



Local Programs Procedures

LPP 06-04 Manual Update **Subject: Project Authorization**

Reference: *Local Assistance Procedures Manual*, Chapter 3- Project Authorization and Chapter 15- Advertise and Award Project

Effective Date: July 31, 2006

Approved: Original Signed By
TERRY L. ABBOTT, Chief
Division of Local Assistance

WHAT IS AN LPP?

LPPs are Local Programs Procedures. These documents are used for the rapid deployment of new procedures and policies between updates of Local Assistance manual, guidelines and programs. They are numbered according to calendar year and order in which released. This is the fourth LPP issued in 2006; hence, it is LPP 06-04.

PURPOSE

The purpose of this LPP is to update Chapter 3-Project Authorization of the *Local Assistance Procedures Manual* (LAPM). This chapter has been rewritten: 1) to simplify the request for federal authorization process, 2) to clarify project submittal requirements for federal authorization of each phase of work, 3) to discuss State budget, encumbrance and liquidation issues associated with receiving local assistance funds, 4) to incorporate submittal requirements for Intelligent Transportation System (ITS) projects, 5) to document the new process for transferring Federal Highway Administration (FHWA) apportioned federal funds to the jurisdiction of Federal Transit Administration (FTA), 6) to provide guidance on the topics of “tapered” and “flexible” match funds, 7) to ensure timely encumbrance & expenditure of funds, and 8) to meet the new requirements in 23 Code of Federal Regulations (CFR) 630.106 (a)(4). In addition, new and updated Exhibits related to the above topics have been incorporated in this chapter. Minor changes were made to Chapter 15 as a result of the revisions in Chapter 3.

BACKGROUND

The last revisions to Chapter 3-Project Authorization were published in 1998, 1999, and 2000. The purpose of this chapter is to provide local agencies with the basic information required to secure authorization and obligation of federal funds for each phase of a local federal-aid project.

The Requests for Authorization to Proceed with Preliminary Engineering, Right of Way, Utility Relocation and Construction (Exhibits 3-A, B, C, and D, respectively) have been revised to reflect CTC Allocation, ITS, and Liquidation of Funds information as appropriate.

The current Request for Authorization to Proceed Data Sheets are modeled after the input screens of the Federal Aid Data System (FADS). The new Request for Authorization to Proceed Data Sheet(s) (Exhibit 3-E) has been simplified to provide only the basic project information necessary to process the E-76 (electronic authorization to proceed) to FHWA. Caltrans staff will create the E-76 electronic file and refer to the FADS User Manual. In addition, a new Exhibit 3-G, "Federal Project Log Sheet" has been created to document the basic submittal requirements throughout the life of a local federal-aid project. A new Exhibit 3-H was included for requesting "Capital Subvention Reimbursement Allocation" for projects on State Highway System.

The Introduction in this chapter was revised to address the new "Project Approval and Oversight Letters of Agreement" between the FHWA and the California Department of Transportation (Caltrans). The FHWA has changed its oversight terminology from Exempt/Non-Exempt to State-Authorized/Full Oversight. In addition, a list of definitions and acronyms relating to the federal authorization process has been included in this Section.

A new Section 3.2 entitled "Prior to Federal Authorization" outlines various pre-authorization requirements including the inclusion of the project in the FTIP/FSTIP and the need for a Disadvantaged Business Enterprise (DBE) Race-Neutral Implementation Agreement (Exhibit 9-A) and a current Federal Fiscal Year (FFY) Local Agency DBE Annual Submittal Form (Exhibit 9-B).

Section 3.5 entitled "Obligation, Encumbrance & Liquidation of Funds" discusses the topics of State Budget Authority, Subvention Reimbursement Allocation, and liquidation deadlines for encumbered funds, which are required under California Government Code 16304.

23CFR 630.106 (a)(3) stipulates that "the State shall maintain a process to adjust project cost estimate." In order to meet this requirement, each time a local agency request authorization for federal funds, a finance letter shall be attached. The finance letter will reflect the updated cost estimate for all phase of the project that are obligated but not fully expended. Federal funds authorized will be adjusted to reflect the updated project cost.

Program Supplement Agreement (PSA) will be prepared upon receiving Field Review Form from the Local Agency. In order to ensure timely encumbrance of funds, the Local Agency shall submit the Field Review Form within four months from the date of PE authorization or along with the first request for authorization. Also, the local agency shall sign and return the PSA within 60 days from the date it was sent to them.

Federal Highway Administration (FHWA) has required the state to reduce the amount of inactive federal obligations. In order to accomplish this, once the funds are encumbered, Local Agency shall submit invoice to Caltrans at least once every six months; otherwise a written explanation will be required.

“Underfunded Projects,” Section 3.6 of the LAPM has been expanded to discuss federal reimbursement of progress and final invoices on underfunded projects.

Section 3.7, “Advance Construction,” now identifies the types of federal funds eligible for federal advance construction authorization procedures. In addition, a new Exhibit 3-I, “Request for Advance Construction Authorization” is included in the chapter.

Two new sections: Section 3.8 “Tapered Match,” and 3.9 “Flexible Match” have been added to discuss these alternatives to the traditional payment of the nonfederal share of project costs on each invoice submitted for reimbursement.

Section 3.10, “FTA Transfer,” addresses the new procedure for the direct transfer of FHWA apportioned federal funds and obligation authority to the FTA. In addition, the various FTA Grant Programs and types of federal funds eligible for transfer to the FTA are discussed.

Section 3.11, “MPO/RTPA Programmed Fund Balances,” was added to discuss the tracking of regionally programmed federal fund balances.

USER-FRIENDLY FEATURES

- These new procedures are incorporated in the electronic version of the LAPM that are available at the Division of Local Assistance Home page on the Internet at: <http://www.dot.ca.gov/hq/LocalPrograms/>. Once there, click on “Publications” and then click on File/Link: [lapm.htm](#). for “*Local Assistance Procedures Manual*.”
- You may also purchase Publications for Local Assistance CD, which acts as a one-stop shop for information and promotes flexible access to helpful information for local project delivery at: <http://www.dot.ca.gov/hq/LocalPrograms/lam/LApubsCD.htm>
- This LPP releases an entire new Chapter 3. It supersedes the previous version of Chapter 3 of the LAPM.

- Additional user-friendly features were developed to make the manual easier to edit and to access on the DLA web site. The added features will allow the user to navigate more quickly through the manual. Chapter formatting has been changed to enhance user-friendliness and reduce overall document size. Internal bookmarks allow for direct access to chapters and subheadings from the table of contents. Right justification has been eliminated, resulting in tighter text, more compact paragraphs and an overall reduced chapter size. **Sidebars indicate the revisions or changes made on the affected pages** to Chapter 15.
- To receive an electronic notification when new information is posted on the DLA web site, please subscribe to the DLA list server at:
<http://www.dot.ca.gov/hq/LocalPrograms/sub.htm>
- Comments and suggestions for improvement to the manual or the processes and procedures are welcome. They may be submitted to:

Department of Transportation
Division of Local Assistance, MS 1
Attention: **Cathy Felkins**
P.O. Box 942874
Sacramento, CA 94274-0001
FAX (916) 654-2409
Cathy_Felkins@dot.ca.gov

SUMMARY OF CHANGES

Item	Change
Table of Contents	The Table of Contents has been updated to reflect the changes.
Flow Chart 3-2	The “ <i>CTC Allocation Vote Flow Chart</i> ” was deleted.
Section 3.1 (Introduction) pages 3-1 thru 7	An “ <i>Introduction</i> ” section replaced the former Section 3.1 “ <i>Project Authorization</i> ”. The new section discusses the new “Project Approval and Oversight Letters of Agreement” between the Federal Highway Administration and (FHWA) and the California Department of Transportation (Caltrans), and the change in FHWA oversight terminology from “ <i>Exempt/Nonexempt</i> ” to “ <i>State-Authorized/ Full-Oversight</i> ”. Other topics in the former Section 3.1 were expanded, rewritten and moved to Sections 3.2, 3.3, and 3.4, 3.7, and 3.11. Subsections on “ <i>Acronyms</i> ” and “ <i>Terms and Definitions</i> ” were added.

