracts, personnel from the District Materials Laboratory perform IAST. Caltrans Resident Engineers, construction laboratory personnel, or individually qualified consultant testers may perform IAST for federally-funded local agency projects. All personnel performing IAST shall possess an Independent Assurance Sampler Tester Certificate, (Form MR-0100). Consultants and their personnel must be free of conflict of interest for each project where they IAST. Consultant testers, when performing IAST duties, must be under direct Caltrans supervision. IAST personnel are to witness and record the sampling methods and tests performed by project personnel as specified in the *QAP Manual*. A copy of the completed Form MR-0103, "Report of Witness Tests" (Exhibit 16-F), shall to be kept in the Materials Engineers file

4. Independent assurance samples are to be tested on a priority basis. Independent assurance testing personnel are to promptly compare independent assurance test results with acceptance tests performed by project personnel. Acceptability for the purpose of satisfying independent assurance requirements rests solely with comparing test results, not on meeting contract requirements. The District Materials Engineer is responsible for resolving differences when IASTs results compare poorly with acceptance sampling and tests results. The District Materials Engineer shall immediately report the poor comparison results to the local agency Resident Engineer by telephone or fax. He/she shall also transmit to the local agency Resident Engineer, the "Corroboration Report" (Form MR-0104). A copy shall also be sent to the DLAE.

   The District Materials Engineer shall immediately initiate follow-up actions whenever poor comparisons are noted between IAST and AT results. Independent assurance testing personnel's follow-up actions may include further IAST, and the results (Forms MR-0103 and MR-0104 - Exhibits 16-F and 16-G, respectively) placed in the Resident Engineer's file, with a copy furnished to the Caltrans DLAE. The District Materials Engineer shall continue follow up actions until the discrepancies are resolved.

5. The appropriate Materials Laboratory shall retain the original "Independent Assurance Sampling and Testing Log Summary" (Exhibit 16-H). If a consultant IAST is used then a copy of the log summary for each acceptance tester shall be submitted to the local agency Resident Engineer upon project completion. This copy shall be retained in the construction project files.

   Note: The use of the following Caltrans forms for local agency projects is on an optional basis for reporting IAST activities and/or results, and information relating to IAST. The local agency or its consultant testing organization may use any similar form provided the forms contain the same information those listed below.

   - Exhibit 16-E - "Independent Assurance Sampling and Testing" letter (Form MR-0102)
   - Exhibit 16-F - "Report of Witness Tests" (Form MR-0103)
   - Exhibit 16-G - "Corroboration Report" (Form MR-0104)
   - Exhibit 16-H - "Independent Assurance Sampling and Testing Log Summary" (Form MR-0110)

Independent assurance testing is to be done in a manner that shall avoid needless duplication. The construction sampling and/or testing person may be working on several different construction projects concurrently, utilizing the same equipment during the same time period. When this is the case, it is not necessary to make independent assurance tests for all projects. Instead, the results can be incorporated into each appropriate project file to show that the sampler and/or tester has been performing the job correctly, and that the testing equipment is in proper working order.

In order to provide required documentation for multiple construction projects as described above, each independent assurance sampling or test result shall be entered into the IAST Log Summary for the person tested. This summary is retained by the IAST personnel and shall be readily available for future reference. Applicable contracts, sample identification numbers, and tests performed can be traced to the IAST Log Summary. Copies of the IAST log summary for each acceptance sampler and tester shall be provided to each affected Resident Engineer for inclusion in each Engineer's file.

Non-NHS Projects

The local agency shall use the IAST procedures described in their approved QAP. Individually-qualified local agency, or consultant testers may perform the work. Consultant testers used to perform IAST shall be free of conflicts of interest if also performing other acceptance testing work.

STATISTICAL QUALITY ASSURANCE

A means to improving quality as part of construction materials and processes has been developed utilizing statistical control as part of an overall management strategy. The goals, in addition to improving quality, include reducing life cycle costs, redirecting responsibility for quality control to the contractor, and reducing disputes.

The contractor is responsible for quality control, which is achieved through quality control/quality assurance (QC/QA) specifications, which include pay factors which are set to encourage quality. Pay factors are set to encourage production, placement and installation based on consistent test results within a narrow band within the specification ranges rather than widely variable results from a lack of quality control. QC/QA specifications provide for contractor testing which is independently verified, and payment is based on fulfillment of statistically based acceptance.

Caltrans' specifications for statistically based quality control/quality assurance have been developed for asphalt concrete. Refer to the Caltrans *Manual for Quality Control and Quality Assurance for Asphalt Concrete*, April 1996, for information.

FHWA SAMPLES AND TESTS

When federal funds are included in the financing of a project, a representative of the FHWA may select samples or sample locations. The sampling shall be done by Caltrans or local agency personnel as directed by the FHWA , and the samples thus obtained must be labeled as, "FHWA Check Samples," and sent for testing to either a Caltrans District Materials Laboratory or the Office of Materials Engineering and Testing Services. Copies of the check sample test results shall be sent to the FHWA, Caltrans District Director, Attention: District Local Assistance Engineer, and the local agency Resident Engineer.

RECORDS

All material records of samples and tests, material releases and certificates of compliance for a given project shall be incorporated into the Resident Engineer's project file. This file shall be organized as described in Section 16.8, "Project Files," of this chapter. The complete project file shall be available at a single location for inspection by Caltrans and FHWA personnel at any time during the construction project. The file shall be available at the local agency administrative office for at least three years following the date of final payment. The use of a "Summary Log," as described in "Tests on Materials Entering the Work" of this chapter, facilitates reviews of material sampling and testing by Caltrans and FHWA reviewing personnel, and assist the Resident Engineer in tracking the frequency of testing.

When two or more projects are being furnished materials simultaneously from a single plant, it is not be necessary to secure separate samples for each project; however, individual test reports are to be supplied to complete the records for each project.

PROJECT CERTIFICATION

Upon completion of the project a "Materials Certificate" shall be completed by the local agency Resident Engineer. The local agency shall include a "Materials Certificate" (see Chapter 17, "Project Completion," Exhibit 17-G) in the Report of Expenditures submitted to the Caltrans District Director, Attention: District Local Assistance Engineer. A copy of the "Materials Certificate" shall also be included in the local agency construction records. A Registered Engineer in charge of the construction function for the local agency shall sign the certificate. **All materials incorporated into the work which did not conform to specifications must be explained and justified on the "Materials Certificate," including changes by virtue of contract change order.**

FREQUENCY TABLES

The "Frequency Tables" (Exhibit 16-R) provide a guide for sampling and testing required for various materials and products. Close adherence to the sample size requirement avoids the unnecessary delay and expense of obtaining supplementary samples to complete the tests.

The frequency of sampling is intended as a guide under normal conditions. Material well within specifications and uniform in character may result in less frequent sampling and testing, whereas borderline materials may need an increase in the frequency of testing to assure specification compliance. Materials supplied from reliable sources and proven by frequent testing to be of uniform high quality, may subsequently receive less sampling and testing than indicated in the Frequency Testing Tables; however, any deviation from the prescribed frequency must be noted and explained in the material testing records. When materials are being furnished intermittently, with interruptions of several days or weeks, the frequency of sampling and testing should be increased to assure that specification materials are being incorporated into the work.

Whenever failures occur, sufficient additional acceptance tests should be taken to isolate the affected work. Documentation of the results of such additional tests shall be included in the records, including a description of the corrective measures taken.

The frequency of obtaining Independent Assurance sampling and performing the tests for projects on the NHS, shall be the minimum number required by the Caltrans *QAP Manual*. This assures that sampling and testing of materials by project personnel are reliable and that the quality of materials incorporated into the work meet specifications. For projects off the NHS, the local agency shall use the frequency described in their approved QAP.

The "Frequency Tables" include sampling required for process control (potential source) tests of various materials.

Relatively minor quantities of construction materials may be accepted without testing provided acceptance conforms to the conditions stated below in paragraphs l and 2. Generally, this provides for accepting minor quantities of materials from a commercial source that is known to be a supplier of specification material.

1. The Engineer, on the basis of a visual examination, may accept minor quantities of materials without testing provided the source of the supplies has recently furnished similar materials found to be satisfactory using normal sampling and testing requirements.
2. Acceptance of a product may be established on the basis of certification by the manufacturer or supplier that the material furnished complies with all specification requirements.

Documentation for acceptance of material as described in paragraphs l and 2 above must be provided and included in the project records. Documentation should include statements in the project inspector's reports that clearly indicate conditions under which the material was accepted (e.g., description, quantity, location, where placed, certification numbers and/or other accompanying data).

The following list suggests approximate maximum quantities of materials that may be accepted under the conditions indicated above:

- Aggregates other than for use in Portland Cement Concrete--not to exceed 100 tons per day nor more than 500 tons per project
- Bituminous mixtures--not to exceed 50 tons per day. Sample at Engineer's discretion if project total is less than 500 tons
- Bituminous material--not to exceed 100 gallons per project
- Paint--not to exceed 20 gallons per project. Acceptance to be based on weights and analysis on container
- Masonry items -- check dimensions of products for specification compliance and uniformity of manufacture
- Non-reinforced or clay pipe--not more than 100 lineal feet

16.15 CONTRACT CLAIMS

INTRODUCTION

This section applies to all federal-aid highway construction projects.

BACKGROUND

A claim is defined as a demand for additional compensation that is formally submitted to someone in the local agency above the level of direct project supervision. In simple terms, a demand is termed a claim once it goes beyond the local agency project staff level.

Both the local agency and the contractor share in the responsibility for claims. Many claims can be avoided if reviews of the contract documents are more-thorough, both in preparation of the project and in bidding the project. Problems often occur when agencies rush to let projects for bids with incomplete plans. Due to public pressure, local agencies sometimes promise to get work under construction or to open highways on some predetermined date. Also plans that were developed several years earlier can be especially dispute-prone because traffic patterns and other field conditions may have changed. Contractors can contribute to claims through ineffective project management, scheduling practices and substandard work.

CLAIMS AVOIDANCE

Some methods that can be included in the contract provisions to help reduce contract claims are listed below:

Partnering: See Section 16-4, "Pre-construction Conference and Partnering."

Alternative Dispute Resolution (ADR) Techniques: The use of ADR techniques allows fair-minded people to resolve their differences in a manner which emphasizes reasonableness and fairness. ADR does not mean turning responsibility for decisions on the project over to others (i.e., lawyers). The magnitude of dispute resolutions range from less hostile methods, such as, negotiation and increases up to heated argument. The methods vary by the assistance from outside sources and the amount of decision taken away from the disputing parties. These methods are negotiation, mediation, non-binding arbitration, disputes review board, mini-trial, binding arbitration, litigation.

Negotiation: Negotiation occurs when parties resolve the issues themselves, usually at the project level. However the local agency's administrative processes would also be considered as negotiation.

Mediation: Mediation consists of using a neutral party as a catalyst to depersonalize the dispute. The mediator provides assistance in resolving the dispute by narrowing and clarifying issues, however, the mediator does not decide the dispute. Mediation is normally non-binding.

Disputes Review Board: This method requires the creation of a standing committee of three persons which meets on a regular basis to review and resolve all project disputes before they become formal claims. Both parties choose a member who represents them and selects the third member. The operating procedures are described in the contract and the operating costs are shared by both parties. Written decisions are rendered by the board, however, the decisions are typically non-binding upon the parties.

Mini-Trial: Mini-Trials are more formal than mediation in that a dispute is treated as a business problem. Mini-Trials are conducted with the aid of Lawyers and experts

who present a summary of their "best case" to senior officials of the owner and the contractor. The senior officials settle the dispute with the aid of a neutral party.

Each party is represented by a principal participant with the authority to settle the dispute on behalf of the party he represents. The FHWA also has a representative at the mini-trial whom has the authority to approve any settlement reached by the parties. The mini-trial is chaired by a neutral advisor to be selected jointly by the parties. The neutral advisor performs a mediation function, enforces time limitations, asks questions of witnesses and, if necessary, issues an advisory opinion on the merits of the dispute. The presentations at the mini-trial are informal with the rules and procedures stated in the agreement. The mini-trial is conducted within a specific time frame.

Arbitration: Arbitration is a method under which decisions are made by one or three arbitrators, chosen by the parties, based on fact and law. Although decisions may or may not be binding and without appeal, in almost all cases, the arbitration decision is accepted by both parties. Usually, the only cases carried on to litigation are those that involve a point of law. Arbitration is permitted under the State Public Contract Code.

Specifications are available from Caltrans. For more information contact the DLAE.

FALSE STATEMENTS CONCERNING HIGHWAY PROJECTS

Applies to all federal-aid highway construction projects.

This provision is an anti-fraud statute originating from the federal-aid Road Act of 1916.

The making or use of false statements is a felony, punishable by fine of not more than $10,000, or imprisonment of not more than 5 years, or both. Making or using false claims for the purpose of obtaining payment against federal funds subjects violators to forfeiture of $2,000 for each violation.

This section specifically provides that "willful falsification, distortion, or misrepresentation with respect to any facts related to the project is a violation of federal law" and requires that the "false statements" poster, Form FHWA-1022, shall be posted on the project.

The local agency is to conduct investigations on complaints and review records that are potentially vulnerable to fraud. It is also the local agency's responsibility to furnish the prime contractor with the required poster (Form FHWA-1022) and to ensure that it is posted accordingly. These posters are normally available at the Caltrans District Offices.

CONTRACT PROVISIONS

All federal-aid projects shall include contract provisions containing administrative procedures for dealing with contractor claims. These procedures shall allow for the proper treatment of the following two conditions:

1) Protest and potential claims which have not been resolved during the progress of the work and which have been restated as claims with the return of the proposed final estimate.

2) Situations wherein the first notification of any problem is a claim submitted with the return of the proposed final estimate.

The contractor's claims procedure provisions contained in a local agency's Special Provision or Standard Specification shall not be bypassed or modified through the use of Change Orders.

"Notice of Potential Claim" (form DC-CEM-6201) is included as Exhibit 16-U for projects using Caltrans *Standard Specifications Section 9-1.04*.

CLAIMS PROCEDURES

Local agencies must diligently pursue the satisfactory resolution of claims within a reasonable period of time. Local agencies shall use the same procedures for resolution of contract claims on federal-aid projects as they use for their other transportation-related projects constructed without federal-aid funding. Claims procedures shall be included in a local agency's contract Special Provision or Standard Specifications. These provisions shall not be bypassed or modified through the use of Change Orders.

Caltrans *Construction Manual*, Section 2-70, "Protests Potential Claims and Claims - 1990" should be used for guidance by those local agencies using Caltrans Standard Specifications and Standard Special Provisions. Included are contract administration procedures for; (1) dealing with protests arising from change orders; (2) considering the merits of potential claims; (3) obtaining determinations from sources above the level of direct project supervision; and (4) the keeping of proper records, in order to have adequate information in the event of a contract claim. Local agencies are required to provide adequate supervision and inspection of each federal-aid construction project. The keeping of proper records is an important element of this requirement.

The local agency is not required to give advance notification to the DLAE or FHWA of the details of claims unless estimated defense and/or settlement costs would require an increase in the amount of federal funds authorized for the project.

Claims that involve difficult, complex, or novel legal issues should be brought to the attention of the DLAE. The DLAE will contact the FHWA for assistance if appropriate. The DLAE may provide limited engineering and administrative assistance in the claim defense, depending on the complexity and size of the claim, and the availability of Caltrans' staff resources.

FEDERAL-AID PARTICIPATION

The eligibility for and extent of federal-aid participation, up to the amount of federal funds authorized for the project, in a contract claim shall be determined by the local agency in *accordance with the following:*

(a) Contract claim defense costs which are directly allocable to a federal-aid project, but not including general administrative and other overhead costs, are reimbursable up to the federal statutory share. Such cost are reimbursable at the same participation rate as the related construction project.

(b) Federal funds will participate in contract claim awards to the extent that any contract adjustments made are supported, and have a basis in terms of the contract and applicable state law, as fairly construed. Further, the basis for the adjustment and contractor compensation shall be in accord with prevailing principles of public contract law.

(c) Federal funds can participate in interest associated with a claim if three conditions are met:

- The interest must be allowable by statute or specification
- The interest is not the result of delays caused by dilatory action of the local agency or contractor
- The interest rate does not exceed the rates provided for by statute or specification

(d) Acts of local agency employees involved in contract administration and contract plan preparation matters, which subsequently give rise to claims are reimbursable to the extent the actions are reasonable and within the standards of the profession. Federal funds will not participate if it has been determined that local agency employees, officers, or agents acted with gross negligence, or participated in intentional acts or omissions, fraud, or other acts not consistent with usual local agency practices in project design plan preparation or contract administration.

(e) Federal funds will not participate in such cost items as consequential or punitive damages, anticipated profit, or any award or payment of attorney's fees paid by a local agency to an opposing party in litigation; and in tort, inverse condemnation, or other claims erroneously styled as claims "under a contract."

(f) In those cases where the local agency receives an adverse decision in an amount more than the local agency can support prior to the decision or settles a claim in an amount more than the local agency can support; the contract claim award is eligible for federal-aid participation up to the appropriate federal matching share, to the extent that it involves a federal-aid participating portion of the contract, provided that:

- The DLAE was consulted and concurred in the proposed course of action
- All appropriate courses of action had been considered
- The local agency pursed the case diligently and in a professional manner

ADDITIONAL FUNDS

If contract claim defense and or award costs will exceed the amount of federal funds authorized for the project, the local agency should contact the DLAE for assistance. For regionally programmed federal-aid funds (RSTP, CMAQ, etc.) the RTPA or MPO must be involved in authorizing additional funds. For state discretionary funds, the DLA will make the determination. Many of these programs may also require CTC approval for the additional funds. Caltrans *Local Assistance Program Guidelines* (LAPG) should be consulted for procedures for obtaining funding from the various local assistance funding programs.

Generally, the local agency must take action to settle the claims that are deemed to have merit first, and then initiate the request for the additional funds. However, if estimated claim defense costs alone will exceed available funds, approval for the additional claim defense costs may be obtained in advance, depending on the funding program. If approval is received, the DLAE will initiate authorization of the

additional federal funds upon receipt of a "Request for Authorization," and copies of a revised finance letter and detail estimate. It is important to note that while additional funds may be authorized and obligated, reimbursement of costs is still subject to the standards described in this manual.

Upon resolution of all contract claims, if additional federal funding is required, the DLAE will review the documentation and recommend the appropriate action depending on program constraints and the circumstances of the claim settlement. The adequacy of the local agency's project supervision and inspection, including the keeping of proper records, will be considered in this determination.

INVOICES

Claim defense costs are considered construction engineering if incurred before the final invoice and should be included in progress billing invoices prepared and submitted directly to Caltrans, Accounting Service Center (ASC) in Sacramento (see Chapter 5, *Accounting/Invoices*). These will be reviewed by the ASC and paid up to the limits of the project authorization.

Contract claim awards are billed as construction contract costs. These costs are usually not known until the final invoice is prepared. Claims awards costs are included in the Final Invoice, Final Detail Estimate, and reported on the CCO Summary. These documents are included in the mandatory Report of Expenditures submitted to the DLAE (see Chapter 17, *Project Completion*). Documentation of approvals from the appropriate fund manager for additional funds, if required, shall also be included in the Report of Expenditures.

Upon receipt of the Report of Expenditures, the DLAE will accept the local agency certification regarding the accuracy of the reported costs and approve payment after verifying the project was completed in accordance with the scope described in the project authorization.

DOCUMENTATION

The local agency shall document the determination of participation by setting forth in writing the legal and contractual basis for the claim, together with the cost data and other facts supporting the award or settlement. Federal-aid participation shall be supported by an audit of the contractor's actual costs unless; (1) the costs can be substantiated with project records; or (2) the audit would not be cost effective. Where difficult, complex, or novel legal issues appear in the claim, such that evaluation of legal controversies is critical to consideration of the award or settlement; the local agency shall include in its documentation a legal opinion from its counsel setting forth the basis for determining the extent of the liability under local law, with a level of detail commensurate with the magnitude and complexity of the issues involved.

All contract records must be retained by the local agency for a minimum period of three years from the date of final payment.

RECOVERY OF COMPENSATORY DAMAGES

In cases where local agencies affirmatively recover compensatory damages through contract claims, cross-claims, or counter claims from contractors, subcontractors, or their agents on projects on which there was federal-aid participation, the federal share of such recovery shall be equivalent to the federal share of the project or projects

involved. Such recovery shall be credited to the project or projects from which the claim or claims arose.

16.16 TRAFFIC SAFETY IN HIGHWAY AND STREET WORK ZONES

INTRODUCTION

The purpose of this section is to provide guidance and to establish procedures to ensure that adequate consideration is made for traffic safety in highway and street work zones, regarding motorists, pedestrians and construction workers on all federal-aid construction projects.

PROCEDURES

Each local agency shall develop and implement procedures consistent with the requirements of this section and Chapter 12, "PS&E," Section 12.6, "Plans," that shall contribute to the safety of motorists, pedestrians and construction workers on all federal-aid highway construction projects.

For each construction project, the local agency's procedures shall include, but not be limited to the following:

- Traffic Control Plan (TCP)

  1) A traffic control plan is a plan for handling traffic through a specific highway or street work zone or project. TCPs may range in scope from a very detailed plan designed solely for a specific project, to a reference to standard plans, or various manuals. The degree of detail in the TCP shall depend on the project complexity and traffic interference with construction activity.

  2) Traffic control plans shall be developed for all federal-aid projects and included in the plans, specifications and estimates (PS&Es).

  3) The scope of the TCP should be determined during the planning and design phases of a project.

  4) Provisions may be made to permit contractors to develop their own TCPs and use them if the local agency find that these plans are as good or better than those provided in the PS&E.

- Responsible Person

  The local agency shall designate a qualified person at the project level who shall have the primary responsibility and sufficient authority for assuring that the TCP and other safety aspects of the contract are effectively administered. While the project or resident engineer may have this responsibility, on large complex projects another person should be assigned at the project level to handle traffic control on a full-time basis. The person's name should be included in the "Resident Engineer Contract Administration Checklist" (see Chapter 15, Exhibit 15-B) if the resident engineer is not given this responsibility.

- Training

  All persons responsible for the development, design, implementation and inspection of traffic control shall be adequately trained.

- Accident Analysis

Local agencies should analyze construction and maintenance work site accidents for the purpose of correcting deficiencies which are found to exist on individual projects and to improve the content of future traffic control plans.

- Pay Items
  The method of payment for traffic control items should be described in the project specifications.

16.17 CONSTRUCTION ENGINEERING REVIEW BY THE STATE

On State administered projects the procedures outlined in the Caltrans *Construction Manual* shall be followed. On locally-administered projects the construction engineering of "Locally Administered" projects shall be reviewed as outlined in the "*Oversight and Process Reviews*," Chapter 19. When structure (bridge) work is involved, the process review team shall include a representative from the Caltrans Engineering Service Center, Office of Structure Construction.

As part of the process review, a Caltrans review team will annually review randomly selected local agency projects throughout the State for assessing the effectiveness of their traffic control procedures. The results of this process review will be forwarded to the FHWA Division Administrator.

A final inspection of the work shall be made by the local agency. This inspection shall be prior to final completion and acceptance by the local agency and before project verification by Caltrans DLAE. For details on final inspection see Chapter 17, Section 17.3, "Final Inspection Procedures for federal-aid Projects."

16.18 REFERENCES

18 USC 1020
23 CFR
29 CFR 5.7(b)
41 CFR 60
48 CFR Part 31 (provisions for contractor furnished equipment)
49 CFR
US DOT, FHWA, 1997 *Contract Administration Core Curriculum*
FHWA Technical Advisory, *Construction Contract Time Determination Procedures*, T 5080.15 - 10/11/91
California Department of Transportation Standard Specifications
California Public Contract Code Chapter 4
49 CFR part 23
Form FHWA 1273 Contract Provisions
State of California DOT, *Quality Assurance Program Manual* for use by Local Agencies, December 2008
Caltrans *Construction Manual*
California Division of Industrial Safety - *Construction Safety Orders*
"An informational Guide on Occupational Safety" 1972 AASHTO publication
California Public Records Act (Government Code Section 6253)
California Information Practices Act (Civil Code Sections 1798, et seq.)
Federal Aid Programming Guide (NS 23 CFR 635A) (Materials and right of way delays)
Technical Advisories (TA): T 4540.1 Equipment Rental Rates

Washington State Department of Transportation, *Local Agency Guidelines,* Section 52.3 "Quality Control" - 1994
Department of Transportation Traffic Manual - January 1996

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Form CEM-2701 (Old HC-146)

FORM CEM 2701 (REV. 7-79) JOB STAMP

WEEKLY STATEMENT OF WORKING DAYS

File Index No. 27
REPORT NO. _____

To _____ Contractor

The following statement shows the number of working days charged to your contract for the week ending _____ 19_____

Date	Day	Weather, Weather Conditions, or Other Conditions (Note 1)	Working Day	Non-Working Days Caused by Weather	Working Days No Work Done on Controlling Operation (Note 2)
	Mon.				
	Tu.				
	Wed.				
	Thur.				
	Fri.				
Days this week					
Days previously reported					
Total days to date					

TIME EXTENSIONS	CCO Numbers (Note 3)	Days Approved	
		CCO	Other
Days This Report			
Days Previously Reported			
Total days to date			

COMPUTATION OF EXTENDED DATE FOR COMPLETION	Number of Days	Numbered Day (Note 5)	Date
1. Date Contract approved by Attorney General			
2. Working days specified in contract			
3. COMPUTED DATE FOR COMPLETION (if all days specified are workable)			
4. Total time extension days approved to date (CCO plus other)			
5. Total non-working days to date (Note 4)			
6. Sub Total (Line 4 Plus Line 5)			
7. EXTENDED DATE FOR COMPLETION (Line 3 Plus Line 6)			
8. Revised Working days for contract (Line 2 Plus Line 4)			
9) Total working days to date			
10) WORKING DAYS REMAINING (line 8 minus line 9)			

Controlling Operation(s)

_____

_____

_____

REMARKS (Note 6) (Continues on reverse)

The Contractor will be allowed fifteen (15) days in which to protest in writing the correctness of the statement; otherwise the statement shall be deemed to have been accepted by the Contractor as correct. NOTE: All footnotes are on reverse side.

_____
Resident Engineer

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

Distribution: (1) Original-Contractor (2) Copy-local agency RE Project File

INSTRUCTIONS TO LOCAL AGENCY RESIDENT ENGINEER
for Form CEM-2701

Procedures:

l. When recording non working days due to weather, state the reason why the day is unworkable when the weather description itself does not adequately describe conditions. For example, "Clear -- wet grade" to describe conditions when the weather was clear, but the grade is too wet to work. Do not list days merely as "Unworkable."

2. Enter days on which no productive work has been performed on the controlling operation(s) for reasons other than weather.

3. List numbers of contract change orders providing for time extensions.

4. Do not include non working days which occur after expiration of the Extended DATE OF COMPLETION. On contracts that are overtime, the total under WORKING DAYS shall not be greater than the total of REVISED WORKING DAYS, (Line 8). After approved total of working days has been reached, continue recording working and non working days but do not add into the totals. Make statement under REMARKS that WORKING and NON WORKING days are shown for record only since the contract time has elapsed.

   If an extension of time is subsequently approved, determine the new Extended DATE by taking into account all non working DAYS.

5. Use the calendar issued by headquarters Construction with working days numbered for convenience in computations. Internet address: http://www.dot.ca.gov/hq/construc.

6. Time extensions are to be explained under REMARKS and the following information is to be included:

   (a) Cause of delay and specification reference under which approval was granted
   (b) Statement as to what controlling operation or operations are being delayed and to what extent
   (c) Dates for which the extension was granted
   (d) Reference to supporting data

STATE OF CALIFORNIA - DEPARTMENT OF TRANSPORTATION FRONT

SUBCONTRACTING REQUEST

DC-CEM-1201 (REV. 4/94) (OLD HC-45) CT# 7541-3514-7

See Instructions On Back

	REQUEST NUMBER
CONTRACTOR NAME	**COUNTY** / **ROUTE**
BUSINESS ADDRESS	**CONTRACT NO.**
CITY/STATE / **ZIP CODE**	**FEDERAL AID PROJECT NO. (From Special Provisions)**

SUBCONTRACTOR (Name, Business Address, Phone)	BID ITEM NUMBER(S)	% OF BID ITEM SUBBED	CHECK IF: (See Categories Below) (1)	(2)	(3)	DESCRIBE WORK WHEN LESS THAN 100% OF WORK IS SUBBED	$ AMOUNT BASED ON BID $ AMOUNT

Categories: 1) Specialty 2) Listed Under Fair Practices Act 3) Certified DBE/MBE/WBE/DVBE

I Certify That:

- The Standard Provisions for labor set forth in the contract apply to the subcontracted work.
- If applicable, (Federal Aid Projects only) Section 14 (Federal Requirements) of the Special Provisions have been inserted in the subcontracts and shall be incorporated in any lower-tier subcontract. Written contracts have been executed for the above noted subcontracted work.

CONTRACTOR'S SIGNATURE	**DATE**

NOTE: This section is to be completed by the Resident Engineer

1. Total of bid items ..... $ _____
2. Specialty items (previously requested) ..... $ _____
3. Specialty items (this request) ..... $ _____
4. Total (lines 2+3) ..... $ _____
5. Contractor must perform with own forces (lines 1 minus 4) x _____ % ..... $ _____
6. Bid items previously subcontracted ..... $ _____
7. Bid items subcontracted (this request) ..... $ _____
8. Total (lines 6+7) ..... $ _____
9. Balance of work Contractor to perform (lines 1 minus 8) ..... $ _____ $ _____

APPROVED

RESIDENT ENGINEER'S SIGNATURE	DATE

CEM-1201 (HC-46 REV. 4/94) COPY DISTRIBUTION: 1. Original - Contractor 2. Copy - local agency Resident Engineer
3. Copy - local agency Labor Compliance Officer 4. Contractor's Information Copy

Back

INSTRUCTIONS FOR COMPLETING SUBCONTRACTING REQUEST FORM

All First-tier subcontractors must be included on a subcontracting request.

