



## *Local Programs Procedures*

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**LPP 16-01**      **Manual Update**  
**Subject:**      **Technical Changes**

Reference:      *Local Assistance Procedures Manual*  
Chapter 2 *Roles and Responsibilities*, and *Exhibit 2-B*  
Chapter 3 *Project Authorization*, and *Exhibits 3-A, B, C, D and Q*  
Chapter 5 *Invoices* and *Exhibit 5-J*  
Chapter 7 *Field Review*, and *Exhibit 7-B*  
Chapter 10 *Consultant Selection*, and *Exhibit 10-U*  
Chapter 12 *Plans, Specifications and Estimate*, and *Exhibits 12-B, D, E, G and H*  
Chapter 14 *Utility Relocations*  
Chapter 15 *Advertise and Award Project*  
Chapter 17 *Project Completion*, and *Exhibit 17-A*  
Chapter 20 *Deficiencies and Sanctions*

Effective Date: February 2, 2016

Approved: **Original Signed By**  
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Ray Zhang, Chief  
Division of Local Assistance

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### **WHAT IS AN LPP?**

LPPs are Local Programs Procedures. These documents are used to deploy policy and procedure updates to the *Local Assistance Procedures Manual* (LAPM). They are numbered according to calendar year and order in which they were released. For example, this is the first LPP issued in 2016.

### **PURPOSE**

The purpose of this LPP is to clean up those portions of the LAPM that were impacted by LPP 15-02 *Invoicing* issued February 2015, LPP 15-01 *Consultant Selection* issued January 2015, LPP 14-01 *Civil Rights and Disadvantaged Business Enterprise* issued July 2014, DLA-OB 13-06 *Revised LAPM Chapter 12* issued August 2013, and other miscellaneous clarifications and corrections brought to our attention over the last couple of years.

## **BACKGROUND**

Periodically, Technical Change LPPs are issued to clean up those portions of the LAPM that were impacted by previous LPPs, but that were not included in those LPPs. Technical Change LPPs may also include clarifications or corrections to portions of the LAPM brought to our attention by the Federal Highway Administration, the Districts, Local Agencies or others.

## **POLICY AND PROCEDURE**

With this LPP:

- Exhibits 2-B *Federal-aid Project Responsibilities List*, 3-A *Request for Authorization to Proceed with Preliminary Engineering*, 3-B *Request for Authorization to Proceed with Right of Way*, 3-C *Request for Authorization to Proceed with Utility Relocation*, 3-D *Request for Authorization to Proceed with Construction*, 3-Q *Request for Authorization to Proceed with Non-Infrastructure Project (construction Phase)*, 5-J *Local Agency Invoice Review Checklist*, 7-B *Field Review Form*, 10-U *Consultant Management Position Conflict of Interest and Confidentiality Statement*, 12-B *List of Subcontractors (DBE and NON-DBE)*, 12-D *PS&E Checklist*, 12-E *PS&E Checklist Instructions*, 12-G *Required Federal-aid Contract Language*, 12-H *Sample Bid*, and 17-A *Cover Letter & Federal Report of Expenditures Checklist*, are replaced in their entirety.
- Portions of Chapter 2 *Roles and Responsibilities*, Chapter 3 *Project Authorization*, Chapter 5 *Invoicing*, Chapter 12 *Plans, Specifications and Estimate*, Chapter 14 *Utility Relocations*, Chapter 15 *Advertise and Award Project*, Chapter 17 *Project Completion*, and Chapter 20 *Deficiencies and Sanctions* are updated.
- Division of Local Assistance – Office Bulletin (DLA-OB) 13-06 *Revised LAPM Chapter 12* is expired.

This LPP impacts all local assistance projects. Significant changes to the LAPM are noted in the summary table below and on the attached Chapter pages using a border. Minor typo and grammatical changes were made throughout the LAPM, but are not documented in the summary table. All attached Exhibits are included in their entirety, regardless of change.

## **ACCESSIBILITY**

- These new procedures are incorporated into the LAPM and can be found on the DLA website at: <http://www.dot.ca.gov/hq/LocalPrograms/lam/lapm.htm>.
- To receive an electronic notification when new information is posted on the DLA website, please subscribe to the DLA list server at: <http://www.dot.ca.gov/hq/LocalPrograms/sub.htm>.
- Comments and suggestions for improvement to our process or procedures are welcome. They may be submitted to Odell Frazier at: [odell.frazier@dot.ca.gov](mailto:odell.frazier@dot.ca.gov).

# Summary of Significant Changes

| Chapter/Section/<br>Sub Title/ Page #   | What's New<br><br><span style="float: right;">Highlighted: New content inserted<br/>Deleted: Deleted content</span>   |
|---|---|
| Chapter 2<br>Section: 2.8<br>Subtitle: Method of Construction<br>Pg: 10 of 20                       | 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 include a Public Interest Findings approved by Caltrans for “Delegated” projects. FHWA approval of the Public Interest Findings may also be required on High Profile projects.   |
| Chapter 2<br>Section: 2.9<br>Subtitle: Project Management Plan<br>Last bullet point<br>Pg: 11 of 20 | <ul style="list-style-type: none"> <li>Be updated and submitted <del>prior to the authorization of federal financial assistance for construction</del> with the construction authorization request and updated thereafter as required.</li> </ul>   |
| Chapter 2<br>Section: 2.9<br>Subtitle: Financial Plan<br>Pg: 11 of 20                               | <ul style="list-style-type: none"> <li>Be submitted when all elements of the plan are fully completed, but not later than when requesting federal authorization to proceed with 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 Headquarters 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.</li> </ul>   |
| Chapter 2<br>Section: 2.9<br>Subtitle: Project Between 100 million and 500 million<br>Pg: 12 of 20  | SAFETEA-LU also requires that all local agencies receiving any amount of Federal -aid for a project with an estimated total cost of \$100 million or more <del>that is not covered by the above</del> shall prepare an annual Financial Plan and make the plan available to Caltrans/ FHWA upon request.  |
| Chapter 2<br>Section: 2.11<br>Subtitle: Project Implementation<br>Pg: 16 of 20                      | <ul style="list-style-type: none"> <li><del>Design Exception (for NHS)</del></li> </ul>   |
| Exhibit 2-B<br>Section: Footnotes<br>Pg: 1 of 6   | <p><sup>4</sup> Obligation of funds by FHWA is the final step in the project authorization process <del>of sample projects</del></p> <p><sup>5</sup> <del>Obligation of funds by FHWA is the final step in the project authorization process.</del> 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.</p> <p><sup>6</sup> DLAE participates in field reviews unless otherwise documented in project files. <del>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.</del></p> |

# Summary of Significant Changes

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| <p>Chapter 3<br/>Section: 3.1<br/>Introduction<br/>Pg: 3 of 30</p>                | <p>Construction phase work performed prior to authorization may disqualify that phase.</p>   |
| <p>Chapter 3<br/>Section: Acronyms<br/>Pg: 3,4 and 5 of 30</p>                    | <p><u>New Acronyms</u></p> <p><b>ATP</b> Active Transportation Program</p> <p><b>MAP-21</b> Moving Ahead for Progress in the 21<sup>st</sup> Century</p> <p><b>NHS</b> National Highway System</p> <p><b>SHS</b> State Highway System</p> <p><b>TAP</b> Transportation Alternatives Program</p>  |
| <p>Chapter 3<br/>Section: Terms and Definitions<br/>Pg: 7 of 30</p>               | <p><del>Underutilized Disadvantaged Business Enterprise (UDBE) – A firm meeting that definition of DBE as specified in 49 cfr, Part 26 and is one of the following groups: African Americans, Asian Pacific American, Native American, and Women</del></p>   |
| <p>Chapter 3<br/>Section Terms and Definition<br/>Pg: 7 of 30</p>                 | <p>Preliminary Engineering- This phase includes all project initiation and development activities (including NEPA approval) undertaken through the completion of PS&amp;E. It may include preliminary Right of Way engineering and investigations necessary to comply with the provisions of NEPA.</p>   |
| <p>Chapter 3<br/>Section Preliminary Engineering<br/>Pg: 13 of 30</p>             | <p>It is highly recommended that local agencies use 15% as a guide for estimating CE costs and maintain justification for higher CE costs. CE costs in excess of 15% on federally funded projects selected and programmed directly by Caltrans will need justification by local agencies and approval by the DLAEs. See LAPM Section 12.12 for more information on CE.</p> |
| <p>Exhibit 3-A<br/>Top right of form<br/>Pg: 1 of 3</p>                           | <p>Project ID/<b>Advantage ID</b>:</p>   |
| <p>Exhibit 3-A<br/>Subtitle: Request for Authorization Package<br/>Pg: 1 of 3</p> | <p>[ ] For High-Risk <b>Intelligent Transportation System</b> (ITS) Projects: <b>Federal Highway Administration</b> (FHWA) approved Systems Engineering Management Plan (SEMP). (Federal approval of the SEMP is contingent on prior federal approval of the Systems Engineering Review Form [SERF])</p>   |

# Summary of Significant Changes

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| <p>Exhibit 3-A<br/>         Subtitle: Request for Authorization Package<br/>         Pg: 1 of 3</p>  | <p><input type="checkbox"/> 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</p> |
| <p>Exhibit 3-A<br/>         Subtitle: Environmental Document<br/>         Pg: 1 of 3</p>   | <p><input type="checkbox"/> Revalidation <b>Approval Date:</b> _____</p>  |
| <p>Exhibit 3-A<br/>         Subtitle: Disadvantaged Business Enterprise (DBE) Contract Goal Methodology Form (Exhibit 9-D)<br/>         Pg: 2 of 3</p> | <p>Anticipated (or actual) Executed <b>Consultant Contract Date</b><br/> <del>Documentation verifying this determination is attached to this exhibit, on file with the local agency and has been approved by the DLAE.</del></p>  |
| <p>Exhibit 3-B<br/>         Top right of page<br/>         Pg: 1 of 2</p>  | <p>Project ID/<b>Advantage ID:</b> _____</p>  |
| <p>Exhibit 3-B<br/>         Subtitle: Request for Authorization Package<br/>         Pg: 1 of 2</p>  | <p><input type="checkbox"/> Completed Exhibit 3-H <i>Request for Capital Subvention Reimbursement Allocation</i> (only for projects on the State Highway System with “Capital-Outlay” costs funded with local assistance subvention funds and administered by the State</p>   |
| <p>Exhibit 3-B<br/>         Subtitle: Disadvantaged Business Enterprise Contract Goal Methodology Form (Exhibit 9-D)<br/>         Pg: 1 of 2</p>       | <p><b>Disadvantaged Business Enterprise Contract Goal Methodology Form (Exhibit 9-D)</b><br/> <input type="checkbox"/> Anticipated (or actual) Executed <b>Consultant Contract Date</b> _____.</p>  |
| <p>Exhibit 3-B<br/>         Subtitle: Disadvantaged Business Enterprise Contract Goal Methodology Form (Exhibit 9-D)<br/>         Pg: 2 of 2</p>       | <p><input type="checkbox"/> There is no goal because work is to be performed by the local agency. A <b>Cost-Effectiveness Determination (Exhibit 12-F)</b> is attached. <del>Documentation verifying t determination is attached to this exhibit, on file with the local agency and has been approved by the DLAE.</del></p>                              |
| <p>Exhibit 3-C<br/>         Top right of page<br/>         Pg: 1 of 2</p>  | <p>Project ID/<b>Advantage ID:</b> _____</p>  |