LPP 06-04
Project Authorization
Page 5

<p>Section 3.2 (Prior to Federal Authorization) pages 3-7, 8</p>	<p>The “<i>Underfunding Policy</i>” section was revised and moved to Section 3.6. The new Section 3.2 is titled “<i>Prior to Federal Authorization</i>” and identifies the various pre-authorization federal requirements such as: inclusion in the current FTIP/FSTIP, local agency DBE Race-Neutral Implementation Agreement (Exhibit 9-A), and a Local Agency DBE Annual Submittal Form (Exhibit 9-B) for the current FFY.</p>
<p>Section 3.3 (Request for Authorization) pages 3-8 thru 10</p>	<p>Former Section 3.3 “<i>FTA Transfer Process</i>,” was expanded and moved to Section 3.10. The new Section 3.3 titled “<i>Request for Authorization</i>,” discusses the scope(s) of work eligible for federal authorization under the preliminary engineering, right of way, and construction and construction engineering phases of work.</p>
<p>Section 3.4 (Administrative Procedures) pages 3-11,12</p>	<p>The section “<i>California Transportation Commission-Allocation Vote</i>” was deleted since the CTC allocation process for both State Transportation Improvement Program (STIP) and Transportation Enhancement Activity (TEA) funded projects are covered in Chapter 23, “<i>Local Agency STIP Projects</i>” of the <i>Local Assistance Program Guidelines</i> (LAPG). The new Section 3.4 addresses the “<i>Administrative Procedures</i>” for requesting federal Authorization to Proceed. The electronic Caltrans Federal Aid Data System (FADS) and the Fiscal Management Information System (FMIS) and steps for requesting federal project authorization and obligation of funds are discussed.</p>
<p>Section 3.5 (Obligation, Encumbrance & Liquidation of Funds) pages 3-12,13</p>	<p>The “<i>References</i>” section has been moved to Section 3.12. The new Section 3.5 “<i>Obligation, Encumbrance & Liquidation of Funds</i>,” covers the topics of State Budget Authority, Subvention Reimbursement Allocation, Department of Finance’s liquidation deadlines for encumbered funds, project cost estimate updates, PSA preparation, and invoice submittal.</p>
<p>Section 3.6 (Underfunded Projects) pages 3-13,14</p>	<p>The new Section 3.6, “<i>Underfunded Projects</i>” has been expanded to discuss federal reimbursement of progress and final invoices on underfunded local federal-aid projects.</p>
<p>Section 3.7 (Local Advance Construction Procedures) pages 3-14,15</p>	<p>This Section has been expanded to identify the types of federal funds eligible for advance construction authorization procedures. A new Exhibit 3-I, “<i>Request for Advance Construction Authorization</i>” has been added.</p>
<p>Section 3.8 (Tapered Match) page 3-15</p>	<p>This Section addresses the provisions to enable a project sponsor to vary the cost of the nonfederal match share of local federal-aid projects overtime.</p>
<p>Section 3.9 (Flexible Match) page 3-16</p>	<p>The “<i>Flexible Match</i>” section discusses the federal provisions that permit a wide variety of public and private contributions to be counted toward the nonfederal match share of local federal-aid projects.</p>

LPP 06-04
Project Authorization
Page 6

Section 3.10 (FTA Transfer) pages 3-16 thru 19	This Section addresses the new procedure for the direct transfer of FHWA apportioned federal funds and obligation authority to the jurisdiction of the Federal Transit Administration (FTA). In addition, the various FTA Grant Programs and types of federal funds eligible for transfer to the FTA are addressed.
Section 3.11 (MPO/RTPA Programmed Fund Balances) pages 3-19	Section 3.11, " <i>MPO/RTPA Programmed Fund Balances</i> " was added to discuss the tracking of regionally programmed federal fund balances.
Section 3.12 (References) pages 3-20	The " <i>References Section</i> " was revised to include several more references.
Exhibits 3-A, B, C, and D, pages 3-21 thru 32	The request for authorization to proceed with preliminary engineering, right of way, utility relocation and construction have been updated to reflect a CTC Allocation information section and a notification related to project agreement liquidation of funds.
Exhibit 3-D, page 3-29 thru 32	" <i>Request for Authorization to Proceed With Construction</i> " replaced the previous Exhibit 3-D " <i>Federal Transit Administration Transfer</i> ".
Exhibit 3-E, pages 3-33,34	Exhibit 3-E, " <i>Request for Authorization to Proceed Data Sheet(s)</i> " replaces former Exhibit 3-G. The data sheets have been simplified to streamline the local agency's request for federal authorization.
Exhibit 3-F, pages 3-35 thru 39	Exhibit 3-F, " <i>Instructions for Request for Authorization Data Sheets</i> " provides instructions for completing the new data sheets cited above.
Exhibit 3-G, page 3-41	Exhibit 3-G, " <i>Federal Project Log Sheet</i> " is a new exhibit that summarizes the typical submittal requirements throughout the life of a local federal-aid project.
Exhibit 3-H, pages 3-43,44	Exhibit 3-H, " <i>Request for Capital Subvention Reimbursement Allocation</i> " is a new exhibit, which must be completed, submitted, and approved for projects on the State Highway System funded with local federal-aid funds.
Exhibit 3-I, page 3-45	Exhibit 3- I, " <i>Request for Advance Construction Authorization</i> " is a new exhibit which must be submitted by the local agency when requesting advance construction authorization to proceed.
Exhibit 3-J, pages 3-47,48	Exhibit 3-J, " <i>Request for Transfer of Federal Funds to the Federal Transit Administration (FTA)</i> " is a new exhibit which identifies the data and documentation that must be submitted when requesting the transfer of FHWA apportioned funds to the jurisdiction of the FTA.
Exhibit 3-K, pages 3-49,50	Exhibit 3-K, " <i>Administrative Procedures for Transfer of Local Federal-Aid Funds to Federal Transit Administration</i> " outlines the step-by-step procedures for the transfer of local federal-aid funds to the Section 5307, 5311 and 5310 FTA Grant Programs.

LPP 06-04
Project Authorization
Page 7

Exhibit 3-L, pages 3-51-52	Exhibit 3-L, “ <i>Local Assistance Project Prefixes</i> ” identifies the standard project prefix nomenclature for establishing the project prefixes on projects funded with local assistance funds administered by the Division of Local Assistance.
Exhibit 3-M, pages 3-53, 54	Exhibit 3-M, “ <i>Federal Highway Transportation Programs</i> ” identifies the standard project prefixes, Program (Apportionment) Code, and federal reimbursement rates for some of the standard federal programs.
Exhibit 3- N, page 3-55	Exhibit 3-N, “ <i>Federal Highway Discretionary Programs</i> ” identifies many of the various FHWA Discretionary Programs. Included are the typical project prefixes, program (apportionment) codes, and federal reimbursement rates.
Exhibit 3-O, page 3-57	Exhibit 3-O, “ <i>Sample Local Federal-Aid Project Finance Letter,</i> ” the project finance letter has been modified to include required information for projects on the State Highway System and the federal reimbursement rates by fund type and phase of work (helps Local Programs Accounting on underfunded projects). The local agency also certifies that the finance letter accurately reflects the current cost estimate for all open phases of the project.
Exhibit 3-P, page 3-59	Exhibit 3-P, “ <i>Sample State-Authorized Project Authorization</i> ” replaces old Exhibit 3-J, “ <i>Example-Exempt Project Authorization to Proceed.</i> ”
Chapter 15 Section 15.7 (Award Package) page 15-15	Deleted the last sentence in the second paragraph for this was a repetition of what was already mentioned in the third paragraph. Under the third paragraph the “ <i>....work type code</i> ” was changed with “ <i>...Improvement type code.</i> ”
Exhibit 15-M pages 15-43 thru 46	Under the “ <i>Detail Estimate</i> ” exhibit all references to “ <i>Work Type Code</i> ” were changed to “ <i>Improvement Type Code.</i> ” In the <i>Detail Estimate Instruction</i> , item no. 9 all listed type codes were replaced with new type codes.
Exhibit 15-N page 15-47	Exhibit 15-N, “ <i>Sample Local Federal-Aid Project Finance Letter,</i> ” the project finance letter has been modified to include required information for projects on the State Highway System and the federal reimbursement rates by fund type and phase of work (helps Local Programs Accounting on underfunded projects). The local agency also certifies that the finance letter accurately reflects the current cost estimate for all open phases of the project.

