



Local Programs Procedures

LPP 08-03 Manual Update
Subject: Life Cycle - Manual Changes Part 1

Reference: *Local Assistance Procedures Manual* (LAPM), Chapter 2-Roles and Responsibilities, Chapter 3-Project Authorization, Chapter 6-Environmental Procedures, Chapter 7-Field Review, Chapter 10-Consultant Selection, Chapter 12-Plans, Specifications & Estimate, Chapter 13-Right of Way, Chapter, Chapter 16-Administer Construction Contracts; *Local Assistance Program Guidelines* (LAPG), Chapter 1-Introduction and Overview, Chapter 8-Transportation Enhancement Activities (TEA), Chapter 10-High Risk Rural Roads (HR3) Program, Chapter 11-Disaster Assistance, and Chapter 20-Environmental Enhancement and Mitigation (EEM) Program

Effective Date: September 29, 2008

Approved: **Original Signed By**
Earl Seaberg, Acting 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 the Local Assistance manuals, guidelines and programs. They are numbered according to calendar year and order in which released. This is the 3rd LPP issued in 2008; hence, it is LPP 08-03.

PURPOSE

The purpose of this LPP is to make changes to various chapters in the *Local Assistance Procedures Manual* (LAPM) and *Local Assistance Program Guidelines* (LAPG), in response to Federal Highway Administration (FHWA) Local Agency Process Report dated August 31, 2007. There will be two LPPs issued to address the recommendations in the FHWA Report. This Process Review has been commonly referred to as the Local Agency Life Cycle Review and each LPP will be referred as Life Cycle-Manual Change. This is the first LPP issued in response to FHWA's recommendations and a second LPP is scheduled for release for December 31, 2008.

Caltrans-Division of Local Assistance
September 29, 2008

USER FRIENDLY FEATURES

- These new procedures are incorporated in the electronic version of the LAPM and LAPG that are available at the Division of Local Assistance (DLA) Home Page on the Internet at: <http://www.dot.ca.gov/hq/LocalPrograms/>. Under “Publications” select “*Local Assistance Procedures Manual*” or “*Local Assistance Program Guidelines*.”
- You may also purchase the Publications for Local Assistance DVD, 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>
- Additional user-friendly features were developed to make the manual easier to edit and to access on the DLA Web site. **Sidebars denote changes and these pages are to replace the affected pages in the hard copy of your LAPM and LAPG.**
- 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:

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SUMMARY OF CHANGES

LAPM Item	Change
Chapter 2 Section 2.1 (Introduction), page 2-1	First paragraph minor administrative changes were made. Second paragraph under “Federal-Aid Projects” updated the statement ... <i>“With the recent reengineering”...to... “Since the reengineering of local assistance”....</i>
Section 2.2 (National Highway System), page 2-2	Third paragraph, further clarifies the responsibility of the local agency in determining if project is on the National Highway System (NHS) or not.
Section 2.3 (State-Authorized Projects), page 2-2	Added the title <i>“FHWA Oversight”</i> to “Figure 2” for clarification.
Section 2.6 (Reengineering of Local Assistance Procedures), page 2-6	The following changes were made on this section: <ul style="list-style-type: none"> - Under “Design Standard” clarified the use of AASHTO standards on the NHS off the State Highway System (SHS). - Under “Method of Construction” revised the paragraph with regards to competitive bidding process for constructions on federal-aid projects. - Under “Restricted Construction Contract Provision” revised the paragraph in regards to warranty clause and use of proprietary items.
Section 2.8 (Caltrans Responsibilities) pages 2-8, 9	Further clarifies Caltrans responsibilities to FHWA for the administrations of federal-aid programs and projects. First paragraph under “Program Management,” replaced <i>“goals”</i> with <i>“requirements.”</i> Goals are optional but not meeting the requirements could jeopardize fund eligibility. Under “Project Implementation,” listed engineering services as one of the technical services offered to the local agencies by Caltrans technical specialists. <i>Division of Local Assistance</i> was replaced with the acronym <i>DLA</i> since this was already established in the earlier part of the chapter.
Exhibit 2-A Caltrans District Local Assistance Offices, page 2-13	Updated the <i>“Caltrans District Local Assistance Offices.”</i>
Chapter 3 Section 3.1 (Introduction) page 3-3	Second paragraph, revised the text to say... <i>“FHWA has delegated project oversight”....</i> to ... <i>“FHWA has delegated various project oversight”...</i>

Section 3.2 (Prior to Federal Authorization), page 3-7	Updated the bulleted items.
Section 3.3 (Request for Project Authorization), page 3-8	Third paragraph under “Preliminary Engineering,” corrected ... “23 <i>CFR</i> 630.112(a)(2),” ... to “23 <i>CFR</i> 630.112(c)(2),”
Section 3.4 (Administrative Procedures), page 3-11	Revised the fourth paragraph.
Section 3.5 (Obligation, Encumbrance & Liquidation of Funds), page 3-12	First paragraph under “Finance Letter,” replaced “ <i>Division of Local Assistance</i> ” with the acronym <i>DLA</i> since this was already established in the earlier part of the chapter.
Exhibit 3-F page 3-38	Under “Initial Federal authorization Dates:” revised the instructions for federal authorization dates.
Exhibit 3-K pages 3-49, 50	Under list Item No. 3 “Request for Transfer of Funds to FTA,” revised the first bulleted item. Added a second bullet with regards to requesting transfer of funds to Federal Transit Administration (FTA). List Item No. 4 “Transfer of Funds to FTA” was moved to the next page as a result of the additional text added in list Item No. 3.
Exhibit 3-L page 3-51	The “ <i>Standard Federal Program Prefixes</i> ” and “ <i>Sub-Level Identifier</i> ” were updated As a result of the passage of SAFETEA-LU making “safety” as a core program.
Exhibit 3-M page 3-53	As a result of the passage of SAFETEA-LU, the following programs under the Federal Highway Transportation Program were updated: <ul style="list-style-type: none"> • <i>STP, Hazard Elimination Safety Program</i> (HES) • <i>SAFETEA-LU, Highway Safety Improvement Program</i> (HSIP) • <i>SAFETEA-LU, Safe Routes to School Program</i> (SRTS) • <i>Highway Bridge Program</i> (HBP)
Chapter 6 Section 6.2 (An Overview of the Environmental Process), page 6-15	Under “ <i>Environmental Assessment</i> (EA),” corrected the references mentioned from ... <i>Exhibit 3-G</i> and <i>Exhibit 3-H</i> ...to... “ <i>Exhibit 3-E</i> ” and “ <i>Exhibit 3-F</i> ” respectively.
Chapter 7 Section 7.6 (Field Review Data), page 7-8	Under “ <i>Project Cost</i> ,” corrected ...(<i>...Section 3.2 “Underfunding Policy”</i>). to ...(<i>...Section 3.6 “Underfunded Policy”</i>).

Exhibit 7-A page 7-12	Under instructions for Item No.7 “Cost Breakdown Estimate,” added the statement... “ <i>Check whether value engineering analysis is required for this project.</i> ” Corrected the HBRR to HBP.
Chapter 10 Section 10.8 (Miscellaneous Considerations), pages 10-25, 26, 26a, 26b	Made revisions to the section “ <i>Retaining A Consultant as an Agency Engineer.</i> ” Pages were shifted due to the revisions made to the section.
Chapter 12 Section 12.4 (Method of Construction), page 12-4	Under “ <i>Contracting Method</i> ” bolded part of the last sentence for emphasis.
Section 12.7 (Plans), pages 12-10, 10a, 10b, 11, 11a	Deleted the headings “ <i>Traffic Control Plans,</i> ” which was previously required for all constructions projects for handling traffic. “ <i>Transportation Management Plans</i> ” was revised and was added as a subheading under “ <i>Work Zone Safety and Mobility.</i> ” Under the new heading “ <i>Work Zone Safety and Mobility,</i> ” added the following new subheadings: <ul style="list-style-type: none"> a) Local Agency Policy b) Significant Projects c) Transportation Management Plan d) Work Zone Implementation and Improvement Procedures Pages were shifted due to the revisions made to this section. Made revisions under “Americans With Disabilities Act (ADA) Compliance Plan,” to further explain the difference between “Alterations” and Maintenance.”
Exhibit 12-D page 12-50	Made changes to Checklist No. X11.B.2.c and d.
Chapter 13 Section 13-6 (Environmental Approval), page 13-12	First paragraph of “ <i>National Environmental Policy Act (NEPA,</i> ” corrected the implementing regulations from(23 CFR 771.117).... to ... ((23 CFR 771). Minor revisions were made under “Preliminary Environmental Review—PES.
Chapter 15 Section 15.6 (Contract Award), page 15-12	Under “Bid Analysis Process,” updated FHWA’s reference mentioned in the sixth paragraph.
Exhibit 15 A page 15-18	Check box Item D. “Subcontracting,” changed ...”NHS”... to ...”federal-aid transportation”....

Chapter 16 Section 16.6 (Subcontractors), page 16-8	Under “Introduction” revised the sentence to say.... <i>Subcontracting procedures apply to all federal-aid highway projects.</i> Under “Procedures,” corrected title of Item No. 1 from “ <i>NHS Projects</i> ” to “ <i>Federal-Aid Projects.</i> ” Made revisions to the paragraph and the footnote.
LAPG Item	Change
Exhibit 1-C page 1-11	Updated the map of California Metropolitan Planning Organizations and Regional Transportation Planning Agencies (RTPAs).
Exhibit 1-D page 1-13	Updated the Caltrans District Local Assistance Offices.
Chapter 8 Exhibit 8-A page 8-62	Under “Environmental Documentation” corrected the reference mentioned to... (<i>See Chapter 6, “Environmental Procedures,” of the LAPM.</i>)
Chapter 8 Exhibit 8-A pages 8-77, 78,79	Reference was made to Exhibit 1-A page 1-13 in lieu of the references which were deleted in pages 8-77-78 Reference was made to Exhibit 1-C page 1-11 in lieu of the reference which was deleted in page 8-79.
Chapter 10 Section 10.2 (Eligible Applicants), page 10-1	Revised the paragraph regarding eligibility of applicants for HR3 program funds.
Section 10.3 (Project Eligibility), page 10-1	Revised the paragraph regarding project eligibility for HR3 program funds. Updated the web site.
Exhibit 10-A page 10-8	Under “ <i>Functional Classification,</i> ” updated the Web site.
Exhibit 10-C, page 10-15	Formula was changed from “ $(2.072 \times B)^{0.5} + 0.5$ ” to “ $\sqrt{2.072 \times C} + 0.5$ ” for Item E.
Chapter 11 Exhibit 11-H page 11-39	Reference was made to Exhibit 1-A page 1-13 in lieu of the reference that was deleted in page 11-39.
Chapter 20 Section 20.1 (Introduction), page 20-1	Under “General,” made minor revisions to this paragraph. Under “Definitions” the Web site mentioned in the “ <i>Participating Costs</i> ” was changed to: http://resources.ca.gov/eem/)
Section 20.2 (Eligibility Considerations), page 20-3	Second paragraph under “ <i>Eligible Costs,</i> ” a fourth requirement was added for “Cost” to be eligible for reimbursements.
Section 20.3 (Project Application), page 20-4	Other minor administrative changes were made in this section. Updated the critical listing dates for the grant cycle to 2007/2008 in the second paragraph.

Section 20.4 (Responsibilities of Key Participants), page 20-5	<p>The following changes were made in this section :</p> <ul style="list-style-type: none"> - Under “Local, State and Federal Governmental Agencies, and Nonprofit Organizations,” changed ... <i>“the requisite tasks of the program.”</i>... to... <i>“the required tasks of the program.”</i> - Minor administrative changes were made on the bulleted items under “Resources Agency (RA).” - Under “California Transportation Commission (CTC),” made changes to second bulleted items to say... <i>“allocates funds to approved projects in the EEM Program.”</i> - Under “Caltrans Headquarters, Division of Local Assistance (DLA),” corrected the Web site http://resources.ca.gov to http://resources.ca.gov/eem
Section 20.5 (Project Evaluation and Selection), page 20-7	<p>Changed the sixth bulleted item from ... <i>“90 days of receipt”</i>.... to ... <i>“30 days of receipt”</i>...</p>
Section 20.6 (Funding Consideration), page 20-8	<p>Under “Maximum Grant Amount,” the grants for individual projects by the RA was corrected from... \$250,000 to... \$350,000.</p>
Section 20.8 (Procedures Following CTC Adoption of EEM Program), pages 20-11, 12	<p>Made the following changes to this section:</p> <ul style="list-style-type: none"> - Minor administrative changes all over this section. - Tenth bulleted item under List Item No. 4, “Agreements with the Applicants” was revised to say... <i>“Two (2) original project Agreements (applicant must sign and return both original.”</i> - Sixth and seventh paragraphs were revised. - Under List Item No.6 “Acquisition of Real Property or a Conversion Easement” made revisions to the third and fourth paragraphs .
Section 20.9 (References), page 20-20	<p>Corrected the Web site listed under this section from http://resources.ca.gov to http://resources.ca.gov/eem.</p>
Exhibit 20-A page 20-21	<p>Revised the grant cycle date for “<i>Environmental Enhancement and Mitigation Program Critical Dates</i>” from “2004/2005” to “2007/2008.”</p>

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CHAPTER 2 ROLES AND RESPONSIBILITIES

2.1 INTRODUCTION

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

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

STATE FUNDED PROJECTS

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

FEDERAL-AID PROJECTS

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

Caltrans obtained major delegations of authority and/or responsibility from FHWA as allowed under the provisions of the Intermodal Surface Transportation Efficiency Act ISTEA of 1991 and previous Transportation Acts. Since the reengineering of local assistance procedures in 1995, Caltrans has passed on these delegations to local agency partners to the greatest extent possible. With each delegation goes the accountability for initiating and completing each project phase in accordance with the appropriate state, and federal laws and regulations without extensive FHWA, or state oversight. Caltrans has the ultimate responsibility to ensure that locals are administering the federal-aid program in conformance with the applicable federal requirements.

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

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

Exhibit 2-B “Federal-Aid Local Assistance Responsibilities,” outlines the roles and responsibilities of the parties involved in local federal-aid transportation projects. The chapters in this manual provide the details for carrying out these responsibilities.

2.2 NATIONAL HIGHWAY SYSTEM

ISTEA established provisions for Congress to adopt a National Highway System (NHS) of 155,000 miles of major roads in the United States. The system is established to provide an interconnected system of principal arterials that serve major population centers, international border crossings, ports, airports, public transportation facilities, intermodal transportation facilities, other major travel destinations, meet national defense requirements, and serve interstate and interregional travel.

Until Congress made its official adoption, the NHS was defined as all principal arterials, including the Interstate System. On November 28, 1995, the President signed the legislation defining the NHS. The system includes all Interstate routes, a selection of urban and rural principal arterials, the defense strategic highway network and strategic highway connectors.

In California, about 180 miles of local agency principal arterials were selected to be a part of the NHS. Some procedures in this manual for projects on the NHS are different from those for projects not on the NHS (non-NHS). One of the early local agency determinations should be whether the project is on the NHS or not, as it affect the project requirements. The local agency is responsible to determine if the project is on the NHS as it will impact project requirements. These requirements are described in the pertinent chapters of the *Local Assistance Procedures Manual* (LAPM).

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

2.3 STATE-AUTHORIZED PROJECTS

The Transportation Equity Act for the 21st Century (TEA 21) and an agreement between FHWA and Caltrans, allows Caltrans to assume Title 23 Oversight responsibility for non-Interstate NHS projects (including 3R projects [Resurfacing, Restoring, Rehabilitation]), all Interstate projects with a construction cost less than \$1 million, all Interstate 3R projects greater than \$1 million, and all non-NHS federal-aid highway projects including local streets and roads, and state highways (see Figure 2-1 “FHWA Oversight,” of this chapter). The oversight responsibility and delegation of authority from FHWA to Caltrans for these projects referred to as State-Authorized projects is contained in a “Stewardship Agreement” between FHWA and Caltrans. For State-Authorized projects, Caltrans has been delegated both the pre-construction and construction-related responsibilities.

2.5 RIGHT OF WAY CERTIFICATION DELEGATION

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

2.6 REENGINEERING OF LOCAL ASSISTANCE PROCEDURES

PROJECTS OFF THE NATIONAL HIGHWAY SYSTEM (NON-NHS)

Effective July 1, 1995, the reengineering of local assistance procedures gave local agencies additional responsibility and accountability for non-NHS projects. Many of the responsibilities delegated to Caltrans under the Stewardship and Letters of Agreement were further delegated to the local project sponsors. Caltrans preliminary engineering, construction review and approval activities were reduced, other activities involving environmental reviews, project authorization, Disadvantaged Business Enterprises, consultant selection, and agreement procedures were streamlined to eliminate duplication of effort and multiple reviews.

PROJECTS ON THE NATIONAL HIGHWAY SYSTEM (NHS)

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

FIELD REVIEWS

Caltrans will make the decision whether to hold a field review for major NHS projects and projects on the Interstate, which are subject to FHWA “Full Oversight.” Generally, a field review will only be required for major projects (over \$10 million involving unusual structures, or projects on a corridor involving more than one agency). All projects on the Interstate and State Highway System (SHS) and NHS projects that are considered “major” will require the Plans, Specifications & Estimate (PS&E) and construction administration approvals described below.

PS&E PROCEDURES FOR MAJOR NHS PROJECTS

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

DESIGN STANDARDS

Local agencies are required to use only American Association of State Highways and Transportation Officials (AASHTO), 3R, and other design standards officially approved for use on NHS projects that are off the SHS. Locally approved design standards are not allowed on NHS projects; however, Caltrans may approve exceptions on a project-by-project basis except on Interstate projects, which requires FHWA approval.

METHOD OF CONSTRUCTION

In general, an open and competitive bidding process should be used for constructions on federal-aid projects. Exceptions to competitive bidding of construction contracts must be approved by Caltrans for “Delegated” projects or FHWA for Full Oversight projects.

RESTRICTED CONSTRUCTION CONTRACT PROVISIONS

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

CONSTRUCTION ADMINISTRATION FOR MAJOR NHS PROJECTS

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

QUALITY ASSURANCE PROGRAMS

Local agencies shall use the Quality Assurance Program described in this manual for projects on the NHS. Caltrans will be responsible for performing Independent Assurance Sampling and Testing (IAST).