# Summary of Significant Changes

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| <p>Exhibit 3-C<br/>         Subtitle: Disadvantaged Business Enterprise (DBE) Contract Goal Methodology Form (Exhibit 9-D)<br/>         Pg: 1 of 2</p> | <p><u>Disadvantaged Business Enterprise (DBE) Contract Goal Methodology Form (Exhibit 9-D)</u></p> <p>[ ] Anticipated (or actual) <b>Consultant Contract</b> Executed Date _____.</p>   |
| <p>Exhibit 3-C<br/>         Subtitle: Disadvantaged Business Enterprise (DBE) Contract Goal Methodology Form (Exhibit 9-D)<br/>         Pg: 1 of 2</p> | <p>[ ] There is no goal because work is to be performed by the local agency. A <b>Cost-Effectiveness Determination (Exhibit 12-F)</b> is attached. <del>Documentation verifying this determination is attached to this exhibit, on file with the local agency and has been approved by the DLAE.</del></p>  |
| <p>Exhibit 3-D<br/>         Top right of page<br/>         Pg: 1 of 3</p>  | <p>Project ID/<b>Advantage ID</b>: _____</p>  |
| <p>Exhibit 3-D<br/>         Subtitle: Request for Authorization Package<br/>         Pg: 1 of 3</p>  | <p>[ ] Exhibit 3-H <i>Request for Capital Subvention Reimbursement Allocation</i> (only for projects on State Highway System <b>with Capital-Outlay</b>” cost funded with <b>local assistance subvention funds and administered by the state</b></p>  |
| <p>Exhibit 3-D<br/>         Subtitle: Disadvantaged Business Enterprise (DBE) Contract Goal Methodology Form (Exhibit 9-D)<br/>         Pg: 1 of 3</p> | <p><u>Disadvantaged Business Enterprise (DBE) Contract Goal Methodology Form (Exhibit 9-D)</u></p> <p>[ ] Anticipated (or actual) <b>Construction Contract</b> Executed Date _____.</p>   |
| <p>Exhibit 3-D<br/>         Subtitle: Disadvantaged Business Enterprise (DBE) Contract Goal Methodology Form (Exhibit 9-D)<br/>         Pg: 2 of 3</p> | <p>[ ] There is no goal because work is to be performed by the local agency. A <b>Cost-Effectiveness Determination (Exhibit 12-F)</b> is attached. <del>Documentation verifying this determination is attached to this exhibit, on file with the local agency and has been approved by the DLAE.</del></p>  |
| <p>Exhibit 3-D<br/>         Subtitle: Invoice Submittal<br/>         Pg: 3 of 3</p>  | <p>Invoices for reimbursement will not be submitted until <u>after</u> the federal and state (if applicable) funds are encumbered via an executed “<i>Program Supplement Agreement</i>” and/or state approved “<i>Finance Letter</i>”, <b>and the DLAE has received the Construction contract award package</b>. It is understood that an invoice must be submitted at least once every six months for each project phase until all funds are expended.</p> |
| <p>Exhibit 3-Q<br/>         Top right of Page<br/>         Pg: 1 of 2</p>  | <p>Project ID/<b>Advantage ID</b>: _____</p>  |

# Summary of Significant Changes

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| <p>Chapter 5<br/>Section: 5.5 Invoice Guidelines, Format, and Checklist<br/>Pg: 15 of 26</p> | <p>Some Programs have specific guidelines for acceptable invoicing formats or procedures (i.e., Bicycle Transportation Account, Environmental Enhancement and Mitigation, Federal Exchange/State Match, Freeway Services Patrol, Planning Programming Monitoring). It is NOT the intention of this Chapter to supersede these program-specific guidelines on invoice formats, however, checklists should be submitted with all invoice.</p>  |
| <p>Exhibit 5-J<br/>Item 2<br/>Pg: 1 of 4</p>   | <p>Local Agency Invoice Package format, content and support documentation are consistent with Chapter 5 “Invoicing” of Local Assistance Procedures Manual (LAPM) or with program-specific guidelines (BTA,EEM, Exchange/Match, FSP, and PPM</p>  |
| <p>Exhibit 5-J<br/>Pg: 1 and 2 of 4</p>  | <p>7. All consultant agreements/amendments follow the procurement and Caltrans oversight processes as outlined in LAPM Chapter 10.</p> <p>Is this an On-Call contract? If yes:</p> <ul style="list-style-type: none"> <li>• Submit Exhibit 10-K (for contracts &gt; \$150,000) to Caltrans A&amp;I</li> <li>• Submit Exhibit 10-C, 10-02, and a copy of the On-Call contract to DLAE.</li> </ul> <p>Is it a Task Order? If yes:</p> <ul style="list-style-type: none"> <li>• Submit Exhibits 10-02 and a copy of the task order to DLAE.</li> </ul> <p>Is this a Consultant Contract (not On-Call)? If yes:</p> <ul style="list-style-type: none"> <li>• Submit Exhibits 10-C, 10-01 and 10-02 to DLAE.</li> <li>• Submit Exhibit 10-K (for contracts &gt; \$150,000) to Caltrans A&amp;I.</li> </ul> <p>Forward a copy of the executed consultant contract to the DLAE within 30 days of contract award or concurrent with first invoice, whichever is earlier.</p> |
| <p>Exhibit 5-J<br/>Pg: 2 of 4<br/>Item 8</p>   | <p>Construction Contract Award Package (see LAPM Chapter 15 or program-specific guidelines) forwarded to DLAE within 60 days of award or concurrent with first construction invoice, whichever is earlier.</p>   |
| <p>Exhibit 5-J<br/>Item 9<br/>Pg: 2 of 4</p>   | <p>Construction Contract Change Orders (federal/state/ program eligible, DLAE reviewed and concurred)</p>  |
| <p>Exhibit 5-J<br/>Pg: 3 of 4<br/>Item 16</p>  | <p>Construction Contract Award Package: 1) Make adjustments as required through FADS (see LAPM Exhibit 3-G) 2) Copy of LAPM Exhibit 15-L "Local Agency Contract Award Checklist" or copy of Exhibit 22-A/ 23-A: Award Information for ATP/STIP Projects to LPA.</p>  |
| <p>Exhibit 5-J<br/>Pg: 3 of 4<br/>Section 4</p>  | <p>I have reviewed this Invoice Package in accordance with Chapter 5, I agree that based on the information received, the Invoice Package is complete and accurate , and I concur with payment of this invoice</p>   |

# Summary of Significant Changes

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| <p>Exhibit 5-J<br/>Pg: 3 of 4<br/>Footnote 5</p>   | <p>Prior to submitting local agency invoice to LPA for payment of federal funded contracts, DLAE is to confirm that DBE information has been entered into LP2000. First new invoice of Task Orders requires submittal of Exhibit 10-02, and a copy of the Task Order.</p>   |
| <p>Chapter 7<br/>Section: 7.1 (Introduction)<br/>Last Bulletin Point<br/>Pg: 6 of 12</p>   | <ul style="list-style-type: none"> <li>Discusses value engineering analysis, for each federal-aid project on the <b>National Highway System</b> (NHS) with an estimated total cost of <b>\$50</b> million or more and bridge projects <b>on the NHS</b> with an estimated total cost of <b>\$40</b> million or more. For more information on this subject, please see Chapter 12 “Plans, Specifications &amp; Estimate,” Section 12.5 “Value Engineering Analysis,” of the LAPM.</li> </ul> <p><b>Change in dollar amounts</b><br/><b>Prior to change NHS total Cost: 25 million</b><br/><b>Bridge cost total: 20 million</b></p> |
| <p>Chapter 7<br/>Section: 7.5<br/>Subtitle: Preparation of Field Review Form<br/>Pg: 10 of 12</p>                                    | <p>Caltrans has delegated design exception approval authority <b>for projects off the SHS</b> 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.</p>   |
| <p>Exhibit 7-B<br/>Pg: 1 and 2 of 3</p>  | <p><b>Updated Part 4 Functional Classification, Updated Part 7A7 Value Engineering</b></p>  |
| <p>Chapter 10<br/>Section 10.1<br/>Subtitle: Architectural and Engineering Consultants<br/>Pg: 9 of 60</p>                           | <p><del>Both federal regulations and California state law (Government Code 4525-4529 et al) requires selection of A&amp;E contract services on the basis of demonstrated competence and professional qualifications.</del></p>  |
| <p>Chapter 10<br/>Section 10.9<br/>Subtitle: Retaining a Consultant as an Agency Engineer or in Management Role<br/>Pg: 56 of 60</p> | <ul style="list-style-type: none"> <li><del>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.</del></li> </ul>   |
| <p>Chapter 10<br/>Section 10.9<br/>Subtitle: Retaining a Consultant as an Agency Engineer or in Management Role<br/>Pg: 57 of 60</p> | <ul style="list-style-type: none"> <li>For a state funded or federal-aid project, completion of Exhibit 10-U “<i>Consultant in Management Position Conflict of Interest and Confidentiality Statement</i>” by all consultants <b>engineering staff</b> in management positions. <del>that exercise authority over the A&amp;E selection panel pertaining to the specific selection process and the firms being considered.</del></li> </ul>   |



# Summary of Significant Changes

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| <p>Exhibit 10-U<br/>Pg: 1 of 3</p>   | <p>APPLICABILITY: Applicable to local agency consultants in management positions. <del>that exercise authority over the Architect &amp; Engineering Selection Panel, from which the local agency has or plans to have one or more consultant contracts containing Federal or State funds.</del></p>   |
| <p>Chapter 12<br/>Section 12.7<br/>Sub title- Acceptable<br/>Standard Specifications and<br/>Special Provisions<br/>Pg: 19 of 46</p> | <ul style="list-style-type: none"> <li>The current <del>2010 or 2006</del> Caltrans <i>Standard Specifications</i> and applicable <i>Standard Special Provisions</i></li> </ul>   |
| <p>Chapter 12<br/>Section 12.7<br/>Sub title- Acceptable<br/>Standard Specifications and<br/>Special Provisions<br/>Pg: 12 of 46</p> | <p>Note: In this manual “current Caltrans Standard Specifications” is understood to mean the most currently available Caltrans Standard Specifications inclusive of all revisions, amendments and updates.</p>  |
| <p>Chapter 12<br/>Section: 12.7<br/>Subtitle: Caltrans<br/>Specification<br/>Pg: 20 of 46</p>  | <p>For projects off the SHS, Exhibit 12-G <i>Required Federal-aid Contract Language</i> has combined required federal contract provisions <del>from Caltrans 2010 Standard Specification and Standard special Provisions (including revisions and updates)</del> into a single document to assist local agencies. 12-H <i>Sample Bid</i> has assembled federal certifications, disclosures and other requirements into a single document.</p> |
| <p>Chapter 12<br/>Section: 12.8<br/>Subtitle: Required Federal<br/>Contract Language<br/>Pg: 20 of 46</p>                            | <p><del>It is an edited version of the Caltrans Office Engineer’s Standard Specification and Standard Special Provisions (including revision and updates) and other contract documents which are used for Caltrans highway construction contracts.</del></p>  |
| <p>Chapter 12<br/>Section: 12.8<br/>Subtitle: Disadvantaged<br/>Business Enterprise (DBE)<br/>Pg: 21 of 46</p>                       | <p>In accordance with Section 9.6 <i>Local Agency Responsibilities under Caltrans’ DBE Program Plan</i> of the LAPM, 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.</p>   |
| <p>Chapter 12<br/>Section: 12.8<br/>Subtitle: Disadvantaged<br/>Business Enterprise (DBE)<br/>Pg: 21 of 46</p>                       | <p>a) Bidder’s List of Subcontractors (Part 1)” is required in accordance with <del>Caltrans Standard Specification</del> <b>49 CFR 26.11</b></p>   |
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# Summary of Significant Changes