AUTHORITIES AND REFERENCES

- *State Administrative Manual*
- *Local Assistance Procedures Manual (LAPM)*
- *Local Assistance Program Guidelines (LAPG)*
- Transportation Equity Act of the 21st Century (TEA-21)
- Federal Office of Management and Budget (OMB) Circular A-133
- Federal Office of Management and Budget (OMB) Circular A-87
- Title 49, Code of Federal Regulations (CFR), Section 18.42
- GAO Government Auditing Standards

CHAPTER 3 PROJECT AUTHORIZATION**CONTENTS**

Section/Subject	Page Number
3.1 INTRODUCTION	3-3
GENERAL	3-3
ACRONYMS	3-3
TERMS AND DEFINITIONS	3-5
3.2 PRIOR TO FEDERAL AUTHORIZATION.....	3-7
3.3 REQUEST FOR AUTHORIZATION.....	3-8
PRELIMINARY ENGINEERING	3-8
INTELLIGENT TRANSPORTATION SYSTEMS.....	3-9
RIGHT OF WAY	3-9
RIGHT OF WAY UTILITY RELOCATIONS.....	3-9
CONSTRUCTION AND CONSTRUCTION ENGINEERING	3-10
3.4 ADMINISTRATIVE PROCEDURES.....	3-11
BUDGET AUTHORITY FOR PROJECTS ON THE STATE HIGHWAY SYSTEM (SHS).....	3-11
3.5 OBLIGATION, ENCUMBRANCE & LIQUIDATION OF FUNDS	3-12
FINANCE LETTER	3-12
3.6 UNDERFUNDED PROJECTS	3-13
ADMINISTRATIVE RULES	3-14
FEDERAL REIMBURSEMENT OF UNDERFUNDED PROJECTS	3-14
3.7 LOCAL ADVANCE CONSTRUCTION PROCEDURES	3-14
3.8 TAPERED MATCH.....	3-15
3.9 FLEXIBLE MATCH.....	3-16
3.10 FTA TRANSFER.....	3-16
HIGHWAY FUNDS ELIGIBLE FOR TRANSFER.....	3-17
FTA GRANT PROGRAMS	3-18
FTA TRANSFER PROCEDURES	3-19
3.11 MPO/RTPA PROGRAMMED FUND BALANCES.....	3-19
3.12 REFERENCES.....	3-20

FLOW CHARTS

Section/Subject	Page Number
FLOW CHART 3-1 FINANCIAL MANAGEMENT PROJECT AUTHORIZATION/OBLIGATION.....	3-1

EXHIBITS

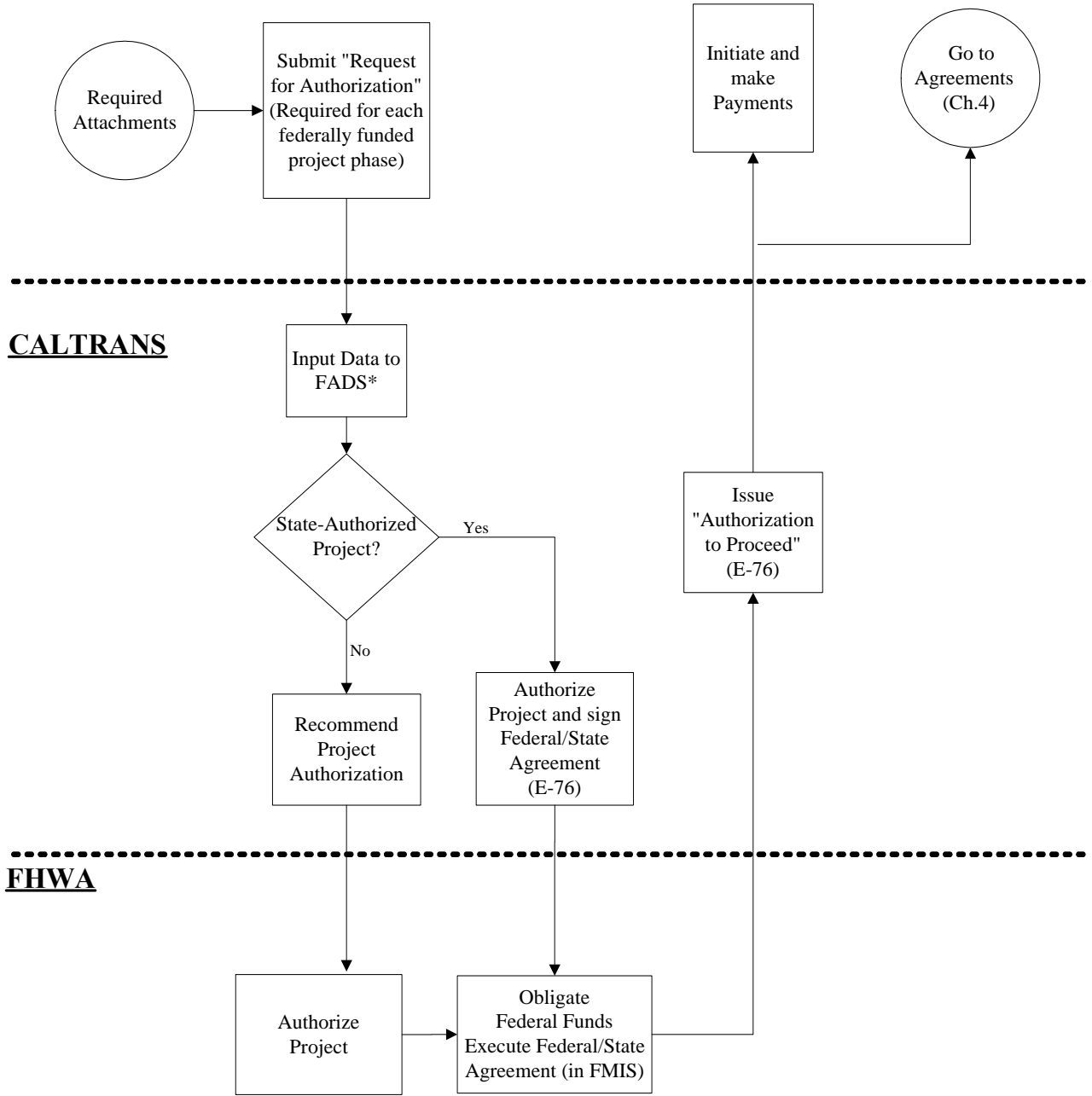
Section/Subject	Page Number
EXHIBIT 3-A REQUEST FOR AUTHORIZATION TO PROCEED WITH PRELIMINARY ENGINEERING	3-21
EXHIBIT 3-B REQUEST FOR AUTHORIZATION TO PROCEED WITH RIGHT OF WAY.....	3-23
EXHIBIT 3-C REQUEST FOR AUTHORIZATION TO PROCEED WITH UTILITY RELOCATION.....	3-25
EXHIBIT 3-D REQUEST FOR AUTHORIZATION TO PROCEED WITH CONSTRUCTION	3-29
EXHIBIT 3-E - REQUEST FOR AUTHORIZATION TO PROCEED DATA SHEET(S).....	3-33
EXHIBIT 3-F INSTRUCTIONS FOR REQUEST FOR AUTHORIZATION DATA SHEET(S).....	3-35
EXHIBIT 3-G FEDERAL PROJECT LOG SHEET (MINIMUM REQUIREMENTS).....	3-41
EXHIBIT 3-H REQUEST FOR CAPITAL SUBVENTION REIMBURSEMENT ALLOCATION	3-43
EXHIBIT 3-I REQUEST FOR LOCAL ADVANCE CONSTRUCTION AUTHORIZATION	3-45
EXHIBIT 3-J REQUEST FOR TRANSFER OF FEDERAL FUNDS TO THE FEDERAL TRANSIT ADMINISTRATION (FTA).....	3-47
EXHIBIT 3-K ADMINISTRATIVE PROCEDURES FOR TRANSFER OF LOCAL FEDERAL-AID FUNDS.....	3-49
EXHIBIT 3-L LOCAL ASSISTANCE PROJECT PREFIXES	3-51
EXHIBIT 3-M FEDERAL HIGHWAY TRANSPORTATION PROGRAMS	3-53
EXHIBIT 3-N FEDERAL HIGHWAY DISCRETIONARY PROGRAMS.....	3-55
EXHIBIT 3-O SAMPLE LOCAL FEDERAL-AID PROJECT FINANCE LETTER.....	3-57
EXHIBIT 3-P SAMPLE "STATE-AUTHORIZED PROJECT AUTHORIZATION"	3-59

Flow Chart 3-1 Financial Management
Project Authorization/Obligation

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

**LOCAL
AGENCY**

Federal authorization must precede any project phase for which federal reimbursement will be requested



*FADS: Federal Aid Data System

This page intentionally left blank

CHAPTER 3 PROJECT AUTHORIZATION

3.1 INTRODUCTION

GENERAL

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

On December 26, 2002, the FHWA and California Department of Transportation (Caltrans) entered into the current "Project Approval and Oversight Letter of 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 the categories of projects subject to "Full Oversight" by the FHWA, as well as those categories that may be "State-Authorized." On "Full Oversight" projects, Caltrans recommends federal authorization and the FHWA formally authorizes the work. For "State-Authorized" projects, the FHWA has delegated project oversight and approval responsibilities to Caltrans, which includes the authority to federally authorize the project. The determination as to whether a project is subject to "Full Oversight" by the FHWA, or may be "State-Authorized" is based primarily on the following: 1) type of federal-aid route involved, 2) type of work, and 3) project costs (see Chapter 2, Figure 2-1, "FHWA Oversight" of the *Local Assistance Procedures Manual* [LAPM]). The federal authorization and oversight of complex, and/or high-cost projects are handled on a project-by-project basis, as agreed to by the FHWA, Caltrans, and the project sponsor.