Submit in accordance with Section 8-1.01 of the Standard Specifications. Type or print requested information. Information copy is to be retained by the contractor. Submit other copies to project's Resident Engineer. After approval, the original will be returned to the contractor.

When an entire item is subcontracted, the value to be shown is the contractor's bid price.

When a portion of an item is subcontracted, describe the portion, and show the % of bid item and value.

THIS FORM IS NOT TO BE USED FOR SUBSTITUTIONS.

Prior to submittal of a DC-CEM-1201 involving a replacement Subcontractor, submit a separate written request for approval to substitute a listed subcontractor. Section 4107 of the Government Code covers the conditions for substitution.

Submit a separate written request for approval of any DBE/MBE/WBE/DVBE substitution. Include appropriate backup information and state what efforts were made to accomplish the same dollar value of work by other certified DBE/MBE/WBE/DVBEs.

NOTE: For contractors who will be performing work on railroad property, it is necessary for the contractor to complete and submit the Certificate of Insurance (State Form DH-OS-A10A) naming the subcontractor as insured. *No work shall be allowed which involves encroachment on railroad property until the specified insurance has been approved.*

STATE OF CALIFORNIA - DEPARTMENT OF TRANSPORTATION JOB STAMP

RESIDENT ENGINEER'S DAILY REPORT

ASST. RESIDENT ENGINEER'S DAILY REPORT

DC-CEM-4501 (OLD) HC-0010 REV 11/92 7541-3506-1

RESIDENT ENGINEER'S DAILY REPORT - FILE CAT. 45 ☐
ASST. RESIDENT ENGINEER'S DAILY REPORT - FILE CAT. 46 ☐

REPORT NO.	DATE: M T W T F S S (Circle day)
SHIFT HOUR: START STOP	TEMPERATURE; MIN. MAX.
WEATHER	

SIGNATURE	TITLE

CEM-4501 (HC-0010 REV. 11/92)

Note: See over for detailed Assistant Resident Engineers Daily Report

Distribution (All projects): Original local agency project file (field office) Reports covering extra work should be filed separately

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION
Form HC-10A4 (Rev. 7/85)

Job Stamp

(Back)

Report No. _____
Date _____
M T W T F S Sun. Circle Day
Shift Hours Start ____ Stop ____

ASSISTANT RESIDENT ENGINEER'S DAILY _____ REPORT
Location & Description of Operation _____

EQUIPMENT AND/OR LABOR			HOURS - ITEM NO.								WEATHER
EQUIP. NO.	NO. MEN	DESCRIPTION (Of Equipment or Labor)								IDLE OR DOWN	REMARKS (Reason for Idleness or other remarks)

Signature **Title** 91 92184

Distribution (All projects): Original local agency project file (field office) Reports covering extra work should be filed separately

CALIFORNIA DEPARTMENT OF TRANSPORTATION

CERTIFICATE OF PROFICIENCY

In the Sampling and Testing of Construction Materials

This certifies that

_____

is qualified to perform the following tests:

CALIFORNIA TEST	DATE CERTIFIED BY	DATE RENEWED BY
202 Sieve Analysis		
217 Sand Equivalent		
226 Moisture Content		
227 Cleanness Value		
229 Durability Index		
231 Relative Compaction-Nuclear		
375 Relative Compaction of AC		
379 Asphalt Content-Nuclear		
504 Air entertainment in PCC		
518 Unit Weight-PCC		
523 Flexural Strength of PCC-Beams		
533 Kelly Ball penetration-PCC		
539 Sampling Fresh Concrete		
540 Fabricating PCC Cylinders		
___ _____		
___ _____		
___ _____		
___ _____		

_____ _____
District Materials Engineer **IAST Certificate #**

Certification expires three years from above dates.

Note: This certificate is valid as long as the Acceptance Tester complies with the applicable requirements of the Caltrans *Quality Assurance Program Manual* for use by Local Agencies, December 2008

THIS FORM IS TO BE ON FILE AT THE DISTRICT MATERIALS LAB AND CONSTRUCTION OFFICES. A COPY OF THE MASTER LIST SHALL BE KEPT IN THE RESIDENT ENGINEERS PROJECT FILE.

MR - 0111 (1/93) (Old HC-1)

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CALIFORNIA DEPARTMENT OF TRANSPORTATION
INDEPENDENT ASSURANCE SAMPLING AND TESTING

MR-0102

Date _____ File: Category 39, Independent Assurance Tests

District _____ County _____ Route _____ P.M. _____

Contract No. _____ Federal No. _____

To: RESIDENT ENGINEER

This is to inform you that your contract requires INDEPENDENT ASSURANCE SAMPLING AND TESTING. The primary Independent Assurance Tester assigned to your project is _____ however, other materials personnel may be utilized.

We will sample, test and/or witness material being incorporated into this project as per the *Local Assistance Procedures Manual*, *Chapter 16*, *Construction Administration*, for Federal-aid Projects administered by local public agencies.

Personnel performing individual acceptance tests must be certified (Form MR-0111). Upon your request, we will provide certification for those persons.

The following bid items on your contract will require Independent Assurance Sampling and Testing:

We would appreciate your cooperation in contacting the District Materials Laboratory at phone _____, FAX # _____, at least _____ hours prior to any contractor operations requiring Independent Assurance Sampling and Testing.

Signed: _____
District Materials Engineer

Form MR -0102

Distribution:	NHS Projects:	Prepared by District Materials Engineer and sent to DLAE to forward to local agency Resident Engineer
	Non NHS Projects:	(Similar form) Prepared by local agency IAST and sent to local agency Resident Engineer

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CALIFORNIA DEPARTMENT OF TRANSPORTATION
REPORT OF WITNESS TESTS

Form: MR-0103 (New 4/90)

Date _____ File: Category 39, Independent Assurance Tests

District _____ County _____ Route _____ P.M. _____

Contract No. _____ Federal No. _____

Resident Engineer: _____ Contractor: _____

Test No. _____

Material Being Tested: _____

Test Procedure (No. and Title):
_____
_____
_____

Samples from:_____

Location of Source:
_____

Certificate of Proficiency
(Yes/No/Not Applicable)

Sampler/Tester: _____

RESULTS:

Were the sampling and testing procedures satisfactory?
Remarks:_____
_____
_____
_____
_____
_____
_____

Signed by
Witness: _____
Independent Assurance Sampler and Tester

MR-0103 (New 4/90)

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State of California - Department of Transportation
CORROBORATION REPORT
Form MR-0104 (Rev.6/94)

File: Materials Category 100

Instructions: Use this form to compare Split-Sample Test results (Acceptance Tester's test results of the Independent Assurance Sample and Tester)

NAME (Acceptance Tester)		Valid MR-0111 [ ] YES [ ] NO
DATE (When the split sample was presented to the Acceptance Tester)	DATE(when the Acceptance Tester's results were received by the IAST)	DATE (When the Independent Assurance Sampler's & Tester's results were completed.

CORROBORATION OF TEST RESULTS

	ACCEPTANCE TESTER (AT)		INDEPENDENT ASSURANCE SAMPLER & TESTER (AST)		CORROBORATION BETWEEN THE AT AND THE AST		
TEST PROCEDURE OR CALIFORNIA TEST NUMBER	TEST RESULTS	SAMPLE ID NUMBER	TEST RESULTS	SAMPLE ID NUMBER	GOOD	FAIR	POOR

(1) SUBSEQUENT ACTION TAKEN FOR POOR CORROBORATION (List all actions taken and follow-up tests performed. Attach copy of each test report. If no action was taken, document reason(s) for no action taken).

LAST NAME (Please print)	DISTRICT
SIGNATURE (Last)	AST CERTIFIED? [ ]YES [ ] NO
IF YES, AST CERTIFICATE NUMBER	REPORT DATE

FM93 1901 M

NOTE: ATTACH ALL TEST DATA (Form MR-0107)

APPENDIX C

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INDEPENDENT ASSURANCE SAMPLING AND TESTING

STATE OF CALIFORNIA • DEPARTMENT OF TRANSPORTATION
INDEPENDENT ASSURANCE SAMPLING AND TESTING LOG SUMMARY
TL-0110 (REV. 9/95)

FILE : MATERIALS CATEGORY 100

IAST LOG SUMMARY SHEET: *(Print Full Name of Acceptance Tester)*	DISTRICT

DATE	WITNESS OF TEST PROCEDURE *(Indicate Test Number)*	WITNESS OF MATERIALS SAMPLING *(Indicate Test Number)*	Did the Acceptance Tester successfully pass the Witness Test?	Was equipment in good working condition?	Did equipment have a current calibration sticker?	SPLIT-SAMPLE COMPARISON *(Check one)*	COMMENTS OR FOLLOW-UP ACTION
			☐Yes ☐No	☐Yes ☐No	☐Yes ☐No	☐Good ☐Fair ☐Poor	
			☐Yes ☐No	☐Yes ☐No	☐Yes ☐No	☐Good ☐Fair ☐Poor	
			☐Yes ☐No	☐Yes ☐No	☐Yes ☐No	☐Good ☐Fair ☐Poor	
			☐Yes ☐No	☐Yes ☐No	☐Yes ☐No	☐Good ☐Fair ☐Poor	
			☐Yes ☐No	☐Yes ☐No	☐Yes ☐No	☐Good ☐Fair ☐Poor	
			☐Yes ☐No	☐Yes ☐No	☐Yes ☐No	☐Good ☐Fair ☐Poor	
			☐Yes ☐No	☐Yes ☐No	☐Yes ☐No	☐Good ☐Fair ☐Poor	
			☐Yes ☐No	☐Yes ☐No	☐Yes ☐No	☐Good ☐Fair ☐Poor	
			☐Yes ☐No	☐Yes ☐No	☐Yes ☐No	☐Good ☐Fair ☐Poor	
			☐Yes ☐No	☐Yes ☐No	☐Yes ☐No	☐Good ☐Fair ☐Poor	
			☐Yes ☐No	☐Yes ☐No	☐Yes ☐No	☐Good ☐Fair ☐Poor	
			☐Yes ☐No	☐Yes ☐No	☐Yes ☐No	☐Good ☐Fair ☐Poor	
			☐Yes ☐No	☐Yes ☐No	☐Yes ☐No	☐Good ☐Fair ☐Poor	
			☐Yes ☐No	☐Yes ☐No	☐Yes ☐No	☐Good ☐Fair ☐Poor	
			☐Yes ☐No	☐Yes ☐No	☐Yes ☐No	☐Good ☐Fair ☐Poor	
			☐Yes ☐No	☐Yes ☐No	☐Yes ☐No	☐Good ☐Fair ☐Poor	
			☐Yes ☐No	☐Yes ☐No	☐Yes ☐No	☐Good ☐Fair ☐Poor	
			☐Yes ☐No	☐Yes ☐No	☐Yes ☐No	☐Good ☐Fair ☐Poor	
			☐Yes ☐No	☐Yes ☐No	☐Yes ☐No	☐Good ☐Fair ☐Poor	
			☐Yes ☐No	☐Yes ☐No	☐Yes ☐No	☐Good ☐Fair ☐Poor	

FM 93 1900 M

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FORM CEM-3101 (Old HC-30(REV3-81)

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION
NOTICE OF MATERIALS TO BE USED

To: _____ Date: _____19_____
Resident Engineer

You are hereby notified that materials required for use under Contract No. _____

for construction of _____

_____

in Dist. _____, Co. _____, Rte. _____,
P.M._____

will be obtained from sources herein designated.

CONTRACT ITEM NO.	KIND OF MATERIAL	NAME AND ADDRESS WHERE MATERIAL CAN BE INSPECTED

It is requested that you arrange for sampling, testing and inspection of materials prior to delivery in accordance with Section 6 of the Standard Specifications where the same is practicable and in accord with your policy. It is understood that source inspection does not relieve me of the full responsibility for incorporating in the work materials that comply in all respects with the contract plans and specifications, nor does it preclude the subsequent rejection of materials found to be unsuitable.

Distribution:

White Office of Materials Engineering & Testing Services
5900 Folsom Blvd.
Sacramento, California 95819

Yellow Resident Engineer

Green Contractor's File

Blue District

Yours truly,

_____
Address

_____

Phone No. ( )_____ - _____

STATE OF CALIFORNIA • DEPARTMENT OF TRANSPORTATION
NOTICE OF MATERIALS TO BE USED
DC-CEM-3101 (OLD HC-30 REV. 10/92) 7541-3511-1

INSTRUCTIONS TO CONTRACTOR

Section 6 of the Standard Specifications states that, "Promptly after the approval of the Contract, the Contractor shall notify the Engineer of the proposed sources of supply of all materials to be furnished by him, using a form which will be supplied by the Engineer upon request."

In order to avoid delay in approval of materials, the Department of Transportation must receive notice as soon as possible.

Please comply with the following as closely as possible:

The Contract number and job limits should be the same as appears on the Special Provisions.

The column headed "Contract Item No." should show all the item numbers for which the material is to be used.

The column headed "Material Type" should be a description of the material and not necessarily the name of the contract item.

The column headed "Name and Address of Inspection Site" should be that of the actual source of supply and not subcontractor or jobber.

If the sources of all materials are not known at the beginning of a Contract, report those known. Supplemental "Notices of Materials to Be Used" should be submitted for the others as soon as possible thereafter. Do not delay submitting the original notice until all information is known.

All changes in kinds and/or sources of materials to be used should be reported on supplemental "Notices of Materials to Be Used" immediately.

Retain your copy and mail all other copies to the Resident Engineer.

Note: When placing orders for materials that required inspection prior to shipment, be sure to indicate on your order that State inspection is required.

CEM-3101 (OLD HC-30 REV 10/92)

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION
MR-0608

NOTICE OF MATERIALS TO BE FURNISHED

To:	**Date:**
	From: Branch Office P. O. Box 19128 Sacramento, CA 95819
	Phone: (916) 227-7263
Contractor:	
On State Contract* **Dist. *** **Co.*** **Rte. *** **P.M.***	

has notified this department that your firm is to furnish the following

This material is subject to our inspection and release before shipment is made; therefore, please notify this as manufacture or fabrication is proposed or as soon as sampling is **Sampling, tests and inspection will be made in accordance with Section 6 of the Standard Specifications.**

You are reminded that source inspection is random and does not relieve the contractor of the full responsibility of incorporating materials in the work that comply in all respects with the contract plans and specifications, nor does it preclude the subsequent rejection of materials found to be unsuitable.

Material shipped without proper release shall constitute sufficient reason for

Your cooperation in notifying us be telephone as much in advance of expected action as possible, so that we for inspection, sampling and testing will be

Very Truly Yours,

ROY BUSHEY, Chief
Office of Materials Engineering
and Testing Services

By
Title Caltrans Sr. M&R Engineer / da
Resident Engineer

* This information and contract item numbers should appear on all orders and

INSTRUCTIONS: Route Copies
SUPPLIER
RESIDENT
CONTRACT

MR-0608 (old:TL-608) (Rev.9/94)

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RE/ Br Rep
Contract file

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION
OFFICE OF MATERIALS
ENGINEERING AND TESTING SERVICES

REPORT OF INSPECTION OF MATERIAL

Dist.: _____ **Co.:** _____ **Rte.:** _____ **P.M.:** _____

Contract No.: _____

F.A.P. No.: _____

Purchase Order: _____

Estimate (Requisition) No.: _____

Date Inspected: _____

The following material has been inspected in accordance with Section 6 of the Standard Specifications and found to substantially comply* with contract plans and specifications at the source which is

at _____

Lot Number	Quantity	Description of Material
H -		

Identification: _____ **Contractor** _____

Shipped to: **JOBSITE**

RESIDENT ENGINEER

Signed

NAME _____ _____
ADDRESS _____
CITY _____

***Based on random sampling, testing and inspection procedures. Subject to final inspection and by the Resident**

MR-0029 (old:TL-29) (Rev. 9/94)

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SAMPLE FEDERAL-AID INVOICE
Single-Phase EA
Two Appropriation Codes (33D and 33T)
(Letterhead of local agency)

Date of Invoice

(For Progress Invoice)
Department of Transportation
Accounting Service Center
Local Program Accounting Branch
Mail Station #33
P.O. Box 942874
Sacramento, CA 94274-0001

(For Final Invoice)
Name, District Director
Department of Transportation
Street or P. O. Box
City, CA Zip Code
Attention: ***Name***, Local Assistance Engineer

Billing No:	***1, 2, .., or Final***
Invoice No:	***local agency's Invoice No.***
Federal-aid Project No:	***Fund Abbr.-Route-(Job #)***
Tax Identification No:	***Agency IRS ID Number***
Date Accepted by City/County:	***Final Date :"Ongoing" (if not Final)***
Project Location:	***Project Limits***

Reimbursement for federal funds are claimed pursuant to Local Agency-State Agreement

No. ***Number***, Program Supplement No. ***Number***, executed on ***Date***.

	Preliminary Engineering	Construction Engineering	Construction Contract	Total 33D
Federal Appropriation Code	33D	33D	33D	
Expenditure Authorization No	969696	969696	969696	
Federal Authorization Date	06/30/94	01/02/95	01/02/95	
Federal participating costs from	07/05/94	01/30/95	02/15/95	
to	12/30/94	04/30/95	04/30/95	
Total Costs	$3,500.60	$8,400.30	$200,000.10	$211,901.00
Less: Retention			(20,000.00)	(20,000.00)
Non participating Costs	(350.00)	(840.00)	(16,000.00)	(17,190.00)
Subtotal	$3,150.60	$7,560.30	$164,000.10	$174,711.00
Plus: Payment of Previously Withheld Retention				
Federal Participating Costs to Date	$3,150.60	$7,560.30	$164,000.10	$174,711.00
Less: Participating Costs on Previous Invoice				88,495.62
Change in Participating Costs				$86,125.38
Reimbursement Ratio				88.53%
Amount This Claim				$76,326.47

	Construction Engineering	Construction Contract	Total 33T
Federal Appropriation Code	33T	33T	
Expenditure Authorization No	969696/30600	969696/30600	
Federal Authorization Date	01/02/95	01/02/95	
Federal participating costs from	01/30/95	02/15/95	
to	04/30/95	04/30/95	
Total Costs	$2,100.10	$50,000.00	$52,100.10
Less: Retention	(0.00)	(5,000.00)	(5,000.00)
Non participating Costs	(210.00)	(4,000.00)	(4,210.00)
Subtotal	$1,890.10	$41,000.00	$42,890.10
Plus: Payment of Previously Withheld Retention			
Federal Participating Costs To Date	$1,890.10	$41,000.00	$42,890.10
Less: Participating Costs on Previous Invoice			21,470.00
Change in Participating Cost			$21,420.10
Reimbursement Ratio			100.00%
Amount This Claim			$21,420.10
INVOICE TOTAL			$97,746.57

I certify that the work covered by this invoice has been completed in accordance with approved plans and specifications; the costs shown in this invoice are true and correct; and the amount claimed, including retention as reflected above, is due and payable in accordance with the terms of the agreement.

_____ _____

(Signature, Title and Unit of Local Agency Representative) ***(Phone No.)***

Note: When multiplying "Change in Participating Costs" by "Reimbursement Ratio", the result is be rounded to the lowest cent. Federal rules do not allow rounding up.

Distribution of Progress Invoice: (1) Original + two copies to Caltrans Local Programs Accounting (2) Copy-retained by local agency
Distribution of Final Invoice: (1) Original + 1 copy included in the Report of Expenditures sent to the Caltrans District Local Assistance Engineer (2) Copy-retained by local agency

NOTICE OF MATERIALS TO BE INSPECTED

DEPARTMENT OF TRANSPORTATION

To:	Date:			
	Dist.	Co.	Rte.	P.M.
	Contract Number		Federal Project Number	

Contractor:

Item #	Material	Source

NOTE: INSPECTION WILL NOT BE PERFORMED AT THE SOURCE. THE R.E. SHOULD INSPECT OR SAMPLE AT THE JOBSITE. ASSISTANCE WILL BE PROVIDED BY NEAREST SOURCE INSPECTION FACILITY.

Remarks:

Rich Spring -Sacramento 916-227-7263
Subhash Johar - Bay Area 510-601-1620
Hernando Morales - L.A. 213-620-3012

Route Copies to:
RE/BR Rep.
Contract File
Contractor Vendor

Office of Materials
and Testing

ROY BUSHEY, Chief

By: Richard J. Spring/SMRE/da

MR-0028 (old:TL-28) (Rev.9/94)

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STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION

LOYEE INTERVIEW: LABOR COMPLIANCE/EEO

HC-0031A(REV.4/91 CT#7541-3512-3

CONFIDENTIAL *This document contains personal information and pursuant to Civil Code 1798.21 it shall be kept confidential in order to protect against unauthorized disclosure*	CONTRACT # FEDERAL #

INSTRUCTIONS-(See Reverse Side)

1. TO BE FILLED IN BY INTERVIEWER (Data may be obtained from payroll records or during source document review

EMPLOYEE NAME		LABOR CLASSIFICATION	
MINIMUM BASE WAGE PER CONTRACT:	Base Rate	FRINGE BENEFITS	
MINIMUM BASE WAGE PER PAYROLL (if available):	Base Rate	FRINGE BENEFITS	
EMPLOYER		PRIME CONTRACTOR ON THE PROJECT (If same, state so)	
WORK BEING PERFORMED AT TIME OF INTERVIEW			
2. QUESTIONS TO BE ASKED OF EMPLOYEE			
A. HOW LONG HAVE YOU WORKED FOR YOUR PRESENT EMPLOYER?		HOW LONG ON THIS PROJECT?	
B. DESCRIBE THE TYPE OF WORK YOU HAVE BEEN DOING THIS PAST WEEK?			
C. WHAT IS YOUR WAGE (Including Base Rate and Fringe Benefits (Compare to Payroll)		DO YOU KEEP A RECORD OF HOURS WORKED? ☐YES ☐NO	
D. DO YOU WORK OVERTIME? ☐FREQUENTLY ☐SELDOM ☐NONE ARE YOU PAID TIME AND ONE HALF FOR OVERTIME? ☐YES ☐NO		IF NO, EXPLAIN	
E. HAS YOUR EMPLOYER DIRECTED YOUR ATTENTION TO THE REQUIRED WAGE RATE POSTER ON THE PROJECT? ☐ YES ☐ NO		HAVE YOU SEEN THESE POSTERS? ☐YES ☐NO	IF NO, EXPLAIN
F. ARE YOU AWARE OF THE CONTRACTOR'S EEO POLICIES? ☐YES ☐NO	DOES THE CONTRACTOR HOLD REGULAR EEO MEETINGS ☐YES ☐NO	HOW OFTEN?	
WHO CONDUCTS THE MEETINGS?	WHO IS THE EEO OFFICER FOR YOUR EMPLOYER?		WHO IS THE EEO OFFICER FOR THIS PROJECT?
G. ARE YOU INTERESTED IN/OR HAS YOUR EMPLOYER INFORMED YOU OF UPGRADING AND TRAINING POSSIBILITIES? ☐YES ☐NO		IF YES, PLEASE EXPLAIN	
3. ADDITIONAL QUESTIONS FOR OWNER OPERATORS			
A. EQUIPMENT DESCRIPTION		TRUCK LICENSE NO.	TRUCK (CAL-T)NO
HOURLY RATE $_____ **(Fully operated & Maintained)**	BASE EQUIPMENT RATE **$**_____	ON WHAT DO YOU BASE YOUR **EQUIPMENT RENTAL RATE?** ☐ HOURLY ☐WEEKLY ☐MONTHLY	
B. DO YOU OWN THE EQUIPMENT ☐YES ☐NO		MAY I SEE YOUR CERTIFICATE OF OWNERSHIP? (Interviewer Note Response) ☐YES ☐NO	
LEGAL OWNER		REGISTERED OWNER	
4. EMPLOYEE COMMENTS Do you have any comments or complaints about wages or EEO policies?		5. INTERVIEWER'S COMMENTS	
INTERVIEWER'S SIGNATURE		RESIDENT ENGINEER SIGNATURE	
DATE: _____		DATE: _____	

Distribution: (1) Original - Local agency project files

STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION
EMPLOYEE INTERVIEW: LABOR COMPLIANCE/EEO
HC-0031B(REV.4/91 CT#7541-3512-3

DIRECTIONS TO INTERVIEWER

1. Fill in Section 1 from payroll records, if available, after interview
2. Fill in Section 2 completely. (does not apply to owner operators
3. Fill in Section 3 completely.
4. Employee comments optional in Section 4.
5. Interviewer comments on findings and recommendations
   further actions be taken. Attach additional sheets if necessary.

FEDERAL-AID HIGHWAY CONSTRUCTION CONTRACTOR'S ANNUAL EEO REPORT

U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
FEDERAL-AID HIGHWAY CONSTRUCTION CONTRACTOR'S ANNUAL EEO REPORT

OMB NO. 2125-0019
Local Agency Contract No.
Report For JULY ____ 200_

1. CHECK APPROPRIATE BLOCK	2. NAME AND ADDRESS OF FIRM	3. FEDERAL-AID PROJECT NUMBER	4. TYPE OF CONSTRUCTION
☐ Contractor ☐ Subcontractor			

5. COUNTY AND STATE	6. PERCENT COMPLETE	7. BEGINNING CONSTR. DATE	8. DOLLAR AMOUNT OF CONTRACT	9. ESTIMATED PEAK EMPLOYMENT	
				Month and Year (a)	Number of Employees (b)

10. EMPLOYMENT DATA

Table A **Table B**

JOB CATEGORIES	TOTAL EMPLOYEES		TOTAL MINORITIES		BLACK Not of Hispanic Origin		HISPANIC		AMERICAN INDIAN OR ALASKAN NATIVE		ASIAN OR PACIFIC ISLANDER		WHITE Not of Hispanic Origin		APPRENTICES		ON THE JOB TRAINEES	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F
OFFICIALS (Managers)																		
SUPERVISORS																		
FOREMEN/WOMEN																		
CLERICAL																		
EQUIPMENT OPERATORS																		
MECHANICS																		
TRUCK DRIVERS																		
IRONWORKERS																		
CARPENTERS																		
CEMENT MASONS																		
ELECTRICIANS																		
PIPEFITTERS, PLUMBERS																		
PAINTERS																		
LABORERS, SEMI-SKILLED																		
LABORERS, UNSKILLED																		
TOTAL																		

Table C

APPRENTICES																		
ON THE JOB TRAINEES																		

11. PREPARED BY: (Signature and Title of Contractor's Representative) DATE

12. REVIEWED BY: (Signature and Title of Local Agency Official) DATE

Distribution: Prepared by the contractor and subcontractors and sent to the local agency (1) Original - Local agency project files (2) Copy - Caltrans District Local Assistance Engineer

Form FHWA-1391 (Rev. 3-92) **Electronic** PREVIOUS EDITIONS ARE OBSOLETE

LOCAL AGENCY CONTRACTORS AND SUBCONTRACTORS INSTRUCTIONS FOR COMPLETING FEDERAL HIGHWAY ADMINISTRATION 1391 FORM

The FHWA-1391 form shall be used to report the number of minority and non-minority employees by gender employed in each work classification on a Federal-aid Contract. The "Job Categories" column is used to identify work classification. When identifying work classification use only the categories listed on the form. Miscellaneous job categories are to be incorporated in the most appropriate category listed on the form.

WHO MUST REPORT:

Each prime contractor and subcontractor, regardless of tier, who has a Federal-aid Contract exceeding $10,000.

REPORT DATA:

Each contractor is to collect data of the number of project personnel who worked all or any part of the last full week of July. Contractors who do not perform any work during the last full week of July must write "Not Applicable" across the form, sign, date and return.

DUE DATE:

Due on or before the 15th of August.

DEFINITION OF TERMS:

OFFICIALS (Managers): Officers, project engineers, superintendents, etc., who have management level responsibility and authority.

SUPERVISORS: All levels of project supervision, if any, between management and foremen levels.

FOREMEN/WOMEN: Men and women in direct charge of crafts workers and laborers performing work on the project.

MECHANICS: Equipment service and maintenance personnel.

LABORERS, SEMI-SKILLED: All laborers classified by specialized type of work.

LABORERS, UNSKILLED: All Non-classified laborers.

OTHERS: Miscellaneous job classifications are to be incorporated in the most appropriate category listed on the form. All employees on the project should be accounted for.

BLOCK ENTRIES

(1) CHECK APPROPRIATE BLOCK – Check only one box.

(2) NAME AND ADDRESS OF FIRM – Enter the firm's name, street address, city, town, state and zip code. Do not abbreviate.

(3) FEDERAL-AID PROJECT NUMBER – Enter all Federal-aid project number(s) associated with the contract number. (If you are a subcontractor and do not know the Federal-aid project number, contact the prime contractor).

(4) TYPE OF CONSTRUCTION – Enter type of work associated with the contract number. (If you are a subcontractor and do not know the type of construction, contact the prime contractor).

(5) COUNTY AND STATE – Enter all county(ies) and state(s) associated with the contract number. (If you are a subcontractor and do not know the county(ies) and state(s), contact the prime contractor).

(6) PERCENT COMPLETE – Enter percentage completed, based on the dollar amount of the contract completed.

(7) BEGINNING CONSTR. DATE – Enter date construction began.

(8) DOLLAR AMOUNT OF CONTRACT – Enter dollar amount of contract, including amended amounts.

(9) ESTIMATED PEAK EMPLOYMENT –

(a) Month and Year – Enter month and year of peak employment during the life cycle of the contract.
(b) Number of Employees – Enter number of employees, based on the peak employment during the life of the contract.

(10) EMPLOYMENT DATA –
(Table A) – Enter number of employee(s) based on race, gender and job category during the reporting period.
(Table B) – Enter number of apprentice(s) and on-the-job trainee(s) based on gender and job category during the reporting period.
(Table C) – Enter number of apprentice(s) and on-the-job trainee(s) based on race and gender during the reporting period.

(11) PREPARED BY – Signature and Title of Contractor's Representative certifying the reported data to be true.

(12) REVIEWED BY – Signature and Title of Local Agency Official reviewing data.

Note: Include contract number in the block located at the top of the form.