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| <p>Chapter 12<br/>Section: 12.8<br/>Subtitle: Sample Bid<br/>Pg: 29 of 46</p> | <p>Exhibit 12-H <i>Sample Bid</i> is available to assist the local agency and the bidder. In addition to the name, address, etc., it contains the Engineer's Estimate, list of subcontractors (including license numbers), EEO certification, Public Contract Code requirements, Non-collusion Affidavit, Debarment and Suspension Certification, Non-lobbying Certification, Bidders Bond, Payment Bond, Performance Bond, Local Agency DBE information, Federal Wage Rates, and Disclosure of Lobbying Activities.</p>   |
| <p>Exhibit 12-B<br/>Part 1<br/>Pg: 1 and 2</p>                                | <p>The bidder shall list all subcontractors (both DBE and non-DBE) in accordance with <del>Section 2 1.054 of the Standard Specification and per</del> Title 49, Section 26.11 of the Code of Federal Regulations.<br/><del>Part II deleted</del></p>  |
| <p>Exhibit 12-D</p>   | <p>Most of the exhibit has been updated as shown with the borders on the right side of each page</p>   |
| <p>Exhibit 12-E<br/>Subtitle: XI. Standard Specification<br/>Pg: 3 of 5</p>   | <p>For projects off the State Highway System, the local agency may use <b>current</b> Caltrans Standard Specifications <b>and Standard Special Provision</b>, the Standard Specifications for Public Works Construction, or subject to the conditions described in Section 11.3, Locally Developed Design Standards <del>of the LAPM</del></p>   |
| <p>Exhibit 12-E<br/>Subtitle: XII. Federal Requirements<br/>Pg 3 of 5</p>     | <p>Required Federal Contract Provisions - Ensure Exhibit 12-G <i>Required Federal-aid Contract Language</i> or equivalent provisions are in the contract. Provide page numbers if not using <b>Current</b> Caltrans <del>2010</del> Standard Specifications and <del>Revised Standard Specification (RSS) must be included in your contract special provisions.</del> <b>Standard Special Provisions.</b><br/><b>The Form FHWA-1273 must be physically inserted, unmodified, into the executed contract.</b></p>   |
| <p>Exhibit 12-G<br/>Pg: 1, 6 and 22 of 22</p>                                 | <p>The Following language must be incorporated into all Local Assistance Federal-aid construction contracts. The following language, with minor edits, was taken from the <del>2010 Caltrans Standard Specification, Revised Specification issued by Caltrans Office Engineer, and the</del> Code of Federal Regulations<br/><br/><b>6 Changed Conditions were added</b><br/><br/><b>15. Use of United States-Flag Vessels were added</b></p>  |
| <p>Exhibit 12-H<br/>Pg: 2 of 21</p>   | <p>The work for which this proposal is submitted is for construction in conformance with the special provisions (including the payment of not less than the State general prevailing wage rates or Federal minimum wage rates), the project plans described below, including any addenda thereto, the contract annexed hereto, and also in conformance with <del>the 2010</del> <b>Current</b> California Department of Transportation Standard Plans, <del>the 2010</del> Standard Specifications, and the Labor Surcharge and Equipment Rental Rates in effect on the date the work is accomplished.</p> |

# Summary of Significant Changes

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| <p>Chapter 14<br/>Section: 14.1 Introduction<br/>Pg 3 of 14</p>               | <p>The purpose of this chapter is to provide guidelines to the local agency when performing R/W utility relocations on projects outside of the State Highway System (SHS) and financed with federal funds.. <del>(Off System Project)</del></p>  |
| <p>Chapter 14<br/>Section: 14.1 Introduction<br/>Pg 3,5,12,13 of 14</p>       | <p>Throughout the entire chapter where it states (<del>“On System Project”</del> revised and replaced with <b>State highway projects</b>),</p>   |
| <p>Chapter 14<br/>Section: 14.1 Introduction<br/>Pg 6 of 14</p>               | <p>For an <del>“On System” project</del>, 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 R/W.</p>   |
| <p>Chapter 15<br/>Section 15.4 (Project Advertisement)<br/>Pg: 9 of 20</p>    | <p><del>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 Work Director. Then the consultant may act as the person in responsible charge of the project</del></p>   |
| <p>Chapter 15<br/>Section 15.5<br/>Subtitle: Requirements<br/>Pg 11 of 20</p> | <p><i>Excluded from Federal Procurement and Nonprocurement Programs</i> is available electronically in the internet at: <del>http://epls.arnet.gov</del> <b>www.sam.gov</b><br/>Note: Contractor’s “Debarment and Suspension Certification” is part of <del>the Notice to Contractor and Special Provision” boilerplate</del> <b>LAPM Exhibit 12-H, Sample Bid.</b></p>  |
| <p>Chapter 15<br/>Subtitle: Procedures<br/>Pg: 12 of 20</p>                   | <ul style="list-style-type: none"> <li>• The Non-collusion Affidavit (<del>see Chapter 12 “Plans Specification &amp; Estimate” Exhibit 12-E, Attachment D, Non Collusion Affidavit”</del> <b>LAPM Exhibit 12-H, Sample Bid</b>)</li> <li>• <del>Exhibit 15-G2 Local Agency Bidder DBE Information (Construction Contracts) Exhibit 15-N</del> (deleted from use)</li> </ul>  |
| <p>Chapter 15<br/>Section 15.7<br/>Pg: 17 of 20</p>                           | <ul style="list-style-type: none"> <li>• The Local Agency Contract Award Checklist (Exhibit 15-L in this chapter)</li> <li>• Detail Estimate (Exhibit 15-M <del>in this Chapter</del>)</li> <li>• Finance Letter (Exhibit <del>15-N in this Chapter</del> <b>3-O</b>)</li> <li>• Resident Engineer’s Construction Contract Administration Checklist (see Exhibit 15-B <del>in this Chapter</del>)</li> <li>• Copy of the Local Agency Bidder DBE Information (Construction Contracts) (Exhibit 15-G <del>in this Chapter</del>)</li> </ul> |
| <p>Exhibit 15-A<br/>Subtitle: Contract Bid Opening<br/>Pg: 1 of 2</p>         | <p>EEO Certification, (<del>Exhibit 12-E, Attachment C</del> The Non-Collusion Affidavit (LAPM <del>Exhibit 12-E, Attachment D</del>), Non-Lobbying Certification (<del>Exhibit 12-E Attachment F</del>), Disclosure of Lobbying Activities (<del>Exhibit 12-E, Attachment G</del>) (see <b>LAPM Exhibit 12-H- Sample Bid</b>)</p>   |

# Summary of Significant Changes

|  |  |
|--|--|
| <p>Exhibit 15-A<br/>Subtitle: Contract Award<br/>Pg: 2 of 2</p>  | <p>Finance Letter (Exhibit 3-O)<br/>Resident Engineer Construction Administration Checklist (Exhibit 15-B)</p>   |
| <p>Exhibit 15-B<br/>Subtitle: OJT<br/>Pg: 2 of 2</p>   | <p>(Refer to Chapter 12, Section 12.8 <del>9, pages 12-23 thru 25 of the LAPM</del>)</p>   |
| <p>Exhibit 15-L<br/>Pg: 1 of 2</p>   | <p>Is the Non Collusion Affidavit (Chapter 12, PS&amp;E, Exhibit <del>12-H Attachment D</del> Sample BID) included in the low bidders proposal<br/><br/>Finance Letter (Exhibit <del>15-N</del> 3-O)</p>   |
| <p>Chapter 17<br/>Section: 17.4<br/>Pg: 6 of 12</p>  | <p>On locally administered contracts the resident engineer shall provide the DLAE a set of original record drawings of all structure work 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. Each sheet of the As-Built plans must be clearly identified with an As-Built stamp. All plan sheets, whether they contain changes or not, must have (at a minimum) the name of the Resident Engineer (R.E.), the Construction Contract Acceptance date, and the Contract Number.</p> |
| <p>Exhibit 17-A<br/>Subtitle: Contract Chronology<br/>Pg: 2 of 3</p>   | <p>Prior to update all dates reflected 1993, after update all dates reflect 2013<br/><br/>11. Liquidated damage days charged (calendar or working days)</p>  |
| <p>Exhibit 17-A<br/>Pg 3 of 3</p>  | <p>Final Inspection of Federal-aid Project (See Exhibit 17-B for FHWA <del>Full Oversight</del> High Profile projects) or Local Agency Final Inspection form (see Exhibit 17-C for <del>State Authorized</del> Delegated projects)<br/>( ) Final Invoice (see Exhibit 17-E) (<del>—</del>) Final Invoice (See Exhibit 17-D)</p>  |
| <p>Chapter 20<br/>Section: 20.2<br/>Sub Title (Unrecoverable Project Deficiency)<br/>Pg: 4 of 13 (bullet pt)</p> | <ul style="list-style-type: none"> <li>• Not complying with the audit and review process on A&amp;E consultant contracts of             <ul style="list-style-type: none"> <li>➢ 150,000 or more</li> </ul> </li> </ul> <p><b>Bullet point relocated from pg 6 to pg 4 Subtitle: Major Project Deficiency</b></p>  |

## 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 include a Public Interest Findings approved by Caltrans for “Delegated” projects. FHWA approval of the Public Interest Findings 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 Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU ) requires that all local agencies 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 ( $\geq$  \$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 with the construction authorization request and updated thereafter as required.

### Financial Plan

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

- Be submitted when all elements of the plan are fully completed, but not later than when requesting federal authorization to proceed with 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 headquarters 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](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-aid for a project with an estimated total cost of \$100 million or more 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](http://www.fhwa.dot.gov/ipd/project_delivery/defined/fhwa_delivery_process.htm)

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
- Value engineering (for NHS)
- Authorization of utility or railroad force account work



## 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                                      |
|---|---------------------|--------------------------|----------------------|---|
| <b>Project Authorization (Chapter 3)</b>  |                     |                          |                      |   |
| Construction Engineering > 15% Total Contract Item Costs  | Verify <sup>1</sup> | Approve <sup>1</sup>     | -                    | -   |
| Project Agreement and Modification [23 CFR 630.110]   | Prepare             | Recommend                | Approve <sup>2</sup> | Approve <sup>2</sup> /Verify <sup>3</sup> |
| Obligate Funds  | -                   | -                        | -                    | Approve <sup>4</sup>                      |
| Funding Eligibility Determinations  | Prepare             | Recommend                | Approve              | Verify <sup>3</sup>                       |
| Reimbursement Vouchers (interim and final)  | -                   | -                        | Prepare              | Approve                                   |
| Section 1.9 Approvals of Incurred Costs. [23 CFR 1.9]   | Prepare             | Recommend                | Recommend            | Approve                                   |
| <b>Agreements (Chapter 4)</b>   |                     |                          |                      |   |
| Master Agreement  | Sign                | File Copy                | Prepare/Approve      | -   |
| Program Supplement Agreement  | Sign                | File Copy                | Initiate/Approve     | -   |
| <b>Invoicing (Chapter 5)</b>  |                     |                          |                      |   |
| Invoice   | Prepare             | Approve <sup>5</sup>     | Approve <sup>5</sup> | -   |
| Project Eligibility   | Prepare             | Approve                  | Review               | -   |
| <b>Environmental Procedures (Chapter 6)</b>   |                     |                          |                      |   |
| 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                  | -                    | -   |
| <b>Field Review (Chapter 7)</b>   |                     |                          |                      |   |
| Field Review  | Perform             | Participate <sup>6</sup> | -                    | -   |

<sup>1</sup> Applies only to projects selected and programmed directly by Caltrans.

<sup>2</sup> Approval and signatures are needed by both Caltrans and FHWA.

<sup>3</sup> Subject to FHWA's random sample verification process. Verification is defined here as routine, independent confirmation of sampled projects.

<sup>4</sup> Obligation of funds by FHWA is the final step in the project authorization process

<sup>5</sup> 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.

<sup>6</sup> DLAE participates in field reviews unless otherwise documented in project files.

