

# Urban Construction Initiative

## Program Administration Guide



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# **URBAN CONSTRUCTION INITIATIVE**

## **PROGRAM ADMINISTRATION GUIDE**

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## **URBAN CONSTRUCTION INITIATIVE**

### **I. A. INTRODUCTION**

[Section 33.1-23.3 of the Code of Virginia](#) provides that a municipality may decide to assume the responsibility for their construction program by notifying the Commonwealth Transportation Board (CTB) by July 1, for implementation the following fiscal year. Municipalities are requested to express their intent to join the initiative by resolution. A sample resolution is provided in [Appendix E](#). Municipalities which take advantage of this program are expected to adhere to CTB policies and procedures. Copies are available by contacting the Local Assistance Division (LAD) of the Virginia Department of Transportation (VDOT). The Quarterly Payments shall be made no later than the 30<sup>th</sup> day of September, December, March and June and shall be reduced by the amount of federal-aid construction funds that are forecasted to be available for each municipality. The quarterly payments are further reduced by the amount of funds forecasted to be expended by VDOT or the Department of Rail and Public Transportation (DRPT) for any prior projects requested by a municipality and administered by the Department(s). The federal funds are made available through reimbursement of qualifying project expenditures. The projected amount of a municipality's allocation that is federally funded is determined on a yearly basis. The Quarterly Payment may be increased by the amount of State Fund Match provided for special federal programs such as SAFETEA-LU and State Bond Match to federal formula funds. The State Bond Match portion of the quarterly payment may not be used by the participants for reimbursement for debt service on local bond issues. The Quarterly Payments, including the interest earnings thereon, will be used by the Locality directly to pay capital expenditures.

The quarterly payments may be deposited in an interest bearing account by the municipality if they are not immediately needed for project expenses. Any interest accrued belongs to the municipality but must be used for transportation improvement purposes and has to be accounted for in the same manner as the quarterly payments.

When a municipality decides to take advantage of this program an administration agreement is needed between the municipality and VDOT. This agreement spells out the terms for a municipality to take advantage of this program. A sample [administration agreement](#) is contained within [Appendix C](#) of this document.

This Guide has been developed to provide background information, direction, and requirements to those municipalities participating in this program. The processes outlined in this guide apply to all projects administered by a participating municipality, regardless of VDOT funding source. It has been developed by LAD, who should be contacted with program level questions or comments. VDOT's Construction Districts will be the primary contact for project implementation questions. [Contact information](#) is included in [Appendix M](#) of this document.

The guidelines are separated into the three major phases of a normal project – preliminary engineering (PE), right-of-way (RW), and construction (CN). They are further separated as appropriate into a discussion of federally funded and state funded only projects by subject matter. These Guidelines are not meant to stand alone; therefore, the user is encouraged to read these complete guidelines and consider them in their entirety and to seek further guidance or assistance as necessary either through the references listed, by contacting the Urban Program Manager or Project Coordinator or by contacting LAD. An overview of these [requirements](#) is included in [Appendix J](#). Included in [Appendix A](#) are charts depicting the likely steps for two scenarios of project development: a) [a two-hearing process](#) and b) [a one-hearing process](#) for federal projects. Also included is a [checklist for locally administered federal projects](#) which should serve as a reminder to the municipality of important (in some cases regulatory) milestones; this is included in [Appendix B](#). This list should be modified as necessary for individual projects. It is also important to note that requirements and oversight may vary for projects on the National Highway System or those identified as “federal oversight”. Close coordination with your Urban Program Manager will be necessary for these projects.

For projects that are fully financed with State funds, the municipality may certify compliance with all state requirements associated with the project as provided for in Chapter 5 of the Locally Administered Projects Manual. UCI localities are not required to submit their certification to VDOT, but must maintain a copy in their project file.

Further, these guidelines will be periodically updated, as more experience is gained by VDOT and the municipalities in administering this program, and the most current version will be kept on VDOT’s External Website. These guidelines incorporate the Federal Highway Administration’s (FHWA) expectation of VDOT to initially play a strong oversight role in the development of a municipality’s construction program. Although at the onset VDOT’s oversight will be very similar to its current role in locally administered projects, this oversight is envisioned to decrease as the program progresses, except in the case of regulatory requirements or oversight could increase or intensify if issues with non-compliance are documented. This process is equated to that of how FHWA oversight of VDOT’s managed programs has evolved over the years. VDOT expects the progression of this oversight program to be just as successful.

A Risk Based Assessment to assist VDOT and the Municipality in determining the level of Oversight required by the FHWA and VDOT is included in Appendix K. The Risk Based Assessment may be applied to any project at the project scoping and/or at major milestones to identify oversight streamlining opportunities for the FHWA and VDOT. For project documentation, a [Risk Based Assessment Form](#) is to be completed at each review and change in oversight level. As confidence and experience between all partners increase, application of the Risk Based Assessments will document the reduction in the level of plan reviews and intensity of oversight. The municipality should maintain all project files, plans and documents, in the event an in depth review or detailed audit is required.

## **B. Certification Program**

Certification is an opportunity for qualified UCI participants to proceed with delegated authority by VDOT for project administration and development with streamlined VDOT oversight on federal and state funded projects. The program has been developed using the FHWA/VDOT relationship as a model, where different oversight levels and delegation are outlined for different types of projects. The Certification Program is based on the delegation and streamlining measures outlined in the FHWA/VDOT Joint Efficiencies Agreement.

Certification does not apply to projects which are on the National Highway System, projects that have been designated as "federal oversight," or any project identified by the Commissioner as requiring full state oversight. VDOT participation is only at those points during project development where concurrence is required by Federal and State Code or regulation such as project phase authorization, NEPA document approval and contract award.

The successful implementation of the certification program is reliant on a strong compliance element which has three types of reviews: project level (annual), program level recertification (2-5 years) and program-wide reviews (periodic).

Qualifying UCI Participants may apply for Certification by submitting a letter of intent. The Certification Program is outlined in detail in [Appendix N](#).

## **II. PRELIMINARY ENGINEERING**

### **A. Project Initiation & Authorization**

#### **Federally Funded Projects**

Before a municipality can initiate the Preliminary Engineering (PE), Right-of-Way (R/W), or Construction (CN) Phase for federally funded projects, they must contact their Urban Program Manager (UPM) to formally request that VDOT obtain a federal agreement to authorize a particular phase. Prior to that request, the municipality is responsible for ensuring that the project is in the approved State Transportation Improvement Plan (STIP), and where appropriate, in the Metropolitan Planning Organization's (MPO's) Financially Constrained Long Range Transportation Plan and in the MPO's Financially Constrained Transportation Improvement Program. It also must be included in the [CTB's Six Year Improvement Program \(SYIP\)](#). The amount of funding to be placed under federal agreement for a particular phase is also required, and if it is different from that shown in the SYIP, an explanation must be provided. This explanation should include a proposed source for any additional funding. For initiating PE on a project, a copy of the municipality's programming resolution, asking VDOT to establish the project, or a copy of the municipality's ordinance adopting their Capital Improvement Program (CIP) should be attached. A copy of the CIP should be included with the request. A [sample project programming resolution](#) is included in [Appendix D](#). A resolution that includes all of a municipality's projects may be submitted in lieu of individual project resolutions. PE

authorization MUST be received prior to beginning any work. It is important that the municipality not incur any expenses until authorization from FHWA is received from VDOT. Failure to follow federal guidelines will result in withdrawal of federal funds from the project. This same process needs to be repeated to obtain federal authorization for the R/W and CN Phases.

In order for a municipality to include a project in the SYIP, the request must be submitted to the UPM by December 1 of each year. This submission should include a schedule of development and a cost estimate prepared in VDOT's Project Cost Estimation System (PCES) by the Municipality.