Distribution: Prepared by the contractor and subcontractors and sent to the local agency. (1) Original – Local agency project files (2) Copy – Caltrans Local Assistance District Engineer

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EMPLOYEE INTERVIEW: LABOR COMPLIANCE/EEO (SPANISH FORM)

ESTADO DE CALIFORNIA • DEPARTAMENTO DE TRANSPORTACION

ENTREVISTA DE EMPLEADO: CUMPLIMIENTO LABORAL / IOE (IOE: programa de "IGUAL OPORTUNIDAD DE EMPLEO.")

CEM-2504 (Spanish) (NEW 11/2003) (Frente)

AVISO ADA
Para personas con incapacidad sensorial, este documento esta disponible en forma alternativa.. Para mas informatcion llame a (916) 654-6410 or TDD (916) 654-3880o escriba a Records and Forms Management, 1120 N Street, MS-89, Sacramento, CA 95814.

CONFIDENCIAL
Este documento contiene informacion personal y de acuerdo al codigo civil 1798.21 debera ser mantenida confidencialmente con el fin de protegerla contra divulgaciones no autorizadas.

INSTRUCCIONS - (VEA EL REVERSO)

Lock Data on Form

No DE CONTRATO

No DE FED

1. A SER LLENADO POR EL ENTREVISTADOR (Los datos pueden ser obtenidos de las planillas de pago o durante la revision de documentos)

NOMBRE DEL EMPLEADO		CLASIFICACION DEL TRABAJO
SUELDO BASICO MINIMO POR CONTRATO:	SUELDO BASICO	BENEFICIOS EMPRESARIALES
SUELDO BASICO MINIMO POR PLANILLA:	SUELDO BASICO	BENEFICIOS EMPRESARIALES
EMPLEADOR		CONTRATISTA PRINCIPAL EN EL PROYECTO (SI ES EL MISMO, INDIQUE)
TRABAJO REALIZADO AL MOMENTO DE LA ENTREVISTA		

2. PREGUNTAS AL EMPLEADO

A. CUANTO TIEMPO HA TRABAJADO CON ESTA EMPRESA? | CUANTO TIEMPO HA TRABAJADO EN ESTE PROYECTO?

B. DESCRIBA EL TIPO DE TRABAJO HECHO EN LA ULTIMA SEMANA

C. CUAL ES SU SUELDO? *[Incluya sueldo basico y beneficios (Compara con Planilla)]* | USTED ANOTA SUS HORAS TRABAJADAS? ☐ SI ☐ NO

D. USTED TRABAJA HORAS EXTRAS? ☐ FREQUENTEMENTE ☐ POCO ☐ NUNCA | LE PAGARON TIEMPO Y MEDIO POR LAS HORAS EXTRAS? ☐ SI ☐ NO | SI ES NO, EXPLIQUE

E. LE HA ORIENTADO SU EMPLEADOR ACERCA DE AFICHES (TABLAS) DE LA ESCALA SALARIAL COLOCADOS EN EL PROYECTO? ☐ SI ☐ NO | HA VISTO USTED ESOS AFICHES (TABLAS)? ☐ SI ☐ NO | SI ES NO, EXPLIQUE

F. ESTA USTED ENTERADO DE LAS REGLAS DEL CONTRATISTA ACERCA DEL IOE? ☐ SI ☐ NO | REALIZA EL CONTRATISTA REUNIONES (JUNTAS) ACERCA DEL IOE? ☐ SI ☐ NO | CON QUE FRECUENCIA?

QUIEN DIRIGE LAS REUNIONES (JUNTAS)? | QUIEN ES EL REPRESENTANTE DEL IOE POR PARTE DE LA EMPRESA? | QUIEN ES EL REPRESENTANTE DEL IOE EN EL PROYECTO?

G. ESTA USTED INTERESADO O SU EMPLEADOR LE HA INFORMADO ACERCA DE PROGRAMAS DE ASCENSO Y POSIBILIDADES DE ENTRENAMIENTO? ☐ SI ☐ NO | SI ES SI, EXPLIQUE

3. PREGUNTAS ADICIONALES PARA OPERADORES PROPIETARIOS

A. DESCRIPCION DEL EQUIPO | NUMERO DE LICENCIA DEL CAMION | NUMERO CA # DEL CAMION

PRECIO POR HORA *(Operacion y Mantenimiento Total)* $ | PRECIO BASICO DE RENTA DE EQUIPO $ | COMO ESTABLECE EL PRECIO DE LA RENTA DEL EQUIPO? ☐ POR HORA ☐ SEMANAL ☐ MENSUAL

B. ES USTED EL PROPIETARIO DEL EQUIPO? ☐ SI ☐ NO | PUEDO VER SU CERTIFICADO DE PROPIEDAD?

PROPIETARIO LEGAL | PROPIETARIO REGISTRADO

4. COMENTARIOS DEL EMPLEADO	5. COMENTARIOS DEL ENTREVISTADOR
TIENE USTED ALGUN COMENTARIO O QUEJA ACERCA DE LOS SUELDOS O LAS REGLAS DEL IOE? SEA ESPECIFICO	
NOMBRE DEL ENTREVISTADOR (LETRA DE MOLDE)	NOMBRE DEL INGENIERO RESIDENTE (LETRA DE MOLDE)
FIRMA DEL ENTREVISTADOR / FECHA	FIRMA DEL INGENIERO RESIDENTE / FECHA

FM 91 1282 91 61116

ESTADO DE CALIFORNIA • DEPARTAMENTO DE TRANSPORTACION

ENTREVISTA DE EMPLEADO: CUMPLIMIENTO LABORAL / IOE (IOE: programa de "IGUAL OPORTUNIDAD DE EMPLEO.")

CEM-2504 (Spanish) (NEW 11/2003) (Reverso)

DIRECCIONES PARA EL ENTREVISTADOR

1. ***Llene la seccion numero 1 con los datos de planilla, si estan disponibles y despues de la entrevista.***
2. ***Llene la seccion numero 2 completamente. (No se aplica a los operadores propietarios.)***
3. ***Llene la seccion numero 3 completamente.***
4. ***Los comentarios del Empleado en la seccion numero 4 son opcionales.***
5. ***Los comentarios del Entrevistador sobre los hechos encontrados y recomendaciones de tomar acciones futuras. Adjunte hojas adicionales si es necesario.***

U. S. DEPARTMENT OF LABOR
OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS
EMPLOYMENT STANDARDS ADMINISTRATION

OFCCP OFFICES WITHIN CALIFORNIA

Ms. Andrea A. Brown
District Director
Los Angeles District Office
U. S. Department of Labor
OFCCP/ESA
11000 Wilshire Blvd. Suite 8103
Los Angeles, CA 90024
Phone No. (310) 235-6800

Mr. Woody Gilliland
Regional Director
San Francisco Regional Office
OFCCP / ESA
U. S. Department of Labor
71 Stevenson Street, Suite 1700
San Francisco, CA 94105
Phone No. (415) 848-6969

Mr. Hector Sanchez
Area Director
Santa Ana Area Office
OFCCP / ESA
U. S. Department of Labor
34 Civic Center Plaza, Suite 406
Santa Ana, CA 92701-2800
Phone No. (714) 836-2784

Mr. Angel G. Luevano
District Director
Oakland District Office
OFCCP / ESA
U. S. Department of Labor
1301 Clay Street, Suite 1080N
Oakland, CA 94612-5217
Phone No. (510) 637-2938

Mr. Emilio Lopez
District Director
San Diego District Office
OFCCP / ESA
U. S. Department of Labor
5675 Ruffin Road, Suite 320
San Diego, CA 92123-5378
Phone No. (619) 557-6489

Ms. Alice V. Young
District Director
San Jose District Office
OFCCP / ESA
U. S. Department of Labor
60 South Market, Suite 410
San Jose, CA 95113-2328
Phone No. (408) 291-7384

or contact the Federal Information Center at (800) 688-9889 for other OFCCP office information.

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SIZE, FREQUENCY AND LOCATION OF SAMPLING AND TESTING TABLES

PORTLAND CEMENT CONCRETE (6) - PAVEMENT

MATERIAL OR PRODUCT		TEST FOR	TEST NO.	SAMPLE SIZE & CONTAINER TYPE	POTENTIAL SOURCE TESTS: LOCATION OR TIME OF SAMPLING	ACCEPTANCE TESTS: FREQUENCY OF SAMPLING	ACCEPTANCE TESTS: LOCATION OR TIME OF SAMPLING	REMARKS
AGGREGATE	COARSE AGGREGATE	LA Rattler (500) Rev.) 6 Cleanness value	211 227	See Note (3)	See Note (2)	1 for every 500 cu. yds. 1 per day min. See Notes (1)(7). If production is less than 300 cu. yds, 1 per accumulative 300 cu. yds.	One of the following locations listed in order of preference: a. Belt from weigh hopper to central or transit mixer. b. Belt which feeds batch plant bins immediately preceding the weigh hopper. c. Discharge gate of weigh hopper. A single sample 400+ lbs. into loader or dump truck; split to test portion required for grading analysis. d. Discharge gates of bins feeding the weigh hopper at batch plant	Recommend 1 acceptance test per day if 3 consecutive tests over 80
	FINE AGGREGATE	Colometric Test Mortar Strength Sand Equivalent Durability	213 515 217 229	See Note (3)	See Note (2)	Only if initial test shows critical or contamination is suspected 1 for every 500 cu. yds. See Notes (1) (7). If production is less than 300 cu. yds., 1 per accumulative 300 cu. yds.	The location and method of sampling are to be determined and agreed upon by the engineer and the contractor. Once selected, the location and method of sampling are not to be changed during the life of a project, or so long as there is no change in plant's configuration or operation.	Recommend 1 acceptance Test per day if 3 consecutive tests over 80
	COARSE & FINE AGGREGATE	Specific gravity & absorption Soundness Sieve Analysis Freeze-Thaw Moisture	206 & 207 214 202 528 223 &/ or 226	See Note (3) See Note (4)	See Note (2) Non See Note (5) None	When aggregate changed. See Note 7 1 for every 500 cu. yds. 1 per day min. See Notes (1)(7). If production less than 300 cu. Yds, 1 per accumulative 300 cu. yd. 1 for every 500 cu. yds. 1 per day min. See Notes (1) (7). If production less than 300 cu. Yds, 1 per accumulative 300 cu. yd.	Same as Fine Aggregate (above) Same Fine Aggregate (above) Same Fine Aggregate (above)	Sample must be in an airtight container
CEMENT		Compliance w/Std. Specs. & Special Provisions		8 lb.	None with Certificate of Compliance (See REMARKS.)	1 for every 500 cu. yds. 1 per min. See Notes (1)(7). If production is less than 300 cu. yds, 1 per accumulative 300 cu. yd.	Weigh hopper or in the feed line immediately in advance of the hopper	If no Certificate of Compliance, sample at least 14 days prior to use for previously tested brands, 35 days for untested brands.
WATER		Compliance with Sec. 90 of Std. Specs. & Special Provisions	405	Clean 1/2 gallon plastic jug with lined sealed lid	At point of use (See REMARKS)KS)	As required for acceptance (See REMARKS)	At point of use	City water supplies for domestic use usually need not be tested unless suspected of high chloride or sulfate content. On-the-job wells are to be tested.

ADMIXTURES	Air Entraining Agent	Air entraining properties, chloride identification	ASTM C 260	1-quart can or plastic bottle of liquid, 2 lbs. of powder	Samples must reach testing lab at least 1 week prior to use.	As required for information	Sample must reach testing lab at least 1 week prior to use	
	Water Reducers Set Retarders	Claimed properties, chloride identification	ASTM C 494	1-quart can of liquid, 2 lbs. of powder	Samples must reach Testing lab at least 1 week prior to use. Untested brands require 5 weeks prior to use.	As new supplies arrive on the job or each time brand is changed.	Samples must reach testing lab at least 1 week prior to use. Untested brands require 5 weeks prior to use.	
CONCRETE		Yield	518	See test method See Note (8)		One for each 4 hours production	At point it is deposited on the grade	If yield test used for payment, 1 per each 1,500 cu. yds.; min. of 2 per mix design per job.
		Ball Penetration	533			When test specimen is fabricated & when consistency or uniformity is questionable. Min. 2 per day	At point concrete is deposited in the work and from different portions of the batch to check uniformity.	
		Modules of rupture	523	1 set of 3 beams 6" x 6" x 34" each	See California Test 539	One set for each 4,000 cubic yards	See California Test 539	Recommend min. 2 sets per shift. Normally, from each set, break 1 beam at 7 days, 1 beam at 10 days, and 3rd beam as required 50% decrease after 10 sets.
		Air Content	504	Approx. 1/2 cubic foot		As required for information; min. once every 4 hours. Each time 518 is performed.	At point deposited on the grade.	Where specified for freeze thaw resistance, acceptance testing shall not be less than once every hour.
		Coarse agg. per cu. ft. of concrete	529			As required to assure uniformity of concrete. See Std. Specs., Section 90	1st and last 4th of batch	
		Dimensions				As required for information. See Std. Specs. Section 40		
PIGMENTED CURING COMPOUND		Compliance (See Std. Specs. & Special Prov.)		1 Quart (Can)		As new shipments arrive on job or each time brand is changed	From spray nozzle or feed line at point of field application.	

Note:

(1) Not required if P.C. from same source is being used on other work and test is being made there. No need to duplicate the test just for the sake of record. The actual test results may be used anywhere they are applicable.
(2) From material site or stockpile; 60 days prior to use.
(3) 150# of 2 1/2" x 1 1/2 - 100# of 1 1/2 x 3/4 - 75# of 3/4" x No. 4-75# of pea gravel -50# of sand. This material for test numbers 202, 206, 207, 211, 213, 214, 217, 227, 229 and 515.
(4) See California Test No. 528 or contact the Division of New Technology, Materials and Research.
(5) Contact District Materials Engineer for special sampling procedures at least 120 calendar days before intended use.
(6) For lightweight concrete, see Standard Specifications and Special Provisions.
(7) When prior test results are acceptable and material appears to be of uniform composition, a max. of 2 tests per day will satisfy acceptance test requirements for this material. Adjustments to testing frequencies shall be documented in the project files.
(8) No deductions for cement content will be made based on the results of California test 518.

PORTLAND CEMENT CONCRETE (6) - BRIDGES & MAJOR STRUCTURES (R.C.B., P.C.C. Arch Culverts, Retaining Walls)

					POTENTIAL SOURCE TESTS	ACCEPTANCE TESTS		
MATERIAL OR PRODUCT		TEST FOR	TEST NO.	SAMPLE SIZE & CONTAINER TYPE	LOCATION OR TIME OF SAMPLING	FREQUENCY OF SAMPLING	LOCATION OR TIME OF SAMPLING	REMARKS
AGGREGATE	COARSE AGGREGATE	LA Rattler (500) Rev.) Cleanness Value	211 227	See Note (3)	See Note (2)	1 for every 500 cu. yds. 1 per day min. See Notes (1)(7). If production is less than 300 cu. yds, 1 per accumulative 300 cu. yds.	One of the following locations listed in order of preference: a. Belt from weigh hopper to central or transit mixer. b. Belt which feeds batch plant bins immediately preceding the weigh hopper. c. Discharge gate of weigh hopper. A single sample 400+ lbs. into loader or dump truck; split to test portion required for grading analysis. d. Discharge gates of bins feeding the weigh hopper at batch plant	Recommend 1 acceptance test per day if 3 consecutive tests over 80
	FINE AGGREGATE	Colometric test Mortar Strength Sand Equivalent Durability	213 515 217 229	See Note (3)	See Note (2)	Only if initial test shows critical or contamination is suspected 1 for every 500 cu. yds. See Notes (1) (7). If production is less than 300 cu. yds., 1 per accumulative 300 cu. yds.	The location and method of sampling are to be determined and agreed upon by the engineer and the contractor. Once selected, the location and method of sampling are not to be changed during the life of a project, or so long as there is no change in plant's configuration or operation.	Recommend 1 acceptance test per day if 3 consecutive tests over 80
	COARSE & FINE AGGREGATE	Specific gravity & absorption Soundness Sieve Analysis Freeze-Thaw Moisture	206 & 207 214 202 528 223 &/ or 226	See Note (3) See Note (4)	See Note (2) See Note (5) None	When aggregate changed. See Note (7) 1 for every 500 cu. yds. 1 per day min. See Notes (1)(7). If production less than 300 cu. yds, 1 per accumulative 300 cu. yd. or every 500 cu. yds. 1 per day min. See Note (7). If production less than 300 cu. yds, 1 p umulative 300 cu. yd.	As per potential source list Same Fine Aggregate (above) Same Fine Aggregate (above)	Sample must be in an airtight containe
CEMENT		Compliance w/Std. Specs. & Special Provisions		8 lb.	None with Certificate of Compliance (See REMARKS.)	1 for every 500 cu. yds. 1 per min. See Notes (1)(7). If production is less than 300 cu. yds, 1 per accumulative 300 cu. yd.	Weigh hopper or in the feed line immediately in advance of the hopper	If no Certificate of Compliance, sample at least 14 days prior to use for previously tested brands, 35 days for untested brands.
WATER		Compliance with Sec. 90 of Std. Specs. & Special Provisions	405	1/2 gallon plastic jug with lined sealed lid	At point of use (See REMARKS.)	As required for acceptance (See REMARKS)	At point of use	City water supplies for domestic use need not be tested unless suspected of high chloride or sulfate content. On-the-job wells are to be tested.

ADMIXTURES	Air Entraining Agent Water Reducers Set Retarder	Air entraining properties, chloride identification Claimed properties, chloride identification	ASTM C 260 ASTM C 494	1-quart can or plastic bottle of liquid, 2 lbs. of powder 1-quart can of liquid, 2 lbs. of powder	Samples must reach testing lab at least 1 wk prior to use. Samples must reach testing lab at least 1 wk prior to use. Untested brands require 5 wks prior to use.	As required for information As new supplies arrive on the job or each time brand is changed.	Sample must reach testing lab at least 1 week prior to use Samples must reach testing lab at least 1 week prior to use. Untested brands require 5 weeks prior to use.	Check with DNTM&R for brands which may be used prior to sampling and testing when properly certified
CONCRETE		Yield Ball Penetration Compressive Strength Air Content Coarse agg. per cu. ft· of concrete Dimensions	518 533 539 & 540 504 529	Approx. 1 cu. ft. See Note (8) 1 set of 2-6" x 12" cylinders for each test age	See California Test 539	As necessary to assure accuracy of mix design; min. 2 per each mix design When test specimen is fabricated & when consistency or uniformity is questionable. Min. 2 per day 1 set for approx. every 300 cu. yds. concrete or as required for acceptance. Min. 1 set per job & class of concrete for each days production. A Min. once every 4 hours of production and when test specimens are fabricated As required to assure uniformity of concrete. See Std. Specs., Section 90 As required for information. See Std. Specs. Sec. 40	At point it is deposited in the work At point concrete is deposited in the work and from different portion of the batch to check uniformity At point deposited in the work At point deposited on the grade. 1st and last 4th of batch	For trial batches, see Std. Specs. or job Special Provisions and Section 8-03 of this manual. Where air is specified for freeze-thaw resistance, a min. of 1 per each 30 cu. yds.
PRESTRESSED TENDON GROUT		Efflux time	541	1-6" x 12" cylinder mold can	From batch immediately after mixing for prequalification; thereafter from outlet end of tendon &/or storage tank.	At the start of each day's work and thereafter 1 test per each 5% of ducts		Repeat acceptance tests whenever source of material is changed
PIGMENTED CURING COMPOUND		Compliance (See Std. Specs. & Special Prov.)		1 Quart (Can)		Periodically to ensure compliance	From storage drums	For chlorinated rubber base type, sample and test if not previously inspected at the source.

Note:
(1) Not required if P.C. from same source is being used on other work and test is being made there. No need to duplicate the test just for the sake of record. The actual test results may be used anywhere they are applicable.
(2) From material site or stockpile; 60 days prior to use.
(3) 150# of 2 1/2 x 1 1/2"-100# of 1 1/2 x 3/4 - 75# of 3/4" x No. 4-75# of pea gravel -50# of sand. This material for test numbers 202, 206, 207, 211, 213, 214, 217, 227, 229 and 515.
(4) See California Test 528 or contact the Division of New Technology, Materials and Research.
(5) Contact District Materials Engineer for special sampling procedures at least 120 calendar days before intended use.
(6) For lightweight concrete, see Standard Specifications and Special Provisions.
(7) When prior test results are acceptable and material appears to be of uniform composition, a max. of 2 tests per day will satisfy acceptance test requirements for this material. Adjustments to testing frequencies shall be documented in the project files.
(8) No deductions for cement content will be made based on the results of California Test 518.

PORTLAND CEMENT CONCRETE MISCELLANEOUS CONCRETE

See Notes (6) and (9)

MATERIAL OR PRODUCT		TEST FOR	TEST NO.	SAMPLE SIZE & CONTAINER TYPE	POTENTIAL SOURCE TESTS: LOCATION OR TIME OF SAMPLING	ACCEPTANCE TESTS: FREQUENCY OF SAMPLING	ACCEPTANCE TESTS: LOCATION OR TIME OF SAMPLING	REMARKS
AGGREGATE	COARSE AGGREGATE	LA Rattler (500) Rev.) Cleanness Value	211 227	See Note (3)	See Note (2)	1 for every 500 cu. yds. 1 per day min. See Notes (1)(7). If production is less than 300 cu. yds, 1 per accumulative 300 cu. yds.	One of the following locations listed in order of preference: a. Belt from weigh hopper to central or transit mixer. b. Belt which feeds batch plant bins immediately preceding the weigh hopper. c. Discharge gate of weigh hopper. A single sample 400+ lbs. into loader or dump truck; split to test portion required for grading analysis. d. Discharge gates of bins feeding the weigh hopper at batch plant	Recommend 1 acceptance test per day if 3 consecutive tests over 80
	FINE AGGREGATE	Colometric Test Mortar Strength Sand Equivalent Durability	213 515 217 229	See Note (3)	See Note (2)	Only if initial test shows critical or contamination is suspected 1 for every 500 cu. yds. See Notes (1) (7). If production is less than 300 cu. yds., 1 per accumulative 300 cu. yds.	The location and method of sampling are to be determined and agreed upon by the engineer and the contractor. Once selected, the location and method of sampling are not to be changed during the life of a project, or so long as there is no change in plant's configuration or operation.	Recommend 1 acceptance test per day if 3 consecutive tests over 80
	COARSE & FINE AGGREGATE	Specific gravity & absorption Soundness Sieve Analysis Freeze-Thaw Moisture	206 & 207 214 202 528 223 &/ or 226	See Note (3) See Note (4)	See Note (2) See Note (5) None	When aggregate changed. 1 for every 500 cu. yds. 1 per day min. See Notes (1)(7). If production less than 300 cu. yds, 1 per accumulative 300 cu. yd. 1 for every 500 cu. yds. 1 per day min. See Notes (1) (7). If production less than 300 cu. yds, 1 per accumulative 300 cu. yd.	Same as Fine Aggregate (above)	
CEMENT (6)		Compliance w/Std. Specs. & Special Provisions		8 lb.	None with Certificate of Compliance (See REMARKS.)	1 for each 500 cu. yds. used. I per day min.: 2 per day max. See Note (1). See Section 8-02 of this Construction Manual	From weigh hopper, screw leading to weigh hopper	If no Certificate of Compliance, sample at least 14 days prior to use for previously tested brands, 35 days for untested brands.
WATER		Compliance with Sec. 90 of Std. Specs. & Special Provisions	405	1/2 gallon plastic jug with lined sealed lid	At point of use (See REMARKS.)	As required for acceptance (See REMARKS.)	At point of use	City water supplies for domestic use usually need not be tested unless suspected of high chloride or sulfate content. On-the-job wells are to be tested.

ADMIXTURES	Air Entraining Agent Water Reducers Set Retarder	Air entraining properties, chloride identification Claimed properties, chloride identification	ASTM C 260 ASTM C 494	1-quart can or plastic bottle of liquid, 2 lbs. of powder 1-quart can of liquid, 2 lbs. of powder	Samples must reach testing lab at least 1 week prior to use. Samples must reach Testing lab at least 1 week prior to use. Untested brands require 5 weeks prior to use.	As required for information When new lots are to be used.	Samples must reach testing lab at least 1 week prior to use. Samples must reach testing lab at least 1 week prior to use. Untested brands require 5 weeks prior to use.	Check with DNTM&R for brands which may be used prior to sampling and testing when properly certified.
COMBINED MIX (6)	Yield Cement Factor Ball Penetration Compressive Strength Entrained Air		518 533 539 & 540 504	See test method See Note (8) 1 set of 2-6" x 12 cylinders Approx. 1/2 cubic foot		As necessary to assure accuracy of mix design When test specimen is fabricated & when consistency or uniformity is questionable. Min. 2 per day One set for each day when volume exceeds 25 cu. yd. (1) None if total days run less than 25 cu. yds. As required for information	At point concrete is deposited in the work from different portions of the batch to check uniformity At point deposited in work At point concrete is deposited in work	If yield test used for payment, 1 per each 1,500 cu. yds.; min. of 2 per mix design per job.

Note:
(1) Not required if P.C. C. from same source is being used on other work and test is being made there. No need to duplicate the test just for the sake of record. The actual test results may be used anywhere they are applicable.
(2) From material site or stockpile; 60 days prior to use.
(3) 150# of 2 1/2" x 1 1/2 - 100# of 1 1/2 x 3/4 - 75# of 3/4" x No. 4-75# of pea gravel -50# of sand. This material for test numbers 202, 206, 207, 211, 213, 214, 217, 227, 229 and 515.
(4) See California Test 528 or contact the Division of New Technology, Materials and Research.
(5) Contact District Materials Engineer for special sampling procedures at least 120 calendar days before intended use.
(6) For minor concrete, sample and test only at Resident Engineer's discretion.
(7) When prior test results are acceptable and material appears to be of uniform composition, a max. of 2 tests per day will satisfy acceptance test requirements for this material. Adjustments to testing frequencies shall be documented in the project files.
(8) No deductions for cement content will be made based on the results of California test 518.
(9) For lightweight concrete, see Standard Specifications and Special Provisions.

ASPHALT CONCRETE (3)

MATERIAL OR PRODUCT	TEST FOR	TEST NO.	SAMPLE SIZE & CONTAINER TYPE	POTENTIAL SOURCE TESTS: LOCATION OR TIME OF SAMPLING	ACCEPTANCE TESTS: FREQUENCY OF SAMPLING	ACCEPTANCE TESTS: LOCATION OR TIME OF SAMPLING	REMARKS
AGGREGATE PRIOR TO MIXING	LA Rattler (500) Rev.)	211	Type A & B UNPROCESSED 250#	Materials site, stockpile, or plant (7)	As necessary for information and/or acceptance (8)	Plant bin prior to mixing (2) (7)	
	Specific gravity (coarse and fine aggregate)	206 & 208					
	CKE	303	PROCESSED 50# of each bin size				
	Stabilometer	366					Not made on open graded. Performed on laboratory mixture.
	Swell	305	Open graded 50#				Performed on laboratory mixture
	Moist Vapor Susceptibility	307					Performed on laboratory mixture
	% Crushed Particles	205`					
	Sieve Analysis	202			1 for each 500 tons; 1 per day min.; 2 per day max. See Note (1) (5) if production is less than 300 cu. yds. 1 per accumulative 300 cu. yds.		
	Sand Equivalent	217					
	Film Stripping	302			As necessary for information an/or acceptance		Made on open graded asphaltic concrete only
PAVING ASPHALT LIQUID ASPHALT ASPHALTIC EMULSION	In accordance with applicable Section of Std. Specs		Asphalt 1 quart can	Test only if no Certificate of Compliance. Asphalt line (6)	Once daily (6)	Asphalt line or distributor	
			Emulsion 1/2 gallon plastic jug	Test only if no certification of compliance. Emulsion Storage Tank	Each shipment	Emulsion Storage Tank or Distributor	

COMPLETE MIXTURE	Swell	305	DGAC 15# carton		As necessary for information and/or acceptance		When less than a total of 500 tons is to be placed, sample and test only at Resident Engineers discretion. Total sample: DGAC: Four Cartons (about 60#) OGAC: Four 1 Qt. cans (about 14#)
	Moist, vapor susceptibility	307	OGAC 1 qt. can				
	Stabilometer	304					
	Sieve Analysis	202					
	Asphalt Content	310, 362 & 379			1 for each 500 ton; 2 per day minimum		
	Moisture	310 & 370				Completed pavement	
	In-Place Density	375	As specified or lot size		1 sample representing each 4 hours of production	As per California Test 375	
	Maximum Density	375	Two 15# cartons		As per California Test 375		

Note:
(1) On smaller projects being supplied from sources currently in use on larger projects, a copy of the acceptance test information on asphalt concrete aggregate is all that is required.
(2) For continuous mixing, sample from the combined feed in advance of mixing, for mixing, sample from hot bins.
(3) When special provisions state that production shall be “from commercial quality asphalt and aggregate” sample and test only at Resident Engineers discretion.
(4) Not required if P.C.C. from same source is being used on other work and test is being made there. No need to duplicate tests; results may be used anywhere they are applicable.
(5) When prior test results are acceptable and material appears to be of uniform composition, a max. of 2 tests per day will satisfy acceptance test requirements for this material. Adjustments to testing frequencies shall be documented in the project files.
(6) When continuous mixing plants used, sample and test for specific gravity at least monthly.
(7) When sampling for AC mix design (California Test 367), aggregate samples must be taken as described in Note 2.
(8) Refer to Standard Specifications, 39-3.03 “Proportioning” for frequency of AC mix design (California test 367) sampling.
(9) When prior test results are acceptable and material appears to be of uniform composition, a max. of 2 tests per day will satisfy acceptance test requirements for this item. Adjustments to testing frequencies shall be documented in the project files.