## 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.\* Construction phase work performed prior to authorization 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                                      |
| ATP  | Active Transportation Program                             |
| CE   | Construction Engineering                                  |
| CFR  | Code of Federal Regulations                               |
| CMAQ | Congestion Mitigation and Air Quality Improvement Program |
| CON  | Construction  |

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|               |  |
|---------------|--|
| <b>CTC</b>    | California Transportation Commission                         |
| <b>CTIPS</b>  | California Transportation Improvement Program System         |
| <b>DBE</b>    | Disadvantaged Business Enterprise                            |
| <b>DLA</b>    | Caltrans Division of Local Assistance                        |
| <b>DLAE</b>   | Caltrans District Local Assistance Engineer                  |
| <b>DMT</b>    | Caltrans Division of Mass Transportation                     |
| <b>DTR</b>    | Caltrans District Transit Representative                     |
| <b>EA</b>     | Expenditure Authorization Number (for accounting purposes)   |
| <b>ER</b>     | Emergency Relief   |
| <b>E-76</b>   | Electronic Authorization to Proceed                          |
| <b>FADS</b>   | Federal-Aid Data System (State Database)                     |
| <b>FHWA</b>   | Federal Highway Administration                               |
| <b>FMIS</b>   | Fiscal Management Information System (Federal Database)      |
| <b>FPN</b>    | Federal Project Number                                       |
| <b>FSTIP</b>  | Federal Statewide Transportation Improvement Program         |
| <b>FTA</b>    | Federal Transit Administration                               |
| <b>FTIP</b>   | Federal Transportation Improvement Program                   |
| <b>FFY</b>    | Federal Fiscal Year  |
| <b>FY</b>     | Fiscal Year (State)  |
| <b>HBP</b>    | Highway Bridge Program                                       |
| <b>HSIP</b>   | Highway Safety Improvement Program                           |
| <b>IIP</b>    | Interregional Improvement Program portion of STIP            |
| <b>ISTEA</b>  | Intermodal Surface Transportation and Efficiency Act of 1991 |
| <b>ITS</b>    | Intelligent Transportation Systems                           |
| <b>LAPG</b>   | Local Assistance Program Guidelines                          |
| <b>LAPM</b>   | Local Assistance Procedures Manual                           |
| <b>LPA</b>    | Local Programs Accounting Branch                             |
| <b>LSSRP</b>  | Local Seismic Safety Retrofit Program                        |
| <b>MAP-21</b> | Moving Ahead for Progress in the 21 <sup>st</sup> Century    |
| <b>MPO</b>    | Metropolitan Planning Organization                           |
| <b>NEPA</b>   | National Environmental Policy Act                            |

|                   |   |
|-------------------|---|
| <b>NBI</b>        | National Bridge Inventory   |
| <b>NBIS</b>       | National Bridge Inspection Standards  |
| <b>NHS</b>        | National Highway System   |
| <b>OA</b>         | Obligation Authority  |
| <b>OFR</b>        | Caltrans Office of Federal Resources  |
| <b>PA/ED</b>      | Project Approval/Environmental Document   |
| <b>PE</b>         | Preliminary Engineering   |
| <b>PPNO</b>       | Project Planning Number   |
| <b>PSA</b>        | Program Supplement Agreement  |
| <b>PS&amp;E</b>   | Plans, Specifications and Estimate  |
| <b>RIP</b>        | Regional Improvement Program (Portion of STIP)  |
| <b>RSTP</b>       | Regional Surface Transportation Program   |
| <b>RTPA</b>       | Regional Transportation Planning Agency   |
| <b>R/W</b>        | Right of Way  |
| <b>SAFETEA-LU</b> | Safe, Accountable, Flexible, Efficient, Transportation Equity Act -<br>A Legacy for Users |
| <b>SEMP</b>       | Systems Engineering Management Plan   |
| <b>SERF</b>       | Systems Engineering Review Form   |
| <b>SHS</b>        | State Highway System  |
| <b>SR2S</b>       | Safe Routes to School Program   |
| <b>STD</b>        | State Transportation Department   |
| <b>STIP</b>       | State Transportation Improvement Program  |
| <b>STP</b>        | Surface Transportation Program  |
| <b>TAP</b>        | Transportation Alternatives Program   |
| <b>TE</b>         | Transportation Enhancements Program   |
| <b>TEA-21</b>     | Transportation Equity Act for the 21st Century  |
| <b>USC</b>        | 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

**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.

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.

It is highly recommended that local agencies use 15% as a guide for estimating CE costs and maintain justification for higher CE costs. CE costs in excess of 15% on federally funded projects selected and programmed directly by Caltrans will need justification by local agencies and approval by the DLAEs. See LAPM Section 12.12 for more information on CE.

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 non-construction 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

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

*[Place this form on Local Agency Letterhead]*

|   |  |
|---|--|
| To: (DLAE Name)<br>District Local Assistance Engineer<br>Caltrans, Office of Local Assistance<br>(District Address) | Date: _____<br>FTIP/FSTIP ID: _____<br>Federal Project No: _____<br>Project ID/Advantage ID: _____<br>PPNO (For STIP Projects): _____<br>High-Risk ITS: _____<br>Project Description: _____<br>_____ |
|---|--|

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*” (E-76) 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 Exhibit 3-E *Request for Authorization to Proceed Data Sheet(s)*
- Copy of FTIP/FSTIP Reference
- Completed Exhibit 3-O *Sample Local Federal-aid Project Finance Letter*
- For High-Risk Intelligent Transportation System (ITS) Projects: Federal Highway Administration (FHWA) approved Systems Engineering Management Plan (SEMP). (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)

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 Exhibit 7-B “*Field Review Form*”

Environmental Document

- Type of NEPA Document. Approval Date: \_\_\_\_\_.
- Categorical Exclusion (CE)
- Findings of No Significant Impact (FONSI)
- Record of Decision (ROD)
- Revalidation Approval Date: \_\_\_\_\_
- 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) Contract Goal Methodology Form (Exhibit 9-D)

- Anticipated (or actual) Executed Consultant Contract Date \_\_\_\_\_.
- Completed Exhibit 9-D and the DBE goal is \_\_\_\_\_.
- Exhibit 9-D *DBE Contract Goal Methodology* is not required as the contract was executed prior to October 1, 2014, and the contract has a DBE contract goal, which is a percentage of the entire contract.
- The DBE goal is 0% because there are no subconsulting opportunities for DBE participation. Documentation verifying this determination is attached to this exhibit, on file with the local agency and has been approved by the DLAE.
- There is no goal because work is to be performed by the local agency.

California Transportation Commission (CTC) Allocation

Check which of the following applies:

- 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 federal “*Authorization to Proceed*” (E-76) and Agency submittal of the Exhibit 7-B, a “*Program Supplement Agreement*” (PSA) 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 *PSA* and/or state approved “*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.

## 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 FHWA and California Department of Transportation (Caltrans) 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*”(E-76). I further understand that all subsequent phases of the project will require a separate “*Federal Authorization to Proceed*”.

For High-Risk and Low-Risk Intelligent Transportation Systems (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 “*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-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: \_\_\_\_\_  
 Project ID/Advantage ID: \_\_\_\_\_  
 PPNO (For STIP Projects): \_\_\_\_\_  
 Project Description: \_\_\_\_\_  
 \_\_\_\_\_

Dear (DLAE Name):

In order to proceed with the Right of Way phase of work for the above-referenced project, we request that you secure Federal “Authorization to Proceed” (E-76) 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 Exhibit 3-E *Request for Authorization to Proceed Data Sheet(s)*
- Copy of FTIP/FSTIP Reference Sheet
- Completed Exhibit 3-O *Sample Local Federal-aid Project Finance Letter*
- Copy of Executed Cooperative Agreement, if not previously submitted (only for projects on the State Highway System)
- Completed Exhibit 3-H *Request for Capital Subvention Reimbursement Allocation* (only for projects on the State Highway System with “Capital-Outlay” costs funded with local assistance subvention funds and administered by the State)

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 Exhibit 7-B *Field Review Form*, or
- Exhibit 7-B 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 Contract Goal Methodology Form (Exhibit 9-D)

- Anticipated (or actual) Executed Consultant Contract Date \_\_\_\_\_.
- Completed Exhibit 9-D *DBE Contract Goal Methodology* and the DBE goal is \_\_\_\_\_.
- Exhibit 9-D *DBE Contract Goal Methodology* is not required as the contract was executed prior to October 1, 2014, and the contract has a DBE contract goal, which is a percentage of the entire contract.
- The DBE goal is 0% because there are no subconsulting opportunities for DBE participation. Documentation verifying this determination is attached to this exhibit, on file with the local agency and has been approved by the DLAE.

- [ ] There is no goal because work is to be performed by the local agency. A Cost-Effectiveness Determination (Exhibit 12-F) is attached.

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 Federal Highway Administration (FHWA) issuance of the federal "Authorization to Proceed" (E-76) (and agency submittal of Exhibit 7-B if not previously submitted), a "Program Supplement Agreement" (PSA) and/or a 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 PSA and/or state approved 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.

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 (FHWA) and California Department of Transportation (Caltrans) 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 federal "Authorization to Proceed" (E-76).

Please advise us as soon as the "Authorization to Proceed" (E-76) 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: \_\_\_\_\_  
 Project ID/Advantage ID: \_\_\_\_\_  
 PPNO (For STIP Projects): \_\_\_\_\_  
 Project Description: \_\_\_\_\_  
 \_\_\_\_\_

Dear (DLAE Name):

In order to proceed with the Utility Relocation phase of work for the above-referenced project, we request that you secure Federal "Authorization to Proceed" (E-76) 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 Exhibit 3-B *Request for Authorization to Proceed with Right of Way of*
- Completed Exhibit 3-E *Request for Authorization to Proceed Data Sheet(s)*
- Copy of FTIP/FSTIP Reference Sheet
- Completed Exhibit 3-O *Sample Local Federal-aid Project Finance Letter*
- Copy of Executed Cooperative Agreement, if not previously submitted (only for projects on State Highway System)
- Exhibit 3-H *Request for Capital Subvention Reimbursement Allocation* (only for projects on State Highway System) with "Capital-Outlay" cost funded with local assistance subvention funds and administered by the state)

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 Exhibit 7-B *Field Review Form*, or
- The Exhibit 7-B 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) Contract Goal Methodology Form (Exhibit 9-D)

- Anticipated (or actual) Consultant Contract Executed Date \_\_\_\_\_.
- Completed Exhibit 9-D *DBE Contract Goal Methodology* and the DBE goal is \_\_\_\_\_.
- Exhibit 9-D *DBE Contract Goal Methodology* is not required as the contract was executed prior to October 1, 2014, and the contract has a DBE contract goal, which is a percentage of the entire contract.
- The DBE goal is 0% because there are no subconsulting opportunities for DBE participation. Documentation verifying this determination is attached to this exhibit, on file with the local agency and has been approved by the DLAE.
- There is no goal because work is to be performed by the local agency. A Cost-Effectiveness Determination (Exhibit 12-F) is attached.

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 Federal Highway

Administration (FHWA) authorized the California 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" (E-76) (and agency submittal of Exhibit 7-B *Field Review Form* 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 approved 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.

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 FHWA and Caltrans 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" (E-76).

Please advise us as soon as the "Authorization to Proceed" (E-76) 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*

**Distribution:** DLAE

**EXHIBIT 3-D REQUEST FOR AUTHORIZATION TO PROCEED WITH CONSTRUCTION**

*[Place this form on Local Agency Letterhead]*

|                                      |                                      |
|--------------------------------------|--------------------------------------|
| To: (DLAE Name)                      | Date: _____                          |
| District Local Assistance Engineer   | FTIP/FSTIP ID: _____                 |
| Caltrans, Office of Local Assistance | Federal Project No: _____            |
| (District Address)                   | Project ID/Advantage ID: _____       |
|                                      | 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*” (E-76) 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 Exhibit 3-E *Request for Authorization to Proceed with Data Sheet(s)*
- Copy of FTIP/FSTIP Reference Sheet
- Completed Exhibit 3-O *Sample Local Federal-aid Project Finance Letter*
- Copy of Executed Cooperative Agreement (only for projects on State Highway System)
- Exhibit 3-H *Request for Capital Subvention Reimbursement Allocation* (only for projects on State Highway System with Capital-Outlay” cost funded with local assistance subvention funds and administered by the state

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 Exhibit 7-B *Field Review Form*, or
- The Exhibit 7-B 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) Contract Goal Methodology Form (Exhibit 9-D)

- Anticipated Construction Contract Award Date \_\_\_\_\_.
- Completed Exhibit 9-D *DBE Contract Goal Methodology* and the DBE goal is \_\_\_\_\_.
- The DBE goal is 0% because there are no subcontracting opportunities for DBE participation. Documentation verifying this determination is attached to this exhibit, on file with the local agency and has been approved by the DLAE.

- There is no goal because it is an emergency project, a “nonprofit,” uses force account, or other. A Cost-Effectiveness Determination (Exhibit 12-F) is attached.

Right of Way Certification (Exhibit 13-A or 13-B)

Right of Way Certification # \_\_\_\_\_ which was approved on \_\_\_\_\_ is:

- Attached, or  
 Previously submitted.