Before a new project is added to the SYIP, a public hearing is required under State statute. The municipality is responsible for holding this hearing. For purposes of this program, the public hearing that the municipality holds for the adoption of its CIP will meet this requirement. In order for projects to be included in the upcoming SYIP a public hearing must be held prior to the December 1 deadline discussed in the paragraph above. Therefore, if the CIP public hearing is held in the spring, a new project will not be eligible to be added to the SYIP until the following year.

For projects that are expected to utilize federal BR (bridge) funding, sufficient information must be submitted to VDOT early in the design process so that a preliminary determination of the bridge touchdown points can be made. The bridge limits/touchdown point determination is used for calculating federal BR funding and the assignment of bridge job numbers to projects.

If a municipality wants to pursue a project under the design-build concept or the Public Private Transportation Act (PPTA), some requirements may be different. Also, Intelligent Transportation System (ITS) projects need to adhere to federal standards when federal funds are utilized. FHWA Rule 940 provides policies and procedures pertaining to conformance to the National Intelligent Transportation systems Architecture and Standards. Information on ITS requirements can be found at: [http://ops.fhwa.dot.gov/its\\_arch\\_imp/docs/20010108.pdf](http://ops.fhwa.dot.gov/its_arch_imp/docs/20010108.pdf). In either of these cases, the Municipality and the UPM should contact LAD before initiating a project under either of these scenarios.

### **State Funded Only Projects**

For state funded only projects, no project programming resolution is needed and the municipality may begin work without any prior authorization. The municipality is responsible, however, for complying with other requirements, such as environmental and public involvement procedures.

A public hearing is still required. Again, for purposes of this program the public hearing that the municipality holds for the adoption of its CIP will meet this requirement.

If a municipality wants to pursue a project under the design-build concept or the Public Private Transportation Act (PPTA) some requirements in these guidelines may

be different. In these cases, the Municipality and the UPM should contact LAD before initiating a project under either of these scenarios.

Federal Reference – 23 CFR 630 and 23 CFR 627  
23 CFR 655 and 940

State Reference – Sections 51.5-40 and 33.1-18 of the Code of Virginia

## **B. Environmental Processes**

### **Federally Funded Projects**

Environmental processes necessary for UCI localities parallel those for non-UCI locally administered projects. Those requirements can be found in [Chapter 15](#) of VDOT's Locally Administered Projects Manual.

### **State Funded Only Projects**

Municipalities will certify compliance with applicable laws and regulations as outlined in [Chapter 5](#) of the Locally Administered Projects Manual.

## **C. Consultant Procurement**

### **Federally Funded Projects**

Consultant Procurement processes necessary for UCI localities parallel those for non-UCI locally administered projects. Those requirements can be found in [Chapter 11](#) of VDOT's Locally Administered Projects Manual.

### **State Funded Only Projects**

Municipalities will certify compliance with applicable laws and regulations as outlined in [Chapter 5](#) of the Locally Administered Projects Manual.

Federal Reference – 23 CFR 172

State Reference – Chapter 43, Section 2.2 of the Code of Virginia

## **D. Value Engineering**

### **Federally Funded Projects**

Federal regulations outline requirements for value engineering (VE) studies. The Code of Virginia further defines these regulations and requires a VE study on all projects exceeding \$5 million in construction cost. There is a provision for waiver of this requirement which also must be submitted to VDOT for approval. The VE report consists of recommendations for changes to the proposed project. The final decision as to which recommendations are to be incorporated into the final project may be made by a person of responsible charge from the municipality. A copy of the final VE study should be submitted to the Urban Program Manager for record keeping purposes, however no VDOT action is required.

### **State Funded Only Projects**

Same as Federally Funded Projects – please see above.



Federal Reference – 23 CFR 627  
State Reference – Section 33.1-190.1 of the Code of Virginia

**E. Location Approval**

**Federally Funded Projects**

State law requires the CTB to approve all locations of roads within the State Highway System if a new alignment is involved. As a FY2009 streamlining target, VDOT is evaluating this requirement with input from the Attorney General's office. VDOT will be responsible for coordination with FHWA where needed.

The CTB meets on the third Thursday of those months in which it holds a meeting, so the length of time required to get a decision will depend on when in the month the information is received and whether or not the CTB is holding a meeting that month. A schedule of meeting dates is available on [VDOT's website](#). In order to be included on the agenda, a complete package must be submitted to your VDOT Project Coordinator at least six weeks in advance of the next scheduled CTB meeting. A representative of the municipality familiar with the project and the project package referenced above should attend the CTB meeting to address any questions.

**State Funded Only Projects**

Municipalities will certify compliance with applicable laws and regulations as outlined in [Chapter 5](#) of the Locally Administered Projects Manual

Federal Reference – 23 CFR 771  
State Reference – Sections 33.1-12 and 33.1-18 of the Code of Virginia

**F. Plan Review**

**Federally Funded Projects**

The municipality must design a project so that it meets minimum American Association of State Highway and Transportation Officials (AASHTO) standards. A municipality may have different standards and specifications that meet or exceed AASHTO standards, but these need to be reviewed and approved by VDOT and FHWA before they are authorized for usage. The municipality must ensure that design flexibility does not jeopardize safety and mobility.

VDOT is committed to accommodating bicyclists and pedestrians, including pedestrians with disabilities, along with motorized transportation modes in the planning, funding, design, construction, operation, and maintenance of Virginia's transportation network to achieve a safe, effective, and balanced multimodal transportation system. The CTB policy on pedestrian and bicycle accommodations states that all highway projects will be initiated with the presumption that the projects shall accommodate bicycling and walking. The locality should consider bicycle/pedestrian accommodations at the scoping meeting in accordance with CTB

policy and shall document such consideration as a part of the project file. Resources and guidance documents regarding bicycling and pedestrian facilities can be found on VDOT's external web site at <http://www.virginiadot.org/programs/bk-default.asp> .

VDOT is required by FHWA to certify that the plans have been developed in accordance with applicable federal and state laws and regulations. To accomplish this, VDOT's Project Coordinator should attend the project scoping meeting to gain an understanding of the project and to offer advice, guidance, and consultation. In order to facilitate project development and plan reviews, a "project team" from the local VDOT District office will be identified to partner with the municipality. Plans should be reviewed by VDOT at the pre-hearing stage, to eliminate any potential conflicts before the project is presented to the public, at the pre-right of way stage, and at the pre-advertisement stage. Depending on the scope and complexity of the project, it may be possible to minimize reviews and eliminate a pre-hearing and/or a pre-right of way hearing stage review. Small-scale projects may only require informational meetings to introduce and describe the project. Projects will be evaluated utilizing the Risk Based Assessment process provided in [Appendix K](#) to determine the appropriate level of plan review and oversight required and utilization of the Risk Based Assessment Form will provide project documentation of the oversight level and intensity of the plan reviews.

All reviews will focus on relative completeness of the plans, comprehensiveness, constructability, and adherence to sound engineering practice and principles and will not focus on format, packaging, etc. VDOT will not be looking at "format" issues, per se, but at what makes the plans have value for subsequently advertising and constructing the project. For project reviews, the locality should submit to VDOT a copy of the road and bridge plans in an electronic format (PDF) to facilitate the review process.

VDOT has a number of manuals available through its web site that would be helpful in project design. A [list of these publications](#) is included in Appendix F. As mentioned previously, [a checklist](#) depicting the steps needed for project development is also included in Appendix B.

VDOT has policies and procedures regarding lighting, underground installation of utilities, and landscaping in reference to plan development. A list of [these policies and procedures](#) are included in the Urban Construction and Maintenance Program Policies and Guidelines, a link to these policies and guidelines is provided in Appendix F and the Right of Way Manuals, Volumes I and II which are available from VDOT's Right of Way Division or by contacting your Urban Program Manager (UPM). Exceptions to these policies and procedures could be granted by VDOT on a case-by-case basis. .