LEAN CONCRETE BASE

MATERIAL OR PRODUCT	TEST FOR	TEST NO.	SAMPLE SIZE & CONTAINER TYPE	POTENTIAL SOURCE TESTS: LOCATION OR TIME OF SAMPLING	ACCEPTANCE TESTS: FREQUENCY OF SAMPLING	ACCEPTANCE TESTS: LOCATION OR TIME OF SAMPLING	REMARKS
AGGREGATE	Sand equivalent Sieve analysis Compressive strength of laboratory mixtures	217 202 & 105 548	100 lbs. for aggregate qualification As required for method of test for acceptance tests.	Material site or stockpile	1 sample for each 3,000 tons or 2,000 cu. yds. (1)	One of the following locations listed in order of preference: a. Belt from weigh hopper to central or transit mixer. b. Belt which feeds batch plant bins immediately preceding the weigh hopper. c. Discharge gate of weigh hopper. A single sample 400+ lbs. into loader or dump truck; split to test portion required for grading analysis. d. Discharge gates of bins feeding the weigh hopper at batch plant The location and method of sampling are to be determined and agreed upon by the engineer and the contractor. Once selected, the location and method of sampling are not to be changed during the life of a project, or so long as there is no change in plant's configuration or operation.	
CEMENT	Compliance with Section 90 of Std. Spec.		8 lbs.	None with Certificate of Compliance (see REMARKS)	Each 120 tons of cement, 2 per day max.	Weigh hopper or screw leading to weigh hopper or from distributor if road-mixed.	If no Certificate of Compliance, sample at least 14 days prior to use for previously tested brands; 35 days for untested brands.
WATER	Compliance with Section 90 of Std. Spec.	405	Clean 1/2 gallon plastic jug with lined sealed lid.	At point of use(see REMARKS)		At point of use.	City water supplies for domestic use need not be tested unless suspected chlorine or sulfate content. On-the-job wells are to be tested
ADMIXTURES: Air Entraining Agents Retarders	Compliance with specifications	530 or 415	1 quart can or plastic bottle of liquid, 2 lbs. of powder		Each new lot of material brought to the job	Samples much reach testing lab at least 1 week prior to use. Untested brands require 5 weeks prior to use.	Contact DNTM&R for information Contact DNTM&R for brands which may be used prior to sampling and testing when properly certified

COMPLETED MIXTURE	Penetration Entrained Air Dimensions	533 504	Approx. 1/2 cu. ft.	Request laboratory to perform this test during aggregate qualification.	At least once for every 4 hours of production At least once for each day's production As required	At point concrete is deposited in the work	
CURING COMPOUND	Compliance with specifications		1 quart can		Each new lot of material brought to the job	From spray nozzle or feed line at point of field application	

NOTE; (1) If material is uniform and well within specification limits, the frequency is decreased to 1 a day unless source is changed. Adjustments to testing frequencies shall be documented in the project files.

CEMENT TREATED BASE ROAD MIX OR PLANT MIX

				POTENTIAL SOURCE TESTS	ACCEPTANCE TESTS		
MATERIAL OR PRODUCT	TEST FOR	TEST NO.	SAMPLE SIZE & CONTAINER TYPE	LOCATION OR TIME OF SAMPLING	FREQUENCY OF SAMPLING	LOCATION OR TIME OF SAMPLING	REMARKS
AGGREGATE	R-value (with & without cement) Compressive Strength Sieve Analysis Sand Equivalent	301 312 202 217	100 lbs. for aggregate qualification As required for method of test for acceptance tests.	Material site or stockpile	1 sample for each 3,000 tons or 2,000 cu. yds. (1) 1 sample for each 3,000 tons or 2,000 cu. yds. (1)	As specified. As specified.	Class B only Class A Minimum 1 acceptance test per project on smaller projects.
COMPLETED MIX	Compressive Strength Cement Titration Relative Compaction Dimensions	312 338 312 216 231	See California Test 312 Part II See California Test 338 Part I		See Section 6-27 of this manual. As necessary for acceptance (See REMARKS) 1 sample for each 3,000 tons or 2,000 cu. yds. (1). As necessary for information.	See California Test 312 Part II See California Test 338 Part I See California Test 375· In place after compaction.	Use minimum of 1 person full time during full-time operation.
CEMENT	Compliance with Section 90 of Std. Spec.		8 lbs.	None with Certificate of Compliance (see REMARKS)	Each 120 tons of cement, 2 per day max.	Weigh hopper or screw leading to weigh hopper or from distributor if road-mixed.	If no Certificate of Compliance, sample at least 14 days prior to use for previously tested brands; 35 days for untested brands.
WATER	Compliance with Section 90 of Std. Spec.		1/2 gallon plastic jug with lined sealed lid.	At point of use(see REMARKS)	As necessary for acceptance (see REMARKS).	At point of use.	No sample necessary if from obviously suitable source such as municipal water supply. On-the-job wells should be tested.
Liquid Asphalt	In accordance with Special. Prov. & Std. Specs.		1 quart can	None with Certificate of Compliance. If no Certificate of Compliance, then from storage tank of distributor truck.	Each shipment.	Distributor truck.	

NOTE; (1) If material is uniform and well within specification limits, the frequency is decreased to 1 a day unless source is changed. Adjustments to testing frequencies shall be documented in the project files.

ASPHALT TREATED PERMEABLE BASE (ATPB)

				POTENTIAL SOURCE TESTS	ACCEPTANCE TESTS		
MATERIAL OR PRODUCT	TEST FOR	TEST NO.	SAMPLE SIZE & CONTAINER TYPE	LOCATION OR TIME OF SAMPLING	FREQUENCY OF SAMPLING	LOCATION OR TIME OF SAMPLING	REMARKS
AGGREGATE	Grading % crushed particles LA Rattler (500 rev.) Cleanness Value Film Stripping	202 205 211 227 302	50#	Materials, site, stockpile or plant bins.	2 times daily As necessary for information and /or acceptance. Once for each 4 hours of production. 1 for every 5 days paving, for 1st 10 days.	Plant bins prior to mixing. See Note (1).	Recommend 1 acceptance test per day if 3 consecutive tests over 62.
ASPHALT	In accordance with Std. Specs.		quart can	Test only if no cert. of compliance	One daily.		
COMPLETED MIX	Asphalt content	310 & 362	Two 1-quart cans		1 for every 4 hours of production		

CEMENT TREATED PERMEABLE BASE (CTPB)

AGGREGATE	Grading LA Rattler (500 rev.) Cleanness Value	202 211 227	See note (2)	See note (3)	Once for each 4 hours of production. See note (4). One for each 4 hours of production. See Note (4).	One of the following locations listed in order of preference: a. Belt from weigh hopper to central or transit mixer. b. Belt which feeds batch plant bins immediately preceding the weigh hopper. c. Discharge gate of weigh hopper. A single sample 400+ lbs. into loader or dump truck; split to test portion required for grading analysis. d. Discharge gates of bins feeding the weigh hopper at batch plant. The location and method of sampling are to be determined and agreed upon by the engineer and the contractor. Once selected, the location and method of sampling are not to be changed during the life of a project, or so long as there is no change in plant's configuration or operation..	Recommend 1 acceptance test per day if 3 consecutive tests over 80
CEMENT	Compliance w/ Std. Specs & Spec. Prov.		8 lbs.	None with Cert. of Compliance	Once for each 120 tons, 2 per day mix.		
WATER	Compliance with/ Sec 90 of Std. Specs and Special Provisions		1/2 gallon plastic jug with lined sealed lid.				City water supplies for domestic use; need not be tested unless suspected chlorine or sulfate content. On-the-job wells are to be tested.

NOTE:
(1) For continuous mixing plants, sample from combined feed in advance of mixing.
(2) 75 # of 1' x No. 3/4" x No. 4. This material for test numbers 202, 211, and 227.
(3) From material site or stockpile; 60 days prior to use.
(4) Not required if P. C. C. from same source is being used on other work and test is being made there. No need to duplicate the test just for the sake of record. The actual test results may be used anywhere they are applicable.

MISCELLANEOUS MATERIALS

MATERIAL OR PRODUCT	TEST FOR	TEST NO.	SAMPLE SIZE & CONTAINER TYPE	POTENTIAL SOURCE TESTS: LOCATION OR TIME OF SAMPLING	ACCEPTANCE TESTS: FREQUENCY OF SAMPLING	ACCEPTANCE TESTS: LOCATION OR TIME OF SAMPLING	REMARKS
AGGREGATE BASE	% crushed Particles	205		Materials site or stockpile.	As necessary for acceptance.	As specified	Minimum 1 acceptance test per project.
	Sieve Analysis	202	100 # for initial samples. 50 # for control samples.		Every 3,000 tons or 2,000 cu. yds. (1).		Minimum 1 acceptance test per project on smaller projects.
	Durability Index	229			If initial source changes or new source developed.		
	R-Value	301			Every 3,000 tones of 2,000 cu. yds. (1)(2).		
	Sand Equivalent	217			Every 3,000 tones of 2,000 cu. yds. (1)		Minimum 1 acceptance test per project on smaller projects.
	Moisture	226			2 times daily if paid for by weight·	At time of weighing.	
	Relative Compaction	216 or 231	30#		As necessary for acceptance.	In place after compaction.	
	Dimensions				As necessary for information	Upon completion of layer.	
AGGREGATE SUBBASE	Sieve analysis	202		Material site or stockpile.	1 for every 3,000 tons or 2,000 cu. yds. (1).	As specified.	Minimum 1 acceptance test per project on smaller project. None if less than 300 tons.
	R-value	301	50 #		1 for every 3,000 tons or 2,000 cu. yds. (1) (2).		
	Sand equivalent	217			1 for every 3,000 tons or 2,000 cu. yds. (1).		
	Relative compaction	216 or 231	30#		As necessary for acceptance.	In place after compaction.	
	Dimensions				As necessary for information.	Upon completion of layer.	

NOTE:
(1) If material is uniform and well within specification limits, the frequency may be decreased to one a day unless source is changed. Adjustments to testing frequencies shall be documented in the project files.
(2) R-value testing may be waived when test records demonstrate that material from the same source, and having comparable grading and sand equivalent values, meets the minimum R-value requirements.

MISCELLANEOUS MATERIALS

MATERIAL OR PRODUCT		TEST FOR	TEST NO.	SAMPLE SIZE & CONTAINER TYPE	POTENTIAL SOURCE TESTS: LOCATION OR TIME OF SAMPLING	ACCEPTANCE TESTS: FREQUENCY OF SAMPLING	ACCEPTANCE TESTS: LOCATION OR TIME OF SAMPLING	REMARKS
IMPORTED BORROW		Relative Compaction	216 or 231			As required for acceptance.	Immediately after material is placed and compacted	
BASEMENT SOIL		R-Value Relative Compaction Grade Tolerance	301 216 or 231	50 # 30 #	Test material below grading plane, both in cut and in fill.	As necessary for acceptance.	Prior to placement of cover material. Immediately prior to placement of cover material. Grading plane.	
EMBANKMENT		Relative compaction	216 or 231	30 #			In place after compaction.	
LIME TREATMENT (1)	Soil or Aggregate to be Treated	Unconfined compressive strength	301	100 #	Native soils. Test each type of material to be treated.	If initial source changes.	Prior to beginning of lime treatment.	To determine appropriate lime content.
	COMPLETED MIX	Lime Content Relative Compaction Dimensions	338 216 & 231	20 #		As necessary for acceptance.	See California Test 338, Part I In place after compaction. In place after compaction.	
	LIME	Compliance with Special Provisions		1/2 gallon can with friction lid	None with Certificate of Compliance.	Each load delivered.	From distributor.	
	EMULSION (CURING SEAL)	In accordance with Special Provisions and Standard Specifications		1/2 gallon plastic jug.	None with Certificate of Compliance. If no Certificate of Compliance, then from storage tank or distributor truck.	Each shipment.	Distributor truck.	

NOTE: (1) Not to be used for the lime treatment of AC aggregates.

MISCELLANEOUS MATERIALS

MATERIAL OR PRODUCT	TEST FOR	TEST NO.	SAMPLE SIZE & CONTAINER TYPE	POTENTIAL SOURCE TESTS: LOCATION OR TIME OF SAMPLING	ACCEPTANCE TESTS: FREQUENCY OF SAMPLING	ACCEPTANCE TESTS: LOCATION OR TIME OF SAMPLING	REMARKS
PENETRATION TREATMENT							
LIQUID ASPHALT	In accordance with applicable section of Std. Specs.		1 quart can	None with Certificate of Compliance.	Each shipment.	Plant storage tank or distributor.	
SAND	Sieve Analysis	202			As necessary for acceptance.	As delivered to project.	
BITIMINOUS SEALS							
PAVING ASPHALT LIQUID ASPHALT ASPHALTIC EMULSION	In accordance with applicable section of Std. Specs		Asphalts 1 quart can , Emulsion 1/2 gallon plastic jug	None with Certificate of Compliance.	Each shipment.	Storage tank or distributor	
	Binder distribution	339					
SCREENINGS	LA Rattler	211	50 #	Stockpile	As necessary for acceptance..	As delivered to spread, equipment.	
	% crushed particles	205			Twice daily.		
	Sieve Analysis	202			As necessary for acceptance.		
	Film Stripping	302			Once daily		
SLURRY SEAL AGGREGATE	Cleanness Value	227	25#	Stockpile	As necessary for acceptance	Prior to mixing	
	Sand Equivalent	217					
	Sieve Analysis	202					
	Film Stripping	302					
SOLID OR SEMI-SOLID AIR REFINED ASPHALT	In accordance with Std. Specs		3 #	Barrels or sacks.	Each 29 barrels or sacks.	Barrels or sacks.	

MISCELLANEOUS MATERIALS

				POTENTIAL SOURCE TESTS	ACCEPTANCE TESTS		
MATERIAL OR PRODUCT	TEST FOR	TEST NO.	SAMPLE SIZE & CONTAINER TYPE	LOCATION OR TIME OF SAMPLING	FREQUENCY OF SAMPLING	LOCATION OR TIME OF SAMPLING	REMARKS
PERMEABLE MATERIAL	Sieve Analysis Durability Index Sand Equivalent	202 229 217	150 #	Stockpile	1 daily, or as required for acceptance. If initial source changes or new source developed. 1 daily, or as required for acceptance.	In place, at time of placing. Material site or stockpile In place, at time of placing.	Minimum 1 acceptance test per project. Minimum 1 acceptance test per project.
STRUCTURE BACKFILL	Sieve Analysis Sand Equivalent Relative Compaction	202 217 216 & 231	50 #	Materials site.	As required for acceptance.	At time of use In place after compaction.	
SLOPE PROTECTION	Size Apparent Specific Gravity Absorption Durability Index	 206 206 229	 75 #	Quarry	As required for acceptance (See REMARKS)	Upon delivery to job site or at time of placing.	Adequate size of slope protection documented by measuring or weighing the material.
ASBESTOS SHEET PACKING			12" X 12"		1 each lot.	At delivery	Sample and test if not previously inspected at the source.
ASPHALT PLANK			Contact DNTM&R for instructions.		Contact DNTM&R for instructions.		
BARBED WIRE			3 ' length		Each 50 rolls or fraction	At time of use.	Sample and test if not previously inspected at the source. If less than 500 LF. of fence, see Note (1).
BOLTS AND HARDWARE			2 samples each diameters		Each lot.		Sample and test if not previously inspected at the source.

NOTE: (1) Resident Engineer may accept on the basis of visual examination provided the source has recently furnished similar material found to be satisfactory under the normal sampling and testing procedures of the Department. Place Resident Engineer's written approval in the project file.

MISCELLANEOUS MATERIALS

				POTENTIAL SOURCE TESTS	ACCEPTANCE TESTS		
MATERIAL OR PRODUCT	TEST FOR	TEST NO.	SAMPLE SIZE & CONTAINER TYPE	LOCATION OR TIME OF SAMPLING	FREQUENCY OF SAMPLING	LOCATION OR TIME OF SAMPLING	REMARKS
BRICK	Compliance with Specifications		10 full size		Contact DNTM&R for instructions.	At time of use	
CHAIN LINK FENCING			24" width		Each 50 rolls or fraction.		Sample and test if not previously inspected a the source. if less than 500 LF of fence, see note (1).
CONCRETE AND CLAY PIPE			Contact DNTM&R for instructions.		Contact DNTM&R for instructions.		Sample and test if not previously inspected at the source. If less than 100 LF. of fence, see Note (1).
JOINT FILLER EXPANSION			6" long full width of sheet		Each 1,000 sq. ft. not less than 2 per shipment.		Sample and test if not previously inspected at the source. If less than 100 sq. ft. see Note (1).
ELECTRICAL CONDUCTOR	Compliance with Specifications		2 each 3" long, include markings		Each type each lot.		Sample and test if not previously inspected at the source. Certificate of Compliance required for 5,000 volt cable.
GALVANIZED PIPE			1 ' length from each end of length tested of each size		Each 500 lengths or fraction		Sample and test if not previously inspected at the source.
GEO-SYNTHETICS Filler, Reinf. & Paving Fabric S/R Fence, Etc.			1 piece, 3' x full width of roll		Each lot.	Distribution Warehouse.	Certificate of Compliance required for each lot. Unroll at least 1 circumference before sampling.
JOINT SEAL, Type B			Contact DNTM&R			At time of use.	Sample and test if not previously inspected at the source.
JOINT SEALING COMPOUND 2-COMPONENT POLYSULFIDE POLYMER TYPE	Specification requirements		1 gallon of each component		1 sample from each component of each batch	From cans at job site.	
MOPPING ASPHALT	Compliance with Specification		1 quart		Each lot.	At time of use.	Sample and test if not previously inspected at the source.
PAINT	Compliance with Specification		For Br. or major Str. send an unopened 5 Gal. can. For misc. painting, 1 qt. (See Sec. 8-02)		Each batch		Unused portion of 5 gallon sample will be returned to job. See Section 8-02. If less than 20 gallons, see note (1).
PAVEMENT MARKERS	Compliance with Specification		20 Markers		1 Sample (20 markers) from each lot of 10,000		Sample and test if not previously inspected at the source
PLASTIC CONDUIT	Compliance with Specification		2" long from center of length		2 samples each size		Sample and test if not previously inspected at the source
RAISED BARS (PRECAST)	Compliance with Specification		1 unit or full size bar		Each lot		Sample and test if not previously inspected at the source
REINFORCING STEEL	Compliance with Specification		2 samples 30" except 36" for #14 & #18		As necessary for acceptance	Before use	Sample and test at job site

NOTE: (1) Resident Engineer may accept on the basis of visual examination provided the source has recently furnished similar material found to be satisfactory under the normal sampling and testing procedures of the Department. Place Resident Engineer's written approval in the project file.

MISCELLANEOUS MATERIALS

				POTENTIAL SOURCE TESTS	ACCEPTANCE TESTS		
MATERIAL OR PRODUCT	TEST FOR	TEST NO.	SAMPLE SIZE & CONTAINER TYPE	LOCATION OR TIME OF SAMPLING	FREQUENCY OF SAMPLING	LOCATION OR TIME OF SAMPLING	REMARKS
STEEL PRODUCTS			Contact DNTM&R for instructions.		Contact DNTM&R for instructions.	At time of use	Sample and test if not previously inspected at the source.
STRUCTURAL STEEL & MISC. IRON & STEEL			2 samples, 2" x 30" cut parallel to direction of rolling		Each heat or melt or 10 tons or fraction.		Sample and test if not previously inspected at the source
WATER-PROOFING MATERIALS		ASTM D173 ASTM D449 ASTM D41	1 sq. yd. of asphalt saturated cotton fabric 5 pounds of asphalt 1 quart of asphalt primer.		1 sample from each lot.	Manufacturer's stock or contractor yard.	Meshes of fabric shall be substantially open Contractor's stock must be kept covered.
WIRE MESH REINFORCING			3' x 3'		Each 10 tons or fraction.	At time of use.	Sample and test at if not previously inspected at the source. If less than 2 rolls, see note (1).
WIRE ROPE OR CABLE			Per Special Provisions or as instructed.		Per Special Provisions or as instructed. At time of use.		Sample and test if not previously inspected at the source.

NOTE: (1) Resident Engineer may accept on the basis of visual examination provided the source has recently furnished similar material found to be satisfactory under the normal sampling and testing procedures of the Department. Place Resident Engineer's written approval in the project file.

CALTRANS TEST METHOD - ASTM TEST METHOD CONVERSION CHART
Testing Procedures - for local agency use only

Use this CTM - ASTM conversion chart to assist you in determining acceptance test requirements and frequencies, as detailed in Caltrans *Construction Manual* Chapter VIII (revised 1994). Refer to the Agency, special provisions, contract plans, and applicable standard specifications, for correct sampling and test methods (ASTM-CTM).

CTM	ASTM	Book of Standard	TEST PROCEDURE	NOTES
105			Calculations Pertaining to Gradings and Specific Gravities	*2*
125			Sampling Highway Materials (when approved)	
	D75	4.02	Standard Practice for Sampling Aggregates	*3*
	D979	4.03	Practice for Sampling Bituminous Paving Mixtures	*3*
201			Soil & Aggregate Sample Preparation	
	C702	4.02	Reducing Field Samples of Aggregate to Testing Size	*13*
202			Sieve Analysis of Fine and Coarse Aggregate	
	C136	4.02	Sieve Analysis of Fine and Coarse Aggregate	
	C117	4.03	Material Finer Than 75-um (#200) Sieve in Mineral Aggregates by Washing	
205			Percentage of Crushed Particles	*1*
206			Specific Gravity and Absorption of Coarse Aggregate	
	C127	4.02	Specific Gravity and Absorption of Coarse Aggregate	
207			Specific Gravity and Absorption, Fine Aggregate	
	C128	4.02	Specific Gravity and Absorption, Fine Aggregate	
208			Apparent Specific Gravity of Fine Aggregate	*1*
211			Abrasion of Coarse Aggregate by Use of the Los Angeles Rattler Machine	
	C131	4.02	Resistance to Degradation , Small-Size Coarse Agg. by Abrasion & Impact, L.A. Machine	
213			Organic Impurities in Concrete Sand	
	C40	4.02	Organic Impurities in Fine Aggregate for Concrete	
214			Soundness of Aggregates by Use of Sodium Sulfate	*1*
	C88	4.02	Soundness of Aggregates by Use of Sodium Sulfate or Magnesium Sulfate	
216			Relative Compaction of Untreated and Treated, Soils & Aggregates	
	D1556	4.08	Density of Soil In-place by the Sand Cone Method	
	D1557	4.08	Moisture-Density Relations of Soils & Soil-Agg. Mixtures, 10-lb. Rammer, 18-in Drop	*11*
217			Sand Equivalent (only authorized method per Caltrans 07, District Materials Engineer)	*1,9*
223			Surface Moisture in Concrete Aggregate	*1*
226			Moisture Content in Soils by Oven Drying	
	C566	4.02	Total Moisture Content of Aggregate by Drying	
227			Evaluating Cleanness of Coarse Aggregate	*1*
229			Durability Index	*1*
	D3744	4.03	Aggregate Durability Index	
231			Relative Compaction of Soils by the Area Concept Utilizing Nuclear Gages	*4*
	D2922	4.08	Density of Soil & Soil-Aggregate In-place by the Nuclear Method	*4*

CTM - ASTM Testing Procedures - for local agency use only

Use this CTM - ASTM conversion chart to assist you in determining acceptance test requirements and frequencies, as detailed in Caltrans *Construction Manual* Chapter VIII (revised 1994). Refer to the Agency, special provisions, contract plans, and applicable standard specifications, for correct sampling and test methods (ASTM-CTM).

CTM	ASTM	Book of Standards	TEST PROCEDURE	NOTES
301	D2844	4.08	R-Value of Treated & Untreated, Bases, Subbases & Basement Soils R-Value and Expansion Pressure of Compacted Soils	*1*
302	D1664	4.03	Film Stripping Coating and Stripping of Bitumen-Aggregate Mixtures	
303			Centrifuge Kerosene Equivalent	*1*
304	D1561	4.03	Preparation of Bituminous Mixtures for Testing Prep. of Bituminous Mixture Test Specimens by Means of Calif. Kneading Compactor	*1*
305			Swell of Bituminous Mixtures	*1*
307			Moisture Vapor Susceptibility of Bituminous Mixtures	*1*
308	D1188	4.03	Bulk Specific Gravity and Weight Per Cubic Foot of Bituminous Mixtures Bulk Sp.G. and Density of Compacted Bituminous Mixtures, Paraffin-Coated Specimens	
310	D2172	4.03	Asphalt and Moisture Contents of Bituminous Mixtures by Hot Solvent Extraction Extraction of Bitumen from Bituminous Paving Mixtures (Method A, B, or C)	*5* *6,10*
312			Design and Testing of Class “A” and “B” Cement Treated Base	*1*
338			Cement or Lime Content in Treated Aggregate by the Titration Method	*1*
339	D2995	4.03	Determination of Distributor Spread Rate Determining Application Rate of Bituminous Distributors	
362	D2172	4.03	Asphalt Content of Bituminous Mixtures by Vacuum Extraction Quantitative Extraction of Bitumen from Bituminous Paving Mixtures (Method “E”)	*5* *6*
366			Stabilometer Value	*1*
367			Recommending Optimum Bitumen Content (OBC.)	*1*
370	D4643	4.08	Determining Moisture Content of Asphalt Mixtures or Mineral Agg., Microwave Ovens Determination of Water (Moisture) Content of Soil by the Microwave Oven Method	
375	D2950	4.03	In-place Density & Relative Compaction of AC Pavement (nuclear) Density of Bituminous Concrete In-place by the Nuclear Method	*5,7,12* *6,7*
379	D4125	4.03	Asphalt Content of Bituminous Mixtures by use of the Troxler Nuclear Gage Asphalt Content of Bituminous Mixtures by the Nuclear Method	*5,8* *6,8*
405			Chemical Analysis of Water	*1*
415			Chloride Content in Organic Additives for Portland Cement Concrete	*1*

CTM - ASTM Testing Procedures - for local agency use only

Use this CTM - ASTM conversion chart to assist you in determining acceptance test requirements and frequencies, as detailed in Caltrans *Construction Manual* Chapter VIII (revised 1994). Refer to the Agency, special provisions, contract plans, and applicable standard specifications, for correct sampling and test methods (ASTM-CTM).

CTM	ASTM	Book of Standards	TEST PROCEDURE	NOTES
504	C231	4.02	Air Content of Freshly Mixed Concrete by the Pressure Method Air Content of Freshly Mixed Concrete by the Pressure Method	
515			Relative Mortar Strength of Portland Cement Concrete Sand	*1*
518	C138	4.02	Unit Weight of Fresh Concrete Unit Weight, Yield, and Air Content (Gravimetric) of Concrete	
521	C39	4.02	Compressive Strength of Molded Concrete Cylinders Compressive Strength of Cylindrical Concrete Specimens	
523	C293 C78	4.02 4.02	Flexural Strength of Concrete (using simple beam with center-point loading) Flexural Strength of Concrete (using simple beam with center-point loading) Flexural Strength of Concrete (using simple beam with third-point loading)	*1*
528			Freeze Thaw Resistance of Aggregates in Air-Entrained Concrete	*1*
529			Proportions of Coarse Aggregate in Fresh Concrete	*1*
530			Determining the Effect of H_2O-Reducing and Set-Retard. Admix. Drying Shrinkage PCC	*1*
533	C360 C143	4.03 4.02	Ball Penetration in Fresh Portland Cement Concrete Ball Penetration in Fresh Portland Cement Concrete Slump of Freshly Mixed PCC	
539	C172	4.02	Sampling Fresh Concrete Sampling Freshly Mixed Concrete	
540	C31	4.02	Making, Handling, & Storing Concrete Compressive. Test Specimens in the Field Making & Curing Concrete Test Specimens in the Field	
541			Flow of Grout Mixtures (flow cone method)	*1*
543	C173	4.02	Air Content of Freshly Mixed Concrete by the Volumetric Method Air Content of Freshly Mixed Concrete by the Volumetric Method	
548			Evaluation of Aggregate for Lean Concrete Base (LCB.)	*1*

Notes

1. ***Use the CALTRANS Method.***
2. ***Use the methods of calculation within the applicable test method first. Refer to CTM 105 as necessary.***
3. ***Use the Caltrans Construction Manual procedures as necessary when ASTM D75 or D979 do not adequately cover the item to be sampled.***
4. ***Use the direct transmission method only, the air gap method shall not be used. All nuclear gages must have local Caltrans District calibration within the last year. The data sheets provided by the local Caltrans District shall be used when determining the in-place density.***
5. ***Sample from the job site, across the mat, immediately behind the paving machine (Caltrans Construction Manual).***
6. ***Sample per ASTM D 979 paragraph 4.2.3., sample from the job site, across the mat, immediately behind the paving machine.***
7. ***All nuclear gages used for this test must be calibrated on the six (6) DNTM&R AC Standard Blocks. The Data sheets provided by the local Caltrans District shall be used when determining the in-place density.***
8. ***Recommended Percent (%) AC method for Rubberized Bituminous Paving mixtures.***
9. ***The hand method of shaking is not authorized and shall not be used. An electro-mechanical or hand-operated mechanical. Sand Equivalent shaker must be utilized for this test.***
10. ***This Method covers hot solvent, centrifuge, and vacuum extraction.***
11. ***Compaction Apparatus shall be calibrated in accordance with ASTM D 2168, Method B (ASTM Book 4.08).***
12. ***Test Maximum Density (TMD) shall be performed by Caltrans Test Method 375, Section F. Test Max. Density.***
13. ***Splitters must be of the fixed riffle type (no adjustable splitters).***

MATERIALS TYPICALLY ACCEPTED BY CERTIFICATE OF COMPLIANCE PER CALTRANS STANDARD SPECIFICATIONS - 1995 Edition

Section	Material	Page
20-2.03	Soil amendment	20-2
20-2.07	Fiber	20-2
20-2.08	Mulch	20-3
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20-2.15B(1)	Plastic pipe supply line (Limited circumstance)	20-6
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24-1.02	Lime	24-1
51-1.12F(3)	Preformed elastomeric joint seal	51-19
51-1.12H(1)	Plain and fabric reinforced elastomeric bearing pads	51-22
51-1.12H(2)	Steel reinforced elastomeric bearing pads	51-24
51-1.14	Waterstops (Special Condition)	51-26
52-1.02B	Epoxy coated bar reinforcement	52-1
52-1.04	Reinforcing steel	52-3
55-1.03	Structural Steel	55-2
57-1.02A	Structural Timber & Lumber	57-1
57-1.02A	Treated Timber & Lumber	57-1
58-1.03	Lumber and timber	58-1
61-1.02	Culvert and drainage pipe joints	61-3
64-1.02	Plastic pipe	64-1
65-1.02A(2)	Reinforced concrete pipe	65-4
66-2.02	Aluminum pipe and aluminum pipe arch	66-4
66-3.02	Corrugated steel pipe and corrugated steel pipe arch	66-5
67-1.02	Structural metal plate pipe arches and pipe arches	67-1
68-1.02F	Perforated steel pipe	68-2
68-1.02J	Aluminum underdrain pipe	68-3
68-1.02K	Polyvinyl chloride pipe or polyethylene tubing	68-3
69-1.02A	Steel entrance tapers, pipe downdrains, reducers, coupling bands and slip joints	69-1
69-1.02F	Aluminum entrance tapers, pipe downdrains, reducers, coupling bands and slip joints	69-2
82-1.02D	Metal target plates	82-3
84-3.02	Paint (Traffic stripe)	84-3
86-2.08	Conductors	86-18
86-2.16	Painting of electrical equipment	86-33
86-4.01C	Electrical Components	86-43
88-1.01	Engineering fabric	88-1
90-2.01	Portland Cement	90-3
90-2.02A	Concrete coarse aggregate (Cleanness value)	90-5
90-2.02B	Concrete fine aggregate (Sand equivalent)	90-6
90-4.03	PCC admixtures	90-10
90-10.03	Minor concrete	90-33
92-1.03	Asphalt (Oil)	92-2
93-1.02	Liquid asphalt	93-2
94-1.05	Asphaltic emulsion	94-6
95-1.02	Epoxy	95-1

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NOTICE OF POTENTIAL CLAIM

STATE OF CALIFORNIA • DEPARTMENT OF TRANSPORTATION
NOTICE OF POTENTIAL CLAIM
DC-CEM-6201 (OLD HC-11 REV 6/93)

FOR STATE USE ONLY
Received by _____ (For Resident) Date _____

TO _____ (Resident Engineer) CONTRACT _____ DATE _____

This is a Notice of Potential Claim for additional compensation under the provisions of Section 9-1.04 of the Standard Specifications. act of the Engineer, or his /her failure to act, or the event, thing, occurrence, or other cause giving rise to the potential claim occurred

DATE

The particular circumstances of this potential claim are described in detail as

The reasons for which I believe additional compensation may be due

The nature of the costs involved and the amount of the potential claim are described as
(If accurate cost figures are not available, provide an estimate, or describe the types of expenses

The undersigned certifies that the above statements are made in full cognizance of the California False Claims Act, Government Code sections 12650-12655 . The undersigned further understands and agrees that this potential claim, unless resolved, must be restated as a claim in response to the States proposed final estimate in accordance with Section 9-1.07B of the Standard Specifications, in order for it to be further considered.