* *Preliminary Engineering (PE) for Emergency Opening (EO) and related incidental Permanent Restoration (PR) as part of EO for "declared emergencies" approved by FHWA for Emergency Relief funding may be initiated without prior federal authorization (see Chapter 11, "Disaster" of the Local Assistance Program Guidelines [LAPG].)*

ACRONYMS

AC - Advance Construction

CE - Construction Engineering

CMAQ - Congestion Mitigation and Air Quality Improvement Program

CON - Construction

CFR - Code of Federal Regulations

CTC - California Transportation Commission

CTIPS - California Transportation Improvement Program System

DLA - Caltrans Division of Local Assistance

DLAE - Caltrans District Local Assistance Engineer

DMT - Caltrans Division of Mass Transportation
DTR - Caltrans District Transit Representative
DBE - Disadvantaged Business Enterprise
EA - Expenditure Authorization Number (for accounting purposes)
ER - Emergency Relief
E-76 - Electronic Authorization to Proceed
FADS - Federal-Aid Data System (State Database)
FHWA - Federal Highway Administration
FMIS - Fiscal Management Information System (Federal Database)
FPN - Federal Project Number
FSTIP - Federal Statewide Transportation Improvement Program
FTA - Federal Transit Administration
FTIP - Federal Transportation Improvement Program
FY - Fiscal Year (State)
FFY - Federal Fiscal Year
HBP - Highway Bridge Program (previously **HBRRP**)
HES - Hazard Elimination and Safety Program
IIP - Interregional Improvement Program portion of STIP
ISTEA - Intermodal Surface Transportation and Efficiency Act of 1991
ITS - Intelligent Transportation Systems
LPA - Local Programs Accounting Branch
LAPG - Local Assistance Program Guidelines
LAPM - Local Assistance Procedures Manual
LSSRP - Local Seismic Safety Retrofit Program
MPO - Metropolitan Planning Organization
NEPA - National Environmental Policy Act
NBI - National Bridge Inventory
NBIS - National Bridge Inspection Standards
OA - Obligation Authority
OFR - Caltrans Office of Federal Resources
PA/ED - Project Approval/Environmental Document
PE - Preliminary Engineering
PSA - Program Supplement Agreement

PPNO - Project Planning Number

PS&E - Plans, Specifications and Estimate

RIP - Regional Improvement Program (Portion of STIP)

RSTP - Regional Surface Transportation Program

RTPA - Regional Transportation Planning Agency

R/W - Right of Way

SAFETEA-LU - Safe, Accountable, Flexible, Efficient, Transportation Equity Act – A Legacy for Users

SEMP - Systems Engineering Management Plan

SERF - Systems Engineering Review Form

SR2S - Safe Routes to School Program

STD - State Transportation Department

STIP - State Transportation Improvement Program

STP - Surface Transportation Program

TE - Transportation Enhancements Program

TEA-21 - Transportation Equity Act for the 21st Century

USC - United States Code

TERMS AND DEFINITIONS

Allocation - An administrative distribution of funds.

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

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

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

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

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

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

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

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

Full Oversight Projects - Categories of projects subject to Full Oversight (review and approval) by the FHWA. Includes projects on the Interstate that are new or reconstruction (not 3R) greater than \$1 million as well as complex and high cost projects.

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

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

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

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

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

NEPA - The National Environmental Policy Act of 1969, as amended and its implementing regulations, 23 CFR 771.117. The process helps determine the appropriate class of action (EIS, EA, or CE) based on the potential for “significant” impact as defined in 40 CFR 1508.27.

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 environmental clearance) undertaken through the completion of PS&E. It may include preliminary Right of Way engineering and investigations necessary to complete the environmental document.

State-Authorized Project - A classification of federal-aid projects, which are not subject to FHWA review and approval as required by Title 23 Code of Federal Regulations. For State-Authorized federal-aid projects the FHWA and Caltrans may exercise the maximum delegation of authority to local agencies (see Chapter 2, Section 2.4, “Stewardship - Letters of Agreement” and Figure 2-1, “FHWA Oversight”).

3.2 PRIOR TO FEDERAL AUTHORIZATION

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

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

- Highway Bridge Program (HBP previously HBRRP)
- Local Seismic Safety Retrofit Program (LSSRP)
- Hazard Elimination and Safety (HES) Program
- Safe Routes to School (SR2S) Program
- Railroad Grade Crossing Program

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

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

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

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

If federally funded work is to be performed by a consultant or contractor, the local agency must have a Caltrans approved Disadvantaged Business Enterprise Race-Neutral Implementation Agreement (Exhibit 9-A) and the approved Local DBE Annual Submittal Form (Exhibit 9-B). The Local Agency DBE Annual Submittal Form is due to the DLAE by June 1 of each year for the following FFY. (See Chapter 9, "Civil Rights and Disadvantaged Business Enterprises," of the LAPM.)

3.3 REQUEST FOR AUTHORIZATION

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

If the Request for Authorization package is complete and all federal and state requirements have been satisfied, a minimum of three (3) weeks processing time should be allowed to receive federal Authorization to Proceed for "State-Authorized" projects. Another week or more may be required for "Full Oversight" projects that require FHWA authorization. Additional time may also be required near the beginning or end of the FFY.

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

PRELIMINARY ENGINEERING

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

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

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

INTELLIGENT TRANSPORTATION SYSTEMS

For Intelligent Transportation Systems (ITS) projects, PE includes Systems Engineering, equipment, software development, and use of a Systems Manager or Systems Integrator (see Section 12.6, “Intelligent Transportation Systems Program,” of the LAPG for details on Systems Engineering and use of a Systems Manager or Systems Integrator).

The Systems Engineering analysis of major ITS projects, as defined in Section 12.6 of the LAPG, must be approved by the FHWA prior to advancing to detailed component design. Therefore, major ITS projects require two separate PE phase authorizations. The Systems Engineering Review Form (SERF) of major ITS projects must be approved by FHWA prior to, or shortly after (if prepared by a consultant) the first PE authorization. Development of the Systems Engineering Management Plan (SEMP) is contingent upon federal approval of the SERF. FHWA approval of the SEMP is required prior to the second PE authorization and proceeding to final detailed design.

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

RIGHT OF WAY

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

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

RIGHT OF WAY UTILITY RELOCATIONS

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

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

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

CONSTRUCTION AND CONSTRUCTION ENGINEERING

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

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

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

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

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

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

Some ITS projects may be fully deployed without ever advancing to construction. There are other ITS projects with nonconstruction activities, which might be handled as consultant, low-bid, or service contracts (see the PE and/or procurement discussion of Section 12.6, “Intelligent Transportation Systems” of the LAPG).

3.4 ADMINISTRATIVE PROCEDURES

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

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

Upon the federal obligation of funds, the Caltrans DLAE notifies the project sponsor and issues an “Authorization to Proceed” (see Exhibit 3-P Sample “State-Authorized Project Authorization,” a federal project summary and documents the federal authorization and obligation dates). **Costs incurred for PE and R/W phases prior to federal authorization are not eligible for reimbursement. Projects advertised prior to federal authorization are not eligible for federal reimbursement.**

For changes in scope of work, cost increase, cost reduction of \$250,00 or more, and subsequent phases of work, the local agency must submit a modified “Request for Authorization to Proceed” package. The District, DLA and FHWA will process this E-76 request in the same manner as above.

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

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

For projects located on the SHS financed with local assistance funds, a federal and/or state Capital Subvention Reimbursement Allocation must be secured prior to Caltrans encumbering the local assistance funds for the project. The DLAE must submit a completed and signed “Request for Capital Subvention Reimbursement Allocation Form” (Exhibit 3-H in this chapter) for projects located on the SHS. For projects administered by Caltrans, the DLAE must ensure that the Caltrans Project Manager completes and signs Exhibit 3-H. For projects administered by a local agency, the DLAE will complete and sign Exhibit 3-H. The Request for Capital Subvention Allocation must be attached to each Request for Authorization package.

The office of Project Delivery and Funding in the DLA will concur with the request and forward it to the Capital Budgets Branch in the Division of Budgets. Upon approval of the request, the Division of Budgets will notify LPA, the Highway Appropriations and Management Section in Accounting, District Resource Management, the Subvention

Management Branch in the DLA, and the DLAE. For projects partially on the SHS, consult with the DLAE.

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

3.5 OBLIGATION, ENCUMBRANCE & LIQUIDATION OF FUNDS

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

FINANCE LETTER

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

- Project reference data such as responsible and administering agency (ies), project number, EA, PPNO, whether or not the project is on the State Highway, etc.
- Federally funded phases of work, to date.
- Total project costs and cost eligible for federal participation by phase of work, to date.
- Federal, state, local and other fund sources (by fund type and amount) funding each phase of work, to date.
- Federal reimbursement rates for progress invoice purposes (by phase of work and fund types).
- Local agency certification and signature.
- Project specific remarks.