### **State Funded Only Projects**

Municipalities will certify design in accordance with AASHTO standards as outlined in [Chapter 5](#) of the Locally Administered Projects Manual

## **G. Design Exceptions**

### **Federally Funded Projects**

For various reasons, it occasionally becomes necessary to pursue an exception to minimum AASHTO standards.

When an exception is needed, the municipality must submit a request to VDOT's State Location and Design Engineer or the State Structure and Bridge Engineer as appropriate on [Form LD-440](#), through the Project Coordinator. This should include reasons and justifications for the exception request. Reference [IIM-LD-227](#), discusses requirements for processing design exceptions. Approval from the FHWA will be required for design exceptions for National Highway System projects and for federal oversight projects. Any approved design exceptions must be shown on the plan assembly title sheet. The municipality may assume the exception is approved if no response is received from VDOT in twenty (20) business days after submitting a complete design exception package.

### **State Funded Only Projects**

This is generally the same as for Federally Funded Projects, please see above. The municipality may assume the exception is approved if no response is received from VDOT in twenty (20) business days after submitting a complete design exception package.

Federal Reference – Title 23, US Code 109 and 23 CFR 625

## **H. Public Involvement**

### **Federally Funded Projects**

The municipality is responsible for ensuring that the opportunity for public involvement is provided. [Chapter 12.4](#) of the Locally Administered Projects Manual outlines the processes and procedures that must be followed for Federally Funded Projects.

### **State Funded Only Projects**

Municipalities will certify compliance with applicable laws and regulations as outlined in [Chapter 5](#) of the Locally Administered Projects Manual.

Federal Reference – 23 CFR 771

State Reference – Sections 51.5-40 and 33.1-18 of the Code of Virginia

### III. RIGHT-OF-WAY

Right of Way and utility activities must comply with Volumes I and II of the Manual of Instructions, Right of Way and Utilities Division, unless the municipality develops its own manual and that manual is approved by VDOT and the FHWA. A copy of this Manual may be obtained by contacting your UPM.

#### A. Right-of-Way Environmental Re-evaluation

##### **Federally Funded Projects**

VDOT re-evaluates environmental documents prior to requests for FHWA approvals, such as R/W authorization. The purpose of this re-evaluation is to ensure the environmental document adequately addresses the current project. The re-evaluation at R/W determines that the right-of-way proposed for acquisition is consistent with that evaluated in the original environmental document. If the re-evaluation determines a difference between the proposed project and the previously approved environmental document consultation with FHWA will determine the need for further study. This situation would need to be addressed before right-of-way funds can be authorized and may require additional coordination efforts by the municipality. In some cases, a new public hearing or a new environmental document may be required.

The municipality is responsible for providing the data necessary for VDOT to perform the environmental document re-evaluation prior to R/W authorization ([PM-130](#)); and submitting the information to VDOT's Project Coordinator. VDOT will subsequently submit to FHWA for R/W authorization. The municipality must ensure that the VDOT Project Coordinator is provided copies of all documentation necessary to complete the re-evaluation.

##### **State Funded Only Projects**

No right-of-way re-evaluation is required.

Federal Reference – 23 CFR 771

#### B. Authorization

##### **Federally Funded Projects**

When the municipality is ready to initiate the right-of-way phase for a federal project, a request must be submitted to VDOT's Project Coordinator. The Municipality shall submit a Project Certification for Right of Way and include copies of the final right-of-way plans including a signed Title Sheet, the information necessary for VDOT (see [PM-130](#)) to complete the environmental re-evaluation, a cost estimate, and the cost for utilities, broken down by utility company for cost accounting purposes. VDOT's Project Coordinator will then initiate the R/W evaluation process. Normally, this authorization will take fifteen (15) business days. For federal projects, it is important for the municipality not to incur any right-of-way expenses until federal authorization is received. Also, if additional funds are needed,

other than those shown in the SYIP, a source for these funds is to be identified by the municipality. Please note that if the municipality incurs R/W expense prior to FHWA authorization they risk loss of federal participation in the project.

With the Municipality's request for Right of Way Authorization, attach a completed [Right of Way Phase Project Certification letter](#) as illustrated in Appendix G.

The Right of Way and Utilities Division's Project Scheduling and Certification Section will enter the information into the Right of Way and Utilities Management System (RUMS).

The Title Sheet must be signed by a person of responsible charge with the municipality. By this signature, the municipality is certifying that the plans have been prepared, by staff or consultants, to an appropriate level of completion and accuracy, that the designer has followed accepted standards, procedures, policies, methods of practice, etc., that are consistent with the engineering and design of plans for such work.

UCI projects do **NOT** require VDOT signatures on Title Sheets.

### **State Funded Only Projects**

When the municipality is ready to initiate the right-of-way phase, the municipality can do so without prior authorization from VDOT. Municipalities will certify compliance with applicable laws and regulations as outlined in [Chapter 5](#) of the Locally Administered Projects Manual.

## **C. [Land Acquisition](#)**

### **Federally Funded Projects**

The municipality must not begin the purchase of right-of-way until authorization is received from VDOT. The purchase of right-of-way, the relocation of families, businesses, and utilities must be performed in accordance with the procedures outlined in the Code of Virginia as referenced below and CFR-23 and 40. Failure to follow these steps may result in the loss of funding participation and failure by the courts system to approve any eminent domain acquisition to obtain the needed right-of-way. Effective July 1, 2007, §33.1-94 of the Code of Virginia was amended to modify notification procedures prior to entry upon private property. Localities are required to maintain documentation that such notifications were made.

Advance R/W and protective buying purchases are discussed in the manual, and a municipality is subject to strict rules for reimbursement from both VDOT and FHWA. There may be instances where the direction outlined in the Manual cannot legally be followed by the municipality. The municipality should work with the VDOT Project Coordinator to insure that all deviations of procedures are reviewed and concurred in, or if appropriate, authorized in writing by VDOT prior to initiation.

The municipality is responsible for identifying and addressing all hazardous materials-related issues for projects. This information is documented and given to the VDOT Project Coordinator in the Hazardous Materials Due Diligence Certification form ([EQ-121](#)). It is not necessary that all hazardous materials issues be resolved prior to submission of the form; however a plan must be in place to ensure resolution. The form must be submitted prior to R/W authorization. All properties to be used as R/W must receive an appropriate level of study including any locality-owned, proffered, or donated properties. The municipality must also communicate any outstanding contamination issues to its construction contractors to ensure adequate precautions are taken to provide safe working conditions.

### **State Funded Only Projects**

Municipalities will certify compliance with applicable laws and regulations as outlined in [Chapter 5](#) of the Locally Administered Projects Manual.

Federal Reference – 49 CFR 24, CFR 23 and 40

State Reference – Title 25.1 and 33.1 of the Code of Virginia

## **D. [Utilities](#)**

### **Federally Funded Projects**

Under state law, private utility companies can be reimbursed for moving utilities in conflict with the project, at project expense, when located on easement or having prior rights in the existing location. It is recognized that some municipalities have franchise agreements with utility companies that require the company to move its utility because of a project, at the company's expense. In that case, the municipality should enforce the terms of its agreements and save project funds. However, in the case of municipally owned facilities, the municipality is required to pay for relocations to resolve conflicts with roadway construction.

In order to pay for utility adjustments at project expense, a detailed utility plan and estimate needs to be developed. Eligible project expenses for utilities basically should result in replacing in-kind any utilities which are in conflict with the project. In accordance with the above, it is recognized that in some instances the municipal utility facility owner may want to provide upgraded utilities or to put in new utilities while the highway is being disturbed for construction purposes. This is known as "betterment", but it is not an eligible project cost. As it makes sense to do this betterment work at the same time the project is being constructed, the contractor may perform the work during construction, with the municipal utility facility owner being responsible for the cost of the betterment portion from a different funding source. The Municipality is required to calculate and document all utility betterment costs and fund these costs with local funds. This information will be subject to review and/or audit.