CONTRACTO

BY _____ (Authorized Representative)

CEM-6201 (OLD HC-11 REV. 6/93)

Prepared by the contractor and subcontractors and sent to the local agency Resident Engineer
Distribution: All projects:(1) Original - Local agency project files
NHS Projects: 1 Copy to Caltrans District Local Assistance Engineer

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SAMPLE COVER MEMO
SOURCE INSPECTION REQUEST
FROM LOCAL AGENCY TO
CALTRANS' DISTRICT LOCAL ASSISTANCE ENGINEER
(Prepared By Applicant On Applicant Letterhead)

To: (name) **Date:** _____
Caltrans' District Local Assistance Engineer
Caltrans' Local Assistance Office
(district office address)

Federal-aid Project Number: (if one has been assigned) _____
Project Description: _____
Project Location: _____
_____

Subject: ***(Source Inspection for Project Name, County)***

We are requesting that Caltrans provide Source Inspection (reimbursed) services for the above mentioned project. We understand we are responsible for paying for this service provided for by the State. Listed below are the materials for which we are requesting Caltrans' Source Inspection (reimbursed) services.

Materials that will require source inspection:

_____
_____
_____
_____
_____

Justification for request: (Based on the requirements in Section 16.14 under "Source Inspection") _____
_____
_____

Any question you might have about the above materials should be directed to: _____ , at (phone #) _____.

Approved:

_____ _____
(***Applicant Representative Name***) District Local Assistance Engineer

_____ _____
(***Title***) (Date)

_____
(Local agency, name & address)

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SAMPLE COVER MEMO
SOURCE INSPECTION REQUEST
FROM LOCAL AGENCY'S RESIDENT ENGINEER TO CALTRANS' OFFICE OF MATERIALS ENGINEERING AND TESTING SERVICES
(Prepared by Applicant on Applicant Letterhead)

To: Office of Materials Engineering & Testing Services, MS #5
California Department of Transportation
5900 Folsom Blvd.
Sacramento, CA 95819

Date: _____

EA: _____
Project Number: _____
Project Description: _____

Subject: ***(Source Inspection for Project Name, County)***

We are requesting that Caltrans provide Source Inspection (reimbursed) services for the above-mentioned project. We requested and received prior authorization for this service from our district Local Assistance Engineer, as noted by the attached approval memo from District Local Assistance Engineer.

Please find the following documents enclosed as required:

1. Completed CEM-3101
2. One set of PS&E

Any question you might have about the materials, to be inspected, should be directed to:_____ , at ___(phone #)_____.

_____
(***Applicant Representative Name***)

_____
(***Title***)

_____
(Local agency, name & address)

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MONTHLY DBE TRUCKING VERIFICATION

STATE OF CALIFORNIA – DEPARTMENT OF TRANSPORTATION

MONTHLY DBE TRUCKING VERIFICATION

CP-CEM-2404(F) (NEW 12/99)

CONTRACT NO.			MONTH				YEAR
Truck Owner	**DBE Cert. No.**	**Company Name and Address**	**Truck No.**	**California Hwy. Patrol CA No.**	**Commission Or Amount Paid***	**Date Paid**	**Lease Arrangement (√ if applicable)**
					$		Lease Agreement ☐ with Non-DBE ☐ with DBE ☐
					$		Lease Agreement ☐ with Non-DBE ☐ with DBE ☐
					$		Lease Agreement ☐ with Non-DBE ☐ with DBE ☐
					$		Lease Agreement ☐ with Non-DBE ☐ with DBE ☐
					$		Lease Agreement ☐ with Non-DBE ☐ with DBE ☐
					$		Lease Agreement ☐ with Non-DBE ☐ with DBE ☐
					$		Lease Agreement ☐ with Non-DBE ☐ with DBE ☐
					$		Lease Agreement ☐ with Non-DBE ☐ with DBE ☐
					$		Lease Agreement ☐ with Non-DBE ☐ with DBE ☐
				TOTAL AMOUNT PAID	$		

PRIME CONTRACTOR	BUSINESS ADDRESS	BUSINESS PHONE NO.

** Upon request all Lease Agreements shall be made available, in accordance with the Special Provisions.*

I CERTIFY THAT THE ABOVE INFORMATION IS COMPLETE AND CORRECT

CONTRACTOR REPRESENTATIVE'S SIGNATURE	TITLE	DATE

CEM-2404F (NEW 12/99)

COPY DISTRIBUTION: ORIGINAL - RESIDENT ENGINEER

Form CP-CEM 2404 (F)(NEW 12/99)
MONTHLY DBE TRUCKING VERIFFICATION

The top of Form CEM-2404(F) contains boxes to put in the Contract Number, the Month of the reporting period and the Year of the reporting period.

The Form CEM-2404(F) has a column to enter the name of the Truck Owner, the DBE Cert. No. (if DBE certified) and the Name and Address of the trucking company. The Form CEM-2404(F) also requires the Truck No. and the California Highway Patrol CA No.

Form CEM-2404(F) is to be submitted prior to the 15th of each month and must show the dollar amount paid to the DBE trucking company(s) for trucking work performed by DBE certified trucks and for any fees or commissions of nonDBE trucks utilized each month on the project. The amount paid to each trucking company is to be entered in the column called "Commission or Amount Paid," in accordance with the Special Provisions Section 5-1.X.

Payment information is derived using the following:

1.) 100% for the trucking services provided by the DBE using trucks it owns, operates and insures.
2.) 100% for the trucking services provided by the trucks leased from other DBE firms.
3.) The fee or commission paid to nonDBEs for the lease of trucks. The Prime does not receive 100% credit for these services because they are not provided by a DBE company.

The total dollar figure of this column is to be placed in the box labeled "Total Amount Paid." The column "Date Paid" requires a date that each trucking company is paid for services rendered. The next column contains information that must be completed if a lease arrangement is applicable. Located at the bottom of the form is a space to put the name of the "Prime Contractor," their "Business Address" and their "Business Phone No."

At the bottom of the form there is a space for the Contractor or designee "Contractor Representative's Signature, Title and Date" certifying that the information provided on the form is complete and correct.

CHAPTER 17 PROJECT COMPLETION

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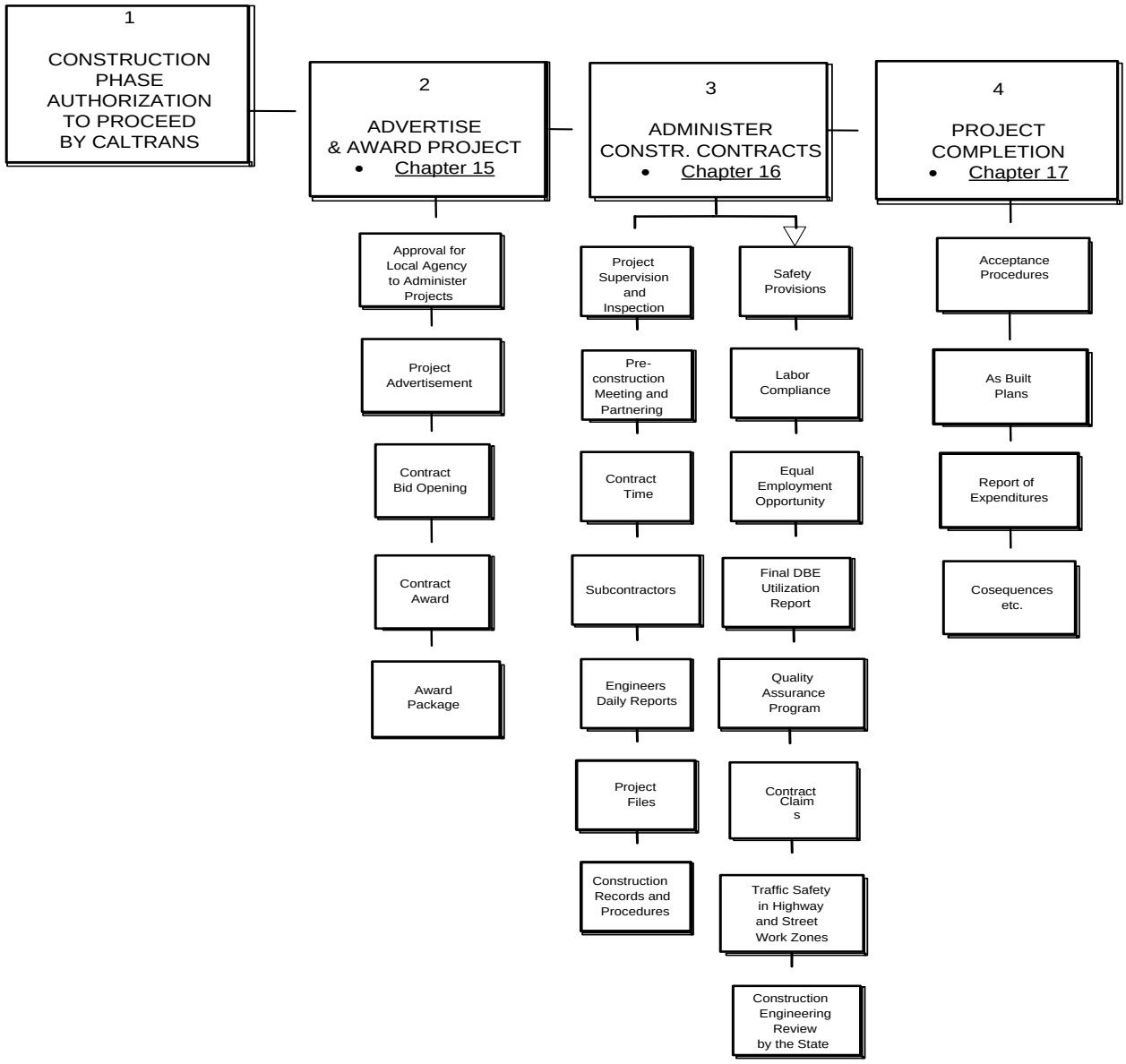
CHAPTER 17 PROJECT COMPLETION

17.1 INTRODUCTION

This chapter covers the topic of project completion. It is to be used mainly as a guide for administration of federal-aid contracts by local agencies. Each Resident Engineer should be familiar with the contents of this chapter, and Chapters 15, "Advertise and Award Project," and Chapter 16, "Administer Construction Contracts," before administering such contracts.

FIGURE 17-1 PROJECT COMPLETION



This chapter and Chapters 15, "Advertise and Award Project," and Chapter 16, "Administer Construction Contracts," of the *Local Assistance Procedures Manual* (LAPM) are for the use of local agencies, which administer federal-aid projects under a "Local Agency-State Agreement." These three chapters cover general contract administration procedures.

When a locally sponsored project funded with federal-aid is within the state R/W and the State (Caltrans) is the administering agency, the *Caltrans Construction Manual* is normally used in lieu of these procedures.

17.2 DEFINITION OF TERMS

- Delegated Project – A lower risk project not selected as High Profile project, for which Caltrans has authority for all aspects of a federal-aid project except those activities which may not be delegated by federal law (requiring Federal Highway Administration [FHWA] approval). Prior to September 2007 these projects were referred to as "State-Authorized" projects defined by set criteria (rather than risk) such as non-Interstate 3R projects, Interstate construction projects under $1 million, non-NHS projects, and so forth. Over 99% of local assistance projects are delegated in which Caltrans or the local agency has approval authority for most project level activities.
- EEO - Equal Employment Opportunity
- Final Invoice - Invoice listing final cost incurred for a particular phase of the project i.e., Preliminary Engineering, Construction Engineering, Right of Way, or Construction. The District Local Assistance Engineer (DLAE) is required to verify project completion and approve payment before forwarding the final invoice to Local Programs Accounting (LPA). For example see Exhibit 17-C, and refer to Chapter 5, "Accounting/Invoices," for instructions.
- Form FHWA 1446C - Final Inspection of Federal-aid Project. Document used by Caltrans to complete the final inspection of NHS Projects subject to FHWA Full Oversight (Exhibit 17-B).
- Form FIF-6/05 - Final Inspection Form and revision date. Document used by local agency to complete the final inspection of all projects (Exhibit 17-C).
- High Profile – High Profile projects are high risk projects for which the FHWA maintains project level approval for most project delivery activities. Prior to September 2007, these projects were referred to as FHWA "Full Oversight" projects based on set criteria (rather than risk) such as Interstate construction over $1 million, major Intelligent Transportation System, and so forth. Very few local assistance projects are High Profile projects.
- Progress Invoice - Periodic billing invoice by local/regional agencies for reimbursement of costs on on-going contracts.
- Report of Expenditures - Collectively refers to various final report documents.
- Underutilized Disadvantaged Business Enterprise (UDBE) – A firm meeting the definition of a DBE as specified in 49 CFR, Part 26 and is one of the following groups: African Americans, Asian-Pacific Americans, Native Americans, or Women.

17.3 FINAL INSPECTION PROCEDURES FOR FEDERAL-AID PROJECTS

Local agencies shall document fulfillment of environmental mitigation commitments for final inspection Report of Expenditures and ultimate accountability as follows:

- Categorical Exclusion (CE) - Local agency shall provide the DLAE with a list of environmental mitigation commitments when requesting CE determination.
- Environmental Assessment (EA) - Local agency shall summarize when environmental mitigation commitments in the draft Finding of No Significant Impact (FONSI).
- Environmental Impact Statement (EIS) - Local agency shall summarize environmental commitments in the draft Record of Decision (ROD).

In addition, they shall acknowledge any long-term commitment to maintenance of those mitigation measures.

DELEGATED PROJECTS

Final Inspection by Local Agency - The local agency representative or his/her staff shall make the final inspection using Final Inspection Form FIF-6/05, (see Exhibit 17-C). The local agency representative or staff performing final inspection or signing the Final Inspection Form shall be one with authority for accepting the completed contract on behalf of the local agency and authorizing final payment to the contractor, as well as directing corrective action(s) to be undertaken by the contractor.

The inspection of work performed by contract shall be made sufficiently in advance of contract acceptance to allow time for possible corrective action. Neither FHWA nor Caltrans inspection is required at this time.

The construction contract may not include all of the work contemplated in the project authorized such as striping by day labor. This work should nonetheless be completed in a timely manner.

Upon successful completion of all corrective actions undertaken by the contractor, acceptance of the contract, and completion of all additional work required for the authorized project, the local agency representative should complete Items 1-10 of the Final Inspection Form and forward it to the Caltrans DLAE.

Project Verification by DLAE - The DLAE or his/her staff depending on the district organization and type of project, will review the job site and verify that the project was constructed in accordance with the scope and description of the project authorization document. Any safety, design or construction deficiencies noted should be immediately brought to the attention of the local agency for correction or resolution. Upon satisfactory review by Caltrans staff, the DLAE shall ensure that Items 1-10 have been completed by the local agency prior to completing Items 11-13 on the Final Inspection Form. The DLAE shall retain the Final Inspection Form and send a copy to the local agency for the Report of Expenditures.

HIGH PROFILE PROJECTS

Final inspection of significant NHS projects shall be in accordance with written construction administration procedures discussed in Section 15.3 of the LAPM. All High Profile projects shall be in accordance with the following:

Final Inspection by Local Agency – High Profile projects will require a final inspection by the FHWA. To initiate this inspection, the local agency will make the final inspection as described above for Delegated projects, accept the construction contract and submit the signed Final Inspection Form FIF-6/05 and reduced plan

cover sheet and typical cross sections to the Caltrans Oversight Engineer (OSE) immediately upon completion of all work in the project authorization.

Project Verification by OSE - Upon receipt of the Local Agency Final Inspection Form, the OSE shall verify that the project has been completed as described in the plans and specifications. The OSE shall then transmit the necessary documents to the FHWA Transportation Engineer.

Final inspection by FHWA - The final inspection by FHWA will be coordinated by the OSE in accordance with Caltrans "*Oversight Field Engineer Guidelines.*"

The DLAE shall receive from the OSE the "Report of Expenditures" prior to the DLAE processing the local agency's final project invoice.

17.4 AS BUILT PLANS

On locally administered contracts the resident engineer shall provide the DLAE a set of original record drawings with "As Built" corrections, or a clear, readable, black-line copy of the original tracings with "As Built" corrections. The "As Built" corrections shall be made by the engineer responsible for structure work. These shall be forwarded by the DLAE to the Division of Structures with a copy of the Report of Completion of Structures (Exhibit 17-J). These shall be returned to the local agency after microfilming, if requested.

"As Built" corrections for the roadwork portion of the plans should be recorded in

17.5 REPORT OF EXPENDITURES

The local agency is responsible for preparing and submitting to the DLAE the final report documents which collectively constitute a "Report of Expenditures." This report provides key information required to initiate timely project closure and payment. The Report of Expenditures is due at the completion of the project. Deadline for submittal of the Report(s) is six (6) months after project completion. If timely submittals are not received Caltrans shall initiate actions discussed under Section 17.6, "Consequences for Non-Compliance." The "Report of Expenditures" shall be signed by the public employee in responsible charge of the project.

FEDERAL-AID PROJECTS

For federal-aid projects, the Report of Expenditures includes, as a minimum, the following documents:

- **A Cover Letter and Federal Report of Expenditures Checklist** (Exhibit 17-A) - Identifies all mandatory documents to be included in the Report of Expenditures. This checklist shall be submitted by the local agency with the report of completion. Copies of all documents included in the report of expenditures shall be maintained on file at the local agency for any future audits as specified in the Master Agreement and Program Supplement, and to serve as verification that contractor labor requirements were met.

- **Final Inspection Forms**

  1. **Final Inspection Form FIF-6/05 (Exhibit 17-C)** - This form when completed by both the local agency and the DLAE or OSE (SHS projects) shall be included as part of the Federal Report of Expenditures for all projects.

- **Final Invoice** - Final Invoice should conform to the format in Exhibit 17-D. Submit one original. The Final Invoice **must** agree with the Final Detail Estimate.

- **Final Detail Estimate -** The format of the final detail estimate is the same as presented in Chapter 15, Section 15.7, "Award Package," except that it must be labeled "Final" and show the total of previous progress payments plus the final invoice. The local agency shall prepare the final detail estimate. If claims are still pending, the final detail estimate should not be prepared until the claims are resolved. The final detail estimate must agree with the final invoice. State costs (Example: state material testing) should not be included in the final detail estimate prepared by the local agency. Once claims are settled, the final invoice and a final detail estimate shall be submitted to the DLAE as part of the Report of Expenditures.

- **Change Order Summary** - The Change Order Summary should conform to sample form in Exhibit 17-E. This is required regardless of whether or not change orders were made during the course of the contract. If there were none, please note "none." Additionally, the following mandatory items of information must also be included on this form:

  1. **Liquidated Damages -** Indicate the liquidated damage days charged (calendar days) if any, the amount per day, and the total amount charged. Refer to Chapter 16, "Administer Construction Contracts," Section 16.15, "Claims," for contractor's claims procedures. If there were no liquidated damages, please note "none." Liquidated damages shall also be shown on the Final Invoice and Final Detail Estimate.

  2. **Contractors Claims -** Refer to Chapter 16, "Administer Construction Contracts," Section 16.15, "Contract Claims," for contractor's claims procedures. If there were no contractor's claims, please note "none."

  3. **Date of acceptance**

- **Final Report-Utilization of Disadvantaged Business Enterprises (DBE), First-Tier Subcontractors** (Exhibit 17-F) - This form shall be completed and signed, and it shall be in conformance with the requirements in Chapter 9, "Civil Rights and Disadvantaged Business Enterprises." The completed form shall be submitted to the DLAE or OSE (SHS projects) with the final report of expenditures for construction contracts (or as specified in the provisions for consultant contracts).

- **Disadvantaged Business Enterprises (DBE) Certification Status Change** (Exhibit 17-O) - This form shall be completed, signed, and submitted to the DLAE or OSE (SHS projects) with the final report of expenditures for construction contracts (or as specified in the provisions for consultant contracts). If no change, state so.

- **Materials Certificate** (Exhibit 17-G) - This certificate (commonly referred to as the "Materials Certificate") is to be included in the project files upon completion of the project. Exceptions to the certification should be documented in project records in summary form along with explanations and attached to the certificate, including change orders to accept nonconforming materials.

-

- **Cover Letter for the Report of Completion of Structures and Report of Completion of Structures on Local Streets and Roads** (Exhibits 17-I and 17-J) This report is to be forwarded by the DLAE to the Engineering Service Center Division of Structures, Office of Structures Maintenance and Investigations Local Assistance Branch, for projects which include a bridge or other major structure. This information is necessary to incorporate all bridges into the statewide inventory and maintenance management system. (Include two (2) copies in the Report of Expenditures).
- **Report of Completion of Right of Way Expenditures -** Projects with Right of Way expenditures require additional information in the Report of Expenditures. When the project is complete, a summary of the progress payment requests is submitted on a Report of Completion of Right of Way Expenditures, Form FM 1592A (see Exhibit 17-K). This claim should be submitted when final right of way costs are known in order to expedite audit of the claim and reimbursement. The report shall also include the following:

  1. A parcel list.
  2. 2. Final maps (those that come with Right of Way Certification if not previously sent).
  3. 3. A breakdown of Right of Way costs (with participating costs shown separately). The total participating costs should equal the "Participating Costs to Date" as shown on the Final Progress Requests (Forms FM 1592A).
  4. Final Invoice for Right of Way - The invoice must be prepared on an agency letterhead; each phase must include:
     a. All agency and project identification shown on the form including the Local Agency-State agreement number.
     b. Dates and amounts of funding authorized for Incidental and Capital Outlay.
     c. Period of expenditures (dates) for Incidental and Capital Outlay.
     d. Cost breakdown for Incidental and Capital Outlay as follows:
        - Total Cost to Date
        - Rental Income
        - Nonparticipating Cost to Date
        - Subtotal - Participating Costs

- Participating Cost Previously Claimed
- Subtotal - Change in Participating Posts
- Reimbursement Ratio
- Amount of this Claim
- Invoice Total

Progress payment invoices shall be mailed directly to the Accounting Service Center in Sacramento at the address given in the example. No district review will be required for progress payments; however, final payment invoices shall be submitted directly to the DLAE as part of the Final Report of Expenditures and will be reviewed by the district prior to payment. A final detail estimate is not required for right of way only projects, since the final report of expenditures document provides the information required.

- **Force Account Projects -** Projects with Force Account work also require a Report of Expenditures. These projects are usually emergency relief type and include emergency repair work. Other federal-aid projects may incorporate all, or a part of the project to be built using the force account method. A completed example of a Report of Expenditures for a project including Force Account Work is included as Exhibit 17-L. For more information on force account procedures, see Chapter 12, "Plans, Specifications & Estimate," under "Method of Construction."

  The DLAE shall perform a review of these documents for correct format and obvious errors and/or omissions. Upon verification that the Report of Expenditures is complete, the DLAE shall forward it to LPA for processing.

STATE FUNDED PROJECTS

For state funded projects, in state transportation programs such as the Environmental Enhancement and Mitigation (EEM) Program, the local agency shall complete the "Final Project Expenditure Report" (Exhibit 17-M). The report with the final invoice attached will be submitted to the DLAE.

Note: These programs were intended under the blueprint legislation as state only funded projects. However due to varying circumstances of the state budget each year, and the variations of the State Highway Account, Caltrans at times may require projects in these programs to utilize federal-aid funds. When this occurs the Federal Report of Expenditures shall be completed as described under federal-aid projects above.

The DLAE will verify project completion as described for State-Authorized federal-aid projects, sign the report and, except for EEM projects, forward the original plus two copies to the Headquarters Division of Local Assistance.

For EEM projects, the DLAE will forward the original plus two copies of "Final Project Expenditure Report," to the Local Programs Accounting, with a copy to the EEM Program Manager in the HQ Division of Local Assistance. Use "Final Report of Right of Way Expenditures" (Exhibit 17-N) for Projects involving the acquisition of real property or rights thereto with funds direct deposited into an escrow account. In this case, the DLAE will not verify project completion until the close of escrow is completed and the recordation of both the grant deed and the Agreement Declaring Restrictive Covenants (ADRC). A copy of the recorded grant deed(s) and the original ADRC will be attached to the final report of right of way expenditures.

17.6 CONSEQUENCES FOR NON-COMPLIANCE

Sanctions may be imposed by Caltrans on agencies that are found in noncompliance with the reporting requirements listed above in Section 17.5. The types of sanctions are further discussed in Chapter 19, "*Oversight and Process Reviews*."

If there is a discrepancy between the Final Invoice and Final Detail Estimate, the agency is notified by phone that a discrepancy exists and their payment will be delayed until it is resolved. If the problem cannot be resolved within (180) days, the LPA shall bill the agency for all expenditures made on this project. If the local agency does not pay the accounts receivable bill within thirty (30) days, the LPA shall initiate action with the State Controller to offset funds due the local agency.

If the local agency has previously included in their billing, items not reimbursable by the FHWA or over-billed progress payments that exceed the Final Estimates, the local agency shall be billed for the overpayment. The local agency shall pay the state's accounts receivable bill within thirty days or LPA shall initiate action with the State Controller to offset funds due the local agency. The same policy shall apply to those recommendations from Process Review Reports on applicable findings or the improper utilization of Disadvantaged Business Enterprises.

17.7 REFERENCES

23 CFR 635 subpart D

23 CFR 637 subpart B

23 CFR 640.113

23 CFR 635.126 and Section VI of FHWA From-1273

49 CFR Part 26

Caltrans *Construction Manual*, Chapter 5, Section 5-1, "Project Records and Reports"

Caltrans *Construction Manual*, Chapter 6, Section 6-01, 6-02, and 6-03, "Sampling and Testing"

United States Code, Title 23 Chapter 1, Section 121, "Payment for States Construction"

FHWA " Construction Administration Group" at:
http://www.fhwa.dot.gov/programadmin/contracts/index.htm

FHWA " Construction and Maintenance" at: http://www.fhwa.dot.gov/construction/

EXHIBIT 17-A COVER LETTER & FEDERAL REPORT OF EXPENDITURES CHECKLIST

Project No: STPL-5999(001)

Mrs. Jane Doe
District Director of Transportation
Caltrans - Local Assistance
P. O. Box 007
Pickit, CA 90000-0007

Attention: Mr. Roland N. DaMoney,
District Local Assistance Engineer

Dear Mrs. Doe:

Submitted for your consideration is:

FEDERAL REPORT OF EXPENDITURES

LOCAL AGENCY AWARDED CONTRACT

COUNTY OF SOMEWHERE

PROJECT: Sawpit Avenue, PM 13.2-14.5

CONTRACTOR: A thru Z Contractors

RESIDENT ENGINEER: Sam Strait

Sincerely,

_____
Local Agency Representative

Reviewed by:

_____
District 4 Local Assistance Engineer

COVER LETTER-CONTINUED

Federal Project No.: STPL-5920(001)

Description of Project

The work done consisted, in general, of asphalt concrete overlays on Sawpit Avenue, asphalt concrete replacement, cold planing performed, and shoulder backing and pavement markers and metal beam guardrail installed. Other misc. items and details shown in the project plans, Standard Specifications, and Special Provisions were installed.