Utility Relocations performed and reimbursed under the Construction phase

- Not Applicable  
 This Agency agrees to comply with 23 CFR 645.119 “Alternate Procedure” (as explained in Chapter 13, “*Right of Way*”, and Chapter 14, “*Utility Relocation*” 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 Federal Highway Administration (FHWA) authorized the California 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 Caltrans 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 such documents requiring the Department’s approval are FHWA Specific Authorization and FHWA Approval of the Utility Agreement (Exhibit 14-C). See Chapter 14, “*Utility Relocation*”, of the LAPM for more information on the activities necessary for federal participation in Utility Relocations. Approval authority has been delegated to the District Right of Way Utility Coordinators.

PS&E Package and PS&E Certification

- Completed PS&E package including Exhibit 12-C *PS&E Certification*, and Exhibit 12-D *PS&E Checklist*, or  
 The PS&E package including Exhibit 12-C *PS&E Certification*, and Exhibit 12-D *PS&E Checklist* submitted and accepted on \_\_\_\_\_.

Local Agency Construction Contract Administration Checklist

- Exhibit 15-A *Local Agency Construction Contract Administration Checklist*, or  
 The *Local Agency Construction Contract 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*” (E-76) (and agency submittal of Exhibit 7-B *Field Review Form*, 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 (CE) cost must be specifically included and authorized in

**EXHIBIT 3-Q REQUEST FOR AUTHORIZATION TO PROCEED  
WITH NON-INFRASTRUCTURE PROJECT (CONSTRUCTION PHASE)**

*[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: \_\_\_\_\_  
Project ID/Advantage ID: \_\_\_\_\_  
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 Exhibit 3-E *Request for Authorization to Proceed Data Sheet*
- Copy of FTIP/FSTIP Reference
- Completed Exhibit 3-O *Finance Letter*
- 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 Exhibit 7-B *Field Review Form*, 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 a Disadvantaged Business Enterprise (DBE) goal will be established for each contract and Exhibit 10-O1 *Consultant Proposal DBE Commitment* will be submitted with each proposal. Within 30 days of contract execution, Exhibit 10-O2 *Consultant Contract DBE Information* shall be forwarded to the DLAE.

California Transportation Commission (CTC) Allocation

- A CTC allocation is not required, or



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 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 INVOICE GUIDELINES, FORMAT, AND CHECKLIST

The exhibits to this chapter contain a number of sample invoices and should cover the majority of projects. 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. At a minimum, an invoice package includes invoice, the “*Local Agency Invoice Review Checklist*” (Exhibit 5-J), and a “*Billing Summary*” (examples shown on Exhibit 5-K). Detailed instructions for preparing invoices for reimbursements are outlined below.

Some Programs have specific guidelines for acceptable invoicing formats or procedures (i.e., Bicycle Transportation Account, Environmental Enhancement and Mitigation, Federal Exchange/State Match, Freeway Services Patrol, Planning Programming Monitoring). It is NOT the intention of this Chapter to supersede these program-specific guidelines on invoice formats, however, checklists should be submitted with all invoice.

### General Guidelines

1. The local agency may submit invoices once a month for reimbursement, but must submit an invoice at minimum every six months to avoid inactivity on a project.
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 Payee Data Record file in the Caltrans financial system to reflect the new remittance address. Verbal requests cannot be processed.

EXHIBIT 5-J LOCAL AGENCY INVOICE REVIEW CHECKLIST

District / Local Agency: \_\_\_\_\_

Invoice No. \_\_\_\_\_

Federal / State Project Number: \_\_\_\_\_

NI Project: YES  NO

Local Project Number: \_\_\_\_\_

Project Description: \_\_\_\_\_

**SECTION 1 - CHECKLIST ITEMS TO BE COMPLETED BY LOCAL AGENCY WITH / CONCURRENCE BY CALTRANS**

(Check applicable box for each item)

|   | Frequency                                     | Local Agency             |                          | Caltrans                 |
|---|---|--------------------------|--------------------------|--------------------------|
|   |   | Confirm                  | N/A                      | Concur                   |
| 1 Verify project funding agreement (e.g., program supplement agreement) has been executed by Caltrans, <u>and</u> Local Agency has received copy of executed agreement.   | First Invoice for Phase of Work               | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 Local Agency Invoice Package format, content and support documentation are consistent with Chapter 5 "Invoicing" of Local Assistance Procedures Manual (LAPM) or with program-specific guidelines (BTA,EEM, Exchange/Match, FSP, and PPM              | All Invoices                                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 CTC Allocation (or SB184/LONP letter) and/or Federal Authorization to Proceed (E-76) date prior to beginning reimbursable work and advertising construction contract.   | First Invoice for Phase of Work               | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4 Work performed and costs invoiced are consistent with approved project scope/limits of CTC Allocation and/or E-76.  | All Invoices                                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5 Phase(s) of work/fund types and amounts/reimbursement rates are consistent with state approved project Finance Letter.  | All Invoices                                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6 Work performed in accordance with STIP or ATP Timely Use of Funds deadlines, Invoice Package submitted to Caltrans in time (April 1 of fund reversion year) to comply with Department of Finance fund reversion/Cooperative Work Agreement deadlines. | All Invoices                                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7 All consultant agreements/amendments follow the procurement and Caltrans oversight processes as outlined in LAPM Chapter 10.  | First New Federally Funded Consultant Invoice |                          |                          |                          |
| Is this an On-Call contract? If yes:  |   |                          |                          |                          |
| • Submit Exhibit 10-K (for contracts > \$150,000) to Caltrans A&I   |   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Submit Exhibits 10-C, 10-01, and a copy of the On-Call contract to DLAE.  |   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Have Task Orders been reissued? If yes:   |   |                          |                          |                          |
| • Submit Exhibits 10-01 and 10-02 for the task order to DLAE.   |   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

|   | Frequency                  | Local Agency             |                          | Caltrans<br>Concur       |
|---|----------------------------|--------------------------|--------------------------|--------------------------|
|   |                            | Confirm                  | N/A                      |                          |
| Is this a Consultant Contract (not On-Call)? If yes: <ul style="list-style-type: none"> <li>• Submit Exhibits 10-C, 10-01 and 10-02 to DLAE.</li> <li>• Submit Exhibit 10-K (for contracts &gt; \$150,000) to Caltrans A&amp;I.</li> <li>• Forward a copy of the executed consultant contract to the DLAE within 30 days of contract award or concurrent with first invoice, whichever is earlier.</li> </ul> |                            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|   |                            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|   |                            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8 Construction Contract Award Package (see LAPM Chapter 15 or program-specific guidelines) forwarded to DLAE within 60 days of award or concurrent with first construction invoice, whichever is earlier.   | First Construction Invoice | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9 Construction Contract Change Orders (federal/state/program eligible, DLAE reviewed and concurred)   | Construction Invoices      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10 Level of work completed consistent with total federal/state funds invoiced. <sup>2</sup>   | Construction Invoices      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11 Invoiced amount shall be greater than two percent (2%) of the total federal and/or state funds or \$1,000, whichever amount is greater, unless authorized by DLAE (e.g., to prevent loss of federal funds).  | All Invoices               | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 12 Total invoiced funds do not exceed amounts allocated/authorized by the CTC and/or E-76 (less retention amount <sup>3</sup> )   | All Invoices               | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 13 Submittal of Local Agency Invoice, signed Local Agency Invoice Review Checklist, and Billing Summary <sup>4</sup> with appropriate documentation   | All Invoices               | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

**SECTION 2 - LOCAL AGENCY INVOICE CERTIFICATION / COMMENTS**

By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursement, and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal/State award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812). I certify that the costs claimed follow pertinent program guidelines, and all Federal/State regulations. All consultant and contractor agreements have been reviewed and approved in accordance with the LAPM Chapter 10 “Consultant Selection” and Chapter 16 “Administer Construction Contracts”. I understand that Caltrans may review this invoice and support documentation for reasonableness at this time and that all invoice related documentation is subject to future detailed review by the Federal Highway Administration (FHWA) and/or Caltrans.

|   |               |
|---|---------------|
| _____<br>Signature of Responsible Local Agency Representative | _____<br>Date |
| _____<br>Printed Name and Title                               |               |

For questions regarding this invoice, please contact:

|                                    |                         |                    |
|------------------------------------|-------------------------|--------------------|
| _____<br>Local Agency Contact Name | _____<br>E-mail Address | _____<br>Phone No. |
|------------------------------------|-------------------------|--------------------|

**Local Agency Comments:**

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**Distribution:** 2 signed copies to DLAE

**SECTION 3 - CHECKLIST ITEMS TO BE COMPLETED BY CALTRANS**

**DATE THAT CALTRANS RECEIVED LOCAL AGENCY INVOICE:** \_\_\_\_\_

|   | Frequency                                     | Caltrans                 |                          |
|---|---|--------------------------|--------------------------|
|   |   | Confirm                  | N/A                      |
| 14 Invoice Package received and date-stamped by District and Invoice Package Receipt Date logged into LP2000.   | All Invoices                                  | <input type="checkbox"/> | <input type="checkbox"/> |
| 15 Consultant Contract DBE Information entered into LP2000. <sup>5</sup>  | First New Federally Funded Consultant Invoice | <input type="checkbox"/> | <input type="checkbox"/> |
| 16 Construction Contract Award Package: 1) Make adjustments as required through FADS (see LAPM Exhibit 3-G) 2) Copy of LAPM Exhibit 15-L "Local Agency Contract Award Checklist" or copy of Exhibit 22-A/ 23-A: Award Information for ATP/STIP Projects to LPA. | First Construction Invoice                    | <input type="checkbox"/> | <input type="checkbox"/> |
| 17 Construction Contract Award DBE information entered into LP2000 prior to submittal of Invoice Package documentation to LPA <sup>5</sup>  | First Federally Funded Construction Invoice   | <input type="checkbox"/> | <input type="checkbox"/> |

**Distribution:** District – 1 signed copy to LPA

**SECTION 4 - CALTRANS CONCURRENCE TO PAY INVOICE**

**I have reviewed this Invoice Package in accordance with Chapter 5, I agree that based on the information received, the Invoice Package is complete and accurate, and I concur with payment of this invoice.**

\_\_\_\_\_  
**Signature of Caltrans District Representative** **Date**

\_\_\_\_\_  
**Printed Name and Title** **Phone No.**

- 1 This Local Agency Invoice Review Checklist acts as the Caltrans "receiving record" for this invoice.
- 2 Local Agency must demonstrate that completed construction work is consistent with the level of federal and/or state funds invoiced (see Exhibit 5-K).
- 3 For Construction phases, the state shall withhold the greater of two (2) percent of the total federal/state funds encumbered for each funding agreement, or a minimum of \$40,000 (unless otherwise authorized by the DLAE), until after the Local Agency submits the Final Report of Expenditures (FROE).
- 4 A "Billing Summary" (Exhibit 5-K) must be submitted with each Local Agency invoice unless an acceptable alternative is authorized by the DLAE.
- 5 Prior to submitting local agency invoice to LPA for payment of federal funded contracts, DLAE is to confirm that DBE information has been entered into LP2000. First new invoice of Task Orders requires submittal of Exhibit 10-02, and a copy of the Task Order.

Note: Incomplete or disputed invoice packages must be returned promptly to the local agency to avoid incurring interest penalties. A Dispute Notification Letter shall accompany all Invoices returned to the Local Agency. Update LP2000 accordingly.

*Environmental Reference [SER]* at this website:  
<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 National Highway System (NHS) with an estimated total cost of \$50 million or more and bridge projects on the NHS with an estimated total cost of \$40 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.