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

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

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

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

3.6 UNDERFUNDED PROJECTS

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

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

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

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

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

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

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

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

ADMINISTRATIVE RULES

Current FHWA administrative rules require that federal funds represent a substantial share of the eligible project costs. For projects subject to Full Oversight, the FHWA will not authorize projects with a federal share below fifty percent (50%) of the total eligible costs. Exceptions to the above limitations are permitted for the following types of projects:

- Advance Construction authorizations
- Bond Funded projects
- The preliminary location studies portion of the preliminary engineering and right of way phases of work

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

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

FEDERAL REIMBURSEMENT OF UNDERFUNDED PROJECTS

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

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

3.7 LOCAL ADVANCE CONSTRUCTION PROCEDURES

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

Under local advance construction procedure, following federal authorization to proceed, the local agency will use its own funds to perform work eligible for future federal reimbursement. The local agency must have sufficient local funds to pay for all project costs until such time as federal funds become available. The local agency must consider the risk that the federal funds may never become available.

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

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

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

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

3.8 TAPERED MATCH

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

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

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

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

The FHWA may approve cases where tapered match would:

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

3.9 FLEXIBLE MATCH

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

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

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

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

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

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

3.10 FTA TRANSFER

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

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

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

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

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

HIGHWAY FUNDS ELIGIBLE FOR TRANSFER

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

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

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

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

FTA GRANT PROGRAMS

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

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

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

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

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

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

Section 5310 – Elderly and Persons with Disabilities Program

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

FTA TRANSFER PROCEDURES

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

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

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

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

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

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

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

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

3.11 MPO/RTPA PROGRAMMED FUND BALANCES

Under state law, certain federal funds are apportioned to the RTPA/MPO regions by formula. These funds include RSTP and CMAQ funds. These funds are programmed to local agencies for specific projects through the FTIP/FSTIP processes. Both Caltrans and the FHWA monitor the obligation and balance of federal funds. Caltrans maintains reports showing the obligation of funds summarized at the District, MPO and county levels. These reports show fund balances and list the individual city and county projects. Please refer to the Local Assistance Homepage for balances located at:

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

3.12 REFERENCES

- Financing Federal-Aid Highways, Federal Publication No. FHWA-PL-99-015 dated August 1999.
- 23 CFR 635.301 et. seq. at: <http://www.fhwa.dot.gov/legsregs/legislat.html>
- 23 CFR 630.106
- 23 CFR 645
- Federal-Aid Data System Instructions 06/06/02
- Project Approval and Oversight Letter of Agreement (Stewardship Agreement) dated 12/26/2002
- USC 134(k)
- 49 USC, Section 5301, et. seq. (Federal Transit Laws)
- A Guide to Federal-Aid, Programs, Projects and Other Uses of Highway Funds, Federal Publication No. FHWA-IF-99-006, dated May 1999
- *Local Assistance Program Guidelines* (LAPG) at:
<http://www.dot.ca.gov/hq/LocalPrograms/public.htm>
- Federal Uniform Relocation Assistance and Real Property Acquisition Act

**EXHIBIT 3-A REQUEST FOR AUTHORIZATION
TO PROCEED WITH PRELIMINARY ENGINEERING**
(Local Agency Letterhead)

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

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

Dear (DLAE Name):

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

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

Request for Authorization Package

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

Field Review Form (Exhibit 7-B)

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

Environmental Document Approved Environmental Document

- Type of NEPA Document. Approval Date: _____.
- Programmatic Categorical Exclusion/Categorical Exclusion (PCE/CE) Forms
- Findings of No Significant Impact (FONSI)
- Record of Decision (ROD)
- Re-evaluation
- 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)

- The Annual Anticipated DBE Participation Level (AADPL) for FFY _____ was approved by Caltrans on _____.
- All work for this phase of the project will be performed by local agency staff. Contract DBE Goals are not required (i.e., No Consultant Contracts).
- For consultant contracts the DBE Availability Advisory Percentage will be established for each contract and the Local Agency Proposer/Bidder-DBE (Consultant Contract) Information (Exhibit 10-O) will be provided immediately upon execution of the consultant contract.

Pre-Award Audit

- Completed Audit Disposition (Exhibit 10-K), or
- Audit Disposition was not completed because neither federal-aid nor state funds will be used to fund a consultant contract, or

- Pre-award audit was not performed because the consultant contract is for \$250,000 or less and does not meet the criteria outlined in Exhibit 10-K, requiring pre-award audit, or
- Audit Disposition is not being submitted at this time. It will be submitted to the DLAE prior to entering a contract with the consultant(s).

California Transportation Commission (CTC) Allocation

- A CTC allocation is not required, or
- A CTC allocation of \$ _____ (federal/state) funds for the PA/ED and/or PS&E component(s) of work was made at the _____ meeting of the CTC, or
- A CTC allocation of funds has been scheduled for the _____ meeting of the CTC. It is understood that the authorization/obligation of any federal STIP funds will not be made until after the CTC allocation.

Project Agreement and Liquidation of Funds

Upon FHWA issuance of the "Authorization to Proceed" and Agency submittal of the "Field Review" form (Exhibit 7-B) a "Program Supplement Agreement" will be prepared to encumber the federal and/or state funds for the project. This Agency understands that any federal and/or state funds encumbered for the project are typically available for disbursement for a period of seven (7) and five (5) years respectively, from the beginning of the fiscal year(s) that those funds are appropriated in the State Budget Act, unless an extension is granted by the Department of Finance. It is anticipated that this phase of work will be completed by _____ (month, year).

Invoice Submittal

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

CERTIFICATION

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

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

For all ITS projects, I understand that our project shall be consistent with the Regional ITS Architecture, adhere to ITS Standards, and undergo Systems Engineering analysis. For Major ITS projects, I understand that this Agency shall not proceed with component detailed design until after FHWA approval of the SEMP and receipt of "Authorization to Proceed."

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

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

Name

Title

Agency

Distribution: DLAE

**EXHIBIT 3-B REQUEST FOR AUTHORIZATION
TO PROCEED WITH RIGHT OF WAY**
(Local Agency Letterhead)

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

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

Dear (DLAE Name):

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

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

Request for Authorization Package

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

Field Review Form (Exhibit 7-B)

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

Environmental Document

- Type of NEPA Document. Approval Date: _____.
- Programmatic Categorical Exclusion/Categorical Exclusion (PCE/CE) Forms
- Finding of No Significant Impact (FONSI)
- Record of Decision (ROD))
- Re-evaluation

Disadvantaged Business Enterprise (DBE)

- The Annual Anticipated DBE Participation Level (AADPL) for FFY _____ was approved by Caltrans on _____.
- All work for this phase of the project will be performed by local agency staff. Contract DBE Goals are not required (i.e., No Consultant Contracts).
- For consultant contracts the DBE Availability Advisory Percentage will be established for each contract and the Local Agency Proposer/Bidder-DBE (Consultant Contract) Information (Exhibit 10-O) will be provided immediately upon execution of the consultant contract.

California Transportation Commission (CTC) Allocation

Check which of the following applies:

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

Project Agreement and Liquidation of Funds

Upon FHWA issuance of the "Authorization to Proceed" (and agency submittal of the "Field Review" form [Exhibit 7-B] if not previously submitted), a "Program Supplement Agreement" and/or state approved "Finance Letter" will be prepared to encumber the federal and/or state funds for the project. This Agency understands that any federal and/or state funds encumbered for the project are typically available for disbursement for a period of seven (7) and five (5) years respectively, from the beginning of the fiscal year(s) that those funds are appropriated in the State Budget Act, unless, an extension is granted by the Department of Finance. It is anticipated that this phase of work will be completed by _____ (month, year).

Invoice Submittal

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

CERTIFICATION

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

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

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

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

Name

Title

Agency

Distribution: DLAE

EXHIBIT 3-C REQUEST FOR AUTHORIZATION TO PROCEED WITH UTILITY RELOCATION (Local Agency Letterhead)

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

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

Dear (DLAE Name):

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

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

Request for Authorization Package

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

Field Review Form (Exhibit 7-B)

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

Environmental Document

- Type of NEPA Document. Approval Date:
Programmatic Categorical Exclusion/Categorical Exclusion (PCE/CE) Form
Finding of No. Significant Impact (FONSI)
Record of Decision (ROD)
Re-evaluation

Disadvantaged Business Enterprise (DBE)

- The Annual Anticipated DBE Participation Level (AADPL) for FFY was approved by Caltrans on
All work for this phase of the project will be performed by local agency staff. Contract DBE Goals are not required (i.e., No Consultant Contracts).
For consultant contracts the DBE Availability Advisory Percentage will be established for each contract and the Local Agency Proposer/Bidder-DBE (Consultant Contract) Information (Exhibit 10-O) will be provided immediately upon execution of the consultant contract.