Contract Chronology

1.	Bids Opened	03/30/93
2.	Contract Approved by local agency	04/27/93
3.	First chargeable working day	05/21/93
4.	Contract Time (Working Days)	40
5.	Unworkable Days - weather	0
6.	Time Extensions - CCOs	0
7.	Time Extensions - other	0
8.	Number of working days suspended	0
9.	Extended Date of Completion	07/30/93
10.	Date work accepted by Resident Engineer	09/21/93
11.	Liquidated damage days charged (calendar days)	0
12.	Date accepted by County Supervisors	09/21/93

FEDERAL REPORT OF EXPENDITURES CHECKLIST

Federal-aid Project Number:_____
Project Name: _____
Project Location: _____
_____

( ) Final Inspection of Federal-aid Project (See Exhibit 17-B for FHWA Full Oversight projects) or Local Agency Final Inspection Form (See Exhibit 17-C for State-Authorized projects)

( ) Final Invoice (See Exhibit 17-D)

( ) Final Detail Estimate and Detail Estimate Summary (See Exhibit 15-M)

( ) Change Order Summary (See Exhibit 17-E)

( ) Statement of the existence or absence of liquidated damages and/or contractor's claims(See Exhibit 17-E)

( ) Date of completion:_____

( ) Date of acceptance:_____

( ) Final Report- Utilization of Disadvantaged Business Enterprise (DBE), First-Tier Subcontractors (See Exhibit 17-F)

( ) Materials Certificate (Exhibit 17-G)

( ) * Report of Completion of Structure (two copies) *(Shall include one set of "As Built" Plans)*(See Exhibit 17-I and Exhibit 17-J)

( ) Disadvantaged Business Enterprises (DBE) Certification Status Change (Exhibit 17-O)

Note: A single submittal of all these documents will facilitate timely project closure.

* Additional documents required on bridge/major structural project or projects which meet specified conditions (described under **Reports at Completion of Contract**). Send Original copy to structures.

Distribution: (All projects): (1) Original Report of Expenditures
(2) Local Agency project files

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EXHIBIT 17-B FINAL INSPECTION OF FEDERAL-AID PROJECT (FHWA FORM 1446C)

U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION

FINAL INSPECTION OF FEDERAL-AID PROJECT
CONSTRUCTED UNDER 23 U.S.C. 117

INSTRUCTIONS: DLAE is to complete items 1 - 7 and submit original and three (3) copies to the Federal Highway Administration Division Office.

1. PROJECT NO.	2. COUNTY	3. STATE

4. DESCRIPTION OF IMPROVEMENT AS PROGRAMMED

5. CONTRACTOR'S NAME	6. CONTRACT AMOUNT $

7. NOTICE OF COMPLETION: The above listed project has been completed and is ready for final inspection.

SIGNATURE (DLAE OFFICIAL) _____

TITLE _____

8. FEDERAL HIGHWAY ADMINISTRATION INSPECTION MADE BY	9. DATE OF INSPECTION

10. IN COMPANY WITH

11. REMARKS

12. SIGNATURE	13. TITLE	14. DATE

FORM FHWA-1446C

Distribution: Original and one copy to DLA for review and forward to FHWA (Prepared By District).

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EXHIBIT 17-C FINAL INSPECTION FORM

CALIFORNIA DEPARTMENT OF TRANSPORTATION
Division of Local Assistance

LOCAL AGENCY

INSTRUCTIONS: Local agency is to complete Items 1-10. DLAE completes Items 11-13 and submits original plus two (2) copies to the Division of Local Assistance.

1. PROJECT NO.:	2. DIST-CO-RTE-AGENCY:	3. COMPLETION DATE:
4. LOCATION OF IMPROVEMENTS AS PROGRAMMED:		
5. TYPE OF WORK:		
6. CONTRACTOR'S NAME:		7. CONTRACT AMOUNT:
8. DATE OF CONTRACT ACCEPTANCE		

9. FINAL INSPECTION. The above listed project was completed and a final inspection has been made. The project was completed as programmed and in compliance with all state and federal requirements.

(Check appropriate box)

☐ This project is Delegated and not subject to FHWA oversight. FHWA Final Inspection not required.

☐ This project is an FHWA High Priority project. FHWA Final Inspection required.

SIGNATURE (Local Agency Rep) DATE:

TITLE:

10. REMARKS:

11. DISTRICT REVIEW MADE BY (print name):	12. DATE OF PROJECT REVIEW:

13. PROJECT VERIFICATION: This verification of completion also constitutes approval to pay costs shown in the Final Invoice included in the Report of Expenditures. The person listed above has reviewed the job site and found the project constructed in accordance with the scope and description of the project authorization document.

SIGNATURE: _____ DATE: _____
District Local Assistance Engineer/Oversight Engineer

Form FIF-6/05

Distribution: (1) Caltrans - Original plus two copies (2) Local Agency – Retain a copy

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EXHIBIT 17-D SAMPLE FEDERAL-AID FINAL INVOICE
Single-Phase EA
Two Appropriation Codes (33D and 33T)
(Letterhead of Local Agency)

Date of Final Invoice

(For Final Invoice)
Name, District Director
Department of Transportation
Street or P. O. Box
City, CA Zip Code
Attention: ***Name***, Local Assistance Engineer

Billing No: ***Final***
Invoice No: ***Local Agency's Invoice No.***
Federal Aid Project No: ***Fund Abbr.-Route-(Job #)***
Tax Identification No: ***Agency IRS ID Number***
Date Accepted by City/County: ***Final Date***
Project Location: ***Project Limits***

Reimbursement for Federal Funds are claimed pursuant to Local Agency-State Agreement No. ***Number***, Program Supplement No. ***Number***, executed on ***Date***.

	Preliminary Engineering	Construction Engineering	Construction Contract	Total 33D
Federal Appropriation Code	33D	33D	33D	
Expenditure Authorization No	969696	969696	969696	
Federal Authorization Date	06/30/94	01/02/95	01/02/95	
Federal participating costs from	07/05/94	01/30/95	02/15/95	
to	12/30/94	04/30/95	04/30/95	
Total Costs	$3,500.60	$8,400.30	$200,000.10	$211,901.00
Less: Retention	(0.00)	(0.00)	(20,000.00)	(20,000.00)
Non participating Costs	(350.00)	(840.00)	(16,000.00)	(17,190.00)
Subtotal	$3,150.60	$7,560.30	$164,000.10	$174,711.00
Plus: Payment of Previously Withheld Retention	0.00	0.00	20,000.00	20,000.00
Federal Participating Costs to Date	$3,150.60	$7,560.30	$194,000.10	$194,711.00
Less: Participating Costs on Previous Invoice	(3,150.60)	0.00	85,345.02	88,495.62
Change in Participating Costs	0.00	7,560.30	98,655.08	$106,215.38
Reimbursement Ratio				88.53%
Amount This Claim				$94,032.48

	Construction Engineering	Construction Contract	Total 33T
Federal Appropriation Code	33T	33T	
Expenditure Authorization No	969696/30600	969696/30600	
Expenditure Authorization No	969696/30600	969696/30600	
Federal Authorization Date	01/02/95	01/02/95	
Federal participating costs from	01/30/95	02/15/95	
to	04/30/95	04/30/95	
Total Costs	$2,100.10	$50,000.00	$52,100.10
Less: Retention		(5,000.00)	(5,000.00)
Non participating Costs	(210.00)	(4,000.00)	(4,210.00)
Subtotal	$1,890.10	$41,000.10	$42,890.10
Plus: Payment of Previously		5,000.00	5,000.00
Withheld Retention		0.00	0.00
Federal Participating Costs To Date	$1,890.10	$46,000.00	$47,890.10
Less: Participating Costs on Previous Invoice	(0.00)	(21,470.00)	21,470.00
Change in Participating Cost	1,890.10	24,530.00	$26,420.10
Reimbursement Ratio			100.00%
Amount This Claim			$26,420.10
			========
INVOICE TOTAL			**$120,452.58**

I certify that the work covered by this invoice has been completed in accordance with approved plans and specifications; the costs shown in this invoice are true and correct; and the amount claimed, including retention as reflected above, is due and payable in accordance with the terms of the agreement.

_____ _____

Signature, Title and Unit of Local Agency Representative **Phone No.**

Questions regarding this invoice please contact:

_____ _____

Name **Phone No.**

Note: When multiplying "Change in Participating Costs" by "Reimbursement Ratio," the result is be rounded to the lowest cent. Federal rules do not allow rounding up.

Distribution: (1) Original-included in Report of Expenditures
(2) Copy retained by Local Agency Project File

SAMPLE CHANGE ORDER SUMMARY

Change Order No.	Brief Description	Contract Item Price *	Amt. Part.	Amt. Exp. Extra Work **	Amt. Part.
1	Traffic Control	0.00	0.00	$4,527.25	$4,527.25
2	6” PCC Driveway at Sta. 41+50 RT.	255.00	255.00	0.00	0.00
3	Additional 18" RCP at 67+70 LT.	96.00	0.00	0.00	0.00
4	Relocate waterline at 14+25 RT.	0.00	0.00	145.15	145.15
5	Adjust Compensation AC overrun	0.00	0.00	(-832.00)	(-832.00)
6	Delete Valley Gutters	(-255.00)	(-255.00)	0.00	0.00
		$ 96.00	$ 0.00	$3,840.40	$3,840.40

The amount shown as extra work is to be reported as a supplemental expenditure on the final Detail Estimate.

Liquidated Damages/contractors claim: None

Date of completion: 1/2/96

Date of acceptance: 1/5/96

* Amounts shown are included at Bid Prices on Detail Estimate.

** Extra Work (Payment under force account or agreed price).

Distribution: (1) Original-included in Report of Expenditures
(2) Copy retained by Local Agency Project File

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EXHIBIT 17-F FINAL REPORT-UTILIZATION OF DISADVANTAGED BUSINESS ENTERPRISE

STATE OF CALIFORNIA - DEPARTMENT OF TRANSPORTATION

FINAL REPORT-UTILIZATION OF DISADVANTAGED BUSINESS ENTERPRISES (DBE), FIRST-TIER SUBCONTRACTORS

CEM-2402F (REV 02/2008)

ADA Notice
For individuals with sensory disabilities, this document is available in alternate formats. For information call (916) 654-6410 or TDD (916) 654-3880 or write Records and Forms Management, 1120 N Street, MS-89, Sacramento, CA 95814

CONTRACT NUMBER	COUNTY	ROUTE	POST MILES	FEDERAL AID PROJECT NO.	ADMINISTERING AGENCY		CONTRACT COMPLETION DATE
PRIME CONTRACTOR			BUSINESS ADDRESS			ESTIMATED CONTRACT AMOUNT $	

ITEM NO.	DESCRIPTION OF WORK PERFORMED AND MATERIAL PROVIDED	COMPANY NAME AND BUSINESS ADDRESS	DBE CERT. NUMBER	CONTRACT PAYMENTS						DATE WORK COMPLETE	DATE OF FINAL PAYMENT
				NON-DBE	DBE	BA UDBE	APA UDBE	NA UDBE	W UDBE		
				$	$	$	$	$	$		
				$	$	$	$	$	$		
				$	$	$	$	$	$		
				$	$	$	$	$	$		
				$	$	$	$	$	$		
				$	$	$	$	$	$		
				$	$	$	$	$	$		
				$	$	$	$	$	$		
				$	$	$	$	$	$		
				$	$	$	$	$	$		
				$	$	$	$	$	$		
				$	$	$	$	$	$		
ORIGINAL COMMITMENT $ UDBE			TOTAL	$	$	$	$	$	$	BA--Black American APA--Asian-Pacific Islander NA--Native American W-Woman	

List all First-Tier Subcontractors, Disadvantaged Business Enterprises (DBEs) and underutilized DBEs (UDBEs) regardless of tier, whether or not the firms were originally listed for goal credit. If actual UDBE utilization (or item of work) was different than that approved at time of award, provide comments on back of form. List actual amount paid to each entity.

I CERTIFY THAT THE ABOVE INFORMATION IS COMPLETE AND CORRECT

CONTRACTOR REPRESENTATIVE'S SIGNATURE	BUSINESS PHONE NUMBER	DATE

TO THE BEST OF MY INFORMATION AND BELIEF, THE ABOVE INFORMATION IS COMPLETE AND CORRECT

RESIDENT ENGINEER'S SIGNATURE	BUSINESS PHONE NUMBER	DATE

Copy Distribution-Caltrans contracts: **Original** - District Construction; **Copy**- Business Enterprise Program; **Copy**- Contractor; **Copy** Resident Engineer

Copy Distribution-Local Agency contracts: **Original** - District Local Assistance Engineer (submitted with the Report of Expenditure); **Copy**- District Local Assistance Engineer; **Copy**- Local Agency file

FINAL REPORT – UTILIZATION OF DISADVANTAGED BUSINESS ENTERPRISES (DBE), FIRST-TIER SUBCONTRACTORS
CEM 2402(F) (Rev. 02/2008)

The form requires specific information regarding the construction project: Contract Number, County, Route, Post Miles, Federal-aid Project No., the Administering Agency, the Contract Completion Date and the Estimated Contract Amount. It requires the prime contractor name and business address. The focus of the form is to describe who did what by contract item number and descriptions, asking for specific dollar values of item work completed broken down by subcontractors who performed the work both DBE and non-DBE work forces. DBE prime contractors are required to show the date of work performed by their own forces along with the corresponding dollar value of work.

The form has a column to enter the Contract Item No. (or Item No's) and description of work performed or materials provided, as well as a column for the subcontractor name and business address. For those firms who are DBE, there is a column to enter their DBE Certification Number. The DBE should provide their certification number to the contractor and notify the contractor in writing with the date of the decertification if their status should change during the course of the project.

The form has six columns for the dollar value to be entered for the item work performed by the subcontractor.

The Non-DBE column is used to enter the dollar value of work performed for firms who are not certified DBE.

The decision of which column to be used for entering the DBE dollar value is based on what program(s) status the firm is certified. This program status is determined by the California Unified Certification Program by ethnicity, gender, ownership, and control issues at time of certification. To confirm the certification status and program status, access the Department of Transportation Civil Rights web site at: http://www.dot.ca.gov/hq/bep or by calling (916) 324-1700 or the toll free number at (888) 810-6346.

Based on this DBE Program status, the following table depicts which column to be used:

DBE Program Status	Column to be used
If program status shows DBE only with no other programs listed	DBE
If program status shows DBE, Black American	BA UDBE
If program status shows DBE, Asian-Pacific Islander	APA UDBE
If program status shows DBE, Native American	NA UDBE
If program status shows DBE, Woman	W UDBE

If a contractor performing work as a DBE on the project becomes decertified and still performs work after their decertification date, enter the total dollar value performed by this contractor under the appropriate DBE identification column.

If a contractor performing work as a non-DBE on the project becomes certified as a DBE, enter the dollar value of all work performed after certification as a DBE under the appropriate identification column.

Enter the total of each of the six columns in Form CEM-2402(F).

Any changes to DBE certification must also be submitted on Form-CEM 2403(F).

Enter the Date Work Completed as well as the Date of Final Payment (the date when the prime contractor made the "final payment" to the subcontractor for the portion of work listed as being completed).

The contractor and the resident engineer sign and date the form indicating that the information provided is complete and correct.

EXHIBIT 17-G MATERIALS CERTIFICATE

Materials Certificate

CITY/COUNTY LETTERHEAD
(Sample)

Date: _____
Federal-Aid Project No.: _____
Caltrans File Category 61: _____
Job Stamp _____

Subject: Materials Certification

This is to certify that:

The results of the tests on acceptance samples indicate that the materials incorporated in the construction work and the construction operations controlled by sampling and testing were in conformity with the approved plans and specifications.

☐ Exceptions to the plans and specifications are explained on the back of this memorandum (or on attached sheet).

☐ No exceptions to the plans and specifications were found.

_____
Signature of local agency engineer in responsible charge of project and title

Distribution: (*For all projects*) 1) Local agency Project Files (original)
2) DLAE (1 copy in Report of Expenditures)
(For projects on the NHS) 3) FHWA (1 copy)

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EXHIBIT 17-I SAMPLE COVER LETTER FOR THE REPORT OF COMPLETION OF STRUCTURES

_____
Type of Funding

_____
Dist.- Co.-Rte.

_____
State Contract No.

_____
Fed. Project No.

Chief, Office of Structures Maintenance and Investigations
Caltrans Engineering Service Center, Mail Station 9
P. O. Box 942874
Sacramento, CA 94274-0001

Date: _____

Attention: _____ Structures Local Assistance Engineer

Dear: _____

Submitted herewith is the REPORT OF COMPLETION OF STRUCTURES ON LOCAL STREETS AND ROADS for the structures listed below:

Bridge Name (future intersected)	Road Name (facility carried)	State Bridge No.

_____ Contractor

_____ Bridge Resident Engineer

Distribution: (1) Original plus one copy to DLAE included in the Report of Expenditures (original forwarded to Division of Structures , Office of External Liaison and Agreements)
(2) Copy-retained by local agency

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REPORT OF COMPLETION OF STRUCTURES ON LOCAL STREETS AND ROADS

A. Description of Bridge Work

B. Contract Chronology
Structure Work Completed on: _____

C. Final Photographs
Attach two photographs of completed structure, side view and roadway view. Photographs should show pertinent features both over and under the bridge i.e. channel profile, roadways, railroads etc.

D. Site Map
Include an 8 1/2 X 11" reproduction of the work location site map.

E. Attachments
1. As Built Plans.
2. Stream Flow record (high water during construction).
3. Shop plan microfilms, pre-stress, structural steel, pumping plants, movable bridges.

Distribution: (1)Original plus one copy to DLAE included in the Report of Expenditures (original forwarded to Division of Structures , Office of External Liaison and Agreements)
(2) Copy-retained by Local Agency

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EXHIBIT 17-K SAMPLE REPORT OF COMPLETION OF RIGHT OF WAY EXPENDITURES

CITY OF MORELAND

One Dollar Square, Moreland, CA 90007
(999) 333-3030 • Fax # (999) 333-7059

Community Development/Redevelopment
Building and Code Enforcement
Public Works and Engineering
Recreation and Senior Services
Housing Authority
Housing
Planning

Mr. Joe Smoe
District 13 Director of Transportation
Caltrans
P. O. Box 23660
Yourcall, CA 96007

Date: August 1, 1993

Attention: Phil N. Blank
District Local Assistance Engineer

Subject: 04-CC-0-MRL
Federal-Aid Project No.: BRM-A751(001)
City of Moreland Project No.: PW-114
Boondoggle Bridge Replacement @ Rabble-rouser River (Bridge No. 99C-007)

Dear Mr. Smoe:

Submitted for your consideration is:

REPORT OF COMPLETION

AND

REPORT OF EXPENDITURES

FOR LOCAL AGENCY

RIGHT OF WAY

CITY OF MORELAND

Sincerely,

Seymore Land

Local Agency Representative

Reviewed by,

Phil N. Blank

District 13 Local Assistance Engineer

I. REPORT OF COMPLETION OF RIGHT OF WAY

A. Location and Description of Project

1. Federal-aid Project BRM-A751(1) in the City of Moreland, on the Boondoggle Bridge Replacement Project at Rabble-rouser River, Bridge No. 99C-007.

B. Chronological Statement

1. First date right of way expenditures eligible for reimbursement 12/23/91
2. Right of Way work began: 1/1/92
3. Right of Way work completed: 7/7/93

II. REPORT OF EXPENDITURES OF RIGHT OF WAY

A. Final Report of Right of Way Expenditures See Attachment #1

B. Parcel List See Attachment #1

C. Final Maps Submitted on: June 21, 1993 with R/W certification.

D. Final Invoice See Attachment #2.

IV. I certify that to the best of my knowledge and belief the above data is correct; that adequate title to the necessary right of way has been acquired for the herein above described federal-aid project in the name of the City of Moreland, for the amount of just compensation based on bona fide appraisals duly qualified as required by the right of way procedures of the Federal Highway Administration and other written justification now contained in the City/County files, in accordance with procedures as submitted to and accepted by the Director.

I further state that this certification is made in my official capacity as Chief Financial Officer, pursuant to Section 121 of Title 23, United States Code, for the purpose of securing, pursuant thereto, by the City of Moreland, federal-aid funds in connection with the above designated federal-aid highway project, and that neither I nor, to the best of my knowledge, any other officer, agent or employee of the City/County authorized in an official capacity to perform services in connection with the appraisal or acquisition of any of such right of way has any interest or contemplates any benefit from any transaction which involved the acquisition of property for right of way for such project, other than as herein disclosed.

Mark A. Space — 800-123-CASH

Signature of Local Agency Representative — Phone Number

Chief Financial Officer — August 1, 1993

Title — Date

Form FM 1592A (Rev. 9/95)

Attachment #1

SAMPLE FINAL REPORT OF RIGHT OF WAY EXPENDITURES

CITY OF MORELAND
One Dollar Square, Moreland, CA 90007
(999) 333-3030 Fax # (999) 333-7059

Federal No: BRM-A751(001)

Project Nos.: _____

State No (EA): 13-199129

Local Agency City of Moreland

Agreement No. 00001

I. Project Costs	Participating	Non-Participating	Total
1. Capital Costs			
Acquisition	$1,028,543	$20,000	$1,048,543
RAP	$15,000		$15,000
Utility Relocation	$69,614	$750	$70,364
Other			
Total Capital	$1,113,157	$20,750	$1,133,907
2. Incidental	$179,286	$64,356	$243,642
3. Subtotal	$1,292,443	$85,106	$1,377,549
4. Less Rental & Sales Income	$-12,250		$-12,250
5. Project Total	$1,280,193	$85,106	$1,365,299

II. RAP:	
Business	$0
Family	15,000

III. A. The acquisition, final tabulation of all appraisals, the costs reported, and the maps submitted are unchanged when compared with the final construction lines.

B. Parcel List: See attached

Form FM 1592A (Rev. 9/95)

Attachment #1

Federal Project No. BRM-A751(001)
State Project No. 13-1991229
Map No. F17192

B. PARCEL LIST.

As Acquired					REMARKS	Per Final R/W Map			
		Acquired Area (SF or acres)				Map	Acquired Area (SF or acres)		
PARCEL NO.	TYPE TAKE	TOTAL	R/W	EXCESS		Sheet No.	Total	R/W	Excess
41042-1	Part					3,4	49,901(SF)	50,830(SF)	0
-2	S. Ease				207170 0.476 AC. Slope Easement	3,4			
-4	D. Ease				17980 0.041 AC Drainage Easement	4			
-5	D. Ease				8000 0.018 AC. Drainage Easement	4			
41043-1	Part					3	1,714 (SF)	1,714(SF)	0
-2	S. Ease				20150 Slope Easement	3			
-3	D. Ease				4640 Drainage Easement	3			
41044-1	Part					3	19.5(SF)	19.5(SF)	0
-2	S. Ease				0.020 AC. Slope Easement	3			
-3	D. Ease				0.009 AC. Drainage Easement	3			

1. Right of Way lines as claimed on progress claims submitted to Caltrans for reimbursement of acquisition costs (Section 4.1)

2. Area by square feet or acres.

3. Type Take: F = Full P= Partial

4. If change in area is indicated in "Per Final R/W Map" column, the local agency must include the revisions to the final lines on the Final Progress Payment Request to account for the differences between the original amounts claimed through progress invoices and the final amounts as adjusted to reflect the final right of way lines, i.e., acquisition costs, rental income credits.

Form FM 1592A

FINAL INVOICE
MULTI PHASE EA
RIGHT OF WAY

(LETTERHEAD CITY OF MORELAND)

Name, Joe Smoe
District 13 Director of Transportation
Caltrans
P. O. Box 23660
Yourcall, CA 96007

Attention: Phil N. Blank
District Local Assistance Engineer

Billing No:	**Final**
Invoice No:	**Local Agency's Invoice No.**
Federal-Aid Project No:	**Prefix-Proj. No. (Fed. Agreement No.)**
Tax Identification No:	**Agency IRS ID Number**
Project Completion Date:	**Date of Contract Completion**
Date Project Accepted by City/County:	**Final Date or "Ongoing" if not Final**
Project Location:	**Project Limits**

Reimbursement for federal funds is claimed pursuant to Local Agency-State Agreement No. **Number,** Program Supplement No., **Number**, executed on **Date**.

	Phase 9 Capital	Phase 2 Incidental	Total
Federal Appropriations Code	33D	33D	33D
District - Expenditure Authorization No.	03-023459	03-023452	
Federal Authorization Date	08/30/94	08/30/94	
Federal participating costs from	10/05/94	08/30/94	
to	02/30/95	02/30/95	
Federal-aid Agreement Amount	$2,400,000	$300,000	
Total Costs	$1,133,907	$ 243,642	
Less: Rental Income	0	(12,250)	
Nonparticipating Costs	($20,750)	(64,356)	
Federal Participating Costs to Date	$1,113,157	$167,036	
Less: Participating Costs on Previous Invoice	$980,165	$150,794	
Change in Participating Costs	$132,992	$16,242	
Reimbursement Ratio	88.53%	88.53%	
Amount of this claim	$117,737.81	$14,379.04	$132,116.85

INVOICE TOTAL: $132,116.85

Note: When multiplying "Change in Participating Costs" by "Reimbursement Ratio," the result is rounded to the lowest cent. Federal rules do not allow rounding up.
Form FM 1592A

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EXHIBIT 17-L SAMPLE REPORT OF EXPENDITURES FOR FORCE ACCOUNT PROJECTS

Mr. Joe Smoe
District Director of Transportation
Caltrans
P. O. Box 23660
Upickit, CA 99999

Federal Project No.: ER-1600 (040)

Attention: Mr. Roland N. DaWins, District Local Assistance Engineer

Dear Mr. Smoe:

Submitted for your consideration is:

REPORT OF COMPLETION

AND

REPORT OF EXPENDITURES

FOR LOCAL AGENCY FORCE ACCOUNT WORK

CITY OF

UPICKIT

Sincerely,

Max Competition

Local Agency Representative

Reviewed by,

Roland N. DaWins

District 13 Local Assistance Engineer

I. REPORT OF COMPLETION OF FORCE ACCOUNT WORK

A. Location and Description of Project

1. Work required per Traffic Management Plan approved by Damage Assessment Form (DAF) # KK569. On Green Bay Way from Bart Starr Avenue to Superbowl Road. Replace existing controllers at 15 intersections with solid State fixed time equipment capable of providing 4 signal timing plans and offsets. Adjust timing for Am inbound (NB) progression, PM outbound (SB) progression, special program for events at Candlestick Park and off-peak program

B. Chronological Statement

1. Date of approved Public Interest Finding (attached): 1/15/91
2. First date expenditure eligible for reimbursement: 12/23/91
3. Force account work began: 1/1/92
4. Force account work completed: 3/7/92

II. REPORT OF EXPENDITURES

A. Liquidated Damages: None

B. Pending Contractors Claims: None

C. Contract Change Order Summary: None

D. Final Inspection Form: Attached

E. Final Detail Estimate: Attached

F. Materials Certification: Attached

G. Maps: Attached

(AGENCY LETTER HEAD) Date:

Name, District Director
Department of Transportation
Street or P.O. Box
City, CA, Zip Code

Attention: *Name,* District Local Assistance Engineer

Final Project Expenditure Report

(For EEM or Proposition 116 Bicycle Program Projects)

Description/Location of Work:
Project Completion Date:
Expenditure Authorization:
Project Number:
State-Local Entity Agreement Number:

State Funds Allocated:

Expenditure Incurred: Total $

A. Payment to Contractor
(*Attach final pay estimate)*
B. Other Project Costs:
Preliminary Engineering
Construction Engineering
Any Additional Construction
Right of Way (Capital and Support)
C. Liquidated Damages
D. Outstanding Contractors Claims
E. Others *(specify)*

Sources and Amounts of Additional Funds Used:

State Funds Allocated But Not Used:

CERTIFICATION

I hereby certify that:

To the best of my knowledge and belief, the information in this report is a true and accurate record of project costs. The work was performed in accordance with the CTC approved scope and state funding for the project.

_____
Title and Unit of Local Agency Representative

PROJECT VERIFICATION: This verification of completion also constitutes approval to pay costs shown in the Final Invoice included in the Report of Expenditures. I have reviewed the job site and found the project completed in accordance with the scope and description of the project authorization document.

_____
District Local Assistance Engineer

Date: _____

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EXHIBIT 17-N ENVIRONMENTAL ENHANCEMENT AND MITIGATION (EEM) PROGRAM FINAL REPORT OF RIGHT OF WAY EXPENDITURES

FOR PROJECTS INVOLVING ACQUISITION OF REAL PROPERTY, OR RIGHTS THERETO, RECEIVING DIRECT DEPOSIT OF FUNDS INTO AN ESCROW ACCOUNT
(PREPARED BY DISTRICT)

State of California Business, Transportation, and Housing Agency

Memorandum

To: EEM Program Manager
Design and Local Programs

Date: _____

File: _____

From: DEPARTMENT OF TRANSPORTATION
District _____

Subject: EEM Project No. _____
Applicant-State Agreement No. _____
FINAL REPORT OF RIGHT OF WAY EXPENDITURES

Attached is the following information on the subject project:

1. Copy of the recorded grant deed(s)

2. Original recorded Environmental Enhancement and Mitigation Program Agreement Declaring Restrictive Covenants (ADRC)

3. Close of Escrow was _____(date)_____

4. Copy of invoice(s) (on Applicant letterhead)

PROJECT VERIFICATION: This verification of completion constitutes approval that acquisition(s) occurred for the attached property(ies) listed in the original grant deed(s) (attached).