### 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.*

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 for projects off the SHS 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

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:

On the Federal-aid System

- Principal Arterial – Freeway or Expressway
- Other Principal Arterial
- Minor Arterial
- Major Collector
- Urban Minor Collector

Off the Federal-aid

- System Rural Minor Collector
- System Rural Minor Collector
- 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 |                                  | \$1,000's | Fed. Participation |    |
|----------------------------|----------------------------------|-----------|--------------------|----|
| (Including Structures)     |                                  |           | Yes                | No |
| 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 | _____ |
| <b>TOTAL COST</b>                                 | \$  | _____ |    |       |

7a. Value Engineering Analysis Required? Yes \_\_\_\_\_ No \_\_\_\_\_  
 (Yes, if total project costs are \$50M or more on the NHS, or \$40M or more for bridges on the NHS)

8. PROPOSED FUNDING

|                           |            |    |          |            |                             |
|---------------------------|------------|----|----------|------------|-----------------------------|
| Grand Total               | Total Cost | \$ | _____    | Cost Share |                             |
| 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 \_\_\_\_\_



## 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 or state funded project. Those private consulting firms providing architectural, landscape architectural, engineering, environmental, land surveying, construction engineering, or construction project management services, with respect to a construction project, are termed “Architectural and Engineering (A&E) Consultants.” Local agencies requesting federal or state funds to reimburse A&E Consultants must follow the selection and contracting procedures detailed in this chapter.

#### **Architectural and Engineering Consultants**

The provisions of the Brooks Act (40 USC, Section 1104) require local agencies to award federally funded engineering and design related contracts on the basis of fair and open competitive negotiations, demonstrated competence, and professional qualifications (23 Code of Federal Regulations (CFR), Part 172), at a fair and reasonable price (48 CFR 31.201-3).

Cost proposals submitted to the local agency, if above the small purchase procurement threshold, must be sealed and may not be included as a criterion for rating such consultants. After ranking, cost negotiations may begin with the most qualified consultant and only their cost proposal will be opened. Should negotiations fail or result in a price that the local agency does not consider fair and reasonable, negotiations must be formally terminated and the local agency must then undertake negotiations with the second most qualified consultant.

If the negotiations with the second most qualified firm are not successful, negotiations must be formally terminated and the local agency must then undertake negotiations with the third most qualified consultant, and so on, until the price is determined to be fair and reasonable by the local agency.

In selecting an A&E consultant, a detailed technical proposal or qualifications proposal, and a proposed contract will be required.

Depending upon the scope of work, the required contract provisions may need to include the California State Prevailing Wages (Federal “Payment of Predetermined Minimum Wage” applies only to federal-aid construction contracts). Prevailing wages will apply if the services to be performed will involve land surveying (such as flag persons, survey party chief, rodman or chainman), materials sampling and testing (such as drilling rig operators, pile driving, crane operators), inspection work, soils or foundation investigations, environmental hazardous materials and so forth. California State Prevailing Wage information is available through the California Department of Industrial Relations websites below.

- DIR FAQ website: [http://www.dir.ca.gov/OPRL/FAQ\\_PrevailingWage.html](http://www.dir.ca.gov/OPRL/FAQ_PrevailingWage.html)

## Consultant Selection

- Documentation of the fees showing how the fee was calculated, and that it is reasonable by comparative standards;
- Any other records needed to show compliance with federal-aid program regulations.

### Retaining a Consultant as an Agency Engineer or in Management Role

A local agency may retain qualified consultants on its staff in professional capacities such as agency consultant engineers, architects, or public agency officials in a management role such as City Engineer (or equivalent). The agency consultants can be an individual or a firm providing professional or management services.

The use of a consultant in 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.

Eligibility for federal 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;
- For a state funded or federal-aid project, completion of Exhibit 10-T “*Panel Member Conflict of Interest & Confidentiality Statement*” 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 subconsultant 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 subconsultant. This would include, but not be 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.
  - Where benefiting more than a single federal-aid project, allocability of consultant contract costs for services related to a management role shall be distributed

consistent with the cost principles applicable to the contracting agency in 49 CFR 18.22.

- For a state funded or federal-aid project, completion of Exhibit 10-U “*Consultant in Management Position Conflict of Interest and Confidentiality Statement*” by all consultant engineering staff in management positions.
- A completed Exhibit 10-U “*Consultant in Management Position Conflict of Interest and Confidentiality Statement*” form shall be submitted to the DLAE, for concurrence by the local agency concurrently with submitting the request for the funding authorization of an A&E contract which will contain federal or state funds.
- Selection of consultants for A&E 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 not to exceed five (5) years.

**All consultants acting in a management role must complete Exhibit 10-U “*Consultant in Management Position Conflict of Interest and Confidentiality Statement*” and retain it in the local agency files.**

If engineering services for a project are within the scope of the services described in the retained consultant’s contract, 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 or state reimbursement for these services require a new consultant contract to be developed using the selection procedures in this chapter. Retained consultants involved in the preparation of the RFP or RFQ shall not be considered in the selection of consultants for the resulting project specific work.

When engineering or architectural consultants are procured with 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,” requires that if a local agency has or intends to have a consultant in a management role (except as the designated public official, 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

**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. |

- 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 subconsultant.
  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 subconsultant.
  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 subconsultant. 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.

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.

## 12.7 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 Checklist*. A description of these contract provisions, requirements and their application is provided in Exhibit 12-E *PS&E Checklist Instructions*, Exhibit 12-G *Required Federal Contract Language* and Exhibit 12-H *Sample Bid*.

### Acceptable Standard Specifications and Special Provisions

The local agency must use current Caltrans [Standard Specifications and Standard Special Provisions](#) (including revisions and updates) for locally sponsored projects on the SHS.

Note: In this manual “current Caltrans Standard Specifications” is understood to mean the most currently available Caltrans Standard Specifications inclusive of all revisions, amendments and updates.

The following standard specifications are acceptable for use on all local Federal-aid projects off the SHS:

- Current Caltrans [Standard Specifications and applicable 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’ *Bridge Design Specifications*.

### Caltrans Specifications

For projects off the SHS, Exhibit 12-G *Required Federal-aid Contract Language* has combined required federal contract provisions into a single document to assist local agencies. Exhibit 12-H *Sample Bid* has assembled federal certifications, disclosures and other requirements into a single document.

For SHS projects, current Caltrans [Standard Specifications and Standard Special Provisions](#) and federal contract “boilerplate” (Form FHWA 1273 and other required federal contract provisions) are available from the Caltrans Office Engineer at:  
<http://www.dot.ca.gov/hq/esc/oe/>.

For local agency projects to be advertised, awarded and administered by Caltrans, Caltrans boilerplate specifications are inserted by Caltrans.

## 12.8 FEDERAL CONTRACT REQUIREMENTS

### Required Federal Contract Language

Exhibit 12-G *Required Federal-aid Contract Language* is available to assist local agencies in complying with federal regulations on transportation construction projects. It 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.

### Disadvantaged Business Enterprise (DBE)

Individual DBE contract goals will be established. Complete evaluation documentation is required and shall be retained for each contract (see DBE references in Chapter 9, *Civil Rights and Disadvantaged Business Enterprises* of the LAPM). For contracts that contain a specific DBE goal, Caltrans’ *Standard Specifications* are required to describe the DBE policy, the DBE contract goal, eligibility criteria, good faith effort requirements, sanctions on failure to comply, procedures for counting DBE participation, award documentation procedures, post-award compliance procedures, and required records and reporting. Exhibit 12-G *Required Federal-aid Contract Language* includes requirements for DBE subcontractor listing, Federal Lobbying Restrictions, DBE, and other requirements.

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 a DBE goal placed on the contract, the contractor must meet the goal or document a good faith effort to meet the contract goal by using DBEs (see Chapter 9 *Civil Rights and Disadvantaged Business Enterprises* of the LAPM). Good faith efforts shall be documented and verified (see Exhibit 15-H *DBE Information-Good Faith Efforts*). If a DBE subcontractor is unable to perform, the contractor must make a good faith effort to replace him or her with another DBE subcontractor if the goal is not otherwise met.

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.

In accordance with Section 9.6 *Local Agency Responsibilities under Caltrans' DBE Program Plan* of the LAPM, 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-B *Bidder's List of Subcontractors (DBE and Non-DBE)* 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 1)" is required in accordance with 49 CFR 26.11
- b) "Bidder's List of Subcontractors (Part 2)" is required for those providing a quote or bid, but not selected, which is needed to compile a bidders list.

### 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 working 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.

The contract time shall be specified in the bidding documents and shall be monitored by the administering agency. 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 whether 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 for NHS projects 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. Innovative contracting should be discussed with the DLAE prior to use. 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](#).

## 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.

## Sample Bid

Exhibit 12-H *Sample Bid* is available to assist the local agency and the bidder. In addition to the name, address, etc., it contains the Engineer's Estimate, list of subcontractors (including license numbers), EEO certification, Public Contract Code requirements, Non-collusion Affidavit, Debarment and Suspension Certification, Non-lobbying Certification, Bidders Bond, Payment Bond, Performance Bond, Local Agency DBE information, Federal Wage Rates, and Disclosure of Lobbying Activities.

## Certifications/Disclosures

**Non-collusion** – On all Federal-aid construction projects, a non-collusion certification protects the integrity of the Federal-aid highway program and serves as a tool in prosecuting construction contract bid rigging cases. A non-collusion certification is required from all bidders as part of the bid proposal package (see Exhibit 12-H *Sample Bid*). Failure to submit the certification will render the bid ineligible for award.

**Equal Employment Opportunity** – 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 assure that employment in connection with federal highway construction projects is provided without regard to race, color, creed, national origin or sex. Refer to LAPM Section 9.4 *Equal Employment Opportunity (EEO) Contractor Compliance*, Form FHWA-1273 in Exhibit 12-G *Required Federal-aid Contract Language* and Exhibit 12-H *Sample Bid* for further guidance.

**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 Part X of Form FHWA-1273 in Exhibit 12-G *Required Federal-aid Contract Language* and Exhibit 12-H *Sample Bid*). It is the



**EXHIBIT 12-B BIDDER'S LIST OF SUBCONTRACTORS (DBE AND NON-DBE)**

The bidder shall list all subcontractors (both DBE and non-DBE) in accordance with 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/<br>Address/<br>City, State, ZIP | Phone/<br>Fax | Annual Gross<br>Receipts                | Description of Portion of Work to be Performed | Local Agency Use<br>Only<br>(Certified DBE?) |
|--|---------------|---|--|--|
| <i>Name</i>                                | <i>Phone</i>  | <input type="checkbox"/> < \$1 million  |  | <input type="checkbox"/> YES                 |
| <i>Address</i>                             |               | <input type="checkbox"/> < \$5 million  |  | <input type="checkbox"/> NO                  |
| <i>City State ZIP</i>                      | <i>Fax</i>    | <input type="checkbox"/> < \$10 million |  | <i>If YES list DBE #:</i>                    |
|  |               | <input type="checkbox"/> < \$15 million |  | <i>Age of Firm (Yrs.)</i>                    |
|  |               | <input type="checkbox"/> > \$15 million |  |  |
| <i>Name</i>                                | <i>Phone</i>  | <input type="checkbox"/> < \$1 million  |  | <input type="checkbox"/> YES                 |
| <i>Address</i>                             |               | <input type="checkbox"/> < \$5 million  |  | <input type="checkbox"/> NO                  |
| <i>City State ZIP</i>                      | <i>Fax</i>    | <input type="checkbox"/> < \$10 million |  | <i>If YES list DBE #:</i>                    |
|  |               | <input type="checkbox"/> < \$15 million |  | <i>Age of Firm (Yrs.)</i>                    |
|  |               | <input type="checkbox"/> > \$15 million |  |  |
| <i>Name</i>                                | <i>Phone</i>  | <input type="checkbox"/> < \$1 million  |  | <input type="checkbox"/> YES                 |
| <i>Address</i>                             |               | <input type="checkbox"/> < \$5 million  |  | <input type="checkbox"/> NO                  |
| <i>City State ZIP</i>                      | <i>Fax</i>    | <input type="checkbox"/> < \$10 million |  | <i>If YES list DBE #:</i>                    |
|  |               | <input type="checkbox"/> < \$15 million |  | <i>Age of Firm (Yrs.)</i>                    |
|  |               | <input type="checkbox"/> > \$15 million |  |  |
| <i>Name</i>                                | <i>Phone</i>  | <input type="checkbox"/> < \$1 million  |  | <input type="checkbox"/> YES                 |
| <i>Address</i>                             |               | <input type="checkbox"/> < \$5 million  |  | <input type="checkbox"/> NO                  |
| <i>City State ZIP</i>                      | <i>Fax</i>    | <input type="checkbox"/> < \$10 million |  | <i>If YES list DBE #:</i>                    |
|  |               | <input type="checkbox"/> < \$15 million |  | <i>Age of Firm (Yrs.)</i>                    |
|  |               | <input type="checkbox"/> > \$15 million |  |  |

**Distribution:** 1) Original - Local Agency File

- 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 check the appropriate box below).
- The project is "Delegated" (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" (subject to a higher 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 ANALYSIS (VA) (NHS projects only - Check appropriate box )**

- VA 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. VA has not been performed as the estimated total project cost is <\$50 million.
- The project is a bridge project. VA has not been performed as the total project cost is <\$40 million.