### **State Funded Only Projects**

Municipalities will certify compliance with applicable laws and regulations as outlined in [Chapter 5](#) of the Locally Administered Projects Manual.

Federal Reference – 23 CFR 645  
State Reference – Section 33.1-56 of the Code of Virginia

#### **IV. CONSTRUCTION**

##### **A. Environmental Re-evaluation**

###### **Federally Funded Projects**

As is the case when moving from the preliminary engineering phase to the right-of way phase, a re-evaluation of the environmental document is required when a project progresses to the construction phase. The same conditions apply concerning changes in a project's scope which could require additional coordination efforts by the municipality. The municipality is responsible for providing VDOT with the data necessary to allow VDOT to perform the re-evaluation ([PM-130 Form](#)). A copy of the plans must be submitted to the VDOT Project Coordinator so that the re-evaluation may be completed and forwarded for approval to FHWA. This re-evaluation is referred to as the "PS&E re-evaluation" (form [EQ-200](#)). If the re-evaluation determines a difference between the proposed project and the previously approved environmental document, consultation with FHWA will determine the need for further study.

###### **State Funded Only Projects**

No re-evaluation is required.

Federal Reference – 23 CFR 771.129(c)

##### **B. Project Certification for Construction**

###### **Federally Funded Projects**

All projects, regardless of funding source, must be certified by the locality that all environmental activities necessary to advertise the project for construction have been completed; that all right of way has been acquired (including all relocations and building structures) and all utilities have been relocated (or provision for relocation has been made in the construction of the project) or that construction is going to take place within the existing right of way and no utilities are effected. This certification will also include a statement indicating that the project has been developed and the plans completed in accordance with Federal and State laws; that an appropriate level of public involvement has been provided for in the project development; that the project has been developed in accordance with current AASHTO design criteria (or other criteria specifically approved by VDOT) utilizing current engineering practice, methodology and process suitable for the project scope and complexity; and that a Quality Assurance/Quality Control review has been completed on the project.

This certification must occur prior to authorization for advertisement for construction and must be provided from a person of responsible charge for the locality to the appropriate District Administrator and include completed and signed copies of VDOT's Environmental Certification ([EQ-103](#)) and the Locally Administered Project

Checklist (included as [Appendix B](#)). A sample Project Certification Letter is provided in [Appendix H](#). Upon receipt of the completed certification and attachments, VDOT's Project Coordinator will make the distribution to the appropriate offices.

### **State Funded Projects**

Municipalities will certify compliance with applicable laws and regulations as outlined in [Chapter 5](#) of the Locally Administered Projects Manual.

Federal Reference – 23 CFR 771

State Reference – Section 10.1-1188 (Article 2) of the Code of Virginia

## **C. [Authorization](#)**

### **Federally Funded Projects**

When a federal project is ready to be advertised for construction, the municipality must first receive the project advertisement authorization from the FHWA. The [Project Certification for Construction Letter](#) as provided in Appendix H addresses the information that the municipality must submit to VDOT's Project Coordinator. The municipality must also submit the project Title Sheet signed by an office of responsible charge for the locality; and signed and sealed by a Professional Engineer in accordance with Department of Professional and Occupational Regulation. If additional funds are needed beyond those shown in the Six Year Improvement Program (SYIP), a source needs to be identified. Normally it takes thirty (30) business days to obtain federal approval for a project's advertisement. For federal projects, it is important for the municipality not to advertise the project until authorization is received. The municipality will be notified by VDOT once this authorization is received.

By signature of a person of responsible charge from the municipality on the title sheet, the municipality is certifying that the plans are complete, constructible, biddable (ready for contract advertisement), necessary right-of-way has been addressed and accounted for, and all permits necessary for construction have been obtained by the municipality. The plans being signed and sealed by a professional engineer duly registered to practice engineering in the Commonwealth of Virginia is certification that the plans were prepared exercising the appropriate standard of care and following accepted standards, procedures, policies, methods of practice, etc., that are consistent with the engineering and design of plans for such work.

### **State Funded Only Projects**

Municipalities will certify compliance with applicable laws and regulations as outlined in [Chapter 5](#) of the Locally Administered Projects Manual

Federal Reference – 23 CFR 635



## **D. Local Force Construction**

### **Federally funded Projects**

A municipality may utilize its own forces provided that it meets the requirements outlined in [Chapter 12.6, Section 11](#) of the Locally Administered Projects Manual.

### **State Funded Only Projects**

Same as Federal

Federal Reference – 23 CFR 635 subpart B

State Reference - §33.1-190

## **E. Advertisement – Contract Letting**

### **Federally Funded Projects**

The municipality is responsible for following all federal and state procurement laws and requirements in the letting of a contract. VDOT can provide information on requirements for projects and provide assistance as necessary. In addition special regulations must be addressed, such as: Civil Rights, DBE, Davis Bacon rates, Buy America, no vendor negotiations, and 21 day advertisements. The [Virginia Public Procurement Act](#) discusses such items as how a project is to be advertised, how a selection is to be made, bonding, insurance, and audits. Current VDOT policy requires the CTB to let all contracts above \$2 million in value. The locality can award contracts under \$2 million in value. The [Project Certification for Construction Letter](#), as discussed in paragraph IV.B, must be completed and submitted by the municipality before a contract is advertised or let.

Sole Source and Proprietary procurements are often confused. A sole source is when there is only one practicable source available. Competition is not available. It is very rare that any highway item or work is from a sole source. Occasionally, proprietary work or items are required in highway work, usually having to do with signal or technology products. Proprietary products are where the item is available from only one *source*, but are sold by a number of *vendors*. Competition between vendors is possible. The law treats them very differently. Sole source may require executive authorization.

For proprietary items, State laws allow for products that are equal to brand names unless the Invitation to Bid states specifically that only the brand name is acceptable. Guidance is available in the [State Agency Procurement Manual](#), Chapter 8. In the case of Federally Funded projects, both Sole Source and Proprietary procurements are considered restrictive and require the concurrence of the FHWA Division Administrator. Guidance can be obtained from the FHWA Contract Administration Reference Guide on Patented/Proprietary Products and in federal regulations.

### **State Funded Only Projects**

Municipalities will certify compliance with applicable laws and regulations as outlined in [Chapter 5](#) of the Locally Administered Projects Manual.

Federal Reference – 23 CFR 635

State Reference – Sections 2.2-4300, 2.2-4303, 2.2-4315 and 33.1-12

## **F. [Permits](#)**

### **Federally Funded Projects**

The municipality is responsible for obtaining and complying with all necessary regulatory approvals, permits, and licenses for each project. The municipality must design its projects in accordance with the Virginia Erosion and Sediment Control Law and Regulations, the Virginia Stormwater Management Law and Regulations, the Virginia Pollutant Discharge Elimination System Permits, and the Chesapeake Bay Preservation Act, referenced below. VDOT will not be involved in the municipality's efforts to obtain the regulatory approvals, permits, or licenses. However, copies should be provided to the VDOT Project Coordinator for environmental certification of the project. This compliance should be documented for VDOT by the municipality on the Water Quality and Natural Resources Due Diligence certification form ([EQ-555](#)).

### **State Funded Only Projects**

Same as Federally Funded Projects – please see above.

Federal Reference – 33 USC 1341, 33 USC 1344, 33 USC 403, 16 USC 1531, 40 CFR 122, et al.

State Reference – Virginia Erosion and Sediment Control Law and Regulations, §10.1-561 et seq. and 4VAC50-30-10 et seq., Virginia Stormwater Management Law and Regulations, §10.1-603.1 et seq. and 4VAC3-20-10 et seq., Virginia Pollutant Discharge Elimination System Permits, Title 62.1-44.15.5 and the Chesapeake Bay Preservation Act.

## **G. [Construction Monitoring / Oversight](#)**

### **Federal and State Funded Projects**

Construction Monitoring / Oversight will be performed in accordance with Chapter 13 of the Locally Administered Projects Manual.

