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.

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.

> <u>6004 Categorical Exclusions</u>: 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.

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).

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

DL — 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.

Figure 1-1. Typical Procedures for Federal-Aid Projects

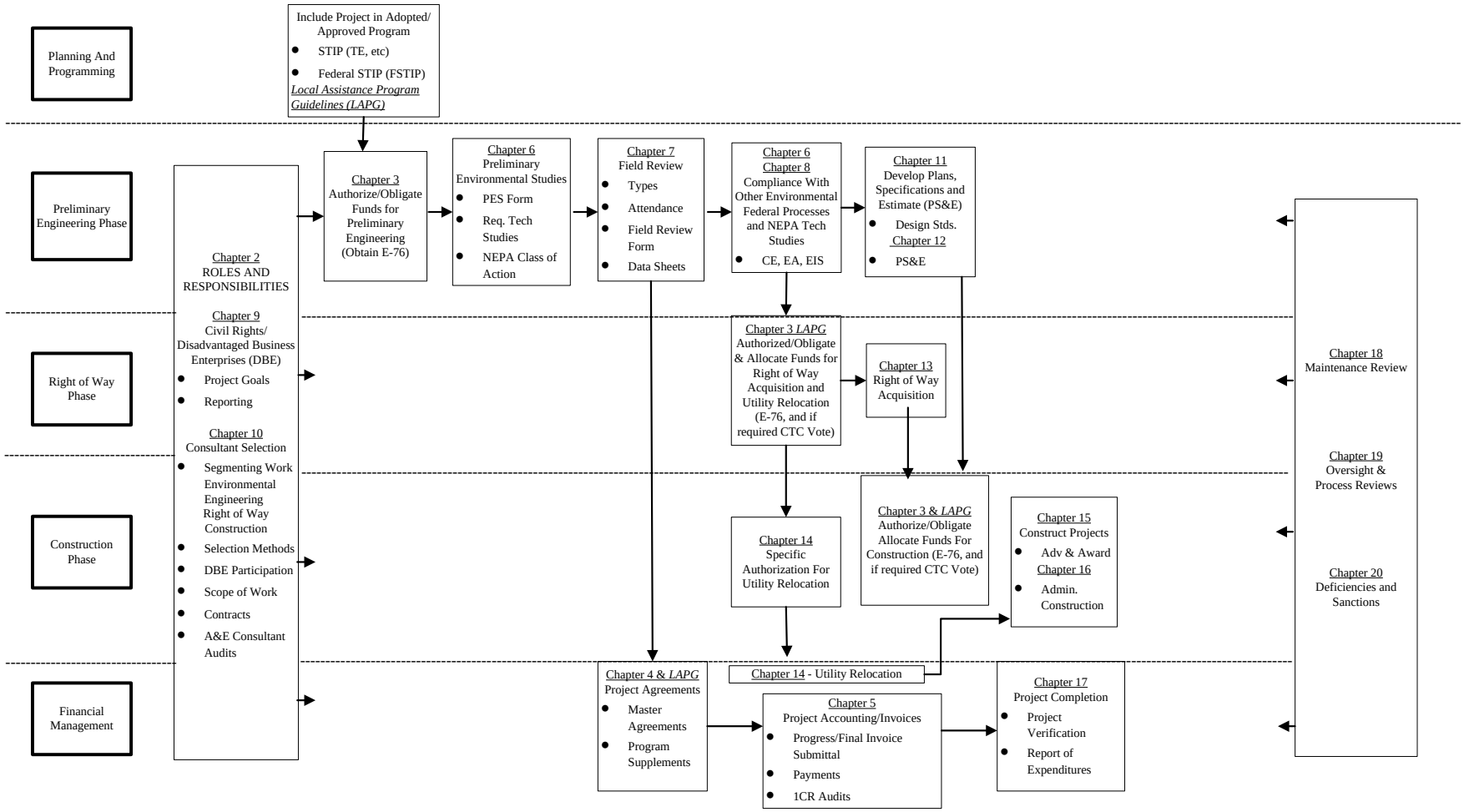
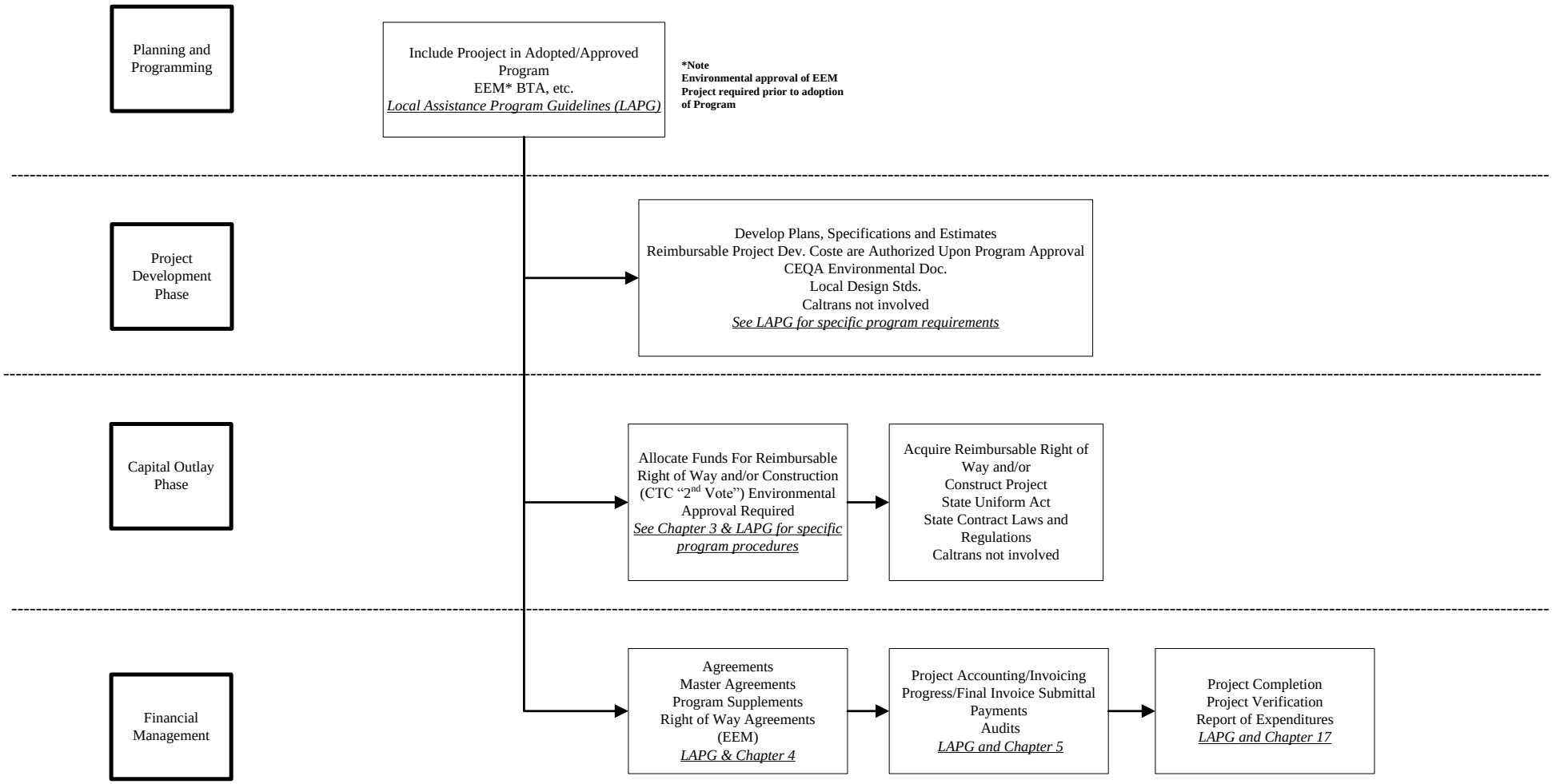
Figure 1-2. Typical Procedures for "State-Only" Projects