**VII. GEOMETRIC DESIGN STANDARDS** (Complete this section only if project changes existing geometrics)

- Current Caltrans Design Standards (on State Highway System)
- FHWA-adopted AASHTO Standards (Green Book)
- 3R Projects – Exhibit 11-A Geometric Design Standards for Local 3R Projects
- Local Agency Design Standards (non NHS only) approved      Date:

**VIII. BRIDGE DESIGN PROCEDURES**

- All bridges have been designed in accordance with the current edition of the Caltrans Bridge Design Specifications Manual and the latest California Amendments to the AASHTO LRFD Bridge Design Specifications
- Not applicable (Bridge construction not included in the project).

**IX. STANDARD PLANS**

- Current 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 a registered professional engineer licensed to practice in the State of California.

- Section IV. Davis-Bacon and related Act Provisions** does not apply because the project is not on the Federal-aid System (roads classified as local roads or rural minor collectors) which are exempted, as specified in the special provision on page . \_\_\_\_\_
- Section VI. Subletting or Assigning the Contract** does not apply since this project is off the NHS, as specified in the special provision on page..... \_\_\_\_\_
- 12. Female and Minority Goals or equivalent provisions are included**..... \_\_\_\_\_
- 13. Federal Trainee Program**
  - Federal Trainee Program or equivalent provisions are included ..... \_\_\_\_\_  
The Trainee goal is \_\_\_\_\_
  - Federal Trainee goal and special provisions do not apply since the engineer’s estimate is under \$400,000 in each of the work categories specified in LAPM Chapter 12 “Federal Trainee Program” or the project has less than 100 working days..... \_\_\_\_\_
- 14. Title VI assurances are included**..... \_\_\_\_\_
- 15. Use of United States-Flag Vessels** ..... \_\_\_\_\_

**B. DBE Goal** (Refer to Exhibit 12-E *PS&E Instruction Checklist*)

- Local Agency non-zero DBE goal percentage for this contract is: \_\_\_\_\_
- The DBE goal for this contract is zero percent because there are no subcontracting opportunities for DBE participation. Documentation verifying this determination is attached to this PS&E Checklist and is also on file with the local agency. (Refer to Exhibit 12-E, PS&E Checklist Instructions).
- This contract has no DBE goal because:
  - This is an emergency relief project
  - This contract is “nonprofit”
  - This contract uses Force Account
  - Other, specify: \_\_\_\_\_

Documentation verifying the above “no DBE 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*.

**C. Certifications/Disclosures** (Refer to Exhibit 12-H *Sample Bid*)

- Equal Employment Opportunity Certification or equivalent..... \_\_\_\_\_
- Noncollusion Affidavit or equivalent..... \_\_\_\_\_
- Debarment and Suspension Certification or equivalent..... \_\_\_\_\_
- Nonlobbying Certification for Federal-aid Contracts ..... \_\_\_\_\_
- Disclosure of Lobbying Activities ..... \_\_\_\_\_

**D. Other Required Forms** (The following forms are applicable with the above required federal requirements (see Exhibit H *Sample Bid*):

- Exhibit 15-G *Local Agency Bidder DBE Commitment (Construction Contracts)* or Equivalent ..... \_\_\_\_\_
- Exhibit 15-H *DBE Information - Good Faith Efforts* (if DBE Goal not met) ..... \_\_\_\_\_

Exhibit 12-B Bidder's List of Subcontractors (DBE and Non-DBE) with data for all firms that bid as prime, or bid or quote subcontracts for this contract .....

**E. Federal Wage Rates**

Federal wage 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.

Federal Wage Rates are not required since this project is not located on a Federal-aid route.

**F. Relations with Railroad**

The required provisions are included.....

This project does not involve the use of railroad properties or adjustments to railroad Facilities

**XIII. RESTRICTED CONTRACT PROVISIONS (CHECK APPROPRIATE BOX)**

**A. Indian Preferences**

Not included

Included. The project is on or near the \_\_\_\_\_ Indian Reservation.

**B. Bonding and Prequalification**

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**

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

**XIV. MATERIALS & EQUIPMENT****A. Publicly Owned Equipment (for use by Contractor).**

- 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**

- 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.
- 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**

- 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.
- 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**

- The total cost of this project is expected to be less than \$100 million. No financial or project management plans are required.
- This project is expected to be \$100 million or more. A Financial Plan is required and has been prepared and submitted to the DLAE. Approval Date: \_\_\_\_\_.
- This project is 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 Approval Date \_\_\_\_\_

**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

**XI. STANDARD SPECIFICATIONS**

For projects off the State Highway System, the local agency may use current *Caltrans Standard Specifications and Standard Special Provision, the Standard Specifications for Public Works Construction*, or subject to the conditions described in Section 11.3, *Locally Developed Design Standards*.

**XII. FEDERAL REQUIREMENTS**

- A. Required Federal Contract Provisions** - Ensure Exhibit 12-G *Required Federal-aid Contract Language* or equivalent provisions are in the contract. Provide page numbers if not using Current Caltrans Standard Specifications and Standard Special Provisions.

The Form FHAW-1273 must be physically inserted unmodified into the executed contract.

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).

Current Buy America regulations are discussed in Section 12.8 *Federal Contract Requirements* 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. Buy America applies if federal dollars are used on any phase of the project.

Chapter 12 *Plans, Specifications & Estimate* of the LAPM includes information for On-the-Job Training.

**B. DBE Goal**

Individual DBE contract goals will be established. Complete evaluation documentation is required and shall be retained for each contract (see DBE references in the LAPM).

In some cases, the contract DBE goal may be zero due to the extremely limited subcontracting opportunities for DBEs, the lack of certified DBEs willing to work 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 DBE goal is appropriate. Documentation must be based on the DBE contract goal methodology with the specific project-related work codes and DBEs highlighted. In some cases there may be no contract goal (which is different than zero percent goal) if, for example, the contract is sole-source or non-profit.

**C. Certification/Disclosures**

The certification and disclosure forms listed in Exhibit H *Sample Bid* shall be included in all Federal-aid projects. Except for the Disclosure of Lobbying form and instructions, equivalent provisions may be used. See Section 12.8 *Federal Contract Requirements* of the LAPM for more information.

**D. Other Required Forms**

Two forms, or their equivalents, relating to subcontractors must be included as part of the bid package. - Exhibits 15-G *Local Agency Bidder DBE Commitment (Construction Contracts)*, and 12-B *Bidder's List of Subcontractors (DBE and Non-DBE)*. Exhibit 15-H *DBE Information - Good Faith Efforts* must also be part of the bid package if the DBE goal was not met.

**E. 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 Wage 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 physically contain the Federal Wage Rates or the Federal Wage rates as revised by addendums, if any addendums were issued.

**EXHIBIT 12-G REQUIRED FEDERAL-AID CONTRACT LANGUAGE**  
(For Local Assistance Construction Projects)

The following language must be incorporated into all Local Assistance Federal-aid construction contracts. The following language, with minor edits, was taken from the Code of Federal Regulations.

**1. DISADVANTAGED BUSINESS ENTERPRISES (DBE)..... 2**

*A. DBE COMMITMENT SUBMITTAL ..... 2*

*B. GOOD FAITH EFFORTS SUBMITTAL ..... 3*

*C. EXHIBIT 15-G - LOCAL AGENCY BIDDER DBE INFORMATION (CONSTRUCTION CONTRACTS)4*

*D. SUBCONTRACTOR AND DISADVANTAGED BUSINESS ENTERPRISE RECORDS ..... 4*

*E. PERFORMANCE OF DISADVANTAGED BUSINESS ENTERPRISES..... 4*

**2. BID OPENING..... 5**

**3. BID RIGGING ..... 5**

**4. CONTRACT AWARD ..... 6**

**5. CONTRACTOR LICENSE ..... 6**

**6. CHANGED CONDITIONS ..... 6**

*A. DIFFERING SITE CONDITIONS ..... 6*

*B. SUSPENSIONS OF WORK ORDERED BY THE ENGINEER..... 6*

*C. SIGNIFICANT CHANGES IN THE CHARACTER OF WORK..... 7*

**7. BEGINNING OF WORK, TIME OF COMPLETION AND LIQUIDATED DAMAGES ..... 7**

**8. BUY AMERICA ..... 7**

**9. QUALITY ASSURANCE ..... 8**

**10. PROMPT PAYMENT OF FUNDS WITHHELD TO SUBCONTRACTORS..... 8**

**11. FORM FHWA-1273 REQUIRED CONTRACT PROVISIONS FEDERAL-AID CONTRACTS..... 9**

**12. FEMALE AND MINORITY GOALS.....18**

**13. FEDERAL TRAINEE PROGRAM.....19**

**14. TITLE VI ASSURANCE.....21**

**15. USE OF UNITED STATES-FLAG VESSELS.....22**



4. **CONTRACT AWARD** If the Agency awards the contract, the award is made to the lowest responsible bidder.

5. **CONTRACTOR LICENSE**

The Contractor must be properly licensed as a contractor from contract award through Contract acceptance (Public Contract Code § 10164).

6. **CHANGED CONDITIONS**

*a. Differing Site Conditions*

1. During the progress of the work, if subsurface or latent physical conditions are encountered at the site differing materially from those indicated in the contract or if unknown physical conditions of an unusual nature, differing materially from those ordinarily encountered and generally recognized as inherent in the work provided for in the contract, are encountered at the site, the party discovering such conditions shall promptly notify the other party in writing of the specific differing conditions before the site is disturbed and before the affected work is performed.
2. Upon written notification, the engineer will investigate the conditions, and if it is determined that the conditions materially differ and cause an increase or decrease in the cost or time required for the performance of any work under the contract, an adjustment, excluding anticipated profits, will be made and the contract modified in writing accordingly. The engineer will notify the contractor of the determination whether or not an adjustment of the contract is warranted.
3. No contract adjustment which results in a benefit to the contractor will be allowed unless the contractor has provided the required written notice.
4. No contract adjustment will be allowed under this clause for any effects caused on unchanged work. (This provision may be omitted by the Local Agency, at their option.)

*b. Suspensions of Work Ordered by the Engineer*

1. If the performance of all or any portion of the work is suspended or delayed by the engineer in writing for an unreasonable period of time (not originally anticipated, customary, or inherent to the construction industry) and the contractor believes that additional compensation and/or contract time is due as a result of such suspension or delay, the contractor shall submit to the engineer in writing a request for adjustment within 7 calendar days of receipt of the notice to resume work. The request shall set forth the reasons and support for such adjustment.
2. Upon receipt, the engineer will evaluate the contractor's request. If the engineer agrees that the cost and/or time required for the performance of the contract has increased as a result of such suspension and the suspension was caused by conditions beyond the control of and not the fault of the contractor, its suppliers, or subcontractors at any approved tier, and not caused by weather, the engineer will make an adjustment (excluding profit) and modify the contract in writing accordingly. The contractor will be notified of the engineer's determination whether or not an adjustment of the contract is warranted.
3. No contract adjustment will be allowed unless the contractor has submitted the request for adjustment within the time prescribed.
4. No contract adjustment will be allowed under this clause to the extent that performance would have been suspended or delayed by any other cause, or for which an adjustment is provided or excluded under any other term or condition of this contract.