Federal Reference – 23 CFR 771

State Reference – Section 10.1-1188

## H. Construction Inspection

### **Federal and State Funded Projects**

Construction Inspection will be performed in accordance with [Chapter 13](#) of the Locally Administered Projects Manual.

Federal Reference - 23 CFR 637

## I. Change Orders/Funding Changes

### **Federally Funded Projects**

On some projects, it becomes necessary to account for unanticipated work after the project contract is let. This results in a change order, which in most cases results in an increase in contract price. The municipality must ensure that sufficient funding is available to cover any increased costs. If a change is needed in the federal agreement, the municipality must submit to the UPM the additional amount needed and the justification for the increased amount. There may also be occasions when the municipality desires to transfer funds between active projects, which in turn may alter the project schedule as shown in the current SYIP. In these instances, the municipality must submit to the UPM the amount to be transferred between projects, along with justification and new project schedule revisions.

The municipality has authority to approve change orders for non-federal oversight projects. However, funding adjustments must be made to cover any additional costs.

Additional guidance is available in [Chapter 13](#) of the Locally Administered Projects Manual.

### **State Funded Only Projects**

The municipality has authority to approve change orders for state funded projects. However, the locality is responsible for making funding adjustments to cover any additional costs.

Federal Reference – 23 CFR 635

State Reference – Section 2.2-4309 of the Code of Virginia

## J. Claims

### **Federally Funded Projects**

If a contractor files a notice of intent to file a claim, the municipality is responsible for attempting to resolve the matter before it results in an actual claim. If this is unsuccessful, the contractor has sixty (60) days after project completion to file the

claim. VDOT will become involved only as requested by the locality and to the extent of determining the eligibility of any additional costs to the project and any changes in the federal funding participation. FHWA and VDOT approval is required before any settlement is reached with the contractor.

**State Funded Only Projects**

The municipality is responsible for attempting to resolve the matter before it results in an actual claim.

State Reference - Section 33.1-386 of the Code of Virginia

**K. Post Construction**

**Federally Funded Projects**

When a project is completed the municipality should submit to VDOT a copy of as built bridge and road plans in an electronic format (PDF).

**State Funded Only Projects**

The municipality is not required to submit as-built plans for State Funded projects.

**L. Operations and Maintenance**

**Federally Funded Projects**

Projects will be operated and maintained in accordance with provisions of VDOT's Urban Construction and Maintenance Program Policies and Guidelines. This is in lieu of execution of a Municipal/State Agreement for each project.

**State Funded Projects**

Same as federally funded projects - please see above.

## V. FISCAL / AUDIT / BUDGET

### A. Audits and Compliance with OMB Circular A-133

#### **Federally Funded Projects**

A random audit may be conducted of basic construction and project records, to verify compliance with applicable federal and state laws and regulations and any requirements within the standard agreement and/or these guidelines. Project records must be maintained for no less than three (3) years following FHWA acceptance of the final voucher, and the municipality shall make such records available to VDOT upon request. Documentation for pre-qualifying contractors and consultants must be submitted to VDOT through the UPM prior to the signing of a contract for work. VDOT will respond within sixty (60) days after submittal of a complete pre-award package. Details of the package can be found in VDOT's "[Guide for the Procurement and Management of Professional Services](#)." Note, for professional services contracts of less than \$50,000.00, Pre-Award Audits are not required.

As a condition of receiving federal and state funds, the municipality is required to conduct a yearly independent audit of its expenditures. As part of this audit, the auditors must certify that the funds under this program have been expended in accordance with applicable federal and state laws and regulations. This is similar to the statement required for certifying fiscal expenditures under VDOT's current street payment program.

VDOT is a pass-through entity of federal awards, meaning it is a non-federal entity that provides federal awards to sub-recipients to carry out federal programs. The Virginia Localities, Municipalities, Metropolitan Planning Organizations (MPOs), and Planning District Commissions (PDCs) are sub-recipients of federal awards, meaning they are non-federal entities that spend federal awards received through VDOT to carry out a federal program, but do not include an individual that is a beneficiary of such a program.

All sub-recipients must comply with the requirements of [OMB Circular A-133](#) Subpart C – Auditees, Section 300, Auditee Responsibilities (e). For VDOT, this requirement is that "the auditee shall ensure that the single audits required are properly performed and submitted within sixty (60) days of the audit being completed to the External and Construction Audit Division (ECAD) of VDOT. The auditee will provide access to any relevant records and financial statements as necessary to ensure such compliance." This requirement is to be followed by all localities.

Within 150 days of the audit being received by ECAD they will:

- Review the single audits to ensure that sub-recipients expending \$500,000 or more in Federal awards during the sub-recipient's fiscal year have met the audit requirements of [OMB Circular A-133](#), Subpart B – Audits, Section 200.

- Submit a written report to the responsible Program Manager (LAD), detailing any sub-recipient audit findings identified in the Schedule of Findings and Questioned Costs related to VDOT pass-through Federal awards.

As provided in OMB Circular A-133 Subpart D – Federal Agencies and Pass-Through Entities Responsibilities, Section 405, Management Decision (c), the pass-through entity Program Manager shall be responsible for:

- Notifying the sub-recipient of the audit findings that relate to the federal awards and requesting from the sub-recipient certification that appropriate and timely corrective action has been taken.
- Notifying the Fiscal Division of VDOT of the audit findings that relate to the federal awards for Fiscal Division’s determination of whether the sub-recipient audit findings necessitate adjustment of VDOT’s own financial records.

When the pass-through entity Program Manager has followed the steps prescribed above, they will notify VDOT’s Chief Financial Officer (CFO). The CFO will take appropriate action, including but not limited to, notifying the State Comptroller and the Auditor of Public Accounts.

#### **State Funded Only Projects**

The above paragraphs concerning random audits, retention of project records, pre-qualifying contractors and consultants, and the independent audits also apply to state funded projects.

### **B. Recovery of VDOT Costs**

#### **Federally Funded Projects**

It is recognized that VDOT will have various costs associated with the administration of this program. For routine administrative activities such as overhead, providing assistance, answering questions, providing guidance, and paying vouchers, no fee will be charged to a municipality.

VDOT may agree to provide specific project services for requested assistance during the program transition period and/or for purposes of meeting federal obligations and maintaining project schedules. In these instances, an independent administrative agreement will be prepared, and VDOT will direct bill the municipality on a cost basis.

A third category of cost to VDOT is for such activities as providing certification, SERP, or an oversight function such as reviewing plans, and administering the Civil Rights and Environmental Programs. In these instances, VDOT will direct bill the municipality. VDOT will provide the Municipality a cost estimate for oversight work for each project.

Upon receipt of an invoice for VDOT oversight costs on UCI projects, the locality may request a detailed description of the project charges from their Urban Program Manager.

**State Funded Only Projects**

Same as Federally Funded Projects – please see above.

**C. Federal Funding**

**Federally Funded Projects**

State law requires that in addition to funding committed to ongoing projects administered by VDOT/DRPT, the portion of a municipality's allocation that is federal funding is also withheld. All federal funds have expiration dates for obligation of funds, which basically means that these funds will lapse at a specified time, typically four years after the funds are allocated by FHWA. Therefore, it is incumbent on each and every user of federal funding to implement projects in a timely manner to prevent this loss. A lapse of funding in any municipality may have a detrimental effect on the entire state. For example, a state that does not utilize its original federal obligation in any area is not eligible for additional federal discretionary funds and can result in a loss of funding.

The standard agreement states that the municipality will attempt to have all federal funds obligated within a three-year period. When a particular phase of a federal project is authorized by agreement with FHWA, all of the funding associated with that authorization is considered obligated at that time even though the funds have not been spent. It is recognized however that there are cases where this is not feasible, such as the necessity to accumulate funds for a large cost project. In cases where a municipality may not be able to obligate its federal allocation, a letter should be sent to their Urban Program Manager outlining the reasons and the amounts involved. These will then be reviewed by VDOT on a case-by-case basis.