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 Facilities,” of this manual). This alternate procedure is provided to simplify the processing of utility relocations or adjustments under the provisions of 23 CFR 645. Under this procedure, the FHWA authorized the Department of Transportation (Caltrans) to act in relative position of the FHWA for review and approval of the arrangements, fees, estimates, plans, utility agreements, and other related matters required by such regulation as prerequisites for authorizing the utility owner to proceed with and complete the work.

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

California Transportation Commission (CTC) Allocation

Check which of the following applies:

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

Project Agreement and Liquidation of Funds

Upon FHWA issuance of the “Authorization to Proceed” (and agency submittal of the “Field Review” form [Exhibit7-B]), if not previously submitted), a “Program Supplement Agreement” and/or state approved “Finance Letter” will be prepared to encumber the federal and/or state funds for the project. his Agency understands that any federal and/or state funds encumbered for the project are typically available for disbursement for a period of seven (7) and five (5) years respectively, from the beginning of the fiscal year(s) that those funds are appropriated in the State Budget Act, unless an extension is granted by the Department of Finance. It is anticipated that this phase of work will be completed by _____ (month, year).

Invoice Submittal

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

CERTIFICATION

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

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

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

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

Name

Title

Agency

Distribution: DLAE

This page intentionally left blank

EXHIBIT 3-D REQUEST FOR AUTHORIZATION TO PROCEED WITH CONSTRUCTION

(Local Agency Letterhead)

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

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

Dear (DLAE Name):

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

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

Request for Authorization Package

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

Field Review Form (Exhibit 7-B)

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

Environmental Document

- Type of NEPA Document. Approval Date: _____.
- Programmatic Categorical Exclusion/Categorical Exclusion (PCE/CE) Forms
- Finding of No Significant Impact (FONSI)
- Record of Decision (ROD)
- Re-evaluation

Disadvantaged Business Enterprises

- The Annual Anticipated DBE Participation Level (AADPL) for FFY _____ was approved by Caltrans on _____.
- All work for this phase of the project will be performed by local agency staff. Contract DBE Goals are not required (i.e., No Consultant Contracts).
- For consultant contracts the DBE Availability Advisory Percentage will be established for each contract and the Local Agency Proposer/Bidder-DBE (Consultant Contract) Information (Exhibit 10-O) will be provided immediately upon Execution of the consultant contract.

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

- Right of Way Certification #___ which was approved on _____.
- Right of Way Certification # ___ was approved on _____ and previously submitted.

PS&E Package and PS&E Certification

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

Local Agency Construction Contract Administration Checklist

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

California Transportation Commission (CTC) Allocation

Check which of the following applies:

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

Project Agreement and Liquidation of Funds

Upon FHWA issuance of the "Authorization to Proceed" (and agency submittal of the "Field Review" form [Exhibit 7-B], if not previously submitted), a "Program Supplement Agreement" and/or state approved "Finance Letter" will be prepared to encumber the federal and/or state funds for the project. This Agency understands that any federal and/or state funds encumbered for the project are typically available for disbursement for a period of seven (7) and five (5) years respectively, from the beginning of the fiscal year(s) that those funds are appropriated in the State Budget Act, unless an extension is granted by the Department of Finance. It is anticipated that this phase of work will be completed by (month, year)

Invoice Submittal

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

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

CERTIFICATION

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

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

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

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

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

NAME

Title

Agency

Distribution: DLAE

This page intentionally left blank

FTIP / FSTIP DATA

MPO/RTPA NAME: _____ FTIP / FSTIP YEAR: _____
 FED. FUNDED PHASES: _____ SHEET OR AMD. NO.: _____
 APPROVAL DATE: _____
 FED FUND TYPES/TOTALS: _____ APPRV'D EPSP (Y or N): _____)

DISADVANTAGED BUSINESS ENTERPRISE (DBE) SUBMITTALS:

Race-Neutral Implementation Agreement CT APPROVAL DATE: _____
 DBE Annual Submittal Form:
 FED FISCAL YEAR: _____ CT APPROVAL DATE: _____

INITIAL AUTHORIZATION & ESTIMATED COMPLETION DATES

<u>PHASE OF WORK</u>	<u>INITIAL FEDERAL AUTHORIZATION DATE</u>	<u>ESTIMATED COMPLETION DATE</u>
PE	_____	_____
RW	_____	_____
CON	_____	_____

ENVIRONMENTAL DATA

NEPA DOCUMENT TYPE:
 PCE _____ Date DLAE signed PCE Form
 CE _____ Date FHWA signed CE Form
 EA / FONSI _____ Date FHWA signed the FONSI
 EIS / ROD _____ Date FHWA signed the ROD
 EIS _____ (Year and FHWA No.)
 AIR BASIN _____ (For CMAQ Program Funds)

R/W ESTIMATE

R/W ACQ PARCELS: _____ \$ _____
 RAP (FAMILY): _____ \$ _____
 (BUSINESS): _____ \$ _____
 LRH/HRDSHP: _____ \$ _____
 UTILITIES: _____ \$ _____
 SUPPORT: _____ \$ _____
 TOTAL: _____ \$ _____

UTILITY RELOCATION / ADJUSTMENTS

<u>UTILITY OWNER</u>	<u>UTILITY TYPE</u>	<u>COST TO RELOCATE</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
TOTAL UTILITY RELOCATION COSTS		_____

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

<u># PARCELS</u>	<u>ACQUISITION TYPE AND/OR ACTIVITY</u>	<u># ACRES</u>	<u>EST. COST</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

R/W CERTIFICATION

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

LOCAL AGENCY COMMENTS

THIS REQUEST PREPARED BY:

NAME: _____
 TITLE: _____
 PHONE NO.: _____
 E-MAIL: _____

AGENCY CONTACT FOR PROGRAM SUPPLEMENT AGREEMENT

NAME: _____
 TITLE: _____
 E-MAIL: _____
 PHONE NO.: _____

Distribution: DLAE

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Urban Area Name: As defined in Section 101, Title 23 of the U.S.C., an urbanized area is an area having a population of 50,000 or more persons. An attributable urbanized area is an urban area having a population of 200,000 or more and eligible to receive Federal Urbanized Area funds. The following is a list of the currently recognized urbanized areas within the State:

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

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

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

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

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

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

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

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

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

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

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

FHWA Oversight: Indicate whether or not this project may be “State-Authorized” or is subject to FHWA “Full-Oversight” (see Figure 2-1 FHWA Oversight, Chapter 2 of the LAPM). Projects that may be “State Authorized” include: 1) all projects off the Interstate System, 2) all projects on Interstate System with an estimated construction cost less than \$1,000,000, and 3) all Interstate 3R projects regardless of cost. Per current “Project Approval and Oversight Letters of Agreement between the Federal Highway Administration and the California Department of Transportation” certain types of projects, regardless of location and cost, may not be exempt from FHWA oversight. These include: 1) Major ITS projects (a description of major ITS projects can be found in Title 23 Code of Federal Regulations (CFR) Section 940, 2) Major projects receiving federal funds of \$500 million or more, 3) Projects of National Significance under the Transportation Infrastructure Finance Innovation Act (TIFIA) of 1998, and 4) unusual bridges and structures. Oversight roles on these special categories of projects must be negotiated and agreed to by the FHWA, Caltrans, and project sponsor prior to submittal of the Request for Authorization to Proceed.

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

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

Cost Summary: Identify all project-related costs through the current request. The “TOTAL” cost of work is the sum of both the total federal participating and nonfederal participating project costs. The “federal participating” cost is equal to the cost of all work eligible for federal participation. Identify the “federal funding program and dollar amount” for each phase of work. Identify the funds previously obligated as well as these funds current request. The total federal funds obligated should not exceed the funds programmed in the federally approved FTIP/FSTIP (unless

prior approval is received from appropriate MPO/RTPA), Caltrans Administered Federal Program (such as Bridge, Safety) or allocated by the FHWA (discretionary/earmarked federal funds).

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

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

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

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

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

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

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

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

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

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

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

Approved Expedited Project Selection Procedures (EPSP): Indicate whether or no (Yes or No) Caltrans has approved the appropriate MPO/RTPA's EPSP.

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

Initial Federal Authorization Dates: Enter the initial federal authorization date for each phase of work as the project progresses through the project development process. This date represents the eligibility date for the start of federally reimbursable work. For State-Authorized projects, this is the initial date that Caltrans HQ transmits the project record (E-76) for phase of work to the FHWA (Sacramento). For Full oversight projects, federally reimbursable work may be begin on the date that the FHWA (Sacramento) approves/authorizes (via electronic signature) the E-76.

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

Environmental Data: Identify the federal NEPA Class of Action (PCE, CE, EA or EIS) for the project by inserting a check mark next to the appropriate class and indicate the date the NEPA Determination of document was signed. For PCEs, indicate the date DLAE signed the CE/CE/PCE form. For Regular CEs, indicate the date FHWA signed the CE/CE/PCE form. For EAs, indicate the date FHWA signed the FONSI, and for EISs, indicate the date FHWA signed the ROD.