FINAL INSPECTION

The FHWA will make a final inspection of completed Full Oversight projects prior to authorizing reimbursement of the final project voucher.

SAFETEA-LU MAJOR FEDERAL-AID PROJECTS OF \$100 MILLION TO \$500 MILLION OR MORE

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

- A Project Management Plan
- An Annual Financial Plan

OVERSIGHT

Interstate - For Interstate projects on the NHS over \$1 million (except 3R projects), the FHWA has overall responsibility for ensuring compliance with all federal requirements.

For all other projects, FHWA responsibility for ensuring compliance with federal requirements is limited to non-Title 23 activities (right of way and civil rights).

Major Intelligent Transportation Systems (ITS) Projects (both NHS and non-NHS). An ITS project that implements part of a regional ITS initiative that is multi-jurisdictional, multi-modal, or otherwise affects regional integration of ITS systems.

The local agencies must submit a Systems Engineering Management Plan (SEMP) for all major ITS projects to FHWA for approval prior to authorization (E-76) for final design. See Chapter 12.6, “Intelligent Transportation Systems,” of the LAPG for details.

Minor ITS Projects - These ITS projects do not require a System Engineering Review Form (SERF) or SEMP approval by Caltrans or FHWA. However, the SERF still must be filled out as part of the field review package. The procedures for minor ITS will follow the traditional 1- Phased Federal-aid Preliminary Engineering procedures.

Minor projects include:

- Legacy System Expansion – This includes expansion and/or upgrading of existing systems, which add no new capabilities or interfaces. For example, expansion of existing traffic signal systems with similar equipment and no new software. Another example would be purchase of additional buses using similar specifications as for existing vehicles.
- Commercial Off-The-Shelf (“COTS”) – Example: purchasing new electronic fare boxes that do not interface with other transit ITS packages and do not require any software development. COTS software is often customized for an installation, but only by selecting modules and/or setting parameters – not by writing software.
- Application Service Provider (“ASP”) – Example: contracting for off-site operations and maintenance of a pre-existing “next bus arrival” web site, with no new interfaces and no software development. In essence, this involves leasing a pre-existing service rather than buying a product.

Projects that fit one or more of the above definitions are “minor” projects regardless of project cost. It should be recognized that, although there may be no “formal” Systems Engineering (SE) requirements or oversight for such minor projects (beyond filling out the SERF), good procurement practices should still ensure that the solicitation documents contain detailed system requirements and specifications, plus a thorough Acceptance Testing Plan. These items are elements of the SE process; hence, this is one example of scaling down the SE process to fit the needs of a small project.

While it is the FHWA’s policy to rely primarily on their Program Review/Product Evaluation Program to carry out these responsibilities, other process review techniques, including project-specific activities may be used when appropriate.

2.8 CALTRANS RESPONSIBILITIES

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

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

POLICY AND PROCEDURES

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

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

PROGRAM MANAGEMENT

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

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

PROJECT IMPLEMENTATION

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

- Approval of Authorization to Proceed (E-76) for projects that are State-Authorized
- Preparation of Agreements
- Decision to hold Field Review for NHS projects
- Approval of Local Agency DBE Program/Annual Anticipated DBE Participation Level
- Pre-award audit review of consultant contracts >\$250,000

- Approval of Utility Relocation Agreements involving federal reimbursement
- Approval of Specific Authorization for Utility Relocation involving federal reimbursement
- Independent Assurance Sampling and Testing (IAST) for NHS projects
- Approval of payments from the State Controller

The individual chapters covering these topics should be consulted for details concerning the responsibilities. Where the FHWA has not delegated final approval, Caltrans monitors local agency activities, reviews or prepares documents, and makes recommendations to FHWA. For example, Caltrans will review all environmental documents for completeness and sufficiency before submitting them to FHWA for approval. **Note: Pursuant to the SAFETEA-LU, Sections 6004 and 6005 and respective implementing MOUs, FHWA assigned and Caltrans assumed responsibilities for NEPA compliance and approval.**

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

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

PROCESS REVIEWS

As outlined in Chapter 19 “Process Review,” of the *Local Assistance Procedures Manual* (LAPM), Caltrans and FHWA will use the process review as the main method to determine if local agencies are in compliance with all federal-aid laws, regulations, and procedures. The process reviews will be used to evaluate all aspects (including Title 23 requirements) of the local agencies federal-aid program and to improve local assistance procedures.

MAINTENANCE REVIEWS

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

2.9 CITY, COUNTY AND OTHER LOCAL PUBLIC AGENCY RESPONSIBILITIES

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

PROJECT IMPLEMENTATION

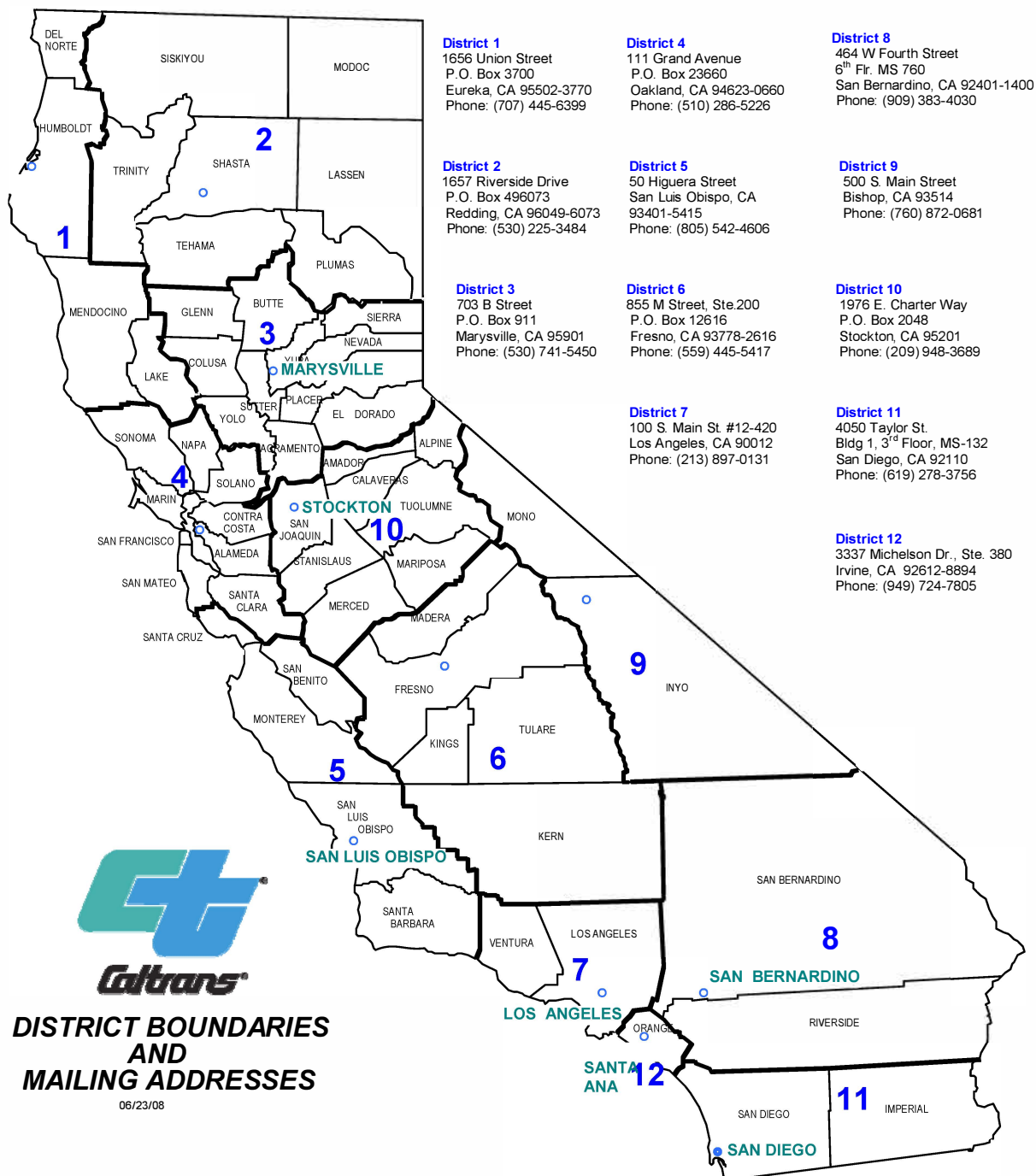
The local agency is responsible for the conception, planning, programming, environmental investigation, design, right of way, construction and maintenance of the projects on their local transportation system. It must ensure that its staff members, consultants and contractors comply with the applicable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

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

The local agency is delegated decision-making authority and responsibility for most design and construction-related activities of federal-aid projects. These include:

- Getting the project into the FSTIP
- Preparing the Request for Authorization for each project phase
- Decision to hold field review for projects off the NHS
- Determining/Approving project DBE Availability Advisory percentage
- Selecting consultant and approving consultant contracts
- Approving local design standards for projects off the NHS
- Approving design exceptions for projects “off” the NHS
- Preparing and Certifying PS&E (Caltrans must approve the local agencies’ PS&E procedures for most NHS projects and FHWA for Full Oversight NHS projects)
- Qualifying/selecting right of way consultants
- Certifying right of way
- Right of Way acquisitions and relocation
- Preparing and approving Quality Assurance Programs (non-NHS projects only)
- Advertising and awarding construction project
- Construction contract administration and inspection (Caltrans must approve the local agencies construction administration procedures for high cost, complex, corridor-type NHS projects)
- Construction contract acceptance (FHWA will make final inspection of projects that are Full Oversight)
- Coordinating railroad agreements
- Contract compliance

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

EXHIBIT 2-A CALTRANS DISTRICT LOCAL ASSISTANCE OFFICES

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CHAPTER 3 PROJECT AUTHORIZATION

3.1 INTRODUCTION

GENERAL

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

On 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 various 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)
ERt - 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

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.

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

- Highway Bridge Program (HBP previously HBRRP)
- Local Seismic Safety Retrofit Program (LSSRP)
- Highway Safety Improvement Program (HSIP)
- Safe Routes to School (SRTS) Program
- 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 documentations. The Caltrans District Local Assistance Office must submit to Caltrans Headquarters Division of Local Assistance (DLA), the “Federal Project Log Sheet” (Exhibit 3-G) with the appropriate documents attached.

If the Request for Authorization package is complete and all federal and state requirements have been satisfied, a minimum of three (3) weeks processing time should be allowed to receive federal Authorization to Proceed for “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,” of the LAPM), final design (Plans, Specifications and Estimate [PS&E]) and other related work including the cost of advertising leading to physical construction of a project. Preliminary R/W studies, as needed for NEPA compliance (see Chapter 13, “Right of Way,” of the LAPM), may be considered eligible and authorized as part of PE.

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

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

3.4 ADMINISTRATIVE PROCEDURES

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

Upon receipt of a complete and acceptable Local Agency “Request for Authorization to Proceed” package, Caltrans District Local Assistance Office creates an electronic project file (E-76) and inputs the required project information into the FADS database. The Caltrans District Local Assistance Office then transmits the E-76 project file and required backup information to Caltrans Headquarters Division of Local Assistance (DLA). The DLA Area Engineer reviews the submittal package for completeness and accuracy, focusing on project eligibility, federal and state requirements, availability of federal funds and obligation authority, and required support documentation (see Exhibit 3-G “Federal Project Log Sheet” of this chapter). The DLA Area Engineer 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 significant changes in Scope of Work and cost increases or reductions, the local agency must submit a modified “Request for Authorization to Proceed” package. The District, DLA and FHWA will process this E-76 request in the same manner as above.

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

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

For projects located on the SHS financed with local assistance funds, a federal and/or state Capital Subvention Reimbursement Allocation must be secured prior to Caltrans encumbering the local assistance funds for the project. The DLAE must submit a completed and signed “Request for Capital Subvention Reimbursement Allocation Form” (Exhibit 3-H of this chapter) for projects located on the SHS. For projects administered by Caltrans, the DLAE must ensure that the Caltrans Project Manager completes and signs Exhibit 3-H. For projects administered by a local agency, 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 web site:
<http://www.dot.ca.gov/hq/oppd/coop/cooptoc.html>

3.5 OBLIGATION, ENCUMBRANCE & LIQUIDATION OF FUNDS

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

FINANCE LETTER

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

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

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

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

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

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

**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

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

4) Transfer of Funds to FTA

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

5) Agreements

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

6) Local Agency Reimbursement

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

EXHIBIT 3-L LOCAL ASSISTANCE PROJECT PREFIXES

Standard Federal Program Prefixes

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

STIP Funded Programs

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

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

Sub-Level Identifier

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

Local Assistance Project Prefixes

[]	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>	<u>Project Prefix</u>	<u>TEAt21</u>	<u>Program Fund Codes</u> STEAt04	SAFETEA-LU	<u>Federal Reimb. Ratet*</u>
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 Interregional TE (25%)	STPE	-	-	-	-
RTIP Regional TE (75%)	RPSTPLE	-	H220	L220	88.53%
STP, Hazard Elimination Safety Program (HES)					
HES	STPLH	Q280	H280		90.00%
Optional Safety	STPLH	Q210	H210		90.00%
Safe Routes to School (SR2S Program)	STPLHSR*	Q210	H210		90.00%
*Use this prefix for state-legislated, federally funded Safe Routes to School projects.					
SAFETEA-LU, Highway Safety Improvement Program (HSIP)					
Highway Safety Improvement Program	HSIPL			LS30	90.00%
High Risk Rural Road Program	HRRRL			LS20	90.00%
Safe Routes to School (SR2S Program)	STPLHSR*			LS30	90.00%
*Use this prefix for state-legislated, federally funded Safe Routes to School projects.					
SAFETEA-LU, Safe Routes To School Program (SRTS)					
SRTS (non-infrastructure)	SRTSLNI*		HU10	LU10	100.00%
SRTS (Infrastructure)	SRTSL*		HU20	LU20	100.00%

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

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

CML

Q4000

H400

L400

88.53%

Highway Bridge Program (HBP)

| On/Off Federal-aid System

L1C0

88.53%

| Off Federal-aid System

L110

88.53%

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

Pursuant to tracking and reporting requirements stipulated in the 6005 MOU, the local agency is also responsible for providing the DLAE with a list of all mitigation commitments and a copy of environmental permits and permit conditions.

In accordance with the 6005 MOU, Caltrans is responsible for making the official “finding” that a proposed project will not significantly impact the environment. The Caltrans District Director or Deputy District Director (Environmental) or Environmental Office Chief, if designated by District Director, signs the FONSI making this “finding.”

The DLAE notifies the local agency immediately upon Caltrans approval of the FONSI, so that they may commence with final design.

When an EA indicates that the project has the potential to result in a significant impact, an EIS must be prepared. An EA is not required when a decision has already been made to prepare an EIS. For details on preparing and processing an EA refer to the SER, [Chapter 31](#).

Prior to submitting a “Request for Authorization” for new phases of work, the local agency will enter the appropriate coding and the date Caltrans signed the FONSI, under “Environmental Data.” Refer to Chapter 3, Exhibit 3-E “[Request for Authorization to Proceed Data Sheets](#),” and Exhibit 3-F “[Instructions for Request for Authorization Data Sheets](#),” of the LAPM.

The District SEP (or designee) completes appropriate environmental fields in LP2000 for tracking, report, and performance monitoring.

ENVIRONMENTAL IMPACT STATEMENT (EIS)

An EIS is a full disclosure document and is the highest level of analysis required by NEPA. The determination to prepare an EIS may result from one or more of the following situations:

- based on information gathered during the PES, where it is clear that the proposed project will have significant impacts. The local agency indicates the potential for significance under Sections A and B of the PES Form, and the DLAE and District SEP (with written concurrence of HQ EC in e-mail) determine that EIS is the appropriate NEPA Class of Action, by signing the PES Form.
- based on the conclusions of the draft EA where the potential for “cumulative” significant adverse impacts are shown.

When it is determined that a proposal may have a significant environmental impact, the local agency drafts the NOI to prepare an EIS in collaboration with the DLAE and District SEP (or designee) and arranges for the Early Scoping Meeting.

The local agency conducts the Early Coordination Meeting, undertakes all required technical studies, and prepares the required technical reports and the Draft EIS in accordance with guidance set forth in the SER.

An EIS is a summary of the findings and conclusions of technical reports, the results of regulatory and resource agency coordination and should accurately reflect the outcome of both. The local agency is required to use the Environmental Impact Report/ Environmental Impact Statement Annotated Outline provided at:

http://www.dot.ca.gov/ser/downloads/templates/EIR-EIS_outline_aug06.doc,

or the NEPA-Only Environmental Impact Statement Annotated Outline provided at:

<http://www.dot.ca.gov/ser/downloads/templates/>.

The local agency is responsible for performing a quality control review of their EIS and supporting technical studies and completing the External Certifications (Environmental Document Quality Control Review Certification) form.

Details on preparing and processing EISs are provided in Section 6.9 of this chapter. The District SEP (or designee) tracks the review and processing of the EIS and records relevant dates and information in LP2000. The DLAE provides notification to the local agency of environmental document status and approval.

Prior to submitting a “Request for Authorization” for new phases of work, the local agency enters the appropriate coding and date of Caltrans District Director signature on the ROD under “Environmental Data.” Refer to the Chapter 3, Exhibit 3-G, “[Request for Authorization - Data Sheets](#),” and Exhibit 3-H, “[Request for Authorization - Application Instructions](#)” in the LAPM.

OTHER FEDERAL ENVIRONMENTALLY RELATED PROCESSES

Every action that has federal involvement must comply with laws that protect particular elements of the environment. Although NEPA requirements have remained relatively unchanged over the years, environmentally related processes have increased in number and importance.

Following is a summary of those federal environmentally related laws processes most commonly required on local assistance transportation projects. Local agencies are required to comply with the provisions of these laws prior to finalizing NEPA documentation.