*c. Significant Changes in the Character of Work*

1. The engineer reserves the right to make, in writing, at any time during the work, such changes in quantities and such alterations in the work as are necessary to satisfactorily complete the project. Such changes in quantities and alterations shall not invalidate the contract nor release the surety, and the contractor agrees to perform the work as altered.
2. If the alterations or changes in quantities significantly change the character of the work under the contract, whether such alterations or changes are in themselves significant changes to the character of the work or by affecting other work cause such other work to become significantly different in character, an adjustment, excluding anticipated profit, will be made to the contract. The basis for the adjustment shall be agreed upon prior to the performance of the work. If a basis cannot be agreed upon, then an adjustment will be made either for or against the contractor in such amount as the engineer may determine to be fair and equitable.
3. If the alterations or changes in quantities do not significantly change the character of the work to be performed under the contract, the altered work will be paid for as provided elsewhere in the contract.
4. The term "significant change" shall be construed to apply only to the following circumstances:
  - When the character of the work as altered differs materially in kind or nature from that involved or included in the original proposed construction; or
  - When a major item of work, as defined elsewhere in the contract, is increased in excess of 125 percent or decreased below 75 percent of the original contract quantity. Any allowance for an increase in quantity shall apply only to that portion in excess of 125 percent of original contract item quantity, or in case of a decrease below 75 percent, to the actual amount of work performed.

**7. BEGINNING OF WORK, TIME OF COMPLETION AND LIQUIDATED DAMAGES**

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 fifteenth 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.

**8. BUY AMERICA**

**Furnish steel and iron materials to be incorporated into the work with certificates of compliance. Steel and iron materials must be produced in the U.S. except:**

1. Foreign pig iron and processed, pelletized, and reduced iron ore may be used in the domestic production of the steel and iron materials [60 Fed Reg 15478 (03/24/1995)];
2. If the total combined cost of the materials does not exceed the greater of 0.1 percent of the total bid or \$2,500, materials produced outside the U.S. may be used.

Production includes:

CONTRACTOR shall take such action with respect to any sub-agreement or procurement as the California Department of Transportation or FHWA may direct as a means of enforcing such provisions including sanctions for noncompliance, provided, however, that, in the event CONTRACTOR becomes involved in, or is threatened with, litigation with a sub-applicant or supplier as a result of such direction, CONTRACTOR may request the California Department of Transportation enter into such litigation to protect the interests of the State, and, in addition, CONTRACTOR may request the United States to enter into such litigation to protect the interests of the United States.

#### **15. USE OF UNITED STATES-FLAG VESSELS**

The CONTRACTOR agrees-

1. To utilize privately owned United States-flag commercial vessels to ship at least 50 percent of the gross tonnage (computed separately for dry bulk carries, dry cargo liners, and tankers) involved, whenever shipping any equipment, material, or commodities pursuant to this contract, to the extent such vessels are available at fair and reasonable rates for United States-flag commercial vessels.
2. To Furnish within 20 days following the date of loading for shipments originating within the United State or within 30 working days following the date of loading for shipments originating outside the United States, a legible copy of a rated "on-board" commercial ocean bill-of-lading in English for each shipment of cargo described in paragraph (1) of this section to both the Contracting Officer (through the prime contractor in the case of subcontractor bills-of-lading) and to the Division of National Cargo, Office of Market Development, Maritime Administration, Washington, DC 20590.
3. To insert the substance of the provisions of this clause in all subcontracts issued pursuant to this contract.

**MAINTAIN RECORDS AND SUBMIT REPORTS DOCUMENTING YOUR PERFORMANCE UNDER THIS SECTION**

(DO NOT DETACH)

PROPOSAL TO THE CITY / COUNTY OF \_\_\_\_\_

DEPARTMENT OF PUBLIC WORKS

CONTRACT NO. - \_\_\_\_\_

NAME OF BIDDER \_\_\_\_\_

BUSINESS P.O. BOX \_\_\_\_\_

CITY, STATE, ZIP \_\_\_\_\_

BUSINESS STREET ADDRESS \_\_\_\_\_

*(Please include even if P.O. Box used)*

CITY, STATE, ZIP \_\_\_\_\_

TELEPHONE NO:            AREA CODE (   ) \_\_\_\_\_

FAX NO:                    AREA CODE (   ) \_\_\_\_\_

CONTRACTOR LICENSE NO. \_\_\_\_\_

The work for which this proposal is submitted is for construction in conformance with the special provisions (including the payment of not less than the State general prevailing wage rates or Federal minimum wage rates), the project plans described below, including any addenda thereto, the contract annexed hereto, and also in conformance with Current California Department of Transportation Standard Plans, Standard Specifications, and the Labor Surcharge and Equipment Rental Rates in effect on the date the work is accomplished.

The special provisions for the work to be done are dated (Insert advertisement date) and are entitled:

CITY / COUNTY OF \_\_\_\_\_  
DEPARTMENT OF \_\_\_\_\_  
NOTICE TO CONTRACTORS AND SPECIAL PROVISIONS FOR

*(Description of Work)*

IN

*(Location)*

The project plans for the work to be done were approved   (date)   and are entitled:

## Chapter 14 Utility Relocation

### 14.1 INTRODUCTION

The procedures in this chapter have been designed to comply with the Federal Highway Administration's (FHWA) 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 R/W utility relocations on projects outside of the State Highway System (SHS) and financed with federal funds.

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 R/W 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 review 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 R/W under a Cooperative Agreement (State highway projects), R/W utility relocations will be accomplished in accordance with the Utility Procedures described in the *Caltrans Right of Way Manual* and *Encroachment Permits Manual*.**

These manuals are available online at the following URLs:

**RIGHT OF WAY 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/](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.

**Requesting Conflict Resolution Plan** *(This step would be done only after National Environmental Policy Act approval.)*

- Utility Coordinator contacts and informs the owner(s) of the conflict(s), 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(s). (See Chapter 13, "Utility Relocation," Section 13.04.00 of the Caltrans *Right of Way 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). The ROI is a 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.

The Utility Coordinator shall send a proposed copy of the ROI, Notice to Owner (NTO), and Utility Agreement to District Local Assistance Engineer (DLAE) and District Right of Way Utility Coordinator for review and approval, prior to sending out to owner.

**NOTE:** *For State highway projects, 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, the 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 the liability (this is referred to as "Meeting of the Minds"), the Utility Coordinator will issue a written NTO (See Exhibit 14-D, "Notice to Owner") to the owner. The local agency must make all

necessary arrangements with owners of the 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.** The Utility Coordinator can request the permit through the District Right of Way 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 the 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 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 R/W.

### **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 R/W 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.
- The 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, "Invoicing," of the *Local Assistance Procedures Manual (LAPM)*.

- 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 R/W, access control, existing and proposed utility facility.
- The name of the entity who will perform the work. (If the utility owner's contractor will be performing the work, explain how the contractor was selected.)

### **Written Authorization**

If a written Special Authorization to Relocate Utilities is obtained, a complete request package (Exhibit 14-A, "*Submittal Requirements for Federal Participation in Utility Relocations*," in this chapter) must be submitted to the DLAE within 30 days. The DLAE will forward the request package to the District Right of Way Utility Coordinator for review and approval.

The approval should contain a statement that the District Right of Way 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 District Right of Way Utility Coordinator (via the DLAE) by telephone or fax. The District Right of Way Utility Coordinator will confirm each verbal authorization via letter to the local agency's Project Engineer. Such confirmation letters shall be issued within five 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**

The Caltrans Policy on High and Low Risk Underground Facilities within Highway R/W requires all High Risk Utility Facilities located within project limits be positively identified and shown on project plan.

For Federally Participating projects off the State highway system, compliance with the state's policy on High and Low Risk Underground Facilities is not mandatory. It is highly recommended that this policy be followed to insure the maximum safety during construction of the project.



**NOTE:** For projects on the SHS: 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 and is also available online at: [http://www.dot.ca.gov/hq/oppd/pdpm/apdx\\_htm/apdx\\_ll/apdx\\_ll.htm](http://www.dot.ca.gov/hq/oppd/pdpm/apdx_htm/apdx_ll/apdx_ll.htm)

When performing R/W Utility Relocation on a State highway 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

The Utility Coordinator is responsible for submitting a request for any applicable audits as described in Section 5.8 of Chapter 5 of the LAPM.

**NOTE:** For projects on the SHS, refer to Chapter 13, of the Caltrans Right of Way Manual, and discuss with the District Right of Way Utility Coordinator.

## 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
- Water Code Sections 7034 and 7035
- Moving Ahead for Progress in the 21st Century (MAP-21)

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.

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

- Failure to commit to the achievement of the DBE 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: [www.sam.gov](http://www.sam.gov)

Note: Contractor's "Debarment and Suspension Certification" is part of LAPM Exhibit 12-H, Sample Bid.

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.

**Advertise and Award Project**

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 DBE Commitment (Construction Contracts) (Exhibit 15-G)
- 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 Non-collusion Affidavit (see LAPM Exhibit 12-H, Sample Bid)
- 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.*

- 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)
- Detail Estimate (Exhibit 15-M)
- Finance Letter (Exhibit 3-O)
- Resident Engineer's Construction Contract Administration Checklist (see Exhibit 15-B)
- Copy of the Local Agency Bidder DBE Information (Construction Contracts) (Exhibit 15-G)

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 3-O) 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.

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**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 a DBE goal is specified, the original of the Local Agency Bidder DBE Commitment (Construction Contracts) (Exhibit 15-G).
- EEO Certification, The Non-Collusion Affidavit (LAPM), Non-Lobbying Certification , Disclosure of Lobbying Activities (see LAPM Exhibit 12-H- Sample Bid)
- 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)
- One copy of the Local Agency Bidder DBE Commitment (Construction Contracts) (Exhibit 15-G)
- Finance Letter (Exhibit 3-O)
- Resident Engineer Construction Administration Checklist (Exhibit 15-B)

**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

- 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 12.8**

- 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:**

- DBE Contract Goal Percentage Exhibit 9-E: \_\_\_\_\_

- Local Agency's DBE Liaison Officer: \_\_\_\_\_



EXHIBIT 15-L LOCAL AGENCY CONTRACT AWARD CHECKLIST

Project Sponsor: \_\_\_\_\_

Federal-aid project #: \_\_\_\_\_

Project Location: \_\_\_\_\_  
(Caltrans District, County, Road/Street or Route, Jurisdiction)

Project 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 DBE Participation (Exhibit 15-H) included in the low bidder's proposal? (Only required if DBE goal is not achieved) ..... | (yes/no/not applicable) |
| Local Agency Bidder DBE Commitment included (Exhibit 15-G) .....  | to be attached          |
| Is the Non-Collusion Affidavit (Exhibit 12-H, Sample BID) 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 3-O): .....   | to be attached          |
| Resident Engineer's Construction Contract Administration Checklist .....  | to be attached          |
| Is successful bidder licensed?.....   | (yes/no)                |
| Estimated construction completion date.....   | (date)                  |

Reviewed by: \_\_\_\_\_  
(Signature of Local Agency Representative)

\_\_\_\_\_  
(Name printed or typed)

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Phone Number: \_\_\_\_\_

### 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 of all structure work 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. Each sheet of the As-Built plans must be clearly identified with an As-Built stamp. All plan sheets, whether they contain changes or not, must have (at a minimum) the name of the Resident Engineer (R.E.), the Construction Contract Acceptance date, and the Contract Number. 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 accordance with local agency requirements.

## 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

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 planning 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   | 03/30/2013 |
| 2.  | Contract Approved by local agency                         | 04/27/2013 |
| 3.  | First chargeable working day                              | 05/21/2013 |
| 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                               | 07/30/2013 |
| 10. | Date work accepted by Resident Engineer                   | 09/21/2013 |
| 11. | Liquidated damage days charged (calendar or working days) | 0          |
| 12. | Date accepted by County Supervisors                       | 09/21/2013 |

**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 High Profile projects) or Local Agency Final Inspection Form (See Exhibit 17-C for Delegated projects)
- ( ) Final Invoice (see Exhibit 17-E)
- ( ) 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

## Deficiencies and Sanctions

- 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).
- Not complying with the audit and review process on A&E consultant contracts of \$150,000 or more.

## 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).