_____
District Local Assistance Engineer

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EXHIBIT 17-O DISADVANTAGED BUSINESS ENTERPRISES (DBE) CERTIFICATION STATUS CHANGE

STATE OF CALIFORNIA – DEPARTMENT OF TRANSPORTATION
CP-CEM-2403(F) (New. 10/99)

CONTRACT NUMBER	COUNTY	ROUTE	POST MILES	ADMINISTERING AGENCY	CONTRACT COMPLETION DATE
PRIME CONTRACTOR			BUSINESS ADDRESS		ESTIMATED CONTRACT AMOUNT

Prime Contractor: List all DBEs with changes in certification status (certified/decertified) while in your employ, whether or not firms were originally listed for good credit.
Attach DBE certification/Decertification letter in accordance with the Special Provisions

CONTRACT ITEM NO.	SUBCONTRACT NAME AND BUSINESS ADDRESS	BUSINESS PHONE	CERTIFICATION NUMBER	AMOUNT PAID WHILE CERTIFIED	CERTIFICATION/ DECERTIFICATION DATE Letter attached
				$	
				$	
				$	
				$	
				$	
				$	
				$	
				$	
				$	

Comments:

I CERTIFY THAT THE ABOVE INFORMATION IS COMPLETE AND CORRECT

CONTRACTOR REPRESENTATIVE SIGNATURE	TITLE	BUSINESS PHONE NUMBER	DATE

TO THE BEST OF MY KNOWLEDGE, THE ABOVE INFORMATION IS COMPLETE AND CORRECT

RESIDENT ENGINEER	BUSINESS PHONE NUMBER	DATE

Distribution Original copy -DLAE
Copy -1) Business Enterprise Program 2) Prime Contactor 3) Local Agency 4) Resident Engineer

Form CP-CEM 2403(F) (New 10/99)
DISADVANTAGED BUSINESS ENTERPRISES (DBE) CHANGE IN CERTIFICATION STATUS REPORT

The top of the form requires specific information regarding the construction project: Contract Number, County, Route, Post Miles, the Administering Agency, the Contract Completion Date, and the Estimated Contract Amount. It requires the Prime Contractor's name and Business Address. The focus of the form is to substantiate and verify the actual DBE dollar amount paid to contractors on federally funded projects that had a changed in Certification status during the course of the completion of the contract. The two situations that are being addressed by CP-CEM 2403(F) are, if a firm certified as a DBE and doing work on the contract during the course of the project becomes Decertified, and if a non-DBE firm doing work on the contract during the course of the project becomes Certified as a DBE.

The form has a column to enter the Contract Item No (or Item Nos.) as well as a column for the Subcontractor's Name, Business Address, Business Phone, and contractor's Certification Number.

The column entitled Amount Paid While Certified will be used to enter the actual dollar value of the work performed by those contractors who meet the conditions as outlined above during the time period they are Certified as a DBE. This column on the CP-CEM-2403(F) should only reflect the dollar value of work performed while the firm was Certified as a DBE.

The column called Certification/Decertification Date (Letter attached) will reflect either the date of the Decertification Letter sent out by the Civil Rights Program or the date of the Certification Certificate mailed out by the Civil Rights Program. There is a box to check that support documentation is attached to the CP-CEM-2403 (F) form.

There is a Comments section for any additional information that may need to be provided regarding any of the above transactions.

The CEM-2403(F) has an area at the bottom where the Contractor and the Resident Engineer sign and date that the information provided is complete and correct.

There is a Comments section for any additional information that may need to be provided regarding any of the above transactions.

The CEM-2403(F) has an area at the bottom where the Contractor and the Resident Engineer sign and date that the information provided is complete and correct.

CHAPTER 18 MAINTENANCE

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CHAPTER 18 MAINTENANCE

18.1 GENERAL REQUIREMENTS

Section 116 of Title 23, United States Code (U.S.C.) states that the State Transportation Department (Caltrans) is responsible for maintaining or causing to be maintained, any project constructed with federal-aid funds and all bridges carrying federal-aid routes. Responsibility for maintaining local federal-aid projects is passed on to the local agency as stated in the "Local Agency-State Master Agreement" (see Chapter 4, *Agreements*, in this manual). The annexation, by a city, of territory in the county that contains all or a part of a federal-aid project transfers the maintenance responsibility of that project to that city. This responsibility is expected to be enforced during the service life of the project.

Section 116 of Title 23, United States Code (U.S.C.) also provides that if the federal authorities find that any completed project is not properly maintained such fact shall be called to the attention of Caltrans. If the project is under local agency jurisdiction and is not put in proper condition within 90-days after written notification by Caltrans, approval of further federal-aid projects for the agency will be withheld until the project is put back in proper condition.

Section 823.5 of the Streets and Highways Code (S&H Code) outlines Caltrans' authority to perform the required maintenance should the agency having the responsibility fail to do so. In such case, Caltrans shall notify the State Controller of their maintenance expenditures on such street or highway. Then the State Controller shall deduct from future apportionments to such county or city, the amount certified by the Director of Caltrans from the Highway Users Tax Account in the Transportation Tax Fund and place such amount in the State Highway Account (SHA).

Local agency projects that are on the State Highway System (SHS) that will create a maintenance responsibility must be covered in a Caltrans maintenance agreement, or an amendment to an existing maintenance agreement. This policy is contained in the *Project Development Procedures Manual,* Chapter 2, *Roles and Responsibilities* at: http://www.dot.ca.gov/hq/oppd/pdpm/chap_pdf/chapt02.pdf. These agreements are to be executed preferably during the project development process and no later than the start of construction.

Maintenance includes not only the preservation of the general physical features of the roadway, roadside, and surfacing, but also the preservation of all safety and regulatory features, devices and appurtenances built into the project. No safety features, devices and appurtenances paid for with federal funds shall be removed, eliminated, or decreased in effectiveness without the prior approval of the governing entity of the jurisdiction in which the project is located (see Section 11.4, *Design Exceptions*, of this manual).

ACRONYMS

AADT - Annual Average Daily Traffic

AASHTO - American Association of State Highway and Transportation Officials

Caltrans - California Department of Transportation

CRS - California Road System

CTC – California Transportation Commission

DLAE - District Local Assistance Engineer

FC - Functional Classification

FHWA - Federal Highway Administration

FIPS - Federal Information Processing Standards

HCM - Highway Capacity Manual

HOV - High-Occupancy Vehicle

HPMS - Highway Performance Monitoring System

HSE - Highway System Engineering

IRI - International Roughness Index

ISTEA - Intermodal Surface Transportation Efficiency Act

LRS - Linear Reference System

MPO - Metropolitan Planning Organization

MTC - Metropolitan Transportation Commission

NHS - National Highway System

OC - Overcrossing

PM - Post Mile

SAFETEA-LU - Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy For Users (replaced TEA 21)

S&H Code - Streets and Highways Code

SHA - State Highway Account

SHS - State Highway System

STP - Surface Transportation Program

STRAHNET - Strategic Highway Corridor Network

TRB - Transportation Research Board

TSI - Division of Transportation System Information (Caltrans)

UC - Undercrossing

VMT - Vehicles Miles Travelled

18.2 BRIDGE INSPECTION

Bridges located on public roads, under the jurisdiction of a local agency, whether or not they were constructed with federal funds are inspected by the state at approximately two-year intervals. The inspection is conducted in accordance with the *National Bridge Inspection Standards* and *Caltrans Maintenance Manual*. A local agency may conduct their own inspection in accordance with the above standards, using their own forces or consultants.

During the initial investigation and report writing stage, bridges are analyzed to determine their load carrying capacity. If necessary, posting recommendations are made at that time. If subsequent investigations indicate that posting may be required or revised because of deterioration, neglect, or other causes, additional analyses are made. Additional studies and analyses may be made at any time by the state at the local agency's written request. The local agency will receive two copies of the written Bridge Report.

18.3 MAINTENANCE MONITORING

Caltrans is responsible for the administration of the local assistance program and shall review the condition of local federal-aid roads for general compliance with the provisions of this section. The primary concern of the maintenance review is whether or not federal-aid highway projects are maintained at an acceptable level of physical integrity and operation. Should an unsatisfactory condition be observed which threatens the integrity of the project that was constructed with federal funds, it should be brought to the attention of the appropriate local officials so that corrective measures may be taken in time to avoid an official action from the federal authorities.

Either throughout the year or during the month of October, the District Local Assistance Engineer (DLAE) or his designated representative(s) shall review a sample of completed local agency federal-aid projects to determine a local agency's maintenance effort. A *Maintenance Review Checklist* (Exhibit 18-A) is used for the maintenance review. Upon completion of the maintenance review, the DLAE shall forward a consolidated report of their findings to the DLA by the first of December.

All deficiencies shall be discussed with the local agency and adequate time allotted to correct the condition. Major deficiencies left uncorrected should be discussed with HQ DLA to determine what further action should be taken. The district should try to review each local agency at least once in a four-year period. More frequent reviews should be made if discovered deficiencies warrant. Comments and follow up actions should be included on the Maintenance Review Checklist where appropriate.

18.4 COUNTY ROAD SYSTEM

The S&H Code confers upon the Board of Supervisors of the various counties the authority, duties, and limitations that have to do with the establishment and maintenance of the county road system. The S&H Code also places certain duties upon Caltrans with respect to the county roads, requiring cooperation between the counties and Caltrans in some areas and allowing it, or making it optional in others. This cooperative effort and contact is carried on between the County Road Commissioners and the District Directors, acting through authorized assistants, all subject to administrative review and correlation of effort by the Transportation System Information (TSI).

CERTIFICATION OF MAINTAINED MILEAGE

As required by the State Controller, one of the duties of Caltrans is to certify the maintained mileage of county roads in each county. The State Controller currently requires certification each month (see Section 2121 of the S&H Code). Collection of data for and implementation of this duty, including the certification to the State Controller, has been delegated to Caltrans TSI. The main object of this activity is to supply the information necessary for distribution of Highway User's Tax Funds in accordance with Section 2104 of the S&H Code.

Procedures for accurately reporting and certifying the county road mileage figures have evolved and certain rules have been adopted. These steps involve the necessity for official action by counties and documentation thereof. Caltrans, in order to prepare the monthly certificate, is constantly engaged in the collection and tabulation of road information and in maintaining the records and maps necessary for this purpose and for other activities.

MILEAGE ELIGIBLE FOR CERTIFICATION

It is important that the maintenance status of county roads be determined under uniform rules, because the miles maintained is an important factor in apportioning Highway User's Tax monies. In approximately half of the smaller counties, each mile added to a county's road system increases its annual apportionment above that which it would otherwise receive. Each such increase decreases the amount available for apportionment to all counties on the basis of vehicular registration.

For the purpose of certification to the State Controller, it has been established that a maintained county road must meet all of the following criteria:

1. An existing road actually maintained by the county or its agent (planned, unbuilt roads are not considered eligible).
2. Traversable by ordinary automobile except for seasonal closure by snow, or occasional closure to accommodate repair or reconstruction (otherwise, non traversable roads are not considered to be maintained).
3. Have become county roads through due legal processes (they cannot become county roads through mere public use or because of arbitrary opinion).
4. Open to the general public (roads from which the public is barred do not qualify).

5. Public alleys that function like public roads can qualify as public roads. These alleyways would never be classified functionally high enough to be eligible as a federal-aid highway.

6. Be located outside of incorporated cities. The Collier Burns Act, which originated the mileage certification requirement contained in Section II, the following:

"...the Department of Public Works shall certify...the total maintained mileage of County roads in unincorporated territory..."

The S&H Code has since provided two exceptions to criteria No. 5: (1) In any city that has not held an election of municipal officers in 10 years (Section 2004.5), and (2) In any county which has since January 1, 1961, adopted a county highway bond issue (Section 1732). The first exception applies only to Hornitos, Mariposa County; Markleeville, Alpine County; Meadowlake, Nevada County; and the second exception applies to Santa Clara County.

A road which is on a county line, or which crosses a county line, may be maintained by one of the counties and be eligible for inclusion in that county's maintained system, even though it may be in the other county; provided there is an agreement certified to by resolutions of the Boards of Supervisors of both counties. Copies of these resolutions should be forwarded to TSI.

Boundary line road mileage may be divided among the agencies involved in any manner agreeable to the agencies, but the sum of the various lengths should equal the total length of the road. Dividing a roadway down the centerline is acceptable, but it is preferable to divide the road transversely in segments.

Each agency's tabulation will indicate the mileage claimed by the different agencies within the termini shown with an asterisk indicating as "non-add" the mileage not claimed by the reporting agency. The agency that does not claim the mileage should omit such roadway segment from the tabulations. Alternatively, if form HCC 342 (Exhibit 18-C, *City-County Road System EDP Input Form HCC 342*) is used, there should be an asterisk indicating as "non-add" the mileage not claimed by the reporting agency. The use of form HCC 342 is optional, and at the sole discretion of the reporting agency.

To ensure consistency among all the agencies, roads will be measured through intersections regardless of the overlapping of mileage thus caused. Roads terminating at an intersection with another road will be measured from the intersection of centerlines, except where roads terminate at a state freeway. In the latter case, the mileage will be to the end of county maintenance.

CERTIFICATION PROCEDURES

Section 2121 of S&H Code reads as follows:

" (a) In May of each year, each county shall submit to the Department any additions or exclusions from its mileage of maintained county highways, specifying the termini and mileage of each route added or excluded from its county maintained roads. The Department shall either approve or disapprove each such inclusion or exclusion. A county may appeal any disapproval as provided in Section 74. The Department shall certify county mileage figures to the Controller, as required. No appeal shall affect any apportionment made by the Controller pending the determination of the appeal. If, on appeal, additional mileage is allowed the county, the Department shall immediately certify the corrected figure to the Controller, and the same shall be used for subsequent apportionments.

(b) Upon relinquishing any state highway or portion thereof to a county, the Department shall immediately certify to the Controller the mileage so relinquished and the same shall immediately be added to the county's maintained mileage of county roads for purposes of subsequent apportionment."

ACTION REQUIRED OF THE COUNTIES

While the law permits the counties to propose their annual mileage revisions at any time during May, such action should be taken very early in the month to give Caltrans adequate time to complete an orderly and accurate June 30 certifications for the beginning of the new fiscal year.

The counties should alertly claim at the time of their May submittals all mileage properly claimable, because there is no provision in the law for adding maintained mileage during other months, except for state highway relinquishments. New frontage roads and others of a similar nature, which are accepted from the state for maintenance by the county under an agreement are not "relinquishments" and must await the following May before being added to the county's certified mileage. The county should claim in May, any additions that would become effective on the following July 1 because of any provision of law, or by reason of agreement previously entered into.

EXAMPLE

County A and County B have previously agreed through due process that a certain boundary road now maintained and claimed by County B shall, after the 30th of June is maintained by County A. County A should pick up this mileage on its May submittal. Thus County B must drop the above-mentioned boundary road when County A takes over. One exception to this rule is a county road to be taken for maintenance by Caltrans as a state highway effective July 1. Such roads are to be kept on a county's list of maintained roads for gas purposes until the following June 30.

Another deletion that should be shown on the May changes is the mileage that will be lost to cities, because of annexations during the period since last June 30. Section 34333 of the Government Code is worded in such a manner as to cause the counties to continue maintenance of roads in newly incorporated territory through June 30 following the incorporation. It will be expected that the counties will, in each May, delete all maintained mileage in areas incorporated since the previous June 30.

Each County Road Commissioner will present to the DLAE, corrected mileage figures for his/her county; the submittal is to be in the form of a resolution by the Board of Supervisors supported by corrected maps and tabulations. The resolution should be in the general form shown as Exhibit 18-B, *Sample Resolution* and should contain all the recitals indicated therein. The resolution shall be supported by the following document as attachment:

- ATTACHMENT- consisting of one complete set of the previous years' HPMS or EDP tabulation of Maintained County Roads with all changes marked in color. Any color contrasting sharply with the printing may be used except orange, which is

reserved for any corrections found necessary by the district. The changes will be so noted. Examples of some changes are: extended roads, deleted roads or deleted portions of roads, and changed descriptions, names or numbers.

Counties desiring not to use Caltrans' EDP tabulations may use their own, provided a complete list of the changes and a complete tabulation showing the revised system are submitted.

This attachment may be submitted electronically or in hard copy to the DLAE and the total mileage thereon must agree with the mileage certified on the Board of Supervisor's resolution.

ACTION REQUIRED OF THE DISTRICT

The DLAE should check the resolutions, maps and tabulations against each other and against the record of the month-to-month changes prior to submitting them to headquarters.

Necessary changes in the county's EDP tabulations should be corrected in orange to show the correct mileage following agreement upon any necessary changes. Some counties prefer, in lieu of furnishing the revised EDP list for EXHIBIT B, to furnish a separate list of additions and deletions of mileage. Such separate lists are acceptable, provided they contained all required descriptive data. In such cases, the county will furnish a complete updated copy of its tabulation.

After all resolutions, maps, and tabulations have been checked, each district will submit a mileage certification to TSI not later than June 15, but preferably earlier. This certification will list the correct total mileage of maintained county roads in each county in the district. It is not necessary that the tabulations be forwarded with the district's certification. They may be held pending completion of necessary changes.

The district's certification will be used as the basis of Caltrans' certification to the State Controller for his/her use in calculating the Section 2103 of S&H Code monthly apportionment to the counties from the Highway User's Tax Fund over the ensuing fiscal year. Since, in many counties, each mile of increase means more income, the need for accuracy is apparent, as well as the necessity for promptness of the submittal. Even though a county does not receive funds on a mileage basis, the prompt submittal of its maintained mileage changes is essential to maintain accurate mileage figures for other purposes.

ACTION REQUIRED OF HEADQUARTERS

The mileage reported annually by the districts, adjusted for known changes occurring during the period of their preparation, or for obvious errors and oversights, will be combined in Caltrans' July 1 certification to the State Controller.

As an illustration of the mileage tabulation for the certification to the State Controller, see Exhibit 18-D, *Mileage of Maintained Road*s. The tabulation includes the net changes from the previous month's mileage. In order that the districts and counties may maintain accurate records, a copy of the combined mileage certification is sent to each district.

MONTH-TO-MONTH MILEAGE CHANGES

On the first working day of each month, TSI compiles a new tabulation of mileage for each county as of the last working day of the preceding month. The new tabulation is transmitted to the State Controller with a certificate similar to the July 1st certification. This tabulation is similar to the June 30 tabulation, except that the plus and minus mileage figures are generally minor in nature, being limited as noted and discussed hereafter.

ERRORS IN PREVIOUS CERTIFICATIONS

To correct errors in previous certifications, the maintained mileage of any county may be changed in any monthly certification to the Controller. The county, district may initiate these changes, or by TSI at the time the error is discovered. Errors discovered by the county or the district should be mutually verified and agreed upon before being submitted to TSI for review and appropriate action.

RELINQUISHED STATE HIGHWAYS

Mileage relinquished from the SHS by the California Transportation Commission (CTC) is added by TSI to the maintained mileage of the counties concerned. Upon receipt of assurance from headquarters the Right of Way Program, the relinquishments become effective. Addition of relinquished mileage is one possible source of error in mileage certification.

MILEAGE INVOLVED IN UNDERCROSSING AND OVERCROSSING OF STATE HIGHWAYS

A complication in mileage sometimes occurs where county roads carry across state freeways via a separation structure. County roads carried across the freeways via separations, within the state's right of way, are not relinquished to local jurisdiction, yet they are included as a county responsibility in maintenance agreements and are eligible for inclusion in the county's maintained mileage. The relocation of a county road at its crossing of a freeway may result in either a decrease or an increase in the length of the county road. Such changes will not be made until May, following completion of the state highway construction project.

FUNCTIONAL CLASSIFICATION UPDATES

Local agencies submit annually their Maintained Mileage Reports to Caltrans District Coordinators. The Maintained Mileage Report should accurately summarize in tabular format, the existing functional classification system of roadways. The District Coordinator reviews and forwards the information to the HPMS Branch at Caltrans Headquarters. If there are discrepancies between the Maintained Mileage Report and the CRS maps, the approved CRS maps take precedence.

Functional Classification Change Requests, which include CRS maps, are submitted separately from the tabular Maintained Mileage Reports. Local agencies may submit "Functional Classification Change Requests" to their DLAE year-round. Functional Classification Guidelines provide the procedure for submittal of appropriate documentation, which can be found at: http://www.dot.ca.gov/hq/tsip/HSEB/functional_classification.html.

The DLAE reviews and forwards the information to the Highway System Engineering (HSE) Branch at Caltrans Headquarters. The FHWA reviews and provides final approval for functional classification change requests by stamping and signing the CRS maps.

18.5 REFERENCES

- *Caltrans Maintenance Manual*
- *Manual on Traffic Control Devices 2003 (MUTCD) California Supplement*
- Collier Burns Act
- *National Bridge Inspection Standards*
- *Project Development Procedures Manual*
- Section 34333 of the Government Code
- Sections 2104, 2121, 823.5 of the Streets and Highways Code (S&H Code)
- Section 116 of Title 23, United States Code (U.S.C.)

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EXHIBIT 18-A MAINTENANCE REVIEW CHECKLIST

MAINTENANCE REVIEW CHECKLIST

District:_____ Local Agency_____

Location:_____

_____

Item	*I	M	N/A	General Observation
1. Pavement				
2. Shoulders				
3. Markings				
4. Signs				
5. Guardrails				
6. Drainage				
7. Litter Removal				
8. Vegetation Control				
9. Signals & Lights				
10. Snow & Ice				
11. Structures				
12. Non-Motorized Facilities				

*I - Improvement needed to meet acceptable levels
M - Meets acceptable levels
N/A - Not applicable

Note: The maintenance review is not meant to be a detailed review of a roadway system, but rather is a brief review to observe the overall status of maintenance of projects constructed with federal-aid funds. The reviews will not be performed beyond the service life of the federal-aid project.

COMMENTS AND FOLLOW UP:

_____
_____
_____
_____
_____

Reviewer:_____ Date:_____

1. **Pavement**
   Typical items to be considered in pavement maintenance include cracking, raveling, corrugations, potholes, and bridge approach settlement.
2. **Shoulders**
   Surfaced shoulders should be included in the discussion on pavement. Drop off at the edge of pavement should be noted, as it is a safety concern.
   Unsurfaced shoulders should be relatively free of ruts and properly sloped to ensure adequate drainage.
3. **Markings**
   Traffic striping and pavement markings should be uniform in design, position, application, and shall conform to the standards in the *Manual on Uniform Traffic Control Devices 2003 (MUTCD) California Supplement* to the federal manual. (http://www.dot.ca.gov/hq/traffops/signtech/mutcdsupp/supplement.htm)
4. **Signs**
   Signs should be in a state of good repair and should be readily visible to the public for which they are intended.
5. **Guardrails**
   Guardrails should be maintained approximately true to line, grade, and functional height. Damaged rails should be repaired or replaced to current standard.
6. **Drainage**
   Culverts, ditches, and gutters should be kept open and in a state of good repair.
7. **Litter Removal**
   Accumulated litter should be removed from the roadbed before it becomes a safety or health hazard.
8. **Vegetation Control**
   Safety, aesthetics, and compatibility with adjacent land use are the prime considerations in proper vegetation control.
9. **Signals & Lights**
   Damaged or malfunctioning traffic signals should be promptly repaired or temporary corrections made until permanent repairs can be made.
   Luminaries and fixtures for illuminated signs not essential for traffic safety should be routinely scheduled for repair or replacement.
10. **Snow & Ice**
    Snow removal and ice control should be consistent with the need to keep the road open for the traveling public, and to continue essential services.
11. **Structures**
    Although bridges are given a more thorough inspection at approximately two-year intervals, the following items should be checked for routine maintenance:
    - Damaged approach guardrail and bridge rail
    - Settlement of approach fills
    - Condition of deck (see #1. Pavement)
    - Damaged slope paving or rock slope protection
    - Plugged deck drains and overside drains
    - Scour around piers and abutments
    - Debris plugging channels
12. **Non-Motorized Facilities**

    Paths, sidewalks, bicycle lanes, and related markings and signage should be maintained to provide safe accommodation for bicyclists and pedestrians.

Distribution: One copy each to HQ DLA, Local Agency, DLAEs file

EXHIBIT 18-B SAMPLE RESOLUTION

BOARD OF SUPERVISORS, COUNTY OF _____

STATE OF CALIFORNIA
(Date)

A RESOLUTION REVISING THE COUNTY
MAINTAINED ROAD MILEAGE

RESOLUTION NO. _____

WHEREAS, Section 2121 of the Streets and Highways Code provides that in May of each year, each County shall submit to the Department of Transportation any additions to or exclusions from its mileage of maintained County roads, specifying the termini and mileage of each route added to or excluded; and

WHEREAS, the Department of Transportation certified to the State Controller in the year _____ that the total mileage of maintained County roads was _____ miles; and

NOW THEREFORE IT BE RESOLVED that the total mileage of maintained County roads be _____ miles, as indicated in color on the maps marked Exhibit "A" in the year _____, and in accordance with the additions, exclusions or corrections to the tabulation marked Exhibit "B" in the year _____. Both exhibits are hereby made, by reference thereto, a part of this Resolution.

BE IT FURTHER RESOLVED AND ORDERED that duplicate copies of the hereinabove said Exhibits "A" and "B" shall be filed in the office of the Director of Public Works of the County of _____.

The foregoing Resolution was duly passed and adopted this _____ day of _____, in the year _____.

AYES:

NOES:

ABSENT:

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EXHIBIT 18-C CITY-COUNTY ROAD SYSTEM EDP INPUT FORM HCC 342

CO.			CITY			
1	2	3	4	5	6	7

CITY-COUNTY ROAD SYSTEM EDP INPUT FORM HCC 342

Page ______ of ______

SC#		
2	3	0
128	129	130

CODE	GROUP	SEQUENCE	ITEM	NUMBER	CARD SEQUENCE	ROAD NAME	TERMINI FROM NUMBER AND NAME	TERMINI TO NUMBER AND NAME	DISTRICT	SYSTEM	LENGTH	NON-ADD	½ & ½	CONST. STATUS	IN OTHER AREA	MAP NUMBER	COORD.	SUPV. DIST.	RD. MAINT. DIST.
2																			
2																			
2																			
2																			
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FORM HCC 342 (REV. 8/94)

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COUNTY ROAD MAINTAINED MILEAGE
Changes during the month of
SEPTEMBER 1997

Dist. County Res. No.	State Hwy No. Post Mile	Description of Change or Limits of Relinquishments	Type	Mileage Certified	
The following are corrections of mileage submitted in conformance with Section 2121 of the Streets and Highways Code.					
02-SHASTA			MC	+2	45

CR = Already recorded as a county road
FR = Frontage roads
SH = Superseded State Highway

RE = Relocated and/or Reconstructed roads
OR = Other roads - connections, cul-de-sacs
MC = Mileage correction

EXHIBIT 18-D MILEAGE OF MAINTAINED ROADS

Department of Transportation
Mileage of Maintained County Roads
Certified to State Controller
February 28, 2009

COUNTY	NET CHANGE FROM LAST REPORT	TOTAL	COUNTY	NET CHANGE FROM LAST REPORT	TOTAL
Alameda		495.39	Placer		1052.75
Alpine		134.96	Plumas		678.96
Amador		410.84	Riverside		2671.26
Butte		1293.87	Sacramento		2194.40
Calaveras		689.22	San Benito		383.63
Colusa		716.75	San Bernardino		2774.07
Contra Costa		659.84	San Diego		1921.25
Del Norte		300.88	San Francisco		930.75
El Dorado		1075.19	San Joaquin		1672.32
Fresno		3563.16	San Luis Obispo		1321.49
Glenn		863.19	San Mateo		313.12
Humboldt		1205.06	Santa Barbara		892.68
Imperial		2561.46	Santa Clara		684.10
Inyo		1133.10	Santa Cruz		602.94
Kern		3327.67	Shasta		1191.19
Kings		946.10	Sierra		391.18
Lake		612.36	Siskiyou		1361.34
Lassen		878.87	Solano		586.95
Los Angeles		3212.54	Sonoma		1384.62
Madera		1532.06	Stanislaus		1545.37
Marin		419.82	Sutter		786.69
Mariposa		560.41	Tehama		1089.38
Mendocino		1018.92	Trinity		692.30
Merced		1726.96	Tulare		3046.33
Modoc		988.29	Tuolumne		607.16
Mono		684.42	Ventura		547.69
Monterey		1242.60	Yolo		795.10
Napa		445.01	Yuba		658.07
Nevada		560.79			
Orange		316.51	**Grand Total**		66353.33

Distribution: 1) Local Agency
2) DLAE file
3) HPMS Branch HQ Caltrans
4) State Controller

CHAPTER 19 OVERSIGHT AND PROCESS REVIEWS

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CHAPTER 19 OVERSIGHT AND PROCESS REVIEWS

19.1 INTRODUCTION

For purposes of this chapter, *"Oversight" is defined as the act of ensuring that the federal highway program is delivered in accordance with applicable laws, regulations and policies.* Oversight is the compliance or verification component of the joint Federal Highway Administration (FHWA)/Caltrans stewardship activities. Narrowly focused, oversight activities ensure that the implementation of the Federal Aid Highway Program (FAHP) is done in accordance with the applicable laws, regulations, and policies. Broadly focused, oversight activities enable both agencies (the FHWA and Caltrans) to ensure the effective delivery and operation of the transportation system envisioned in governing laws and regulations. Oversight activities include process reviews, program evaluation, program management activities, and project involvement activities. Oversight procedures apply to both National Highway System (NHS) and non-NHS federal-aid projects.

Project oversight is used to evaluate all aspects (which primarily emanate from the *Local Assistance Procedures Manual*) of the Caltrans oversight and management of local agency federal-aid projects, and to identify areas and procedures needing improvement. One major goal of Caltrans oversight is to demonstrate that requirements imposed by the federal and state governments are being met and that correct procedures are being followed and performed by local agencies administering federal-aid projects. A second major goal of Caltrans oversight is to maintain a continual process of updating and improving local assistance procedures which will lead to a more efficient and effective federal-aid as well as state funded local assistance program.

19.2 LOCAL AGENCY RECORDS AND DOCUMENTATION

Upon request, local agencies need to make all project documentation and backup records available for inspection by Caltrans and FHWA reviewing personnel. Use of a uniform project record-keeping system, together with diligent maintenance of the system, greatly facilitates a process review and positive findings. Good records of all project related activities clearly demonstrate to all concerned that project supervision and control were maintained on the project. As stated in the Master Agreement, project records are to be retained by local agencies for a period of three years from STATE payment of the final voucher, or a four-year period from the date of the final payment under the contract, whichever is longer.