- **Section 4(f) - (Protection of Publicly Owned Park, Recreation Area, Wildlife or Waterfowl Refuge, or Land from Historic Sites)** - The Section 4(f) process was established in the U.S. Department of Transportation Act of 1966 to give certain protections to publicly owned public parks, recreational areas, wildlife and waterfowl refuges, and land from historic sites of national, state or local significance. Section 4(f) requires that the agency must show that there are no feasible or prudent alternatives to the use of these areas. If Section 4(f) land is required, a Section 4(f) avoidance alternative is required. If Section 4(f) land is still required, all possible planning must be taken to minimize the impact. Guidance on compliance with the provisions of Section 4(f) is provided in the SER, [Chapter 20](#).
- **Section 106 - (Protection of Cultural Archaeological Resources & Historic Properties)** - The National Historic Preservation Act of 1966 declares a national policy of historic preservation and encourages preservation. It established the Advisory Council on Historic Preservation (ACHP) and required that federal agencies take into account the effect of their undertakings on historic properties and to afford the Advisory Council on Historic Preservation (Council) a reasonable opportunity to comment on the undertaking. ACHP promulgated procedures, codified in 36 CFR 800, et.seq., that must be followed on any federal project or action. Caltrans and FHWA entered into a Programmatic Agreement (PA) on how to implement 36 CFR Part 800 for California’s federal-aid highway program. Guidance on compliance with the provisions of 36 CFR Part 800 and the PA is provided in the SER, [Chapter 28](#).
- **Section 7 of the Endangered Species Act - (Protection of Endangered Species)** - The federal Endangered Species Act (ESA) provides a means to conserve the ecosystems upon which federally listed threatened and endangered species depend

- Initial submittal of the PES form (completed and with supporting information attached) for Caltrans review and approval (see Chapter 6, “Environmental Procedures,” of the *Local Assistance Procedures Manual* (LAPM))
- Submittal of the Agreements Checklist requesting a Supplemental Agreement

FIELD REVIEWS ATTENDED BY CALTRANS AND THE FHWA

For projects on the NHS, early review and discussions should be held with the DLAE and the FHWA engineer. Similar early discussions should occur for HBRR funded (Bridge) projects to ensure funding eligibility.

If a field review is required, Caltrans and the FHWA will attend. Caltrans and the FHWA may also attend optional field reviews if requested. The local agency shall fill out the Field Review Form as completely as possible prior to the field review, and send a copy with a location map to each of the interested parties attending the field review. This allows the participants to come to the meeting prepared to discuss the specific issues and methodologies, which can lead to successful project implementation. The earliest date for the field review should be two weeks after the receipt of the draft Field Review Form by the district. Copies for the FHWA, Division of Local Assistance, and Office of Structure Design must be submitted to the district for further transmittal.

Caltrans has delegated design exception approval authority to the City/County Public Works Director (see Chapter 11, “Design Standards,” of the LAPM). However, proposed design exceptions should be identified and discussed at the field review.

The Field Review Form should be updated and signed by the local agency, district, and FHWA representatives, as appropriate, at the field review even if some of the questions remain unanswered. Information determined after the field review is to be provided by the local agency as a supplement to the Field Review Form and may require FHWA concurrence.

OPTIONAL FIELD REVIEWS NOT ATTENDED BY CALTRANS OR THE FHWA

If the field review is optional and Caltrans and the FHWA will not be attending, the local agency may complete the Field Review Form without a formal or informal review or meeting. An on-site visit by the project engineer and project manager is recommended as good practice to verify the data and information used to complete the forms. The forms should be transmitted to the DLAE as soon as they are complete.

7.6 FIELD REVIEW DATA

SCOPE

The project must be defined in sufficient detail to accurately specify where it is, why it is necessary and what will be done. This process of project definition began with the planning and programming process. Now, further details are needed to clarify the limited FSTIP information with the specific project location, system and conditions as they currently exist and as they will be upon project completion. If the scope changes significantly from the approved FSTIP description, now or at any time during project development, a FSTIP amendment may be necessary. Items 1 to 5 on the “Field Review Form” (Exhibit 7-B) and Exhibits 7-C (“Roadway Data”), 7-D (“Major Structure Data”), 7-E (“Railroad Grade Crossing Data”), vicinity maps, typical section(s), alternative sketches, signal warrants, and collision diagrams, as appropriate, provide data related to the general scope of the project. For non-roadway projects, the Field Review Form and

attachments would be modified as appropriate for the project activity and scope, e.g., site plans, work plans, building sketches.

ENVIRONMENTAL PROCESS

All federal-aid projects must undergo a documented environmental review and receive a NEPA approval (Caltrans signed Categorical Exclusion [CE], Finding of No Significant Impact [FONSI] or Record of Decision [ROD]) before proceeding to final design, Right of Way acquisition or construction. The Preliminary Environmental Study (PES) Form documents the requirements for technical studies and the NEPA Class of Action (CE, EA, EIS) and is equally as important as the environmental approval. Environmental requirements and procedures for processing required technical studies and the NEPA document are discussed in Chapter 6 of this manual. Specific information regarding the format and content of required technical studies and NEPA documents (CE, EA, EIS) is contained in the SER.

The “Preliminary Environmental Study (PES) Form,” Exhibit 6-A is designed to identify:

- The scope of the project
- The existing condition of the project area
- The potential existence of sensitive environmental resources within the project area
- Required technical studies
- The responsible or regulatory agencies where early coordination or consultation is necessary or where approvals and permits are needed
- NEPA Class of Action

RIGHT OF WAY

The need to acquire right of way or relocate utilities can significantly affect project development, especially costs and scheduling. Activity within Caltrans right of way requires coordination and an encroachment permit. Federal laws and regulations must be followed if there is FHWA participation in any project phase, whether in R/W phase or only in the construction phase. The acquisition and relocation program will be conducted in accordance with the Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970, as amended (42 US Code 4801, et. seq.). Item 7 of the “Field Review Form” (Exhibit 7-B) highlights the possible right of way activities with a cost estimate breakdown. The need for utility relocation should be identified.

PROJECT COST

Good initial estimates are needed to define whether there are sufficient funds available to implement the project. Item 7 of the Field Review Form provides for an overview by phase and anticipated federal participation. Item 8 can be used to further break this down by federal fund type and state funding. State or local funds are normally required to match the federal funds. To the greatest extent possible, FHWA funded projects should be funded at the full federal participating ratio (see Chapter 3, “Project Authorization,” Section 3.6 “Underfunded Policy”).

PROJECT ADMINISTRATION

The agency submitting the request is normally responsible for administering all phases of the project. If another arrangement is expected, this should be noted. If the agency plans to hire a consultant to assist with any phase, this should be noted. This allows the agency

INSTRUCTIONS FOR FIELD REVIEW FORM

The Applicant shall complete the Field Review Form in accordance with Chapter 7, “Field Review” of this manual. The District Local Assistance Engineer (DLAE) should be consulted for clarification. If Caltrans or other interested parties are to be involved in meetings, to assist in completion, the applicant should fill out the form as completely, as possible prior to any meeting(s). The form must be completely filled out prior to submission of the PES Form.

Item 1. PROJECT LIMITS

Briefly describe the physical limits or nature of project. Attach a list, as needed, for multiple or various locations. Indicate length of project to nearest one-tenth of mile. Use 0.1, if a spot location. Include additional sheets, if needed, to clearly define the project location or scope of work.

Item 2. WORK DESCRIPTION

Briefly describe major components of the proposed work, e.g., signals, bridge replacement, ridesharing, pedestrian features, etc.

Item 3. PROGRAMMING DATA

All federal-aid funded projects (except Emergency Relief [ER], unless additional capacity is being added) are required to be on the most current FHWA/FTA approved FSTIP. If project is within an MPO area, indicate the MPO or RTPA's FTIP¹ that includes project and the fiscal years of FTIP. Also list the page of FTIP or Amendment Project Planning Number (PPNO), if available and FHWA/FTA approval date. For non-MPO areas include same information from FSTIP.

Indicate the federal funds and phases listed in the FTIP/FSTIP. For CMAQ projects name the Air Basin.

Item 4. FUNCTIONAL CLASSIFICATION

For a roadway project, check appropriate functional classification category. See the discussions of specific fund programs in the *Local Assistance Program Guidelines* (LAPG) for system eligibility. Indicate N/A for projects not related to a specific road or street system.

Item 5. STEWARDSHIP CATEGORY

For roadway projects, indicate if project is on the National Highway System (NHS), and whether project is State-Authorized or a FHWA Full Oversight project on the Interstate per stewardship agreement. With some exceptions, projects on the State Highway System are subject to Caltrans Oversight, and on the Interstate are subject to FHWA Full Oversight; otherwise, the project is subject to DLAE oversight. Refer to Figure 2-1, “Required FHWA Oversight Federal-Funded Projects” in Chapter 2 of this manual.

Item 6. CALTRANS ENCROACHMENT PERMIT REQUIRED

An encroachment permit is required for projects encroaching within the state highway right of way. The applicant should contact the District Permit Officer early in the process.

¹ The FTIP must be incorporated into an FHWA approved FSTIP.

Item 7. COST BREAKDOWN ESTIMATE

List estimated breakdown of all project phases and indicate phases for which federal participation will be requested. Include all known costs, but include each cost in only one group. Check whether “Value Engineering Analysis” is required for this project. (For structures-related projects financed with Highway Bridge Program [HBP] funds, the current HBP operating procedures limit preliminary engineering costs including environmental costs to twenty-five (25) percent of the total construction cost. Any exceptions must be approved in writing by the HBP program manager.)

Item 8. PROPOSED FUNDING

Fill in total cost of federal-funded project, type, and amount of federal-aid funds, i.e. STP, CMAQ, etc., and the matching-fund breakdown.

If state funds are involved, indicate source such as STIP.

Item 9. PROJECT ADMINISTRATION

Indicate name of agency that will be responsible for administering each project phase. Also indicate the use of a consultant for any phase. Indicate if Caltrans’ review of PS&E will be requested. If Yes, begin discussions with DLAE on availability of staff. All PS&E documents to be reviewed must be in Caltrans format.

Item 10. SCHEDULES

The local agency should indicate their proposed advertisement date. This will give the involved parties a date for scheduling. However, the discussion of requirements and time frames may require adjustment of the advertisement date. Critical dates in the schedule should be noted in the remarks.

ITEM 11. PROJECT MANAGER’S CONCURRENCE

The local agency project manager shall sign and date the field review form to signify agreement on the parameters proposed for development of the project. The DLAE and FHWA representative shall sign the document when attending field reviews. This document is then a guidance reference for further development of the project to assure that it adheres to the programmed concept, or that any changes is approved by the manager (and/or DLAE and FHWA, if appropriate).

Item 12. LIST OF ATTACHMENTS

The first two items are appropriate for all reviews. Others to be added depend on the type of project. For required field reviews, all applicable attachments must be submitted. For optional field reviews, see the “[]” notations for attachments required for specific types of projects. All existing federal, state, or local Americans with Disabilities Act (ADA) deficiencies, if not identified on other Attachments, should be listed here

Note: The Federal Damage Assessment Form (DAF) shall be used as the field review document for Emergency Relief projects.

CLOSEOUT PROJECTS

Local agencies are encouraged to close out consultant contracts quickly. If the contract was for preparation of PS&E, environmental, preliminary material testing and/or material reports, or preliminary surveys, such closeouts should be delayed within the requirements of the “Timely Use of Fund” policy until after physical construction of the project is completed, and all construction claims are settled. Delaying the closeout until project completion ensures the consultant’s availability, if problems arise, or if the need for a change occurs relative to the consultant’s work.

After making final payment of consultant invoices, the local agency is to follow the requirements in this chapter and in Chapter 5, “Accounting/Invoices,” of the LAPM to request final reimbursement.

PERFORMANCE EVALUATION

The Contract Administrator evaluates the consultant’s performance after the consultant’s final report has been submitted, and the Contract Administrator has conducted a detailed evaluation with the consultant’s project manager. See Exhibit 10-S, “Consultant Performance Evaluation” form of a suggested format for use by the local agency.

PROJECT RECORDS

For audit purposes, project records and documentation shall be kept for three (3) years after payment of the final federal and/or state voucher. Among the records to be retained as follows:

- Copies of RFPs and RFQs
- Documentation of DBE participation, when applicable
- Solicitation/advertisement records
- Identification of selection committee members
- Evaluation and ranking records
- Independent cost estimate
- Record of negotiations
- Pre-award audit when applicable
- Executed consultant contracts and amendments
- Construction oversight/progress meetings
- Progress and final payments
- Performance evaluation
- Consultant contract checklists
- Accounting records documenting compliance with state and federal administrative requirements

10.8 MISCELLANEOUS CONSIDERATIONS

RETAINING A CONSULTANT AS AN AGENCY ENGINEER

A local agency may retain qualified consultants on its staff in professional capacities such as agency consultant engineers or architects. The agency consultants can be an individual or a firm providing professional and/or management services.

Eligibility for federal and/or state reimbursement for these services requires the following:

- Compliance with the selection procedures specified in this chapter.
- Existence of a contract between the local agency and the consultant specifying the services to be performed.
- Written designation by the local agency of the responsibilities and authority of the consultant as an agency engineer.
- Selection on an open and competitive basis within the last three (3) years.

If engineering services for a project are within the scope of the services described in the retained consultant's agreement, these services may be performed by the person or firm designated as an agency engineer. If the services are not within the scope, eligibility for federal and/or state reimbursement for these services require a new consultant agreement to be developed using the selection procedures in this chapter. Retained consultants involved in the preparation of the Request for Proposal (RFP), or Request for Qualifications (RFQ) shall not be considered in the selection of consultants for the resulting project specific work.

When engineering or architectural consultants are procured with the federal-aid funds, the local agency (subgrantee) shall fully comply with the following:

- Subparagraphs of 49 CFR §18.36(b)(2) "...maintain a contract administration system...."; and (3) "...maintain a written code of standards.... No employee, officer or agent of the ...subgrantee shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved...."
- Subparagraph of 23 CFR §172.9(d) "Consultant in management roles," which requires that if a local agency has or intends to have a consultant in a management role, the local agency shall receive approval from Caltrans. In addition, any federal-aid projects designated as High Profile Projects, approval may also be needed from FHWA.

CONSTRUCTION ENGINEERING SERVICES

Under federal-aid regulations and state policy, the primary responsibility for general supervision of construction must remain with the local agency. The local agency must also ensure that the work is performed in accordance with the approved plans and specifications, by employing or retaining as a consultant, a registered engineer for construction engineering services on the project.

All activities performed by a consultant must be under the overall supervision of a full-time employee of the agency who is responsible in-charge. These activities may include construction surveys, foundation investigations, measurement and computation of quantities, testing of construction materials, checking of shop drawings, preparation of estimates, reports, and other inspection activities necessary to ensure that the construction is being performed in accordance with the plans and specifications. The construction engineering consultant's agreement defines the relative authorities and responsibilities of the full-time employee of the local agency in charge of the project and the consultant's construction engineering staff.

If a technical inspection consultant is to provide professional assistance to the local agency, a formal consultant contract must be executed which follows this chapter's requirements. The agreement shall provide for reviews at appropriate stages during performance of the work to determine if any changes or other actions are warranted. These reviews are to be made by the local agency.

10.9 REFERENCES

- 23 CFR, Section 172
- 23 CFR §172.5
- 23 CFR §172.9(d)
- 23 CFR §26, Appendix A
- 41 CFR §1-9.1
- 48 CFR §31
- 49 CFR §18.12
- 49 CFR §18.36
- 49 CFR §18.36(b)(2)
- 49 CFR 26, Appendix A
- 41 USC 403(11)
- OMB Circular A-110
- *Standard Environmental Reference* (SER)
- *Government Code* Sections 4525 through 4529.5
- *California Labor Code*, Section 1775
- *Caltrans Service Contracts Manual*

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PRELIMINARY DESIGN

Local agencies may complete all necessary design work needed to complete the environmental document or to comply with other environmental laws during the National Environmental Policy Act (NEPA) process. This should not be construed as an authorization to proceed with final design for the entire project, but only for those aspects of the project necessary to consider specific environmental concerns. An example of this is where such work is necessary to permit the full evaluation of environmental impacts and to permit the consideration of appropriate mitigation measures, e.g., impacts to wetlands, Section 4(f) areas and resources covered by Section 106 of the National Historic Preservation Act.

FINAL DESIGN

Local agencies may not proceed with final design activities until Caltrans District Senior Environmental Planner (SEP) and the DLAE have signed the CE Form, Caltrans Deputy District Director has signed the Finding of No Significant Impact (FONSI), or Caltrans District Director has signed the Record of Decision (ROD). Granting approval to proceed with final design prior to final environmental approval would be a premature commitment to one alternative at a time when other alternatives, including the alternative of taking no action, are still being actively considered in the environmental process. Upon final environmental approval, it is incumbent upon the DLAE to immediately provide notification to the local agency and a copy of the approved environmental determination or documents.

Local agencies are required to provide a list of mitigation commitments to the DLAE (for projects processed with a CE), provide a list of mitigation commitments in the FONSI (for projects processed with an EA), and provide a list of mitigation commitments in the ROD (for projects processed with an EIS).

Unique mitigation commitments including but not limited to, excavation of historic sites, protection of public-owned public parklands, removal and disposal of hazardous materials, and the establishment of sensitive plant communities or wetland mitigation sites are often complex and require technical expertise in the translation and transfer into final design. Any plant establishment and monitoring periods must also be addressed during final design.

For complex projects, Caltrans staff is available to assist in the translation and proper transfer of mitigation commitments into the final design. Caltrans assures that mitigation commitments and any required ongoing maintenance of mitigation are implemented by conducting periodic process reviews.

PERMITS

The local agency is also responsible for translating permit conditions and restrictions into the final design. Permits include, but are not limited to: Army Corps of Engineers (ACOE) Section 404 Nationwide Permit; Section 404 Individual Permit; NEPA/404 Integration MOU, Section 10 Permit; United States Coast Guard (USCG) Bridge Permit; Regional Water Quality Control Board (RWQCB) Section 401 Water Quality Certification; RWQCB National Pollution Discharge (NPDES) Permit; California Department of Fish and Game (CDFG) Streambed Alteration Agreement; California Coastal Commission

(CCC) Coastal Zone Permit, and Bay Conservation and Development Commission (BCDC) Permit. Typical mitigation includes hay bales, silt fencing, dust control, riprap, soil stabilization matting, slope drain, turbidity barrier, etc

Local agencies should work closely with the permitting agency to ensure accurate translation and proper transfer of permit conditions and restrictions (as appropriate) into final design. Conversations with regulatory agencies regarding translation of permit conditions and restrictions should be well documented.