The estimated amount of a municipality allocation that is federal-aid will be communicated to the municipality by March 1<sup>st</sup> of each year, and will be determined by the amount of federal and state revenues that are available to be distributed through the state system distribution formulas.

**State Funded Only Projects**

Not applicable.

**D. Processing of Invoices**

**Federally Funded Projects**

As per the standard agreement, the municipality may submit to VDOT an invoice for each project that the municipality requests reimbursement on a monthly basis. However, to ensure timely processing of invoices and to comply with federal requirements, invoices should be submitted at least quarterly. All invoices should be submitted within ninety (90) days of the completion of work. A project level

invoice, accompanied by supporting documentation, should be submitted to the UPM. The supporting documentation should include copies of invoices paid by the municipality and a to-date project summary schedule, tracking payment requests and any adjustments. In lieu of copies of invoices paid by the municipality, a one-page summary of what documentation the municipality has on file may be used, provided that it is signed by the Director of Finance. Appendix I includes an attachment entitled "[Urban Allocations Paid Directly to Urban Localities](#)" that contains a sample submission showing all of the information needed for reimbursement, including [documentation of the municipality's required two percent \(2%\) match](#) and a [project status report for state funded projects](#) which is required to be submitted on an annual basis. This Annual Report should be submitted by August 31 of each year.

A municipality is entitled to bill for indirect costs, provided that they have an FHWA approved Indirect Cost Plan.

VDOT will reimburse the municipality within thirty (30) days of receipt of an acceptable invoice. The amount may be reduced if a project does not have sufficient federal allocations shown in the SYIP.

#### **E. [Non-completion of Projects](#)**

In those cases where a municipality starts a project and then subsequently cancels it, state law requires that the municipality is responsible for reimbursing the CTB the net amount of all funds expended by the CTB for planning, engineering, right-of-way acquisition, demolition, relocation, and construction to the date of cancellation. The law further has provisions for the CTB to forgive this obligation under extenuating circumstances.

Even though the law specifically states that the CTB is to be reimbursed, the spirit of the law is to prevent a municipality from starting and then stopping projects and thus using highway construction funds without addressing a transportation need. Under this program, if a municipality starts and then subsequently stops a project, the municipality is responsible for reimbursing these funds for allocation to another eligible project regardless of who performs the work, unless the debt is forgiven by the CTB.

The municipality is responsible for the reimbursement of federal funds in instances where federal projects are not completed or federal participation is denied.

Federal Reference – 23 CFR 630

State Reference – Section 33.1-44 of the Code of Virginia



**F. Two Percent (2%) Local Fee**

**Federally Funded Projects**

State law requires the municipality to provide, from their own funds, two percent (2%) of the funding needed for a project under this program. When an invoice is presented for payment to VDOT, this cost to the municipality should be noted and adequate records maintained to document this. This results in the federal and/or state share being ninety-eight percent (98%) of eligible project costs. The use of direct-charge, in-house, municipality staff time is allowed to count towards the municipality's two percent obligation.

The Appropriations Act includes language removing the 2% match requirement for projects initiated under this initiative after July 1, 2005. These projects will be identified as such in the SYIP and on program worksheets.

**State Funded Only Projects**

Same as Federally Funded Projects – please see above.

State Reference – Section 33.1-44 of the Code of Virginia

**VI. CIVIL RIGHTS**

The municipality shall proceed in accordance with the guidelines outlined in [Chapter 17](#) of the Locally Administered Projects Manual.

Federal Reference – Civil Rights Act of 1964, as amended, Title VI and VII, Executive Orders 11246, 12898, and 131656, as amended, FHWA Provision 1273, 23 US Code 140(b), 23 CFR 230, 49 CFR, Parts 21 and 26

State Reference – Chapter 42, sections 2.2-4201, and Chapter 43, sections 2.2-4310, 2.2-4311 and 2.2-4321 of the Code of Virginia.

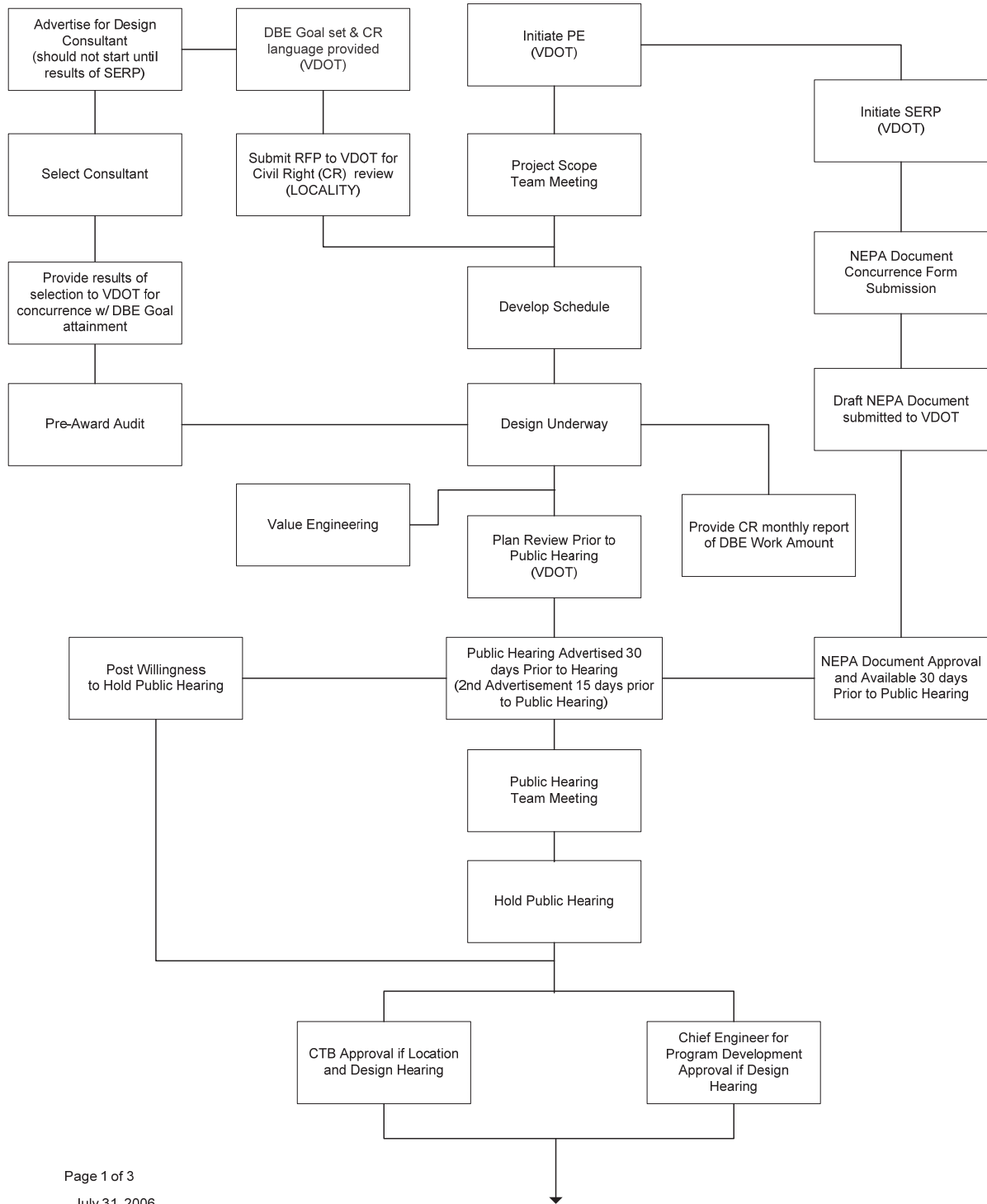
## **VII. APPENDICES**

- A. [Flow Charts - Project Development for one and two hearings for federal funded projects](#)
- B. [Locally Administered Federal Project Checklist](#)
- C. [Sample Administration Agreement](#)
- D. [Sample Project Resolution](#)
- E. [Sample Resolution of Intent to Join](#)
- F. [VDOT Publications for Project Development](#)
- G. [Project Certification Letter – R/W Phase](#)
- H. [Project Certification Letter – Construction Phase](#)
- I. [Urban Allocations Paid Directly to the Urban Localities](#)
- J. [Summary of Guidelines Table](#)
- K. [RISK Based Assessment Guide](#)
- L. [Procurement Checklist](#)
- M. [Contact Telephone Numbers](#)
- N. [Certification Program](#)