For EISs, indicate the year of the public release of the EIS and the EIS Number (assigned by FHWA).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

This page intentionally left blank

This page intentionally left blank

EXHIBIT 3- H REQUEST FOR CAPITAL SUBVENTION REIMBURSEMENT ALLOCATION

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

To: Division Chief, Division of Budgets, Attention: Capital Budgets Branch
Date:
Dist/Co/Rte:
PM:
FTIP/FSTIP ID:
Fed. Project No.:
EA:
PPNO:

Re: REQUEST FOR CAPITAL SUBVENTION REIMBURSEMENT ALLOCATION

PROJECT DESCRIPTION:

(Scope of work and project limits)

AGREEMENT:

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

PROGRAM, CATEGORY OF EXPENDITURES & FISCAL YEAR:

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

REQUESTED BY:

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

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

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

Name: _____
Title: _____
Date: _____

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

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

EXHIBIT 3-I REQUEST FOR LOCAL ADVANCE CONSTRUCTION AUTHORIZATION
(On Local Agency Letterhead)

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

Date:
FTIP/FSTIP ID:
Federal Project No:
EA:
Project Description:

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

Dear: (DLAE Name)

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

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

The (Name of Local Agency) understands that currently there are insufficient federal transportation funds (and/or Obligational Authority (OA)) to obligate the appropriate funds for the proposed work. The (Name of Local Agency) agrees to use local funds in lieu of federal funds to finance the cost of work until such time that federal funds (and/or OA) become available for obligation and subsequent reimbursement of the federal share of work. It also is understood that federal reimbursement is not guaranteed.

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

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

Local Agency Representative Authorized to Commit Local Funds

Title

Distribution: (1) DLAE
(2) DLA

This page intentionally left blank

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

(On Local Agency Overhead)

To: (DLAE Name)	Date: _____
District Local Assistance Engineer	FTIP/FSTIP ID(s): _____
CALTRANS, Office of Local Assistance	Project Description(s): _____
(District Address)	_____

Dear (DLAE Name):

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

Request for FTA Transfer Documentation

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

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

<u>Fund Type</u>	<u>Programmed FSTIP Funds</u>	<u>Fiscal Year Programmed</u>	<u>Federal Funds To be transferred</u>
_____	_____	_____	_____
_____	_____	_____	_____
		Total	_____

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

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

Check which of following applies:

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

CERTIFICATION

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

Signature of Local Agency Representative

Title

Date

Distribution: Local Agency

**EXHIBIT 3-K ADMINISTRATIVE PROCEDURES FOR TRANSFER OF LOCAL FEDERAL-AID FUNDS
TO FEDERAL TRANSIT ADMINISTRATION****1) FTA Grant Application Submittals**

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

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

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

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

2) FTA Grant Application Notification

- FTA (San Francisco) notifies the grant applicant (local agency or Caltrans) upon receipt of the FTA Grant Application and assigns a pending grant number (FTA does not formally approve the grant until after all federal funds have been transferred).
- In March of each year, Section 5311 and 5310 grant subrecipients will receive written notification from the Caltrans DMT of projects and funds approved for inclusion in the fiscal year's statewide Section 5311 or 5310 grant application.

3) Request for Transfer of Funds to FTA

- Upon notification by FTA or Caltrans DMT of pending grant approval the local agency must submit a "Request for Transfer of Local Federal-Aid Funds to the Federal Transit Administration" (see Exhibit 3-J) and support documentation to the District Local Assistance Engineer. The request is reviewed by the District for completeness and accuracy and then is forwarded to the Caltrans Division of Local Assistance for processing.

4) Transfer of Funds to FTA

- Caltrans DLA will prepare and submit an "FTA Transfer Letter" to FHWA (Sacramento).
- Upon concurrence by FHWA (Sacramento), Caltrans is notified and FHWA (Sacramento) forwards a memorandum to FHWA (Washington D.C.) requesting the funds be transferred to FTA (Washington D.C.).

- FHWA (Washington D.C.) transfers the highway funds and notifies FTA (Washington D.C.).
- FHWA and Caltrans adjust the appropriate apportionment balances (Note that unexpended FHWA funds transferred to FTA will remain with FTA.).
- FTA (Washington D.C.) notifies the FTA (San Francisco) of the fund transfer.
- FTA (San Francisco) will approve/award the grant once their requirements have been satisfied and notify the applicant (the most common problem for applicants is complying with the FTA's Labor Compliance regulations).

5) Agreements

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

6) Local Agency Reimbursement

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

EXHIBIT 3-L LOCAL ASSISTANCE PROJECT PREFIXES

Standard Federal Program Prefixes

[]	STP	Surface Transportation Program
[]	CM	Congestion Mitigation & Air Quality Improvement(CMAQ) Program
[]	BR	Bridge Replacement
[]	BH	Bridge Rehabilitation
[]	ER	Emergency Relief
[]	SR2S	Safe Routes to School (Federal)
[]	SR2S	Safe Routes to School (State)
[]	NBIS	National Bridge Inspection System

STIP Funded Programs

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

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

Sub-Level Identifier

[]	L	Local Assistance Funds Management
[]	N	On National Highway System
[]	H	Safety, Hazard Elimination & Safety Program (HES) portion of STP
[]	G	100% Federal Funding for Safety
[]	E	STIP Programmed Transportation Enhancements/Activities (TE/TEA)
[]	ER	Regional TEA Program
[]	EC	CTC Conservation Lands TEA Program
[]	EE	CTC Statewide Transportation Enhancement (STE) Program
[]	S	On System (HBRR Program)
[]	O	Off System (HBRR Program)

Discretionary Program Prefixes

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

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

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

xxx– Represents sub-level Identifier & 2nd year of FFY of allocation.

EXHIBIT 3-M FEDERAL HIGHWAY TRANSPORTATION PROGRAMS

<u>Federal Program</u>	Project Prefix	TEA 21	Program Fund Codes		Federal Reimb. Rate *
			STEA04	SAFETEA-LU	
Surface Transportation Program (STP)					
Urbanized Areas (>200K Population)	STPL	Q230	H230	L230	88.53%
Any Area	STPL	Q240	H240	L240	88.53%
STP, Transportation Enhancement Activities Program (TEA)					
Regional	STPLER	Q220	-	-	88.53%
Statewide Transportation Enhancements	STPLEE	Q220	-	-	88.53%
SHOPP-Managed TE	STPE	Q220	-	-	88.53%
STP, Transportation Enhancements (TE)					
STP, Programmed:					
ITIP Interrregional TE (25%)	STPE	-	-	-	-
RTIP Regional TE (75%)	RPSTPLE	-	H220	L220	88.53%
STP, Hazard Elimination Safety Program (HES)					
HES	STPLH	Q280	H280	-	90.00%
Optional Safety	STPLH	Q210	H210	-	90.00%
Safe Routes to School	STPLHSR	Q210	H210	-	90.00%
SAFETEA-LU, Highway Safety Improvement Program (HSIP)					
Highway Safety Improvement Program	HSIPL	-	-	LS30	90.00%
High Risk Rural Road Program	HRRRL	-	-	LS20	90.00%
Safe Routes to School	STPLHSR	-	-	LS30	90.00%
SAFETEA-LU, Safe Routes To School Program (SRTS)					
SR2S (non-infrastructure)	SR2SF	-	HU10	LU10	100.00%
SR2S (Infrastructure)	SR2SF	-	HU20	LU20	100.00%
SR2S (Either)	SR2SF	-	HU30	LU30	100.00%

**Congestion Mitigation & Air Quality
Program (CMAQ)**

CML	Q4000	H400	L400	88.53%
-----	-------	------	------	--------

Highway Bridge Program (HBP previously HBRR)

Bridge Replacement, Rehabilitation,
& Low Water Crossing

(65% On-System)	BRLS	Q100	H100		80.00%
(Off-System)	BRLO	Q110	H110	L110	80.00%
(20% On or Off-System)	BRLS (or O)	Q120	H120		80.00%
(On or Off-System)	BRLS (or O)		H1C0	L1C0	88.53%

HBP funds transferred to STP Program

Seismic Retrofit, Mandatory/Voluntary
Programs (ISTEA) & Non-Highway Bridges

Mandatory	STPLZ	Q240/BMG0	H240/???? **		88.53%
Voluntary	STPLV	Q240/BVK0	H240/???? **		88.53%

Seismic Retrofit, Mandatory/Voluntary
Programs (Post ISTEA)

(On System)	BRL----**	-Q100/----**	H100/----**	-	80.00%
(Off System)	BRL----**	-Q110/----**	H110/----**	-	80.00%
(On/Off System)	BRL----**	-Q120/----**	H120/----**	-	80.00%

Bridge Painting (Off Eligible Bridge List) &
PE authorized on or before 6/13/97
PE authorized after 6/13/97
(HBP funds transferred to STP Program)

STPLP	Q240/----**	H240/----**		88.53%
STPLP	Q240/----**	H240/----**		80.00%

Bridge Barrier Rail Replacement
(HBP funds transferred to STP Program)

STPLX	Q240/BRL0	H240/----**	L240/---**	88.53%
-------	-----------	-------------	------------	--------

* Pedestrian Walkway and Bicycle Facilities reimbursed at 80% for all funds if authorized prior to November 28, 1995. Normal reimbursement rate for program after.