DOCUMENTATION

Well documented records, referencing the page numbers and/or plan sheets on which commitments are illustrated, should be maintained by the local agency, as this information will be necessary when certifying PS&E. This information will also be useful during process reviews.

12.4 METHOD OF CONSTRUCTION

CONTRACTING METHOD

Except as noted below, all federal-aid construction projects must be completed by contracts awarded to the lowest responsible bidder of a competitive bid process (23CFR 635.104). In addition, **local agencies may not, under any circumstances, negotiate with a bidder prior to award to reduce the price of a construction contract.**

Occasionally, situations arise which may support the use of a contracting method other than competitive bidding. Noncompetitive construction contracting may be approved under the following conditions:

- When an emergency exists of such magnitude that work cannot be delayed
- There is only one organization qualified to do the work
- Competition is deemed inadequate after soliciting bids
- When it is more cost effective to do the project by “force account” (defined below)

The use of a non-competitive contracting method must be thoroughly justified in writing (generally by the use of a Public Interest Finding), submitted to the Caltrans DLAE for review, documented in the project files, and retained for future reference. For local federal-aid projects that are subject to FHWA Full Oversight (see Chapter 2, *Roles and Responsibilities*), justification must be submitted to the DLAE for FHWA’s review and approval.

FORCE ACCOUNT (DAY LABOR)

Federal regulations (23 CFR 635.203) defines “force account” as the direct performance of construction work by a local agency, railroad, or public utility using labor, equipment, materials and supplies furnished by them and under their direct control. Payment under force account is based on the actual cost of labor, equipment, and materials furnished, with consideration for overhead and profit.

Since work by force account is an exception to the normal contract method, which is based on competitive bidding, each local agency must also look to its own charter and applicable state code(s) when considering work by force account.

contract plans. This manual is available from Caltrans Central Publications and Distribution Unit at 1900 Royal Oaks Drive, Sacramento, California 95815, Telephone No. (916) 445-3520.

DESIGN STANDARDS

Standards for design of federal-aid highway projects are contained in Chapter 11, *Design Standards*, of this manual.

DESIGN EXCEPTIONS

The Public Works Director or the person to whom approval authority has been delegated shall sign approval for design exceptions. The person with approval authority must be a registered Civil Engineer in the State of California. Additional procedures concerning documentation requirements and delegation of this approval authority shall be in accordance with Chapter 11, *Design Standards*, of this manual.

PLAN SHEET AND SPECIFICATION SIGNATURES

On local agency federal-aid projects, the title sheet of the plans and specifications shall bear the signature and seal or stamp, the date of signing and sealing or stamping, and the expiration date of the licensed professional engineer in the State of California, who is the local agency's responsible person in charge for the type of plans and specifications being signed. Additional local agency signatures on the title sheet are optional. Plans and specifications for projects advertised, awarded and administered by the local agency do not include the State Engineer's signature, except as required for a state encroachment permit and/or cooperative agreement. The title sheets of the plans and specifications must also show the federal-aid project number.

Other plan sheets (including typical section sheets) must bear the signature of the professional engineer under whose direction the sheets were prepared. Signature of the sheets may be delegated to a California registered engineer retained by the local agency to prepare the plans.

STANDARD PLANS

Caltrans *Standard Plans* shall be used for locally sponsored projects on the SHS.

The following standard plans are acceptable for use with local federal-aid projects off the SHS:

- The current edition of the Caltrans *Standard Plans*
- The current edition of the *Standard Plans for Public Works Construction*, developed and promulgated by the American Public Works Association - Southern California Chapter and the Associated General Contractors of California - Southern California Districts

In addition to the above, standard plans which are developed locally for non-federally

funded projects may be used on local federal-aid projects. The local standard plans shall be signed (with registration number) by the local agency's responsible person in charge who must be registered in California in the professional field for the type of standard plan being signed. Details included in local standard plans used for projects on the NHS shall meet statewide geometric standards.

Bridge construction details included in local standard plans shall meet the Caltrans' bridge design standards.

When a local agency requests structure-review assistance from Caltrans, Caltrans *Standard Plans* must be used, as appropriate, for the structure portion of the project. However, Caltrans' review will be contingent upon availability of staff.

EROSION CONTROL PLANS

Erosion control measures and practices shall be taken to inhibit the dislodging and transporting of soil particles by water or wind, including actions that limit the area of exposed soil and minimize the time the soil is exposed.

Emphasis shall be placed on erosion control in the preparation of PS&E. All reasonable steps shall be taken to ensure that highway project designs for the control of erosion and sedimentation and the protection of water quality comply with applicable standards and regulations of other agencies.

The AASHTO *Highway Drainage Guidelines*, Volume III, and *Erosion and Sediment Control in Highway Construction*, 1992, are guidelines to be followed on all construction projects. These guidelines are not intended to preempt any local requirements or State law if such requirements are more stringent.

Federal-aid funds shall not be used in erosion and sediment control actions made necessary because of contractor oversight, carelessness, or failure to implement sufficient control measures.

WORK ZONE SAFETY AND MOBILITY

LOCAL AGENCY POLICY

23 CFR Part 630-Subpart J "Work Zone and Safety and Mobility" requires the implementation of a policy by the local agency for systematic consideration and management of work zone impacts on all federal-aid transportation projects. This policy may take the form of processes, procedures and/guidance, and may vary based on the characteristics and expected work zone impacts of individual projects or classes of projects.

Each local agency may develop its own policy or may choose to pattern their policy after Caltrans to provide a smooth and efficient flow of traffic, while retaining safety through the roadway work zone. For Caltrans' policy refer to the Deputy Directive-60 "Transportation Management Plan" which is available from the office of the District Local Assistance Engineer (DLAE). The local agency's policy can be as simple as to provide a smooth and efficient flow of traffic, while retaining safety through the roadway work zone. This simple policy is used in the "Sample Notice to Contractors & Special Provisions" of the "Sample Boiler Plate for Contract Documents" available at the

Division of Local Assistance Web site

(http://www.dot.ca.gov/hq/LocalPrograms/sam_boil/sam_boil.htm).

Local agencies are encouraged to implement this policy for their nonfederal-aid projects as well. More information on “Work Zone Safety and Mobility” is provided on the internet at: (http://www.ops.fhwa.dot.gov/wz/resources/final_rule.htm)

and “Guidance for Addressing Local Safety Issues” is available at:

(http://safety.fhwa.dot.gov/local_program/)

SIGNIFICANT PROJECTS

As defined in 23 CFR §630.1010, a “Significant Project” is one that, alone or in combination with other concurrent projects nearby is anticipated to cause sustained work zone impacts greater than what is considered tolerable by the traveling public, based on the agency’s policy and/or engineering judgment. Work zone impacts as defined in 23 CFR §630.1004, refer to work zone-induced deviations from the normal range of transportation system safety and mobility. The extent of the work zone impacts may vary based on factors such as, road classifications, area type (urban, suburban, and rural), traffic and travel characteristics, type of work being performed, time of day/night, and complexity of the project. These impacts may extend beyond the physical location of the work zone. They may occur on the roadway on which the work is being performed, as well as other highway corridors, other modes of transportation and/or the regional transportation network.

If a project is expected to be significant, the Transportation Management Plan (TMP) for that project must also contain both Transportation Operations (TO) and Public Information (PI) components. Agencies are encouraged to consider TO and PI strategies for all projects. Identification of upcoming projects expected to be significant should be done as early as possible in the project delivery and development process.

TRANSPORTATION MANAGEMENT PLAN (TMP)

A Transportation Management Plan (TMP) is required for all federal-aid construction projects. The TMP needs to include a Temporary Traffic Control (TTC) Plan that addresses traffic safety and control in the work zone. It consists of strategies to manage the work zone impacts of a project. The TMP scope, content, and degree of detail may vary based upon the local agency’s work zone policy, and an understanding of the expected work zone impacts of the project.

For significant projects, the local agency shall develop a TMP that consists of a TTC plan and addresses both TO and PI components. The TMP may consist only of a TTC Plan for individual projects or classes of projects determined by the local agency to have less significant work zone impacts. If additional information is needed by the local agency, the DLAE may refer the local agency to the *Transportation Management Plan Guidelines* and may obtain additional information from Caltrans headquarters TMP Coordinator in the Division of Traffic Operations.

- **Temporary Traffic Control (TTC) Plan**

A Temporary Traffic Control (TTC) Plan describes the measures to be used to facilitate road users through a work zone, an incident area, or other event that

temporarily disrupts normal road user flow. The TTC Plan has a vital role in providing continuity of reasonable safe and efficient road user flow and for highway workers' safety.

The TTC Plan shall be consistent with the provisions under Part 6 of the *California Manual on Uniform Traffic Control Device* (MUTCD) available at:
<http://www.dot.ca.gov/hq/traffops/signtech/mutcdsupp/>

and with the work zone hardware recommendations in Chapter 9 "Traffic Barriers, Traffic Control Devices and Other Safety Features for Work Zone" (2002 Edition) of the *AASHTO Roadside Design Guide*. You can purchase this guidebook at AASHTO Publications, P.O. Box 933538, Atlanta, Georgia 31193, phone no. 1-800-231-3475 or at this web site: <https://bookstore.transportation.org/>.

In developing and implementing the TTC Plan, the pre-existing roadside safety hardware shall be maintained at an equivalent or better level than what existed, prior to project implementation. The scope of TTC Plan is determined by the project characteristics and the traffic safety and control requirements identified by the local agency for that project. The TTC Plan shall be either referenced to specific TTC elements in the MUTCD, approved standard TTC Plans, the *California State Transportation TTC Manual*, or to be designed specifically for the project.

- **Transportation Operations (TO)**

The Transportation Operations (TO) shall include the identification of strategies that will be used to mitigate impacts of the work zone in the operation and management of the transportation system within the work zone impact area. Typical TO strategies may include, but are not limited to, demand management, corridor/network management, safety management and enforcement, and work zone management. The scope of the TO component should be determined by the project characteristics and the transportation operations and safety strategies identified by the local agency.

- **Public Information (PI)**

The Public Information (PI) shall include communication/traveler strategies that seek to inform affected road users, general public, area residences and businesses, and appropriate public entities about the project, the expected work zone impacts, and the changing conditions on the project. The scope of the PI component shall be determined by the project characteristic, public information, and outreach strategies identified by the local agency. Public information will be provided through methods suited for the project and may include, but not limited to, information on the project characteristics, expected impacts, closure details, and commuter alternatives.

Local agencies should develop and implement the TMP in sustained consultation with stakeholders (e.g., other transportation agencies, railroad agencies/operators, transit providers, freight movers, utility suppliers, police, fire, emergency medical services, school, business communities, and regional transportation management centers).

The Plans, Specifications and Estimates (PS&Es) shall include either a TMP or provisions for contractors to develop a TMP at the most appropriate project phase that will be applicable to the local agency's chosen contracting methodology for the project. A contractor developed TMP shall be subject to the approval of the local agency and shall not be implemented before it is approved.

The PS&Es shall include appropriate pay item provisions for implementation of the TMP, either through method or performance-based specifications:

- 1) For method-based specifications individual pay items, lump sum payment or a combination thereof may be used.
- 2) For performance-based specifications, applicable performance criteria and standards may be used (e.g., safety performance criteria such as number of crashes within the work zone; mobility performance criteria such as travel time through the work zone delay, queue length and traffic volume; incident response and clearance criteria; work duration criteria).

WORK ZONE IMPLEMENTATION AND IMPROVEMENT PROCEDURES

- **Work Zone Assessment and Management Procedures**

A local agency shall develop and implement systematic procedures to assess Work zone impacts in project development and manage safety mobility during project implementation. The scope of these procedures shall be based on the project characteristics.

- **Work Zone Data**

A local agency shall use field observations, available work zone crash data and operational information to manage work zone impacts for specific projects during the implementation. A local agency shall continually pursue improvement of work zone safety and mobility by analyzing work zone crash and operational data from multiple projects to improve the processes and procedures. A local agency shall maintain elements of the data and information resources that are necessary to support these activities.

- **Training**

A local agency shall require that personnel (either staff or contract personnel) involved in the development, design, implementation, operation, inspection or enforcement of work zone related transportation management and traffic control be trained appropriate to the job descriptions each individual is required to perform. A local agency shall require periodic training updates that reflect changing industry practices and state processes and procedures.

- **Process Review**

In order to assess the effectiveness of work zone safety and mobility procedures, Caltrans shall perform a process review at least every two years. The process review may include the evaluation of work zone data at the local agency level and/of review of randomly selected projects throughout the local agency's jurisdictions. Appropriate personnel who represent the project development stages and the different offices within Caltrans and FHWA should participate in this review. Other non-state stakeholders may also be included in this review, as appropriate. The results of the review are intended for the improvements in the work zone processes and procedures, data and information resources, and training programs to enhance efforts in addressing safety and mobility of both current and future projects.

AMERICANS WITH DISABILITIES ACT (ADA) COMPLIANCE PLANS

Within the project limits, the plans (and specifications if applicable) must comply with the federal ADA and the California and Local Building Codes. For construction or alteration that commenced after January 26, 1992, *Title 28 Code of Federal Regulations (CFR) part 35 “Nondiscrimination on the Basis of Disability in State and Local Government Services”* or *Title 28 CFR part 36 “Nondiscrimination on the Basis of Disability by Public Accommodations and in Commercial Facilities,”* including “Appendix A” require each new or altered facility (includes roads and streets) or part of a facility constructed or altered by, on behalf of, or for the use of a public entity shall be designed and constructed or altered in such manner that the facility or part of the facility is readily accessible to and usable by individuals with disabilities. Each altered facility shall to the maximum extent feasible, be altered in such manner that the altered portion of the facility is readily accessible to, and usable by individuals with disabilities.

As mentioned in Chapter 11 “Design Standards,” “Title II-6.6000” of the Department of Justice’s “*Technical Assistance Manual*,” when streets, roads, or highways are newly built or altered, they must have ramps or sloped areas wherever there are curbs, or other barriers to entry from a sidewalk, or path. Likewise, when new sidewalks or paths are built or are altered, they must contain curb ramps or sloped areas wherever they intersect with streets, roads, or highways. The “Curb Ramp Details” included in the Caltrans “Standard Plans” fully comply with both the federal and state requirements for curb ramps.

Alterations include items such as reconstruction, major rehabilitation, widening, resurfacing (e.g. structural overlays, mills and fills), signal installation and upgrades, and projects of similar scale and effect. They do not consider maintenance activities, such as filling potholes to be alterations. They do consider resurfacing beyond normal maintenance to be an alteration. Maintenance activities include actions that are intended to preserve the system, retard future deterioration, and maintain the functional condition of the roadway without increasing the structural capacity. These activities include, but are not limited to, thin surface treatments (nonstructural), joint repair, pavement patching (filling potholes), shoulder repair, signing, striping, minor signal upgrades, and repairs to drainage systems.

VIII. BRIDGE DESIGN PROCEDURES (Check the appropriate box)

All bridges have been designed in accordance with the current edition of the Caltrans *Bridge Design Specifications Manual*

YESDOES NOT APPLY (Bridge construction not included in the project)☐☐**IX. STANDARD PLANS** (Check appropriate box)☐Caltrans *Standard Plans*☐*Standard Plans for Public Works Construction*☐

Local Approved Standard Plans:

_____ Date signed (on behalf of the local agency) by a person in responsible charge and who is registered professional engineer licensed to practice in the State of California.

X. PROJECT PLANS AND SPECIFICATIONS (Check box if requirements met)☐

Cover sheet of plans and specifications signed and stamped on behalf of the local agency by the person in responsible charge, and who is a registered professional engineer licensed to practice in the State of California.

☐

Traffic Control Plans or reference to Standard Plan and Signs/Striping Plans Included (Note: Additionally, Traffic Management Plans are required to be on file for all reconstruction, rehabilitation, and other projects [including projects on the State Highway System not funded by the state], if significant traffic delays are anticipated and as a result from project activities).

☐

Erosion Control Plan

☐

ADA is being fully complied with including *Federal ADA Standards for Accessible Guidelines for Buildings and Facilities* (ADAAG), *Title 24 of the California Code of Regulations*, and local codes.

XI. STANDARD SPECIFICATIONS (Check Standards used)☐Caltrans *Standard Specifications*☐*Standard Specifications for Public Works Construction* (Green Book)☐

Locally Approved Standard Specifications

XII. REQUIRED FEDERAL CONTRACT PROVISIONS**A. General Federal Requirements** (Check appropriate box and indicate page number)

Page No.

☐

Caltrans SSP - *SECTION 14. FEDERAL REQUIREMENTS FOR FEDERAL-AID CONSTRUCTION PROJECTS* (Attachment A, FR-1 & FR-2) is included.

☐

Equivalent provisions are included.

B. FHWA Form 1273**1. Incorporation of FHWA Form 1273 into Contract** (Check appropriate box and indicate page number)

Page No.

☐

An unmodified copy of FHWA Form 1273 *REQUIRED CONTRACT PROVISIONS FEDERAL-AID CONSTRUCTION CONTRACTS*

(Attachment B, FR-3 thru FR-14) has been physically incorporated into this contract

- ☐ A modified copy of FHWA Form 1273 *REQUIRED CONTRACT PROVISIONS FEDERAL-AID CONSTRUCTION CONTRACTS* has been physically incorporated into this contract.

2. Modification of FHWA Form 1273 (If the provisions contained in FHWA Form 1273 will be modified, fill in the required project information before completing Sections 2.a thru 2.d.)

Estimated Construction Contract Cost _____

a. Section IV. Payment of Predetermined Wages (Check appropriate box)

This section applies to all federal-aid highway construction projects exceeding \$2,000 and to all related subcontracts, except for projects not located on the Federal-aid System (roadways classified as local roads or rural minor collectors), which are exempted. If exempted, this section may be crossed out, removed, or may be specified elsewhere in the contract that it does not apply.