# APPENDIX A

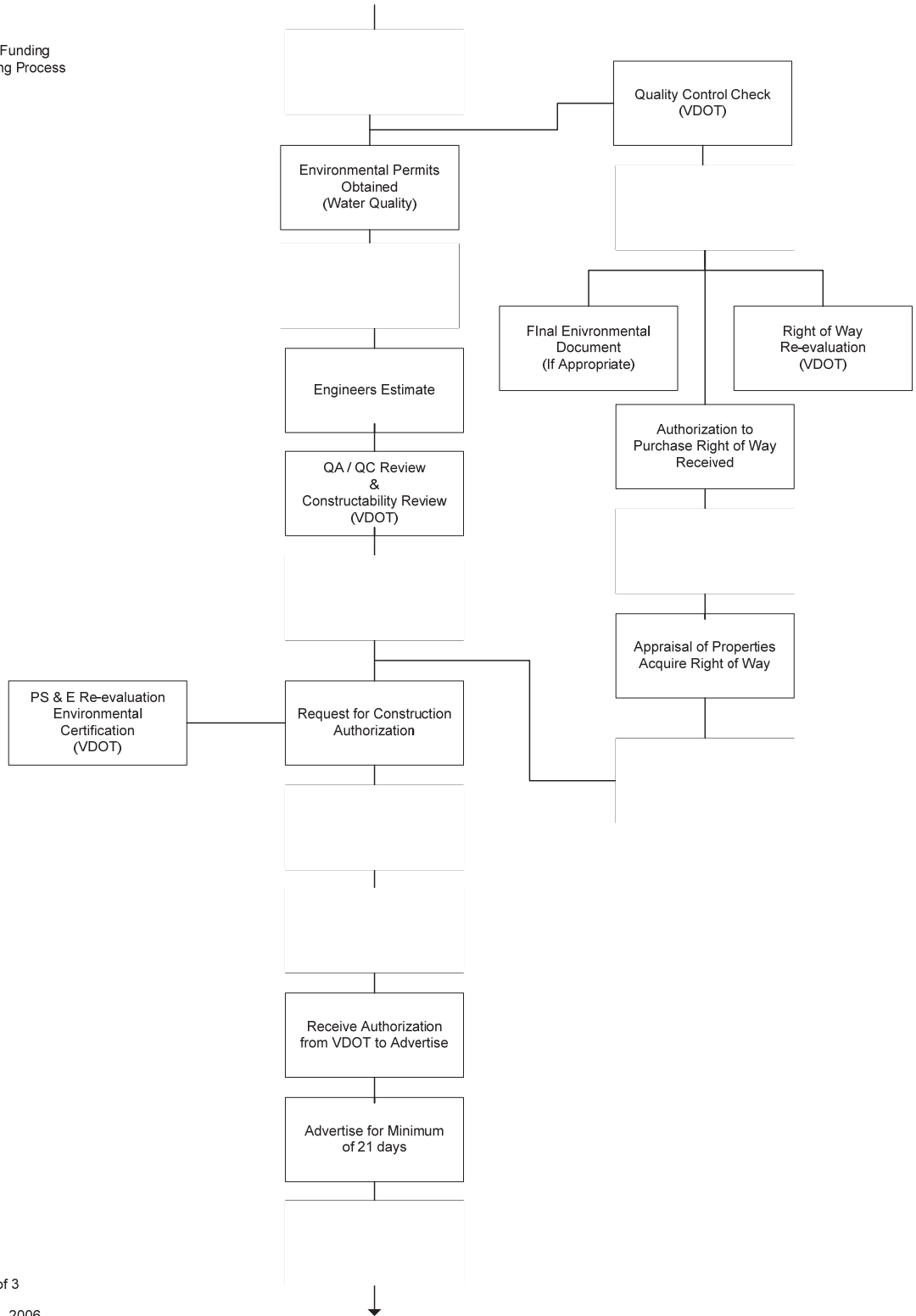
## FLOW CHARTS

### Federal Funding One Hearing Process



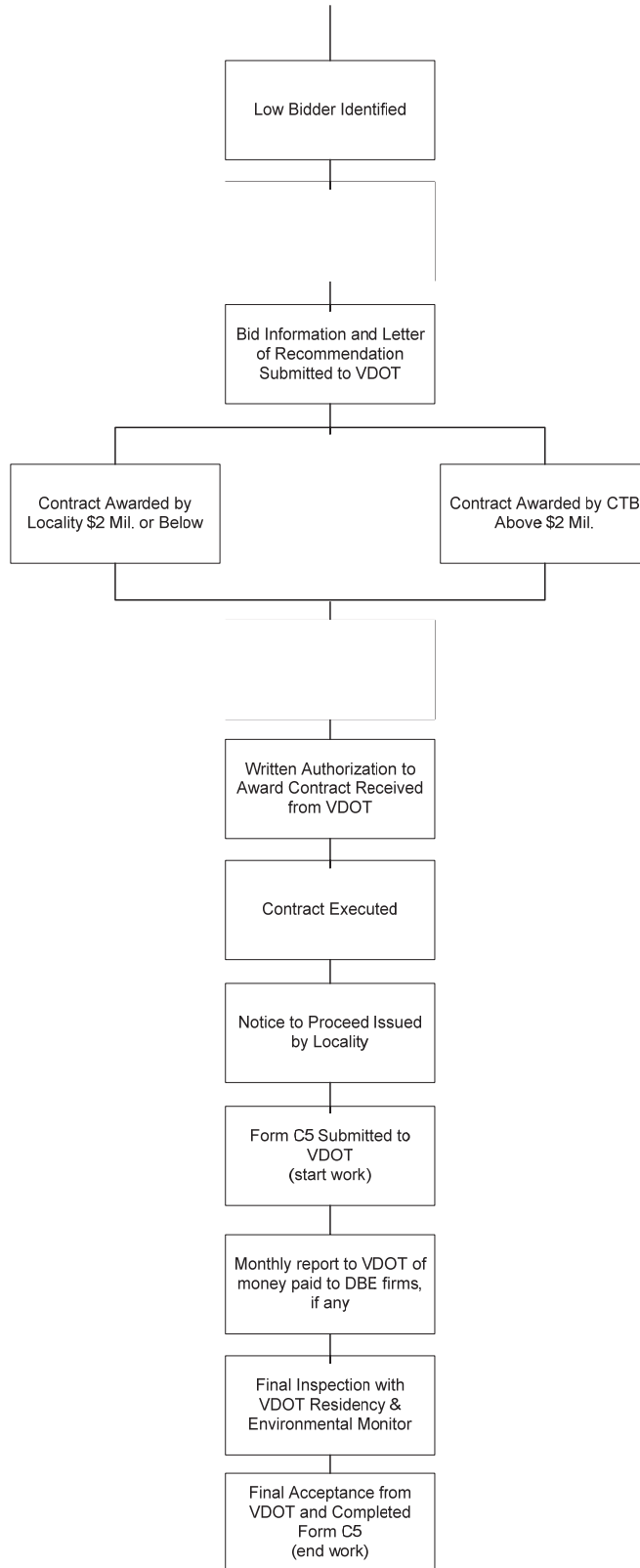
# APPENDIX A

Federal Funding  
One Hearing Process