19.3 OVERSIGHT AND PROCESS REVIEW METHODS

CALTRANS OVERSIGHT AND PROCESS REVIEWS

As outlined in Chapters 1 and 2 of this manual, Caltrans provided local agencies with broad delegation, latitude and responsibility for developing their federal-aid projects. Caltrans will provide the necessary review and approval for local agency administered federal-aid projects, of which Caltrans has assumed responsibility, to ensure compliance with all federal requirements. Reviews generally include observations and findings, which typically result in corrective actions that need to be implemented by the Division of Local Assistance. As resources permit, Caltrans achieves oversight by:

- Preparing, prioritizing, updating and implementing an Annual Process Review Work Plan with the assistance, direction, and oversight of the Division of Local Assistance Oversight/Process Review Committee;

- Providing technical assistance and oversight, as needed or requested, of bridges, overcrossings, and other local agency structures;
- Performing reviews of Contract Award Packages, submitted by local agencies after preliminary engineering and construction contract award, verifying contractor local agency and contractor compliance with Disadvantaged Business Enterprise (DBE) requirements;
- Performing qualitative and quantitative reviews of all local agency project invoices requesting reimbursement to ensure the claimed costs are allocable, allowable, and reasonable prior to reimbursement by Caltrans and FHWA;
- Conducting prioritized and focused Process Reviews, Plans, Specifications and Estimate (PS&E) Reviews; and Maintenance Reviews; observations and findings typically result in corrective actions that need to be implemented by the Division of Local Assistance;
- Performing Project Verification on all projects at or after final inspection by local agencies;
- Performing consultant contract pre-award audits, local agency indirect cost allocation plan audits; and external special audits as needed;
- Participating in formal program audits;
- Performing Civil Rights (Americans with Disabilities Act, Equal Employment Opportunity, Disadvantaged Business Enterprise and Title VI) compliance reviews of local agencies in conjunction with Caltrans Office of Business and Economic Opportunities per the Joint Stewardship Agreement.
- Performing construction oversight of unusual and/or special local agency projects as resources permit;
- Maintaining a data base to identify, assimilate, and manage observations and findings from process reviews and other reviews performed by Caltrans, FHWA, and other governmental agencies;
- Analyzing observations and findings to determine needed corrective actions. Observations and findings typically result in corrective actions that need to be implemented by the Division of Local Assistance.

The goal of all the foregoing oversight and reviews, including prioritized process reviews, is for Caltrans to ensure and demonstrate that requirements imposed by the Federal and State governments are being met and that proper procedures are being performed by the local agencies administering federal-aid projects.

OTHER CALTRANS GUIDANCE AND ASSISTANCE

Caltrans assists and provides guidance to local agencies with federal-aid projects by:

- Providing local agencies with accurate federal-aid project development procedures and program guidelines;
- Providing local agencies with a sample Quality Assurance Program for the sampling and testing of materials and the procedures used in the construction of the local agency project;
- Providing quality assurance guidance and measures to local agencies such as the "Quality Assurance Program (QAP) Manual" for use by local agencies which was developed to help local agencies with their Quality Assurance Programs;

- Using Independent Assurance Caltrans personnel to certify local agency material samplers, testers, and laboratories when Caltrans test methods are used;
- Establishing the Local Oversight Action Plan (LOAP) team consisting of federal, state and local agency members to jointly prepare and implement changes and improvements to the *Local Assistance Procedures Manual*, and other local agency guidance, as well as identifying local agency, Caltrans, and FHWA oversight roles and responsibilities;
- Producing Office Bulletins to quickly implement regulatory and other changes to the *Local Assistance Procedures Manual* and *Local Assistance Program Guidelines*;
- Preparing the "Caltrans Oversight Information Notice" (COIN); alerting local agencies to new and innovative practices and/or procedures; and best practices; along with findings, areas or items of concern or non-compliance;
- Providing continuous federal-aid project training in consultant selection, contract procurement, administration, and closeout;
- Providing training such as the Resident Engineer's Academy and the Federal-aid Series for local agency staff, consultants, and related professionals.
- Hosting statewide meetings and conferences, such as the City-County-State-Federal Cooperative Committee meeting, to receive local agency and Caltrans district feedback.

The purpose of the foregoing efforts is to maintain a continual process of updating and improving local assistance procedures which will, again, lead to a more efficient and effective federal-aid and state funded local assistance program.

FHWA OVERSIGHT AND PROCESS REVIEWS

FHWA (California Division) verifies Caltrans and local agency compliance with federal regulations via annual program and process reviews for Delegated as well as High Profile projects of which Caltrans retains certain responsibilities and approval authorities as jointly determined by Caltrans and FHWA. The California Division uses the following reviews in their verification which typically result in observations, findings, and corrective actions that need to be implemented by the Division of Local Assistance.

- Construction Contractor Payment Reviews
  The purpose of these reviews is to evaluate and test the controls that are related to the financial aspects of construction contractor payments for local agency federal-aid projects. The review may include preparation of the project cost estimate, approval of and payment of monthly cost estimates, the preparation and processing of change orders and the completion, and final acceptance of the work.
- Financial Integrity Review and Evaluation (FIRE)
  Construction Contractor Payment Reviews, Improper Payment Reviews, Inactive Obligation Reviews, and other reviews may be performed to fulfill, in part, the requirements of the FIRE Program established via FHWA Order 45601 b. Performance of these reviews and other oversight activities are necessary to support FHWA's annual certification of the adequacy of the internal and financial controls in place to support the agency's financial statements. Construction Contractor Payment Reviews are one of the tools that can be used by FHWA in support of the FIRE.

- Process Reviews of Selected Local Agency Federal-aid Projects
  Based upon random selection of local agencies or local agency federal-aid projects, FHWA performs process reviews of the federal-aid program, and local agency federal-aid projects to establish a confidence level that verifies local agencies and their federal-aid projects fully comply with federal and state laws and regulations.
- Process Reviews of specially funded Federal-aid Projects
  Local agency specially funded projects frequently have unique requirements which may require special implementation. Such projects can be evaluated by FHWA to both measure compliance and the results. One example is the American Recovery and Reinvestment Act (ARRA) in 2009 which was of limited duration and had as one of its primary purposes for FHWA to expeditiously assist in the creation of jobs in the construction industry by rebuilding the transportation infrastructure.
- Program and/or process reviews of Caltrans/local agency high risk areas based upon risk analysis
  FHWA identifies high risk areas in the federal-aid process and program. Using the results of the risk analysis, FHWA may choose to perform program and/or process views of these high risk areas within Caltrans, local agencies, or local agency projects.
- FHWA's Verification Process
  Used for project authorizations/final vouchers; retained project-level approvals; High Profile project approvals; and inactive obligations.

In addition to the foregoing reviews conducted by the California Division, process reviews of local agency federal-aid projects and the Caltrans Division of Local Assistance are occasionally conducted by the FHWA Headquarters National Review Team, such as occurred in 2009/10. FHWA reserves the right to perform reviews of all federal-aid programs and projects at any time, while maintaining a focus on efficient project delivery. As previously mentioned, to ensure compliance the reviews may include projects or programs with unique features and high-risk elements as well as those with unusual circumstances.

OVERSIGHT AND REVIEWS BY OTHER FEDERAL AGENCIES

The Department of Transportation "Office of Inspector General (OIG)" and the federal "General Accounting Office (GAO)" may perform reviews of local agency federal-aid projects as well as reviews of the Caltrans Division of Local Assistance, such as occurred in 2009/10. Much of their impetus and concerns were focused primarily on ARRA funded local agency projects but other local agency federal-aid projects were also reviewed. These actions/reviews also result in observations and findings which typically result in corrective actions that need to be implemented by the Division of Local Assistance.

OVERSIGHT USING MINI PROCESS REVIEWS

In addition to the methods outlined above, projects may be evaluated by mini process reviews on a less formal basis such as random sampling or spot checking of project scope documentation, PS&E packages and so forth. The difference between a mini process review and regular process reviews is that the mini process reviews are usually conducted over one or several projects and can be conducted by either Division of Local Assistance

headquarters staff, DLAE staff, or other Caltrans/FHWA personnel concerned with local assistance projects.

Another form of a mini process review is through the distribution of questionnaires to evaluate specific procedures used for federal-aid project activities. Responses from the questionnaire can be used as one criterion for determining if agencies will need to be reviewed through the more formal process review method approved by the Process Review Committee.

Results from the mini process reviews will be reported to the Process Review Committee and FHWA in the same manner as regular process reviews.

OTHER OVERSIGHT METHODS

As previously mentioned, other oversight methods, in addition to process reviews, consist of technical, quality assurance, quantitative, cost, verification, audit, civil rights, and special funded project reviews. However most of these reviews incorporate various aspects and procedures of the process review.

19.4 OVERSIGHT/PROCESS REVIEW COMMITTEE

An Oversight/Process Review Committee has been established to guide and approve the yearly Oversight/Process Review Monitoring Plan. The committee shall:

- Review for consistency and approve recommendations from the oversight reports developed by the review teams.
- Resolve any problems which occur with the oversight procedures.

The Oversight/Process Review Committee shall consist of appropriate headquarters Division of Local Assistance senior level management and Process Review Engineers. Others may be invited to participate depending on the items or areas to be covered. This could include but not limited to:

- Structures local assistance representative
- Right of Way local assistance representative
- District Local Assistance Engineer (DLAE) representative(s)
- FHWA representative(s)
- Local agency city/county representative(s)
- Metropolitan Planning Organization/Regional Transportation Planning Agency representative(s)

A yearly monitoring plan, using a risk based approach, must be developed by the Process Review Engineer (PRE) with adjustments made to it each July by the Oversight/Process Review Committee. The plan must outline the topics, schedule, method and goals desired for the next years' oversight. A copy of the draft monitoring plan must be sent to FHWA for review and comments prior to submittal to the Review Committee. The Review Committee must approve the schedule for the next year based on their evaluation of all process reviews completed within the last year.

The PRE must select team members for each topic based on recommendations from the Review Committee and who would be appropriate to review the topic selected. Agencies to be reviewed will be based on recommendations from DLAEs and headquarters Area Engineers.

The PRE is accountable for developing the format for the review plan (i.e., objectives, scope, and approach), incorporating other team members' recommendations into the plan and preparing the final plan.

Reviews of a local agency's files and processes can take one hour or all day. It can involve the review of one project, several projects or a general review of the local agency's files. Each approved review will be different based on the topic to be reviewed. Local agencies will be notified in advance of the topic of the review and the estimated time required for the review.

The DLAEs will schedule review team meetings with the selected local agencies in their district.

19.5 FINDINGS/RECOMMENDATIONS

The main objective of oversight and process review reports is to provide Caltrans and FHWA management documented information and recommendations regarding the local assistance federal-aid and State funded programs.

Other objectives include:

- Assurance that resultant products are of an acceptable quality;
- Identify weakness, deficient processes or procedure requiring improvement;
- Provide specific recommendations to correct deficiencies or improve processes;
- Documentation of existing deficiencies for future comparison;
- Evaluation of benefits derived from previous recommendations;
- Identify innovative method adopted as a result of new delegation for possible publication and distribution;
- Follow through to implementation.

FINAL REPORT

Upon completion of the local agencies reviews, a review report must be prepared by the PRE or team leader (with input from the team members) and submitted to the Review Committee for approval. Findings and recommendations made by the Caltrans' review team must be included in the report. The Review Committee must review the report and either reject it with comments for corrections, or approve the report and recommendations. If sanctions are recommended they must be applied immediately, see Chapter 20 "Deficiencies and Sanctions." Once the committee has approved the report it is considered final. Copies of all final reports must be forwarded to FHWA for information. The final report must include as a minimum:

- Objectives, scope, and approach used
- Findings - noting significant differences between intended and actual processes, and citing both strong and weak points in process and procedures
- Recommendations for each and every finding, and identify specific items or actions to correct or minimize deficiencies
- Action taken/follow-up

Based on the reviews, assurances can be established that engineered processes and procedures are being implemented as intended, and local agencies are producing the desired product.

Synopsis of each report, approved by the Review Committee, will also be posted on the Division of Local Assistance Internet Homepage at: http://www.dot.ca.gov/hq/LocalPrograms/Reports_db.htm.

The synopsis of the report will contain the minimum information, from above, but **will not** contain the names of the individual local agencies.

CORRECTIVE ACTIONS

Based on the findings and recommendations of the review, Local Assistance procedures may need to be improved, modified and/or updated. Changes to the procedures will be made with Local Program Procedures (LPPs) which are changes to the *Local Assistance Procedures Manual* or *Local Assistance Program Guidelines*. Office Bulletins are also issued as temporary, expedient changes to these two manuals. Major improvements or changes may need involvement or review by a quality improvement team depending upon complexity and needed technical knowledge. All project deficiencies must be brought to the attention of the local agency during the oversight/process review. The local agency will be expected to take appropriate action immediately to correct the deficiencies. For unrecoverable project deficiencies which make portions or all of the project ineligible, the corrective action will include the recovery of the appropriate federal or State funds through the issuance of a revised E-76.

19.5 REFERENCE

Caltrans/FHWA Joint Stewardship Agreement

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CHAPTER 20 DEFICIENCIES AND SANCTIONS

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CHAPTER 20 DEFICIENCIES AND SANCTIONS

20.1 INTRODUCTION

As outlined in earlier chapters, Caltrans will no longer be involved in most project level reviews and approval activities. The Process Review is now Caltrans primary method of ensuring that federal and state requirements are met, (see Chapter 19, "*Oversight and Process Reviews*," of the Local Assistance Procedures Manual [LAPM]). During a Process Review of a local agencies project files or project site, errors and/or deficiencies could be found. If that happens, federal and/or state funds may be withdrawn from a project depending on the severity and circumstance of the deficiency.

It is important to note that the formal process review is not the only method of discovering project deficiencies. Errors or deficiencies are discovered occasionally as part of the normal routine of processing of project submittals by the District Local Assistance Engineers (DLAEs) or Division of Local Assistance Area Engineers.

This chapter is intended to assist local agencies that are involved in developing local assistance projects by providing examples of the deficiencies that have been found in the past and the possible ramifications for those errors or deficiencies. It should be understood that the examples given are by no means all inclusive. The key to avoiding possible sanctions is to follow the procedures outlined in this manual, the *Local Assistance Program Guidelines* (LAPG), and the *Standard Environmental Reference* (SER), and if you have any questions to consult your DLAE.

Section 20.4, "Local Assistance Dispute Resolution Process," of this chapter also provides means for local agency to appeal a sanction that they feel has been imposed upon them unfairly or they feel the penalty is too harsh for the error or deficiency. This appeal process is not limited to just the appeal of sanctions; it can be used by local agencies when they disagree with the decision they receive from a district office.

20.2 DEFICIENCIES

PROCEDURAL DEFICIENCIES

A Procedural Deficiency is defined as a finding that a local agency's practices and procedures fail to demonstrate sufficient familiarity for acceptable levels of conformance with procedures and required certifications defined in the LAPM. In addition to jeopardizing federal and/or state funding on completed or ongoing projects, certifications for future projects may be conditioned, or not accepted until the deficiencies are corrected.

Examples of some of the most common procedural deficiencies (found by Caltrans) are:

- Continued submission of Request for Authorization that contains errors and omissions (see Chapter 3, "Project Authorization," of the LAPM).

- Continued submission of Preliminary Environmental Study Form that contains errors and omissions (see Chapter 6, "Environmental Procedures," of the LAPM).

- Continued submission of Plans, Specifications & Estimate Certifications that contains errors and omissions (see Chapter 12, "Plans, Specifications & Estimate," of the LAPM).
- Continued submission of Right of Way Certifications that contains errors and omissions (see Chapter 13, "Right of Way," and Chapter 14, "Utility Relocations," of the LAPM).
- Continued submission of Local Agency Contract Award Checklist that contains errors and omissions (see Chapter 15, "Advertise and Award Project," of the LAPM).
- Failure of the local agency to comply with the Caltrans Disadvantaged Business Enterprise (DBE) program, particularly with regard to policy, utilization of DBEs, monitoring, and reporting (see Chapter 9, "Civil Rights and Disadvantaged Business Enterprises," of the LAPM).

MAJOR PROJECT DEFICIENCY

A Major Project Deficiency is defined as an error of commission or omission, which violates federal or state law or regulation, and if uncorrected, would prevent federal or state participation in all or a portion of the project.

Examples of some of the most common (found by Caltrans and FHWA) of Major Project Deficiencies (federal) are:

- Failure to initiate an environmental reevaluation following National Environmental Policy Act (NEPA) approval, when changes in the scope of the project are proposed, or when new project environmental impacts surface due to changes in law or investigations, shall result in loss of all or part of the federal funding for the project (see Chapter 6, "Environmental Procedures," of the LAPM).
- Failure to fulfill mitigation commitments or adhered to restrictions identified in the approved NEPA document shall result in a loss of all or part of federal funding for the project (see Chapter 6, "Environmental Procedures," of the LAPM).
- Right of Way activities in violation of the Uniform Relocation Assistance and Real Properties Policy Act, as amended, can result in all or partial loss of project funding. Project funding losses can result even if there are not federal funds in Right of Way but only in other phases (see Chapter 13, "Right of Way," of the LAPM).
- Force Account/Day Labor work, without proper justification, is not reimbursable (see Chapter 12, "Plans, Specifications & Estimate," of the LAPM).
- For Emergency Relief (ER) projects, billing for emergency opening but actually doing permanent restoration work can result in a loss of all or part of the federal funding for the project (see Chapter 11, "Disaster Assistance," of the LAPG).

- In the absence of prior approval documentation, the use of publicly owned equipment, mandatory use of borrow/disposal sites, use of patented/proprietary materials, use of warranty/guaranties, and use of agency-furnished materials, shall make all or part of the construction phase ineligible for reimbursement with federal funds (see Chapter 12, "Plans, Specifications & Estimate," of the LAPM
- Failure to submit a "Material Certificate" shall result in a partial loss of funding for the construction phase. Failure to adequately document and address all exceptions to the certification will result in all or partial loss of reimbursement. Failure to implement an approved materials and testing program for the project will result in the loss of federal funds for the project (see Chapter 16, "*Administer Construction* Project," and Chapter 17, "Project Completion," of the LAPM).
- Failure to enforce the Contract DBE provisions with regard to utilization or substitution will make all or part of the construction phase ineligible for reimbursement with federal funds (see Chapter 9, "Civil Rights and Disadvantaged Business Enterprises," of the LAPM). (*This applies to Contracts executed before May 1, 2006 with race-conscious DBE goals.*)
- Failure to maintain the completed project (roadway and appurtenances constructed with federal funds and/or mitigation sites), or portions of the project shall result in repayment of all or a portion of the federal reimbursement. (See Chapter 18, "Maintenance," of the LAPM).

Examples of some of most common (found by Caltrans) Major Project Deficiencies (State) are:

- RTPAs that use Exchange Funds for non-Article XIX purposes or for other than projects will have to return the funds given to them (see Chapter 18, "Optional Federal Exchange and State Match Programs," in the LAPG).
- Counties that use Exchange Funds for other the non-Article XIX purposes will have to return the funds given to them (see Chapter 18, "Optional Federal Exchange and State Match Programs," in the LAPG).
- On Environmental Enhancement and Mitigation (EEM) projects, reimbursable costs must be invoiced for by the end of the first state fiscal year following the fiscal year, during which funds were allocated by the CTC. Failure to comply will result in loss of the federal reimbursement (see Chapter 20, "Environmental Enhancement and Mitigation," in the LAPG).

UNRECOVERABLE PROJECT DEFICIENCY

An Unrecoverable Project Deficiency is defined as "a deficiency of such magnitude as to create doubt that the policies and objectives of Title 23 of the USC (or other applicable federal codes) will be accomplished by the project," (quote from "PS&E Certification") and the project has proceeded to the point that the deficiency cannot be corrected. This level of deficiency shall result in the withdrawal of all or a portion of the federal and/or state funds from the project.

Examples of some of the most common (found by Caltrans and FHWA) Unrecoverable Project Deficiencies (Federal) are:

- Projects that are not on an approved FTIP/FSTIP are not eligible for reimbursement with federal funds for any project activities prior to approval of the FTIP/FSTIP and project authorization (see Chapter 2, "Financing the Federal-Aid Highway Program," in the LAPG.)

- Any preliminary engineering, right of way and construction activities done prior to authorization are not eligible for reimbursement (see Chapter 3, "Project Authorization," of the LAPM
- Violation(s) of permit requirements or conditions obtained as a requirement of the environmental process, or failure to secure required permits, or NEPA approvals will result in a loss of all or part of the federal project funding (see Chapter 6, "Environmental Procedures," of the LAPM).
- No pre-award audit for consultant contracts of $1 million or more.
- Consultant contract awarded, but not through competitive negotiations, when a noncompetitive negotiated contract is not warranted.
- Design work (over and above what is required for NEPA compliance) prior to NEPA approval is not eligible for reimbursement with federal funds (see Chapter 3, "Project Authorization," Chapter 6, "Environmental Procedures," and Chapter 12, "Plans, Specifications & Estimate," of the LAPM).
- Failure to include required contract provisions, Form FHWA-1273 and other contract provisions - certifications, in the bid documents shall make the construction phase of the project ineligible for federal reimbursement (see Chapter 12, "Plans, Specifications & Estimate," of the LAPM).
- Right of Way Acquisition prior to NEPA approval (except for hardship and protection with FHWA prior approval) is not eligible for federal reimbursement (see Chapter 3, "Project Authorization," Chapter 6, "Environmental Procedures," and Chapter 13, "Right of Way," of the LAPM).
- Additional costs resulting from incorrect statements on Right of Way Certification are not eligible for federal reimbursement (see Chapter 13, "Right of Way," of the LAPM).
- Failure to open the bids publicly, failure to read the bids aloud, or failure to discuss reason(s) for not reading bid(s) aloud shall make the construction phase ineligible (see Chapter 15, "Advertise and Award Project," of the LAPM).
- Award of the construction contract to other than the lowest, responsive bidder for bids based on competition shall make the construction phase ineligible for reimbursement with federal funds (see Chapter 15, "Advertise and Award Project," of the LAPM).
- Negotiations with bidder(s) prior to award, except for force account projects, shall make the construction phase ineligible for reimbursement with federal funds (see Chapter 12, "Plans, Specifications & Estimate," and Chapter 15, "Advertise and Award Project," of the LAPM).
- Award of the contract to a suspended or debarred contractor shall make the construction phase ineligible for reimbursement with federal funds (see Chapter 15, "Advertise and Award Project," of the LAPM).

- Failure of a local agency to provide adequate supervision (local agency or local agency's consultant adequately staffed and equipped to provide the construction engineering service required) to ensure the project is constructed in accordance with the plans and specifications, shall make the construction phase ineligible for reimbursement with federal funds (see Chapter 15, "*Advertise and Award Project*," of the LAPM).
- When the local agency hires a consultant to provide construction-engineering services for a project, the local agency is still required to provide a full-time employee of the agency to be in responsible charge of the project. Failure to do so shall make the construction phase ineligible for reimbursement with federal funds (see Chapter 16, "*Administer Construction Contracts*," of the LAPM).
- No public agency shall be permitted to bid in competition or to enter into subcontracts with private contractors (see Chapter 15, "*Advertise and Award Projec*t," of the LAPM).
- No construction work shall be performed by convict labor at the work site or within the limits of any federal-aid highway construction project from the time of award of the contract or the start of work on force account until final acceptance of the work by the administering agency, unless it is labor performed by convicts who are on parole, supervised release or probation (see Chapter12, "*Plans, Specifications & Estimate*," of the LAPM).
- Any contract that includes provisions that requires a contractor to give any preference in hiring (with the exception of Indians living on or near a reservation on eligible projects) shall make the contract ineligible for federal reimbursement (see Chapter 12 "*Plans, Specifications & Estimate*," of the LAPM).
- For local agencies that pay for equipment rental above approved equipment rental rates, the local agency will be responsible for the amounts above the approved rates (see Chapter 16, "*Administer Construction Project*," of the LAPM).
- Permanently incorporating steel or iron or coatings thereon from a foreign source in amounts exceeding the minimal use provisions shall make the construction phase not eligible for reimbursement with federal funds (see Chapter 12, "*Plans, Specifications & Estimate*," of the LAPM).
- For maintenance items performed by the contractor as a contract item or under a contract change order, those items shall not be eligible for federal reimbursement (see Chapter 12, "*Plans, Specifications & Estimate*," of the LAPM).
- Payments to a contractor for items of work that was designated for a DBE but performed by others, and there is no documentation for the substitution that was approved, then those items shall not be eligible for reimbursement with federal funds (see Chapter 9, "*Civil Rights and Disadvantaged Business Enterprises*," in this manual). *(This applies to Contracts executed before May 1, 2006 with race-conscious DBE goals).*
- Local agencies that do not enforce the requirement that the contractor posts all specified posters, notices, wage determinations, etc. at the job site will lose all or part of their reimbursement (see Chapter 16, "*Administer Construction Contracts*," of the LAPM).

- Local agencies that do not enforce contract requirements, whether express or implied, relating to federal statutes and/or contract provisions pertaining to nondiscrimination, nonsegregated facilities, equal opportunity, health and safety and work site safety, Title VI, Davis-Bacon Act, Copeland Act, Clean Air Act as amended, Federal Water Pollution Control Act, Lobbying Certification, Noncollusion, False Statements, Buy America, On-the Job Training, or incorporating required contract provisions in subcontracts, etc., including reporting shall result in loss of all, or part of the federal reimbursement (see Chapter 12, "*Plans, Specifications & Estimate,*" and Chapter 16, "*Administer Construction Contracts,*" of the LAPM).

Some most common examples (found by Caltrans) of Unrecoverable Project Deficiencies (State) are:

- Any capital work (right of way acquisition and construction) done on EEM and projects in advance of CTC's allocation vote is not eligible for reimbursement (see *Financial Guidelines for Local Agency Reimbursement,* in the LAPG).

20.3 SANCTIONS

All Major Project Deficiencies (until they are corrected) and Unrecoverable Project Deficiencies require sanctions by Caltrans. Process Review Committee or DLAE shall impose one of the following sanctions, depending on the severity and circumstances of the deficiency:

- Freeze on all future programming of federal or state funds until corrective action is implemented.
- Freeze progress payments for a federal-aid project until the project's Major Project Deficiency is corrected.
- Percentage of federal or state funds for a project withdrawn.
- All federal or state funds withdrawn from a project.

DLAE will be responsible for notifying the local agency of sanctions imposed.

Whether or not sanctions are imposed against a local agency, the local agency shall be expected to develop an action plan and implement it to correct the deficiencies. Local agencies will be given adequate time to develop and implement their action plan. Failure to correct the deficiencies in a timely manner shall be grounds for imposing additional sanctions.

20.4 LOCAL ASSISTANCE DISPUTE RESOLUTION PROCESS

The Local Assistance Dispute Resolution Process should be used by local agencies to appeal sanctions or when they are not satisfied with the decision they receive from a district office.

The Local Assistance Dispute Resolution Committee (LADRC) was established to consider issues related to locally sponsored projects on the State Highway System (SHS) funded by local sales tax measures (and other local/private sources) and locally-sponsored projects either on or off the SHS funded by federal-aid and/or state funds, such as EEM, TE, CMAQ, RSTP, etc. Issues may include disputes between Caltrans and a local agency regarding :(1) sanctions, (2) invoices, (3) local assistance policy and procedure, (4) cooperative agreement requirements, or (5) any other dispute not covered by existing Intergovernmental Review (IGR) process, Encroachment Permit denial appeal process or Disagreements over project scope, concept and design standards for projects on the SHS.

Members of the LADRC are the following:

- Chief, Division of Local Assistance (chairperson)
- Other members selected by the chairperson. These members will be at or below Chief, Division of Local Assistance level with expertise on the issue.
- Chief Counsel, Legal Division (advisor to the committee)

District Directors are encouraged to establish their own dispute resolution procedure in their district. The LADRC should only be used after the District Director has rendered a decision to a local agency, or the Process Review Committee has imposed a sanction, and the local agency desires to appeal that decision. When this occurs, the "Dispute Resolution Procedures" below should be used.

DISPUTE RESOLUTION PROCEDURES

After an impasse is reached between Caltrans District Director and the local agency, and the local agency desires further Caltrans review of the issue, the following procedures should be used:

1. The local agency shall submit a written request for appeal review to the LADRC chairperson, through the District Director. This is true even for sanctions because the districts are the main focal contact point between Caltrans and local agencies.

   The request must fully describe the project issues where there is a disagreement between Caltrans and the local agency. The request should include the following:

   - A detailed statement of local agency's position on the issue.
   - Any backup for the position statement, including maps, plans, invoices, agreement(s) (draft and/or executed), pictures, and other material needed to give a full picture of the disputed issue.

2. The district shall forward the local agency's request to the LADRC chairperson, accompanied by a memorandum prepared by the district describing what steps have been taken by the district to resolve the issue(s). The memorandum shall also include the following:

   - An overview of the issue, including any additional maps, plans, invoices, agreement(s) (draft and/or executed), pictures, and other material needed to give a full picture of the disputed issue that was not included in the local agency's request
   - A detailed discussion of the items that are in dispute with references to sections in the manuals and policy memos that support Caltrans' position
   - The district's recommendation on the disputed items

The district will send the memorandum to the LADRC chairperson within two weeks of receipt of the written request from the local agency.

3. The request will be reviewed by the DLA, acting as staff to the chairperson, to determine if LADRC review is needed. DLA will make their determination within two weeks.
4. If sufficient grounds for a meeting are evident, the chairperson will schedule a meeting of the LADRC within two weeks of the decision to convene a meeting.

   The appropriate parties (local agency, district representative(s), headquarters representative(s), committee members, and others the chairperson feels appropriate) shall be contacted to attend the meeting. If the chairperson does not find sufficient grounds for a meeting, the chairperson will respond in writing through the district to the local agency why there are not sufficient grounds for the meeting.
5. At the meeting, the local agency and the district representative(s) will be asked to give a brief overview of the project and a discussion of the items in dispute.
6. After all information has been presented and discussed; the LADRC will take the issue(s) under advisement and adjourn the meeting.
7. After evaluating all the information that has been provided, and after consultation with appropriate Deputy Directors and the Director, if necessary; the LADRC chairperson will make a final determination and notify the local agency and the district of the decision in writing within two weeks of the LADRC meeting.

IMPLEMENTING THE LADRC'S DECISION

If the local agency is agreeable to the solution, the district shall work with the local agency to see that the solution is implemented.

If the local agency is not agreeable to the solution, they may drop the issue or pursue further appeal outside of Caltrans. There are no further appeals within Caltrans.