- ☐ Section IV has not been modified.
☐ Section IV has been *crossed out/removed/specified elsewhere in the contract that it does not apply.* (Indicate type of modification).

b. Section V. Statements and Payrolls (Check appropriate box)

This section applies to all federal-aid highway construction projects exceeding \$2,000 and to all related subcontracts, except for projects not located on the Federal-aid System (roadways classified as local roads or rural minor collectors), which are exempted. If exempted, this section may be crossed out, removed, or may be specified elsewhere in the contract that it does not apply.

- ☐ Section V has not been modified.
☐ Section V has been *crossed out/removed/specified elsewhere in the contract that it does not apply.* (Indicate type of modification)

c. Section VI. Record of Materials, Supplies, and Labor (Check appropriate box)

See PS&E Checklist Instructions (Exhibit 12-E of this chapter) for applicability.

- ☐ Section VI has not been modified.
☐ Section VI has been *crossed out/removed/specified elsewhere in the contract that it does not apply.* (Indicate type of modification)

d. Section VII. Subletting or Assigning the Contract (Check appropriate box)

This section applies to all federal-aid highway projects.

- ☐ Section VII has not been modified.
☐ Section VII has been *crossed out/removed/specified elsewhere in the contract that it does not apply.* (Indicate type of modification)

13.5 PRELIMINARY RIGHT OF WAY ACTIVITIES

REQUEST AUTHORIZATION TO PROCEED (PE)

Separate work authorizations and fund obligations are normally made for Preliminary Engineering (PE), Right of Way (including appraisal, acquisition, relocation assistance, and utility relocation) and Construction phases, if federal funds are to be used in each of these phases.

PRELIMINARY STUDIES

At this early stage in the development process, it is crucial to correctly evaluate the project requirements: namely, the limits, location (including existing utilities), scope, costs, and whether any additional right of way will be required. Each agency should establish a process for accumulating this data, which will play an integral part in successfully completing the Field Review, the Preliminary Environmental Study (PES) Form and the Plans, Specifications & Estimate (PS&E) for the project.

FIELD REVIEWS

Formal field reviews, which may include FHWA and Caltrans representatives are not required on local agency transportation projects off of the National Highway System (NHS) (for additional details, see Chapter 7, “Field Review” of the LAPM. However, Field Reviews are suggested practice for all complex projects. A representative from FHWA should be consulted on all projects that require "full oversight" by FHWA. All requests for FHWA participation should be coordinated through the DLAE.

Local Agencies should complete the PES Form and the first two pages of the Field Review Form prior to requesting a Field Review. If it appears that additional right of way will be required, one of the intended results of the Field Review is to provide sufficient data to complete the right of way estimate (see “Right of Way Estimate” in this chapter). The information contained in these two documents is crucial in obtaining FHWA authorization to proceed further with the next stage of the project (see “Request for Authorization to Proceed Right of Way” in this chapter).

The Field Review process brings together all interested parties in order to reach agreement on the important aspects of the project, including such items as the design features, alternative proposals for building the project, respective responsibilities of the various agencies involved, level of documentation required in the NEPA process, and whether a public hearing will be necessary. For Right of Way objectives, the Field Review may confirm the need to acquire right of way and relocate the occupants, or relocate utilities and/or railroad facilities, which can significantly affect the project development in particular, the costs and scheduling. The review also facilitates the identification of compensable property interests plus uncovering project requirements such as the need for temporary construction easements, permits to enter, etc. Therefore, it is strongly encouraged that the Caltrans Right of Way Coordinators be invited to participate in the Field Reviews, as their assistance could be extremely helpful.

When the preliminary review is completed, the local agency is responsible for completing the Field Review Form. If there are right of way requirements for the project, the DLAE should forward a copy of this form to the Right of Way Local Programs Coordinator. For NHS projects, all appropriate forms and attachments must be completed. For non-NHS projects, the two-page Field Review Summary must be completed at a minimum. Items 7 and 9 apply to right of way issues.

13.6 ENVIRONMENTAL APPROVAL

NATIONAL ENVIRONMENTAL POLICY ACT (NEPA)

All local agency federal-aid transportation projects “off” the SHS must comply with the provisions of the NEPA and the implementing regulations (23 CFR 771) thereto. Local agencies may not proceed with final design, right of way acquisition, or project construction until full compliance with the NEPA has been documented and approved by Caltrans.

The level of documentation required in the NEPA process will vary depending upon the NEPA Class of Action. A proposed major highway or a new highway on a different alignment, for example, will normally require an extensive study (an Environmental Impact Statement [EIS]), while minor improvements to existing highways such as a roadway intersection signal installation may require only a short analysis (a Categorical Exclusion [CE]).

All local agency projects must demonstrate compliance with NEPA and other federal environmental laws before proceeding with right of way work or the final design of a project.

PRELIMINARY ENVIRONMENTAL REVIEW--PES

The “Preliminary Environmental Study (PES) Form” Exhibit 6-A of the LAPM is designed to identify such items as the existing conditions in the project area, environmental issues that may require further study and the need for public hearing, or resource or regulatory agency permit. Question No.24 in Exhibit 6-A and Exhibit 6-B “Instructions for Completing the PES Form,” specifically relate to right of way impacts and a “YES” answer would indicate that further action is necessary.

PUBLIC HEARINGS

In general, public hearings should be held for a project if there is substantial environmental controversy, if there is widespread interest in holding the hearing or if an agency with jurisdiction over the project requests one. The procedures for holding hearings, including the requirements for notifying the public, the contents of the notification, scheduling, and the hearing process are all discussed in Chapter 8, “Public Hearings,” of the LAPM.

Federal regulations require public hearings under certain circumstances. For example, projects being processed with an Environmental Assessment (EA) require a public hearing when significant amounts of right of way will be required for the project. Public hearings are also required during the circulation period of all draft EIS.

Public involvement is advantageous because it can broaden the agency’s knowledge of the project area. If a public hearing is to be held and additional right of way or property rights will be required for the project, right of way personnel should be involved as early as possible. A public forum offers an excellent opportunity to discuss the acquisition and relocation impacts with the affected persons. The importance of explaining these projects within the context of a public hearing cannot be overstated. One of the most difficult aspects of any project is the displacement of people and/or personal property. Property owners rarely see the importance of a project when balanced against their own needs and desires. Often the project simply means the disruption of their lives and lifestyle, or the need to relocate and reestablish their residence or business in a new area. As a result, those most directly affected are often hostile and unwilling to reach any agreement on an amicable basis.

ADDENDA - This Proposal is submitted with respect to the changes to the contract included in addendum number/s__ (Fill in number/s if addenda have been received.)

Warning If an addendum or addenda have been issued by the administering agency and not noted above as being received by the bidder, this proposal may be rejected.

15.6 CONTRACT AWARD

INTRODUCTION

WARNING:

No project shall be advertised for bids, nor shall any project work (by contract or other than contract) be undertaken, and no materials shall be purchased on any federal-aid project, prior to issuance of "Authorization to Proceed" by Caltrans or the FHWA. Violation of this requirement shall result in the project ineligible for federal funding.

The contract award is a critical milestone for all federal-aid projects. At this point the administering agency must have a complete financial package assuring adequate funding for the project. The administering agency shall award federal-aid contracts on the basis of the lowest responsive and responsible bidder. It is the administering agency's responsibility to assure that all successful bidders are licensed contractors upon award of any contract incorporating State or federal-aid funds.

BID ANALYSIS PROCESS

The administering agency should conduct a **bid analysis** for each project. The bid analysis is required for projects on the National Highway System. The bid analysis is the process performed to justify the award or rejection of the bids and should assure that good competition and the lowest possible cost were received. A proper bid analysis better ensures that funds are being used in the most effective manner. A bid analysis also assists the agency in preparing accurate engineering estimates on future projects.

The bid analysis process is an examination of the unit bid prices for reasonable conformance with the engineer's estimated prices. Beyond the comparison of prices, other factors that a bid analysis may consider include:

- Number of bids
- Distribution or range of the bids
- Identity and geographic location of the bidders
- Urgency of the project
- Unbalancing of bids
- Current market conditions and workloads
- Potential for savings if the project is readvertised
- Comparison of bid prices with similar projects in the letting
- Justification for significant bid price differences
- Other factors as warranted

The *Contract Cost Data* publication by Caltrans, is available to assist local agencies in preparing accurate engineers estimates. This annual publication is available in electronic form on the Internet. Instructions for downloading this information are located at Internet address at http://tresp.dot.ca.gov/office_engineer/CoCoda.html.

Not all of the factors above need to be considered for bids that indicate reasonable prices or show good competition. However, when the low bid exceeds the engineer's estimate by an unreasonable amount, a more thorough analysis should be undertaken to determine if the bids should be rejected or a justification for award of the contract can be made. In order to justify award of a contract under these circumstances, the following criteria should be examined:

- Was competition good?
- Is the project essential and deferral would be contrary to public interest?
- Would readvertisement result in higher bids?
- Is there an error in the engineer's estimate?
- Is the increase within the amount programmed in the FTIP?

For NHS projects, written justification shall be included in the project file for projects where the lowest responsible bidder exceeds the engineer's estimate by 10% or more. The justification should explain the reasons for the difference between the engineer's estimate and bid amount, and why it was decided to award the contract.

Regarding the adequacy of competition, the FHWA "*Guidelines on Preparing Engineer's Estimate, Bid Reviews and Evaluation*" outlines recommended procedures for preparing engineers engineer's estimates and or reviewing bids prior to award. The Web site is at <http://www.fhwa.dot.gov/programadmin/contracts/ta508046.cfm>. Location and availability of bidders should also be considered when determining adequacy of competition. Some projects may be so essential that deferral, even for 60 days, would not be in the public's interest. Examples of such projects might include:

- Safety projects to correct an extremely hazardous condition where the traveling public is in danger
- Emergency repairs or replacement of damaged facilities
- Projects to close substantial gaps in otherwise completed facilities to allow opening to traffic
- Projects that are critical to staged or phased construction and delay would significantly impact the completion of the whole project

Unbalanced bids are one of the factors to review in a bid analysis. The two types of unbalanced bids are as follows:

- A mathematically unbalanced bid is a bid that contains lump sum or unit bid items that do not reasonably reflect the actual costs (plus reasonable profit, overhead costs, and other indirect costs) to construct the item, and
- A materially unbalanced bid is a bid that generates reasonable doubt that award to that bidder would result in the lowest ultimate cost to the government.

LOCAL AGENCY CONSTRUCTION CONTRACT ADMINISTRATION CHECKLIST

Local Agency _____

I ADVERTISE AND AWARD PROJECT

A. Project Advertisement

- ☐ Projects are not advertised until the Authorization to Proceed (E-76) for the construction phase has been approved by Caltrans (or by FHWA for Full Oversight projects).
- ☐ For NHS projects, a minimum of three weeks for project advertisement (15.4 "Project Advertisement").

B. Contract Bid Opening

- ☐ All bids are opened publicly and read aloud either item-by-item, or by total amount. If a bid is not read, the bidder is to be identified and the reason for not reading the bid announced (15.5 "Contract Bid Opening")

The following documents will be completed and retained in the project files.

- ☐ For NHS Projects, a list of bidders and total amount bid with an item-by-item breakdown (Exhibit 15-D, "Sample Bid Tabulation Summary Sheet") of the three lowest bidders.
- ☐ Bidders' list to be compiled from prime and subcontractors bidding or quoting on contract.
- ☐ EEO Certification (Exhibit 12-E, Attachment C), The Noncollusion Affidavit (Exhibit 12-E, Attachment D), Non-Lobbying Certification (Exhibit 12-E, Attachment F), Disclosure of Lobbying Activities (Exhibit 12-E, Attachment G)
- ☐ Local Agency Bid Opening Checklist (Exhibit 15-I)

C. Contract Award

- ☐ Contracts are awarded on the basis of the lowest responsive bid from a responsible bidder (15.6 "Contract Award").
- ☐ For all NHS projects, a bid analysis will be performed (15.6 "Contract Award").
- ☐ No negotiations with contractor occurred prior to award (not allowed).
- ☐ Local Agency Bidder-DBE Information (Exhibit 15-G)-to be submitted by successful bidder.

The following documents will be forwarded to the Caltrans District Local Assistance Engineer immediately after award of the contract:

- ☐ Contract Award Checklist (Exhibit 15-L)
- ☐ Detail Estimate (Exhibit 15-M)
- ☐ Finance Letter
- ☐ RE's Checklist

D. Subcontracting

- ☐ For all federal-aid transportation projects, at least 30% of the contract work is to be performed by the prime contractor (see Chapter 16, Section 16.6 "Subcontractors")

Local agency's person in "Responsible Charge"

(date)

Distribution: Original Local Agency Project File
One copy - DLAE

conflicts at the lowest possible management level. A Caltrans special provision on partnering is included as a sample in the “Boiler Plate” contract documents in Section 12.8 of this manual.

Partnering is not a requirement of the federal-aid program, but it is eligible for participation as part of the construction engineering cost of the project. Generally, the costs are shared between the contractor and administering agency. Partnering can be a valuable extension of the pre-construction conference.

Partnering is not an alternate dispute resolution method. It is a change in the attitude and the relationship between owner and contractor. Partnering is the creation of a relationship between the owner and contractor that promotes achievement of mutual and beneficial goals. Partnering is where trust, cooperation, teamwork and the successful attainment of mutual goals are the hallmark.

The keys to making partnering work include communication, willing participants, senior management support, up front commitment, and a plan. Communication starts early in the process through a team-building session. All the key managers for the project are assembled for a workshop which focuses on team building, goal setting, identifying issues, and solving problems. The workshop is run by a facilitator who ensures all issues are brought out into the open. Authority to solve problems is delegated to the lowest level. Follow up meetings are held to evaluate goals and objectives.

When a local agency chooses to use the partnering approach, the partnering workshop can be independent of the pre-construction conference or integrated as a breakout session

When formal partnering is desired the contract should contain appropriate specifications for partnering. The Caltrans Office Engineer in each district is available to assist in providing specifications for the process. Partnering is not always appropriate and judgment should be exercised when selecting which projects this process would be beneficial to. Informal partnering may also be beneficial and does not require contract provisions to be implemented.

PRE-CONSTRUCTION CONFERENCE

For all construction projects, the administering agency shall schedule a pre-construction conference, unless the administering agency determines that the project is of such a minor nature that a meeting is not necessary.

The meeting shall be attended by representatives of the local agency and contractor. It is suggested that other affected agencies, local authorities (police, fire, etc.), and public utilities personnel be invited to attend. When an invitation is extended to Caltrans, representation will be up to the DLAE when he/she determines resources are available. Additional meetings may be advisable where considerable effort and time is required to cover specific areas, such as labor compliance, Equal Employment Opportunity (EEO), record keeping, etc.

Local agency representatives shall explain the various forms, reports, as well as sanctions for noncompliance with local, state, and federal requirements. Discussion is to include requirements for Equal Employment Opportunity, state and federal safety, labor compliance and DBE. Potential utility and traffic safety problems should also be discussed, as well as National Environmental Policy Act (NEPA) compliance requirements.

A written record of attendance and items discussed shall be made by the administering agency. A copy of the written record or the reasons for not holding the pre-construction conference shall be kept in the project files.

16.5 CONTRACT TIME

PROCEDURES

The administering agency is responsible for reviewing working days, contract time requirements, and documenting time extensions according to their own requirements. These requirements must be consistent with other similar projects not using federal-aid. Contract time extensions proposed after acceptance of the contract must have written approval of the administering agency. Generally the approval is made by change order for a specified amount of working days. Approvals can be made if the justification demonstrates a delay to the controlling item of work in the contractors schedule

The administering agency shall maintain a written record of project progress. This record must indicate factors which may affect the work, such as weather conditions, utility delays, strikes or labor disputes, and material shortages. Based on these factors a record of working days shall be maintained.

Documentation similar to Exhibit 16-A, "Weekly Statement of Working Days," Form CEM-2701 (Old HC-146) is an acceptable record of project progress and shall be retained in the project file. A discussion of the use of the form is contained in Section 2-08 of the State's *Construction Manual*.

16.6 SUBCONTRACTORS

INTRODUCTION

Subcontracting procedures apply to all federal-aid highway projects.

PROCEDURES

1. FEDERAL-AID PROJECTS

Contracts for federal-aid projects shall specify the minimum percentage of work that a contractor must perform with "its own organization." This percentage shall be not less than thirty percent (30%) of the total original contract price excluding any identified "specialty items"¹. When "specialty items" are specifically identified, they may be performed by subcontract and the amount of any such specialty items may be deducted from the total original contract before computing the amount of work required to be performed by the contractor's own organization. The contract amount upon which the above requirement is computed includes the cost of materials and manufactured products which are to be purchased or produced by the contractor under the contract provisions.