** Project Prefixes and Pseudo Codes (Local Project Accounting Sub codes) vary according to the type of work and federal funds involved. Caltrans will assign the project prefix and pseudo code with the initial federal-aid action request.

This page intentionally left blank

This page intentionally left blank

EXHIBIT 3-P SAMPLE "STATE-AUTHORIZED PROJECT AUTHORIZATION"

FEDERAL AID PROGRAM

CALIFORNIA DEPARTMENT OF TRANSPORTATION

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

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

PPNO - 08-2001017

STATE REMARKS

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

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

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

Distribution: DLAE

This page intentionally left blank

DETAIL ESTIMATE

File: _____
 Federal Project No.: _____
 Project Location: _____
 Date: _____

To be used as a basis of agreement for Federal-aid Project #(1) _____
 in the City/County of(2) _____

Construction Authorization Date:(3) _____, 200__

Type: (4)

Preliminary Engineering (Authorization Date:(5) _____, 200__

Right of way (Acquisition Authorization Date:(6) _____, 200__

Acquisition (No. Parcels _____) \$ _____
 RAP
 (number homes _____) \$ _____
 (number businesses _____) \$ _____
 LRH (Parcel No. Name _____) \$ _____
TOTAL COST \$(7) _____

Utilities (Authorization Date:(8) _____, 200__

Total Cost \$ _____

Improvement Type Code: (9) _____ Length (10) _____ (miles)

Item Estimate (11)

Item No.	Item Description	Unit	Quantity	Unit Price	Amount
1	Item Description	Unit	Quantity	Unit Price	\$
2	Item Description	Unit	Quantity	Unit Price	\$
3	Item Description	Unit	Quantity	Unit Price	\$
"	"	"	"	"	"
"	"	"	"	"	"

Subtotal Contract Items \$ _____
 Agency/State Furnished Materials \$(12) _____
 Force Account (Day Labor) - striping, etc. \$ _____
 Total \$ _____
 Contingencies (Including supplemental work) \$(13) _____

 Contract Total \$ _____
 Construction Engineering \$(14) _____

TOTAL COST \$ _____

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

**DETAIL ESTIMATE
SUMMARY (15)**

	Total Cost	Participating Cost	Federal Funds	Other Funds
Preliminary Engineering	\$ _____	\$ _____	\$ _____	\$ _____
Right of way	\$ _____	\$ _____	\$ _____	\$ _____
Improvement type				
Construction: Code _____	\$ _____	\$ _____	\$ _____	\$ _____
Code _____	\$ _____	\$ _____	\$ _____	\$ _____
Construction Engineering:	\$ _____	\$ _____	\$ _____	\$ _____
Total Cost	\$ _____	\$ _____	\$ _____	\$ _____

Contract Items Participating	=	\$ (16) _____	=	_____ %
Contract Items nonparticipating	=	\$ _____	=	_____ %
Total	=	\$ _____	=	100.00 %

* Reimbursement Ratio: (17) _____ %

Appropriation Code(s) (18)

Name/Date Prepared _____

* Reimbursement ratios may vary within each phase of work such as Emergency Relief PE for Emergency Repair (100%) and PE for restoration (88.53%). In these cases, the detailed estimate shall include two separate lines of preliminary engineering.

DETAIL ESTIMATE INSTRUCTIONS

1. File
 - Fill in project identification
example: Dist-County-Rte-City: 07-LA-0-LA
 - Federal-aid Project #: STPL-5006(023)
 - Federal-aid Program: Surface Transportation Program, population > 200,000
2. Project Location
 - Fairly detailed (list intersections or project limits, etc.) Should agree with Authorization to Proceed
3. Construction Authorization Date
 - FHWA/Caltrans authorization date on the Authorization to Proceed
4. Type
 - General type of work (signalization, widening, construct four-lane divided street, etc.) Chapter 3, "Project Authorization," Exhibit 3-F-(Item 38)
5. P.E. Authorization
 - FHWA/Caltrans authorization date on the Authorization to Proceed
6. Right of way Authorization
 - FHWA/Caltrans authorization date on the Authorization to Proceed
7. Right of way Costs
 - Total for project
8. Utility Authorization
 - FHWA/Caltrans authorization date on the Authorization to Proceed
9. Improvement Type Code

01 New Construction Roadway	23 Transit
03 Reconstruction, Added Capacity	24 Traffic Management/Eng. HOV
04 Reconstruction, No added Capacity	26 Ferry Boats
05 4R Maintenance Resurfacing	28 Facilities for Pedestrian & Bicycle *
06 4R Maintenance-Restoration & Rehab	29 Acquisition of Scenic Easements *
07 4R Maintenance-Relocation	30 Scenic or Historic Highway Prog. *
08 Bridge, New Construction	31 Landscaping & Scenic Beautification*
10 Bridge Repl. Added Capacity **	32 Historic Preservation*
11 Bridge Repl. No Added Capacity **	33 Rehab & Operation of Historic Facility*
13 Bridge Rehab. Added Capacity **	36 Archeological Plan & Research *
14 Bridge Rehab. No Added Capacity **	37 Mitigation of Water Pollution*
15 Preliminary Engineering *	38 Safety & Education of Ped. Bike*
16 Right of Way	39 Establishment of Transp. Museum*
17 Construction Engineering *	40 Special Bridge*
18 Planning	42 Training
20 Environmental Only	43 Utilities
21 Safety	44. Other
22 Rail/Highway Crossing	45Debt Service

*Transportation Enhancement Projects must use these Types of Improvements.

**Projects using these Improvement Types must report a National Bridge Inventory Structure Number.

10. Length
 - Length in miles (to nearest 0.1) is required for roadway codes and for bridge codes
 - Measured along center line
 - Not required for "Miscellaneous" codes

11. Item Estimate

- List Each bid item per sample format
- Separate by “Improvement type code” as noted above in item # 9. (should be same as preliminary estimate)
- Place nonparticipation work directly following participating work of similar codes
- Separate as “not part of Federal-aid Project” that work which is beyond project limits of federal participation but is being done under the same contract

12. State/Agency Furnished Materials

- List each item and cost of all items or expenses that are to be furnished by other than contractor
- Should agree with items listed in Special Provisions and Plans

13. Contingencies

- Generally 5% to 10%
- FHWA does not want supplemental work segregated from contingencies
- If large amount of supplemental work, 10% may be exceeded, but contingencies should always be at least 5%
- Separate for each code, etc.

14. Construction Engineering

- Separate for each code, etc.
- Indicate staking, construction trailer, etc., if claimed for reimbursement

15. Detail Estimate Summary

- Summary generally broken down only between P.E., Construction, and Right of way
- Improvement Type Codes and nonparticipating involved, must be outlined in summary
- Calculate P.E., Construction (by code) and Right of way separately at appropriate reimbursement ratio
- Federal funds share of phase cannot be more than the fund reimbursement ratio times the participating costs. (Always round down to the nearest dollar).

16. Federal Participation Calculation

- Use contract items only

17. Reimbursement Ratio (Federal) (See list in Chapter 3, “Project Authorization”)

- Use current ratio
- Project ratio if under funded

18. Program Code(s) (Federal) NOTE: Formerly known as Appropriation Code(s)

- Program code(s) applicable to the program(s) involved (see list in Chapter 3, “Project Authorization”)

19. Revised Detail Estimate or Modification

- Required when federal funds are to be changed from what was previously under agreement
- Changes can be accomplished by updating item costs, supplemental work, contingencies, etc.
- Change Title to “Revised Detail Estimate.”
- Must remain consistent with FTIP/FSTIP rules
- Wording to be changed in Item 2 by adding “To be used as basis for modification of agreement for federal-aid project.”
- Remaining instructions are unchanged

Finance Letter

DEPARTMENT OF TRANSPORTATION
DIVISION OF ACCOUNTING
LOCAL PROGRAM ACCOUNTING BRANCH

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

ATTN: _____

Work on State Highway (Y or N): ____ If yes, provide following:

Administered by State or Local? _____
Project Manager Name: _____
Accounting Program Code(s): _____
Coop or Contribution Agrmnt No.: _____

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

Federal Participation: _____

Federal Appn. Code(s): _____

Federal Reimbursement Rate(s) for Progress Invoice: _____

Certification

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

For questions regarding finance letter, contact:

Printed Name: _____
Telephone No.: _____

Signature: _____

Title: _____

Project location: _____

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

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

This page intentionally left blank