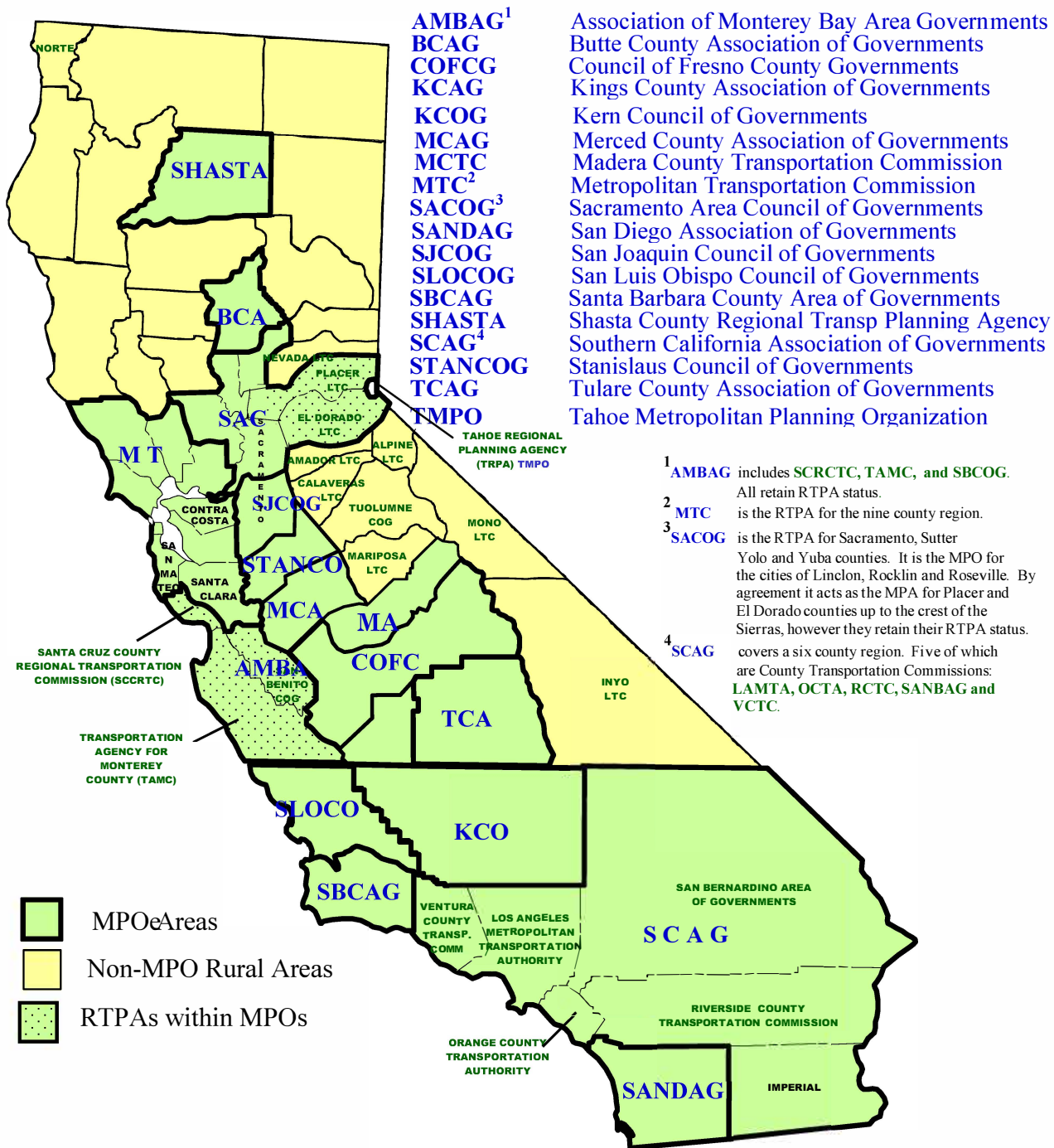
¹ Local agencies which use *Caltrans Standard Specifications* or the *Standard Specifications for Public Works Construction (Green Book)* and choose to use the thirty percent (30%) specified for federal-aid projects must include a special provision to override the *Caltrans Standard Specifications Section 8-1.01*, or the *Green Book specifications Section 2-3.2*, which require that the minimum percentage of work that a contractor must perform with its own organization is fifty percent (50%) excluding any identified specialty items.

CALIFORNIA

METROPOLITAN PLANNING ORGANIZATIONS (MPOs)

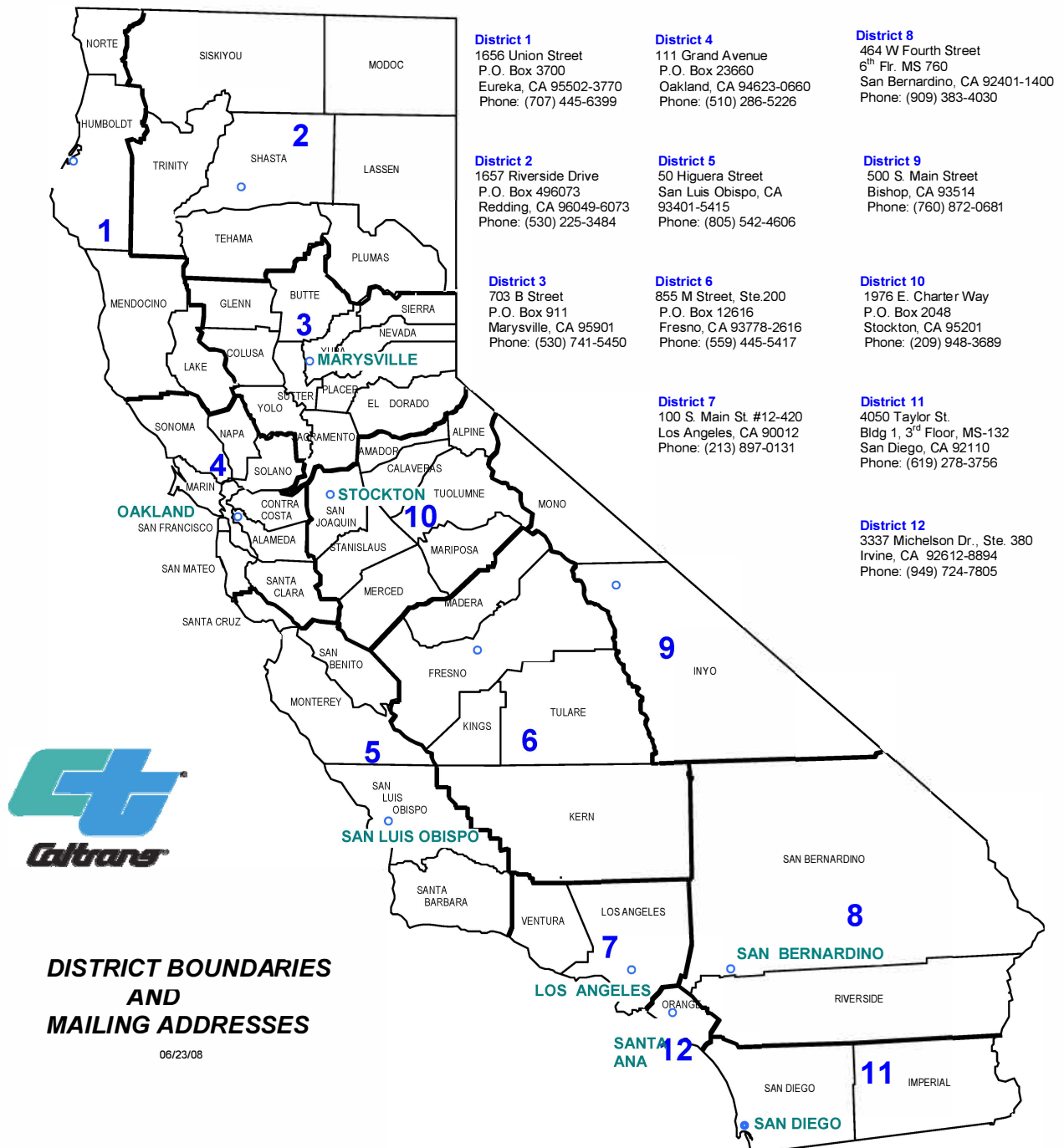
and

Regional Transportation Planning Agencies (RTPAs)



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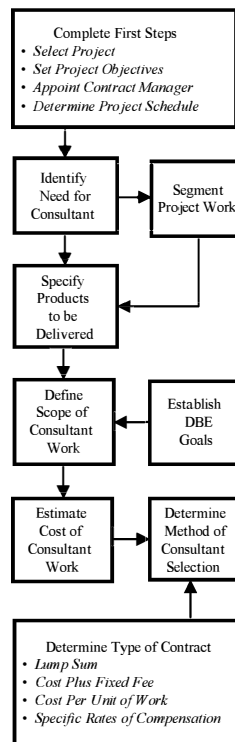
CALTRANS DISTRICT LOCAL ASSISTANCE



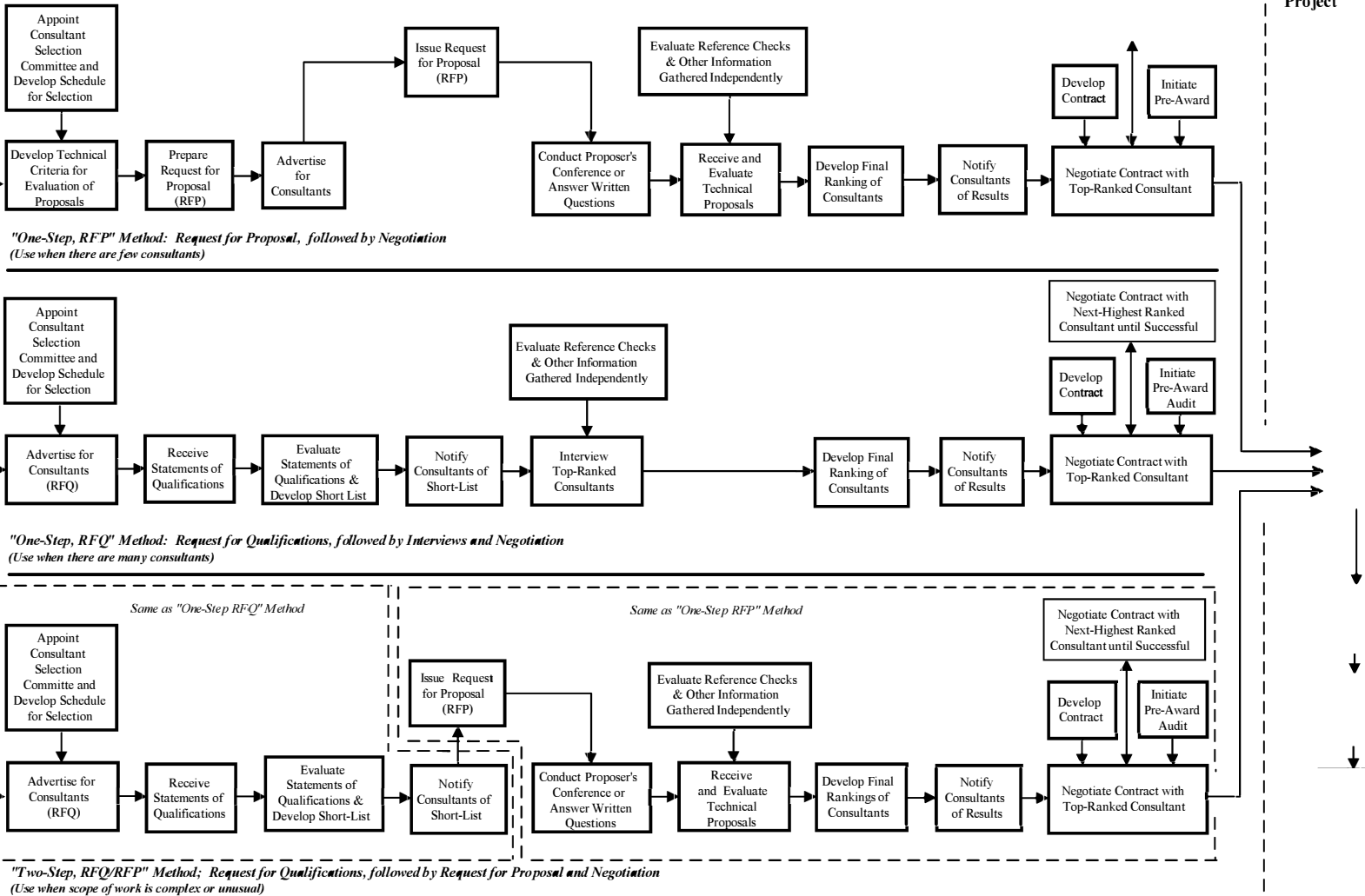
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SELECTING CONSULTANTS

Initiate Project



Select Consultants



Preliminary Engineering Phase

Eligible costs for preliminary engineering usually may be incurred beginning on the date the Federal Highway Administration and Federal Transit Administration approve the Federal State Transportation Improvement Program (FSTIP) or FSTIP amendments that include the project. The District Local Assistance Engineer will notify administering agency of this date. (See page B-17.)

Environmental Documentation

Transportation enhancement projects must meet the requirements of the California Environmental Quality Act (CEQA), the National Environmental Policy Act (NEPA) and all other relevant federal environmental requirements. (See Chapter 6, “Environmental Procedures,” of the LAPM).

To the fullest extent possible, all environmental investigations, reviews, and consultations will be coordinated as a single process, and compliance with all applicable environmental requirements will be reflected in the environmental document and the conditions of the environmental document approval.

The District Local Assistance Engineer will coordinate the administering agency’s early and ongoing contact with the District Environmental Branch.

The administering agency, under agreement with Caltrans, is the lead agency responsible for complying with the provisions of the CEQA. Where a State Highway is involved, Caltrans reviews the CEQA document.

Caltrans ensures compliance with NEPA and the other federal environmental requirements for all federal-aid projects. The other requirements include:

- Section 4(f) of the Department of Transportation Act of 1966 applies when a proposed project will result in the use of land in a publicly owned park, recreation area, or wildlife and waterfowl refuge, or any significant historic site. Such a use may not occur unless there is adequate documentation that there is no prudent and feasible alternative to the use of the land in the property, and the action includes all possible planning to minimize harm to the property resulting from such use. Each enhancement project must be evaluated to determine if Section 4(f) applies. Specific documentation and procedural requirements involving FHWA and other federal agencies must be followed.
- Section 7 of the Endangered Species Act of 1973 requires federal agencies to consult with the U. S. Fish and Wildlife Service (National Marine Fisheries Service, if applicable) if a federally-funded project may affect a listed endangered species or critical habitat of an endangered species. The administering agency will be responsible for assessing the potential for impact.

See Chapter 1, Exhibit 1-A page 1-13 for CALTRANS DISTRICTS LOCAL ASSISTANCE OFFICES

***See Chapter 1, Exhibit 1-A page 1-13 for CALTRANS DISTRICTS LOCAL
ASSISTANCE OFFICES***

Appendix 1
Page 4

See Chapter 1, Exhibit 1-C page 1-11 for California MPOs and RTPAs

Regional Transportation Planning Agencies

ALPINE COUNTY TRANSPORTATION COMMISSION
50 Diamond Valley Rd.
Markleeville, CA 96120
Mr. Leonard Turnbeaugh, Executive Secretary

Alpine
(916) 694-2255
FAX: (916) 694-2214

AMADOR COUNTY LOCAL TRANSPORTATION COMMISSION
135 Summit Ave., Suite 5
Jackson, CA 95642-2313
Mr. Eric Outfleet, Executive Director

Amador
(209) 223-0973
FAX: (209) 223-2065

BUTTE COUNTY ASSOCIATION OF GOVERNMENTS
1849 Robinson St.
Oroville, CA 95965
Mr. Jon A. Clark, Executive Director

Butte
(916) 538-6866
FAX: (916) 538-6868

CALAVERAS COUNTY TRANSPORTATION COMMISSION
Department of Public Works
Government Center
891 Mountain Ranch Rd.
San Andreas, CA 95249
Mr. Donald MacVicar, Executive Director

Calaveras
(209) 754-6402
FAX: (209) 754-6566

COLUSA COUNTY TRANSPORTATION COMMISSION
1215 Market Street
Colusa, CA 95932
Mr. Russell Gum, Executive Director

Colusa
(916) 458-5186
FAX: (916) 458-2035

COUNCIL OF FRESNO COUNTY OF GOVERNMENTS
2100 Tulare Street, Suite 619
Fresno, CA 93721
Ms. Barbara Goodwin, Executive Director

Fresno
(209) 233-4148
FAX: (209) 233-9645

DEL NORTE LOCAL TRANSPORTATION COMMISSION
983 Third Street, Suite E
Crescent City, CA 95531
Ms. Kathryn Mathews, Transportation Coordinator

Del Norte
(707) 465-3878
FAX: Same

EL DORADO COUNTY TRANSPORTATION COMMISSION
166 Broadway, Suite E
Placerville, CA 95667
Mr. Matt Boyer, Executive Director

El Dorado (excluding
the Tahoe Basin)
(916) 642-5260
FAX: (916) 642-5266

GLENN COUNTY TRANSPORTATION COMMISSION
777 North Colusa Street
Willows, CA 95988
Mr. John Joyce, Executive Director

Glenn
(916) 934-6530
FAX: (916) 934-6533

CHAPTER 10 HIGH RISK RURAL ROADS (HR3) PROGRAM

10.1 INTRODUCTION

The purpose of this program is to reduce the frequency and severity of collisions on rural roads by correcting or improving hazardous roadway locations or features. Approximately 60 percent of fatalities nationwide occur on rural roads. The Highway Safety Improvement Program (HSIP), codified as Section 148 of Title 23, United States Code (23 U.S.C. §148) was elevated to a core program as a result of the passage of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). Additionally, SAFETEA-LU introduced a new set-aside provision known as the High Risk Rural Roads Program, codified as 23 U.S.C. §148(f). This program is a component of the HSIP and is set-aside after HSIP funds have been apportioned to the states.

23 U.S.C. §148(a)(1) defines the High Risk Rural Roads Program:

“The term ‘high risk rural road’ means any roadway functionally classified as a rural major or minor collector, or rural local road –

- (A) on which the accident rate for fatalities and incapacitating injuries exceeds the statewide average for those functional classes of roadways; or*
- (B) that will likely have increases in traffic volume that are likely to create an accident rate for fatalities and incapacitating injuries that exceeds the statewide average for those functional classes of roadway.”*

10.2 ELIGIBLE APPLICANTS

The applicant for HR3 Program funds is an agency that assumes responsibility and accountability for the use and expenditure of federal-aid highway funds. The applicant must be a city or a county within the State of California. Exceptions to this requirement will be reviewed on a case-by-case basis.

10.3 PROJECT ELIGIBILITY

For a project to be eligible for HR3 funds, the project location must be on a roadway functionally classified as a rural major or minor collector, or a rural local road. Visit http://www.dot.ca.gov/hq/tsip/hseb/crs_maps/ to search and verify the functional classification of a roadway. The roadway location targeted for improvement must have a collision rate for fatalities and incapacitating injuries that exceeds the statewide average for those functional classes of roadways.

Examples of eligible construction and operational improvements may include, but are not limited to, the list of twenty-one project categories identified under 23 U.S.C. §148(a)(3)(B). Three of those categories are ineligible for funding under the HR3 Program. All 21 categories are shown below. Numerals (viii), (xiv) and (xv) are denoted as ineligible.

- (i) An intersection safety improvement.
- (ii) Pavement and shoulder widening (including addition of a passing lane to remedy an unsafe condition).
- (iii) Installation of rumble strips or other warning devices, if the rumble strips or other devices do not adversely affect the safety or mobility of bicyclists, pedestrians, and the disabled.
- (iv) Installation of skid-resistant surface at an intersection, or other location with a high frequency of accidents.
- (v) An improvement for pedestrian or bicyclist safety or safety of the disabled.
- (vi) Construction of any project for the elimination of hazards at a railway-highway crossing that is eligible for funding under Section 130, including the separation or protection of grades at railway-highway crossings.
- (vii) Construction of railway-highway crossing safety features, including installation of protective devices.
- (viii) The conduct of a model traffic enforcement activity at a railway-highway crossing. **(NOT eligible under HR3)**
- (ix) Construction of a traffic-calming feature.
- (x) Elimination of a roadside obstacle.
- (xi) Improvement of highway signage and pavement markings.
- (xii) Installation of a priority control system for emergency vehicles at signalized intersections.
- (xiii) Installation of traffic control or other warning devices at a location with high accident potential.
- (xiv) Safety-conscious planning. **(NOT eligible under HR3)**
- (xv) Improvement in the collection and analysis of crash data. **(NOT eligible under HR3)**
- (xvi) Operational activities relating to work zone safety. (Planning integrated interoperable emergency communications equipment and traffic enforcement activities relating to work zone safety are NOT eligible under HR3.)
- (xvii) Installation of guardrails, barriers (including barriers between construction work zones and traffic lanes for the safety of motorists and workers), and crash attenuators.
- (xviii) The addition of retrofitting of structures or other measures, to eliminate or reduce accidents involving vehicles and wildlife.
- (xix) Installation and maintenance of signs (including fluorescent, yellow-green signs) at pedestrian-bicycle crossings and in school zones.
- (xx) Construction and yellow-green signs at pedestrian-bicycle crossings and in school zones.
- (xxi) Construction and operational improvements on high risk rural roads.

EXHIBIT 10-A APPLICATION FORM FOR HIGH RISK RURAL ROAD PROGRAM FUNDS

Applicants seeking High Risk Rural Road (HR3) Program funds must use this form. Failure to provide information that is required or to prepare the application in accordance with general formatting instructions may result in your application being disqualified. See Exhibit 10-B for the “Application Form Instructions.”

This entire Application Form must be submitted, including this introductory page. Applicants should download the Application Form from the Internet. It can be found on the Division of Local Assistance Home Page at: <http://www.dot.ca.gov/hq/LocalPrograms/HR3.htm>. Limit the application to eight (8) pages plus attachments. Do not provide brochures and samples of materials unless they are directly related to a response.

Information provided with this Application Form will be used to calculate the Safety Index. Exhibit 10-C contains the “Safety Index Calculation Procedure and Instructions.” **Applicants are NOT required to either complete Exhibit 10-C or calculate the Safety Index.**

Note: All yellow fields are required (after data is entered, the background will change to white).

Agency:

Date

Caltrans District:

MPO/RTPA:

Project Location:

Description of Proposed Improvement(s):

Type(s) of Improvement(s) (See Exhibit 10-E, “Collision Reduction Factor and Improvement Life”)

First, select from:

Then, click **Add** to add to the below list.

Selected Types (minimum 1, maximum 3)

Remove

Remove

Remove

Intersection or Road Section. (Select one. If it is a road section, indicate section length.)

☐ Intersection

☐ Road Section Section Length (Miles):

Speed Limit (mph):

Number of Lanes:

Functional Classification (select one):

☐ Rural Major Collector

☐ Rural Minor Collector

☐ Rural Local Road

Visit http://www.dot.ca.gov/hq/tsip/hseb/crs_maps/ to verify functional classification.

Terrain (select one):

☐ Flat

☐ Rolling

☐ Mountainous

Average Daily Traffic (ADT) (Current, all directions):

Traffic Collision Information

Time Period	<input type="text"/> to <input type="text"/>		
Collision Type	Fatal	Injury	Property Damage Only (PDO)
All Collisions	<input type="text"/>	<input type="text"/>	<input type="text"/>

EXHIBIT 10-C SAFETY INDEX CALCULATION PROCEDURE AND INSTRUCTIONS*(This Exhibit is for information only. Applicants do NOT need to fill in this form.)*

Local Agency: _____t_____

Date: _____

Calculated By: _____

Checked By: _____

Project Location: _____

Description of Proposed Improvement(s)t

Total Project Cost (in \$1000s): _____

ADT (existing, all directions, in 1000s): _____

STEP 1: SIGNIFICANCE TEST ON THE SEVERITY DISTRIBUTION OF EXISTING COLLISION DATA

Before estimating collisions that would occur on the existing facilities with no improvements and collisions that would occur after the proposed improvements, a statistical Significance Test needs to be performed on the severity distribution of the collisions occurring over the past several years on the existing road. If the distribution is normal or approximately so, the state average cost of collisions for that road type is used. If, however, the collisions are more severe than normal, a higher collision cost is used to reflect the higher costs of fatal and injury collisions. Conversely, if the collisions are less severe than usual, a lower cost is used. In this manner, considerably more weight is given to the fatal and injury collisions than to the “fender benders.”

The Table below is used to perform the Severity Distribution of Existing Collision Data.

TABLE 1: SIGNIFICANCE TEST

Item	Description	Formula/Source	Total	F*	I*	F+I*	PDO*
A	No. of Collisions	(From Application Form)	(A1)				
B	% Severity	(From Exhibit 10-D)	100				
C	Average No. of Collisions	(A1) x B					
D	Difference	A – C					
E	Maximum Expected Deviations	$\sqrt{2.072xC} + 0.5$					
F	Significant	If (absolute value of D) > E, Yes. Otherwise, No.		(Yest+/-/No)**	(Yest+/-/No)**	(Yest+/-/No)**	

* F: Fatal; I: Injury; F+I: Fatal + Injury; PDO: Property Damage Only.

** Yes (+) when D is positive; Yes (-) when D is negative.

STEP 2: COLLISION REDUCTION FACTOR (CRF)

In order to estimate the collisions that may still occur after the proposed improvements are completed, a Collision Reduction Factor (CRF) will be applied to the number of collisions. In Exhibit 10-E “Collision Reduction Factor and Improvement Life,” a standard (or average) CRF can be found for each type of the improvements. However, this CRF may be too large, because it may result in a collision rate less than the Average Base Rate (ABR), which is available in Exhibit 10-D “Average Collision Rate and Collision Cost Table.” In this case, a lesser CRF, or adjusted CRF, should be used.

The following table is used to calculate the CRF of collisions.

TABLE 2: DETERMINATION OF COLLISION REDUCTION FACTOR

Item	Description	Formula/Source	Value
1	No. Of Collisions (all severities)	(From Application Form)	
2	Time Period (years)	(From Application Form)	
3	ADT (in 1000s)	(From Application Form)	
4	N*	(From Application Form)	
5	Initial Collision Rate	$(1) \div ((2) \times (3) \times (4) \times 0.365t)$	
6	Standard RF (see the instruction)	(From Exhibit 10-E)	
7	Collisions Reduced	$(5) \times (6)$	
8	Reduced Collision Rate	$(5) - (7)$	
9	Average Base Rate	(From Exhibit 10-D)	
10	Differential Rate	$(5) - (\text{the larger of } (8) \text{ and } (9))$	
11	Adjusted RF	$(10) \div (5)$	

*N: 1 if the project is for an intersection; length in miles (rounded to an integer, minimum 1) if the project is for a road section.

If the project includes more than one type of improvement, adjust the CRF in accordance with the relative percentages of the work category (see example below).

Example: A project consists of constructing a left-turn pocket at an unsignalized intersection and installing new safety lighting. From Exhibit 10-E, “Collision Reduction Factor and Improvement Life,” a 35 percent reduction can be applied to the left-turn pocket improvement, and a 15 percent reduction of nighttime collisions can be applied to the safety lighting. If there was an average of 20 collisions/year at this location with an average of 12 nighttime collisions/year, then the combined CRF is calculated as follows:

Lighting: $(12 \text{ nighttime collisions}) \times 15\% = 1.8 \text{ collisions reduced}$
Channelization: $[(20 \text{ total collisions}) - 1.8 \text{ collisions}] \times 35\% = 18.2 \times 35\% = 6.4 \text{ collisions reduced}$
Combined: $1.8 + 6.4 = 8.2 \text{ total collisions reduced}$
Combined CRF: $8.2 \div 20 = 0.41 \text{ or } 41\%$

See Chapter 1, Exhibit 1-A page 1-13 for CALTRANS DISTRICTS LOCAL ASSISTANCE OFFICES

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CHAPTER 20 ENVIRONMENTAL ENHANCEMENT AND MITIGATION (EEM) PROGRAM

20.1 INTRODUCTION

GENERAL

These guidelines have been prepared to assist the applicants through the application process and to ensure compliance with the rules governing the Environmental Enhancement and Mitigation (EEM) Program. The purpose of the EEM Program is to provide funding to mitigate the environmental impacts of new or modified public transportation facilities above and beyond that are required by the environmental document for that transportation facility. Eligible applicants may apply for and receive grant funds to undertake environmental enhancement and mitigation projects that are directly or indirectly related to mitigating the environmental impact of modified existing transportation facilities, or for the design, construction, or expansion of new transportation facilities. The EEM program is codified in Section 164.56 of the Streets and Highways Code. The Legislature is authorized to allocate \$10 million annually to local, State, and federal agencies, and nonprofit entities. Funding for the annual EEM program is subject to the appropriation of funds in the State Budget Act. The State Resources Agency (RA) of California prescribes the procedures and criteria to evaluate grant proposals, and based on their evaluations, prepares, and submits recommended projects for funding to the California Transportation Commission (CTC). The CTC annually awards grants to fund proposals from the RA's list, and the Department of Transportation (Caltrans) is responsible for the contract development, contract administration, and reimbursement of the program once it is approved for funding. **Caltrans does not determine eligibility of the projects.**

DEFINITIONS

Applicant Funding Participation (Match) - Local cash contributions.

State Funding Participation - EEM funds allocated to the project by the CTC.

Participating Costs - Project related costs (inclusive of both EEM funds and match) incurred during the project performance period and prescribed in the Resources Agency's *EEM Procedures and Criteria* (<http://resources.ca.gov/eem/>) as eligible for reimbursement. Reimbursement for participating costs will be limited to those specified in the project budget, EEM Grant Application, CTC Allocation Resolution, and the Applicant-State Agreement (Agreement) or its amendments.

Nonparticipating costs - Any costs incurred on the project over and above participating costs of EEM funds and match. Nonparticipating costs may be incurred on a project but are excluded from the reimbursement calculations.

Reimbursement ratio - A percentage used to pay the applicant, the State's pro rata share of EEM funds on the project. The reimbursement ratio is derived from the State's share of EEM funds to the total project cost, and is calculated from the applicant's original project budget and the CTC approved EEM funding. The reimbursement ratio does not vary and is included in the Applicant-State Agreement.

Funding allocation - Distribution (approval) of EEM funds by the CTC to a specific project. An applicant must receive their funding allocation from the CTC within the first fiscal year of program adoption.

20.2 ELIGIBILITY CONSIDERATIONS

ELIGIBLE APPLICANTS

Any state, local and federal governmental agencies, and nonprofit organizations are eligible to apply for EEM grant funds. Applicants are not required to be a transportation or highway-related organization but must be able to demonstrate adequate charter or enabling authority to carry out the type of project proposed. Eligible nonprofit organizations are those classified under Section 501(c)(3) of the Internal Revenue Service code.

ELIGIBLE PROJECTS

EEM projects must meet the minimum requirements listed under Section 20.5, "Project Evaluation and Selection," "Mandatory Requirements" of this chapter. To be eligible for consideration, each EEM project must be directly or indirectly related to the environmental impact of the modification of an existing transportation facility or construction of a new transportation facility, implemented after January 1, 1990, or the related transportation facility may be a project that is not yet under construction but is included in an adopted State Transportation Improvement Program (STIP), or in a locally adopted regional transportation improvement program and certified capital outlay program. "Indirectly," as opposed to "directly," may be used in reference to the geographic location of an EEM project, that is, the project may not be in the immediate vicinity of the transportation project but in the general area, or it may be used to characterize the type of benefits produced. It is the responsibility of the applicant to explain the cause and effect relationship between the impact of the transportation project and the proposed EEM project.

A transportation facility, as defined in the California Constitutional Provisions Article XIX, Section 1, and for the purposes of this program, is a public street, highway, mass transit guideway or their appurtenant features (e.g., park-and-ride facilities, high-occupancy vehicle lanes, transit stations, etc.). If the EEM project is on State-owned right of way, applicable State design and construction standards and practices shall be used. If the EEM project is off State-owned right of way, applicable design and construction standards and practices of the local government having jurisdiction over the project location shall apply. All necessary encroachment permits to access right of way must be obtained before construction may begin on a project. If a transportation facility is constructed in separate and distinct phases, each phase may be considered a separate project for purposes of this definition, provided that each phase provides an operable transportation improvement.

All eligible projects must fall within one of the following project categories:

- **Highway Landscape and Urban Forestry** - These projects are designed to offset vehicular emissions of carbon dioxide through the planting of trees and other suitable plants. Projects may be within or outside the right of way of the related transportation facility; however, planting within a public roadway right of way is limited to trees. Projects within the right of way are not intended to supplant landscaping which would normally be funded by the responsible public agency. EEM grant funds are not to be used for this purpose.
- **Resource Lands** - These projects involve the acquisition of real property in fee title or through a conservation easement. Projects may include the restoration or enhancement of resource lands to mitigate the loss of, or the detriment to resource lands lying within or near the right of way acquired for proposed transportation improvements. Resource lands include natural areas, wetlands, forests, woodlands, meadows, streams or other areas containing fish or wildlife habitat as well as features of archaeological or historical value. Enhancement of resource lands may include the restoration of wildlife corridors.
- **Roadside Recreational** - These projects provide for the acquisition and/or development of roadside recreational opportunities, including parks and greenways, roadside rests, scenic overlooks, vista points, trails, trailheads, and sno-parks (see *Public Resources Code*, Section 5091.02).

ELIGIBLE COSTS

Only direct project-related costs as prescribed by the Resources Agency's *EEM Program Procedures and Criteria* and incurred during the project performance period, as specified in the project budget and grant agreement are considered eligible for reimbursement. Indirect project costs such as general program administration, general overhead (e.g., phone, fax, and rental space), as well as costs incurred outside the project performance period such as maintenance are not eligible for reimbursement. However, the services of applicant employees directly engaged in project development/implementation are eligible. The State will make payment(s) on a reimbursement basis of its proportionate share of actual costs incurred to date on the project after expenses and debts have been paid by the applicant. Invoices submitted for payment must include back-up documentation such as appropriate invoices, purchase orders, cancelled warrants, and other records.

Costs (for which EEM funds and matching funds will contribute) eligible for reimbursement may not be incurred until after all the following occur: 1) the project is adopted into a State program, 2) the project has received a CTC funding allocation, 3) the project Agreement has been signed by both the applicant and the State, and 4) the Caltrans Local Program Accounting (LPA) office certifies that the EEM funds have been encumbered for the project. Costs incurred in advance of these events are not eligible for reimbursement.

20.3 PROJECT APPLICATION

The California Resources Agency (RA) in Sacramento is responsible for the development and distribution of the EEM Grant Application packet including the procedures and criteria, which can be found at this Web site: <http://resources.ca.gov/eem/>. The RA maintains a current mailing list of applicants included in previously funded cycles and compiles addresses throughout the year for applicants interested in future cycles. Any local, State, and federal governmental agencies, and nonprofit organizations interested in receiving an EEM Grant Application can sign-up on line on the Web site noted above or by contacting the RA by mail, phone, or fax at:

The State Resources Agency of California
1416 Ninth Street, Suite 1311
Sacramento, CA 95814
Phone: (916) 654-9923
Fax: (916) 653-8102

In September, the RA sends out the call for projects. All applicants must submit their completed applications to the RA usually in November. In January of the following year, the RA prepares and submits a list of projects it recommends for funding to the CTC. All project applicants are notified of their project status at that time. It is anticipated the CTC will adopt the annual EEM Program in March. A new program is adopted each fiscal year and a new “cycle” of projects for funding are identified for that State fiscal year’s program. A listing of critical dates for the 2007/2008 grant cycle is provided in Exhibit 20-A, “EEM Program Critical Dates,” of this chapter. Due to the sometimes-late passage of the State Budget, the dates may be pushed back as well.

20.4 RESPONSIBILITIES OF KEY PARTICIPANTS

LOCAL, STATE AND FEDERAL GOVERNMENTAL AGENCIES, AND NONPROFIT ORGANIZATIONS

Eligible projects are conceived and initiated through submittal of a Grant Application by an eligible local, State, or federal agency, or nonprofit organization. Applicants must provide assurance to the satisfaction of the RA and Caltrans that they are capable of performing the required tasks of the program. All local governmental agencies and nonprofit organizations must also submit a signed resolution (see Exhibit 20-B, “Sample Resolution Approving an EEM Project,” of this chapter), as part of their application package from their governing body approving the project as a candidate for the EEM Program.

RESOURCES AGENCY (RA)

The Resources Agency (RA) is directly responsible to the Legislature for project evaluation. Its responsibilities include:

- Prescribing and maintaining the *EEM Program Procedures and Criteria* to evaluate grant proposals.

- Developing and maintaining a mailing list of interested local, State, and federal governmental agencies, and nonprofit organizations.
- Receiving Grant Applications.
- Evaluating grant proposals, preparing, and submitting a list of ranked proposals they recommend for funding in accordance with their procedures and criteria to the CTC (this list includes projects which in total exceed the available funding for the program, therefore, the CTC must reduce this list to a fundable program of projects).
- Reviewing major changes in project scope when requested by Caltrans

CALIFORNIA TRANSPORTATION COMMISSION (CTC)

The CTC has primary responsibility for programming and allocating funds for the EEM program. The following responsibilities are performed by the CTC:

- Reviews the RA's list of candidate projects and reduces this list to a fundable amount of projects.
- Approves annual EEM Program and allocates funds to approved projects in the EEM Program.
- Ensures that the proper environmental documentation has been completed and submitted to CTC staff prior to the project being included in the annual EEM program.
- Allocates funds to approved projects in the EEM program.
- When applicable: 1) reviews major changes in scope (although no additional EEM funding will be allocated for project cost increases), and 2) reviews transfer of applicant status on a project from one eligible agency to another.

CALTRANS HEADQUARTERS, DIVISION OF LOCAL ASSISTANCE (DLA)

The CTC delegated the EEM program administration to Caltrans. This responsibility has been assigned to the Division of Local Assistance (DLA). The DLA is responsible for:

- Reviewing the proposed project applications, and providing comments to the CTC regarding the following:
 - Environmental documentation
 - Project readiness and project merit
 - Resolution of governing body
 - Impact on State-owned or -maintained facilities and non-State owned or non-State maintained facilities
 - Conformance with scheduled or anticipated plans for future Caltrans facility construction or modification
 - Maintenance responsibilities
 - Conformance with:
 - 1) RA *EEM Program Procedures and Criteria* found at: <http://resources.ca.gov/eem/>
 - 2) *CTC Guidelines for Allocating Monitoring, and Auditing of Funds for Local Assistance Projects*, Exhibit 20-K of this chapter
 - 3) Caltrans' *Local Assistance Program Guidelines* (LAPG), Chapter 20, both are found at: <http://www.dot.ca.gov/hq/LocalPrograms/EEM/homepage.htm> and at: <http://www.dot.ca.gov/hq/LocalPrograms/public.htm>
 - 4) Caltrans' *Local Assistance Procedures Manual* (LAPM).

- Processing applicant requests for funding allocation (CTC)
- Developing and processing Applicant-State Agreements (Agreements)
- Developing and processing Agreements Declaring Restrictive Covenants (ADRC) (for projects involving acquisition of real property) and Conservation Easements
- Providing guidance to District EEM Coordinators on policies and procedures
- Monitoring project status and the expenditure of EEM funds on a statewide basis. Assigning Caltrans Expenditure Authorization (EA) number
- Processing scope change requests and applicant status transfer requests
- Processing amendments
- Revising and updating policies, guidelines, and manuals, on the EEM Web site at: <http://www.dot.ca.gov/hq/LocalPrograms/EEM/homepage.htm>.

CALTRANS DISTRICTS

The Caltrans District Directors have the primary responsibility for administering the EEM program at the district level. The Caltrans District Local Assistance Engineer (DLAE) assists the District Director. These responsibilities include:

- Providing general guidance to applicants on the EEM Program and for project specific information.
- Commenting on candidate projects to assist the CTC in selecting the projects prior to being funded. Areas of concern include but are not limited to:
 - Forwarding Grant Applications involving acquisition of real property or a conservation easement to the District Right of Way Office for their early review and involvement in acquisition projects.
 - Providing assistance to applicants to find a Caltrans transportation facility that may qualify as the “related transportation project” for the EEM project.
 - Environmental documentation.
 - Impact on State-owned or -maintained facilities.
 - Conformance with plans for future facility construction or modification.
 - Comments on specific items such as amount of water required for a proposal and its availability.
 - Conflicts with State, local, or federal law.
 - Maintenance responsibilities.
- Assisting the HQ EEM Program Coordinator in administering projects, including making contacts with the project applicants to resolve issues on projects.
- Coordinating the processing of the acquisition documents for projects involving the acquisition of real property or a conservation easement including preparation and submittal of the Final Report of Real Property or Conservation Easement Expenditures for acquisition projects involving direct deposit of EEM funds to an escrow account.
- Forwarding applicant submitted funding allocation request letters and applicant submitted scope change request letters, along with their recommendation to the Caltrans EEM Program Coordinator.
- Final inspection of the completed project and approval of payment of the final invoice. For projects on State-owned right-of-way, the District Landscape Architect reviews the completed project and approves payment of the final invoice.
- Processing final paperwork to close out the project.

20.5 PROJECT EVALUATION AND SELECTION

MANDATORY REQUIREMENTS

All candidate EEM projects must meet the following minimum requirements:

- Demonstrate a direct or indirect relationship with the environmental impact of modifying an existing or constructing a new transportation facility.
- Provide mitigation or enhancement above and beyond the mitigation required under the California Environmental Quality Act (CEQA) or the National Environmental Policy Act (NEPA) as part of the transportation projects to which they are related.
- Be compatible with and not interfere with the operation or safety of the transportation facilities when the mitigation measure is in or near the right of way.
- Not limit currently planned or anticipated future improvements to the transportation facility.
- Applicant must submit environmental documentation for EEM project prior to being included in annual program.
- Within thirty (30) days of receipt, Applicant must sign and return the Applicant-State Agreement to Caltrans.

EVALUATION CRITERIA

All candidate EEM projects are evaluated by the RA using the following general criteria and assigning values based on a point system within the ranges indicated. Projects are evaluated using general criteria (up to 55 points) and the appropriate project category criteria (up to 45 points). A maximum of 100 points may be assigned to any one project. In summary, the scoring allocation is as follows:

GENERAL EVALUATION CRITERIA (55 POINTS)

The general evaluation criteria consists of:

- Increased Mitigation and Enhancement (0-20 points)
- Project Readiness (0-15 points)
- Statewide Project Goals and Local Cash Contributions (0-20 points)

PROJECT CATEGORY CRITERIA (45 POINTS)

Highway Landscape and Urban Forestry Project

- Cost Effectiveness (0-20 points)
- Sustainability and Suitability (0-20 points)
- Other Benefits and Community Participation (0-5 points)

Resource Lands Projects

- Important Resource Values (0-30 points)
- Sustainability (0-10 points)
- Other Benefits and Community Participation (0-5 points)

Roadside Recreational Projects

- Need for the Project (0-30 points)
- Sustainability (0-10 points)
- Other Benefits and Community Participation (0-5 points)

A complete description of the above evaluation criteria is contained in the application packet developed by the RA.

20.6 FUNDING CONSIDERATIONS

MAXIMUM GRANT AMOUNT

Generally, grants for individual projects are limited by the RA to \$350,000. Under special circumstances, applications may be recommended for awards exceeding this amount, if warranted by the following conditions:

- Project involves the acquisition of resource lands or a conservation easement of substantial size.
- Combined benefits would be realized in more than one project category.
- Mitigation would be achieved to offset the environmental impacts of more than one related transportation project.
- Current grant cycle presents an immediate, onetime opportunity for maximum mitigation benefits that could not be achieved in the future.

NORTHERN/SOUTHERN COUNTIES SPLIT

In keeping with the provisions in Sections 187 and 188 of the California Streets and Highways Code, an attempt will be made to allocate 40 percent of the total amount of EEM funds recommended to projects in the northern counties, and 60 percent of the total amount of EEM funds recommended to projects in the southern counties. The southern counties are: San Luis Obispo, Kern, Mono, Tulare, Inyo, Santa Barbara, Ventura, Los Angeles, San Bernardino, Orange, Riverside, San Diego and Imperial. All other counties are considered northern counties for purposes of the EEM Program.

20.7 CONSIDERATIONS FOR ACQUISITION OF REAL PROPERTY OR CONSERVATION EASEMENTS

If federal funds are used on an EEM project for the acquisition of real property or a conservation easement, all acquisition matters must comply with applicable federal and state laws and regulations (see Chapter 13, "Right of Way," of the *Local Assistance Procedures Manual* (LAPM) at: <http://www.dot.ca.gov/hq/LocalPrograms/lam/lapm.htm>).

If no federal funds are involved, the basic requirements of the State Uniform Act must be followed:

- The real property or conservation easement is appraised before the initiation of negotiations.
- The property owner (seller) is provided with a written offer of just compensation.

Upon CTC approval of the transfer of applicant status, a new EEM Agreement must be executed in the name of the new applicant agency. No reimbursements to the new applicant agency may occur prior to the date of the new agreement. Any work done prior to the date of the new agreement is not reimbursable to the new applicant agency.

4. Agreements with the Applicant

An Applicant-State Agreement (Agreement) (see Exhibit 20-D, “Applicant-State Agreement,” of this chapter) is required for all projects receiving EEM program funds. This Agreement:

- Provides the Expenditure Authorization (EA) Number.
- States the Applicant’s name (must be consistent with CTC Resolution adopting EEM Program, if not, a “Change of EEM Applicant Status Request Letter: Post Allocation Vote (Exhibit 20-G),” form must be completed) along with an “Assignment and Assumption of Agreement (Exhibit 20-L).”
- States the effective date of the Agreement.
- Defines the description and location of the project.
- Establishes State and local contributions funding commitments along with the percentages of EEM funding and local contributions.
- Contains a current cost proposal prepared by the applicant.
- Defines the EEM program requirements for applicable design standards, acquisition procedures and construction standards/procedures.
- Defines specific roles and responsibilities for all entities involved in performing the work on the project including, management and maintenance of the property, records retention, and audits.

The EEM Program Coordinator prepares the Agreement with the above information except the cost proposal. The Coordinator sends the following EEM Agreement package to the applicant:

- Cover letter with instructions to complete Agreement.
- Two copies of the Agreement (applicant must sign and return both as originals).
- One (1) original of the project ADRC or RCACE (only for projects involving acquisition of real property or conservation easements).

The Web sites for required policies and procedures: *CTC Guidelines for Allocating, Monitoring and Auditing of Funds for Local Assistance Projects* and *Caltrans’ EEM Guidelines* are at: <http://www.dot.ca.gov/hq/LocalPrograms/EEM/homepage.htm> and *RA’s Procedures and Criteria* are at: <http://resources.ca.gov/eem>.

For projects involving acquisition, see Item 6, “Acquisition of Real Property or a Conservation Easement,” of this section for the processing procedures of the ADRC or RCACE and other acquisition related documents.

Upon receipt of the agreement, the applicant must review it for completeness, and complete the Cost Proposal (except for acquisition-only projects) (see Exhibit 20-D, “Applicant-State Agreement,” Attachment B, “Cost Proposal” of this chapter). For acquisition projects requesting the direct deposit of EEM funds into an escrow account, the applicant must complete the escrow account information in Exhibit 20-D, Attachment E “Remarks and Covenants” of the “Applicant-State Agreement.” **Two original Applicant-State Agreements must be signed by the applicant and returned to the HQ EEM Program Coordinator for final execution within 90 days of receipt.**

The EEM Program Coordinator will sign and forward both original Agreements to LPA. LPA encumbers the funds, certifies and returns the Agreements to the EEM Program Coordinator. LPA retains a copy of the conformed Agreement for their files.

One original conformed executed Agreement is returned to the applicant. The remaining original Agreement is retained by the EEM Program Coordinator and made part of Caltrans' permanent EEM files. A Conformed copy of the Applicant-State Agreement is sent to DLAE (EEM District Coordinator).

5. **Project Commencement** - Following execution of the agreement, reimbursable work may begin on the project. Applicant is strongly encouraged to submit the 1st invoice by April of the 1st fiscal year.
6. **Acquisition of Real Property or a Conservation Easement** - Legal and physical control of the property shall be acquired in accordance with applicable state laws and regulations prior to the applicant's advertising for bids for construction or development of the project. The State provides reimbursement only for the purchase of property that is required for the project. When an applicant acquires property that includes excess land, the cost of the excess portion must be excluded from the reimbursement requests submitted to Caltrans.

The Applicant-State Agreement for acquisition projects should be executed as specified in Item 4, “Agreements with the Applicant” of this section.

Any land acquisition in fee simple purchase using EEM funds is subject to restrictive covenants (ADRC), which must be executed and recorded on the subject acquisition. The ADRC (Exhibit 20-E, “Agreement Declaring Restrictive Covenants (ADRC)” of this chapter) is prepared by the HQ EEM Program Coordinator, signed and notarized by the applicant and State. The ADRC must be recorded by the applicant along with the Grant Deed to the property being purchased. The ADRC must include the legal property description and original EEM application.

For projects involving the acquisition of real property rights, that is a conservation easement, the ADRC document is not applicable. Instead, the applicant is required to execute the EEM RCACE (see Exhibit 20-E1, “EEM Restrictive Covenants Agreement for Conservation Easements (RCACE)” of this chapter). It is prepared by the HQ EEM Program Coordinator, signed and notarized by the applicant and State. The RCACE must be recorded by the applicant along with the Deed of Conservation Easement for the easement being purchased. The ADRC and the RCACE must include the legal property description and original EEM application.

- 11. Payment Directly to Escrow Company** - The applicant may request that Caltrans deposit EEM payments directly into an escrow account to be opened by the applicant with the Title Company when acquisition of real property or a conservation easement is involved. The applicant is solely responsible for paying the costs of these services. The applicant must complete Attachment D, "Remarks and Covenants" of Exhibit 20-D of this chapter, as follows:

Pursuant to the terms of Applicant-State Agreement No. _____, dated _____ and effective immediately, the _____ (*Name of Applicant*) requests and authorizes that the EEM fund warrants be made out in the name of the:

(*Name of Title Company*)

(*Address of Title Company*)

(*Name of Escrow Agent*) for Escrow No. _____
(*Phone no.*) _____
(*Title Company Tax I.D. No.* _____)
Escrow Close Date: _____

- 12. Project Completion** - Upon completion of a project, the applicant is responsible for submitting back-up documentation and preparing a Final Project Expenditure Report and Final Invoice for submittal to the District EEM Coordinator as described under Item 10, "Invoice and Reimbursement Process," of this section. The project completion approval process for projects involving acquisition with direct deposit of EEM funds into an escrow account is described under Item 6, "Acquisition of Real Property or a Conservation Easement," of this section.
- 13. Audit** - Local agency expenditures of EEM program funds are subject to financial and compliance audits by the State Controllers Office and Caltrans Office of Audits and Investigations. These guidelines are in Chapter 10, "Consultant Selection," Exhibit 10-N, "Accounting and Auditing Guidelines for Contracts with Caltrans," of the *Local Assistance Procedures Manual* (LAPM) at: http://www.dot.ca.gov/hq/LocalPrograms/lam/prog_p/p10consul.pdf. The applicant shall maintain an accurate and detailed record of the costs for its project per these guidelines. Such records shall be retained and made available for examination by the State's auditors for a minimum of four years after the Final Project Expenditure Report is submitted to the State.
- 14. Fees and Administrative Charges** - This program is believed to be a benefit to Caltrans as well as the applicants, therefore, all fees and administrative charges for Caltrans permits and inspection will be waived.
- 15. Maintenance and Operation of Project** - The applicant, or its successors, is responsible for maintaining the project after it is completed and the EEM project has been approved consistent with the Grant Application and project agreement and closed out by the District EEM Coordinator. The applicant is responsible for ensuring that the subject acquisition of real property or a conservation easement acquired, developed, rehabilitated, or restored with program funds is managed and maintained, in perpetuity, consistent with applicable provisions in the Grant Application and project agreement.

Caltrans' Chief, Office of Program Management in the DLA, or his/her assignee, is responsible for approving any transfers in the management and maintenance responsibilities for the property, and for the approval of reassignment in whole or in part, of the project agreement. For transfer forms see Exhibit 20-L, "Assignment and Assumption of Agreement." For management and maintenance of acquisition projects, see Item 6, "Acquisition of Real Property or a Conservation Easement," of this section.

20.9 REFERENCES

- Section 164.56 of the Streets and Highways Code;
- Resources Agency's *EEM Program Procedures and Criteria* at: <http://resources.ca.gov/eem/>
- *California Transportation Commission Guidelines for Allocating Monitoring, and Auditing of Funds for Local Assistance Projects*, Resolution G-99-25, August 18, 1999 (Exhibit 20-K): <http://www.dot.ca.gov/hq/LocalPrograms/EEM/homepage.htm>
- Caltrans' *Local Assistance Procedures Manual* (LAPM) at: <http://www.dot.ca.gov/hq/LocalPrograms/>

ENVIRONMENTAL ENHANCEMENT AND MITIGATION PROGRAM CRITICAL DATES

(NOTE: Years shown apply to 2007/08 grant cycle. Dates for future cycles will vary, however, the months shown should be fairly consistent from cycle to cycle—depending on when the State Budget is passed.)

<u>DATE</u>	<u>ACTIONS</u>
8/07	Date the State Resources Agency (RA) is scheduled to mail the EEM Application Packet to applicants on their mailing list.
11/07	Date the applications are due back to RA.
1/08	The RA publishes a "short list" of recommended projects and forwards to the California Transportation Commission (CTC) for funding consideration along with four (3) copies of each application. All project applicants will be notified of the status of their project at that time. Applicants making the short list should prepare "Request for CTC allocation vote and submit to District Local Assistance Engineer (DLAE)/District EEM Coordinator for April CTC meeting.
1/08	RA provides two (2) copies of each application to Caltrans Headquarters EEM Program Coordinator.
1/08	Caltrans EEM Program Coordinator distributes one copy of each application to the appropriate district for review by the DLAE/EEM Coordinators and District Landscape Architect.
2/08	CTC requests final approved copy of Environmental Document (ED) for the EEM project from applicants on the "short list." No ED means project is taken off the list.
1/08 to 2/08	CTC, Caltrans EEM Program Coordinator, and DLAE/EEM Coordinator, and if applicable, the District Landscape Architect and/or Right of Way, review project applications from short list.
2/08	Final deadline for submitting final approved environmental documents to CTC, if not included in original application. Final Caltrans comments on applications submitted to CTC. District EEM Coordinators should begin working with applicants to submit their funding allocation request, for submittal at program adoption meeting (April 2008).
3/08	RA's short list of EEM projects is presented as "information" item at March CTC meeting.
4/08	The CTC adopts the EEM Program. It approves funding allocations as available. Caltrans HQ EEM Coordinator transmits "CTC Stamped" resolution for annual EEM Program to the Caltrans DLAE/EEM Coordinators and Applicants.
4/08 to 5/08	Period during which the CTC allocation vote must be approved by CTC, the Agreement must be executed, and Caltrans Local Program Accounting Office must encumber the EEM funds.
4/10	Date the applicant should complete the project, submit a final invoice and final project expenditure report to the Caltrans DLAE/EEM coordinator to verify and approve project completion.
5/10	Deadline for DLAE/EEM Coordinator to submit final invoice to the Caltrans LPA Office.
6/30/10	Budget Authority expires for the expenditure of State funds. All remaining unexpended EEM funds for this cycle will revert.

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