# APPENDIX A

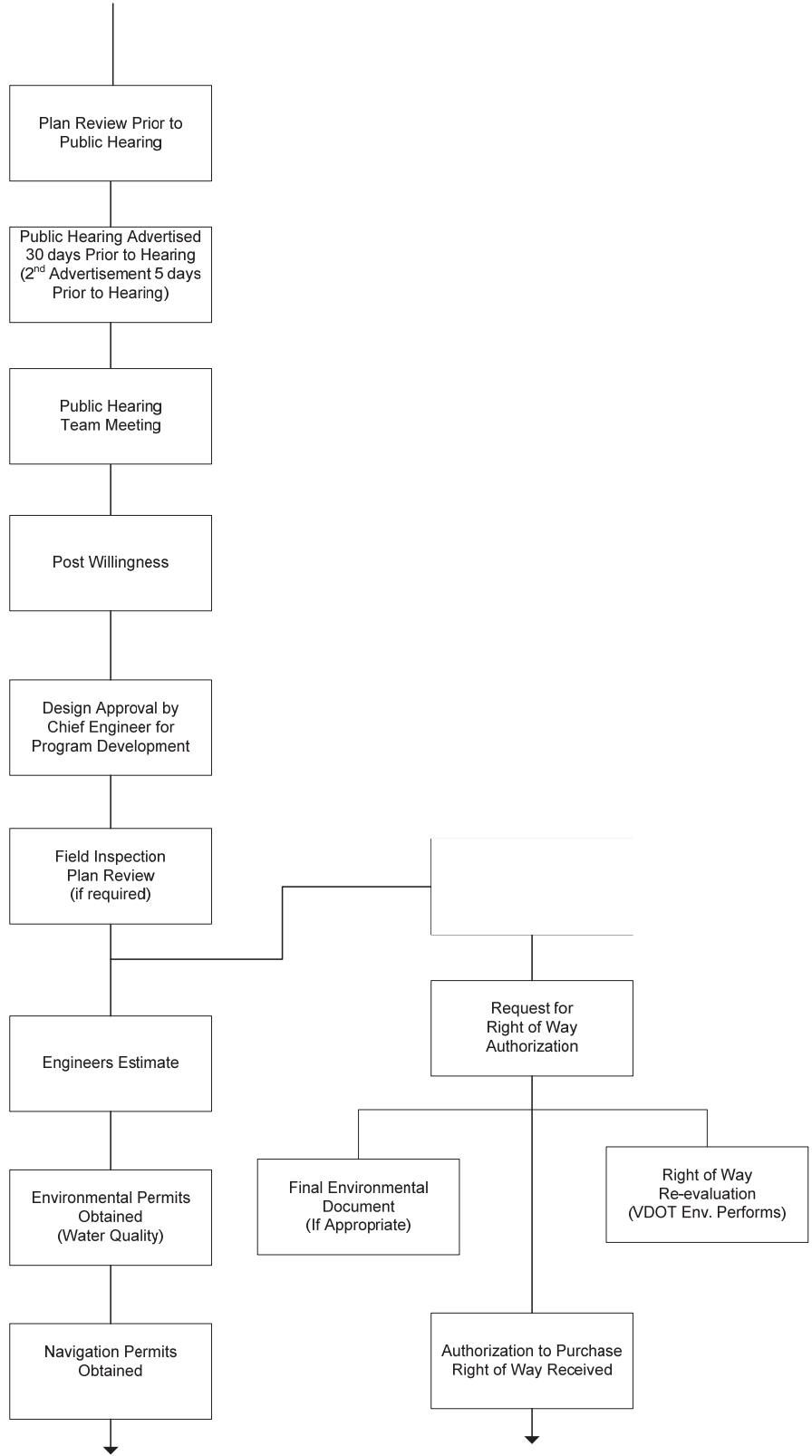
Federal Funding  
One Hearing Process





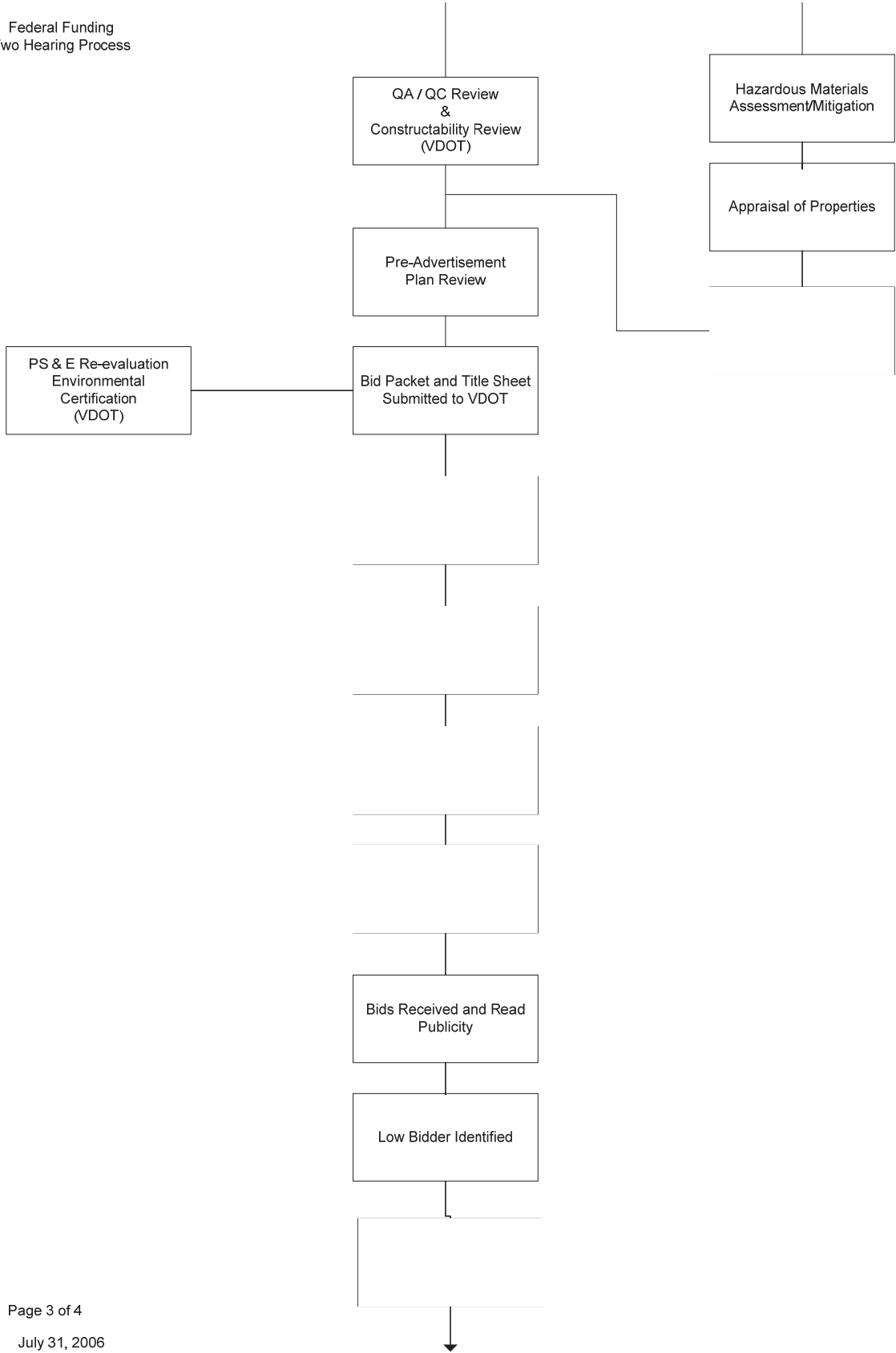
# APPENDIX A

Federal Funding  
Two Hearing Process



APPENDIX A

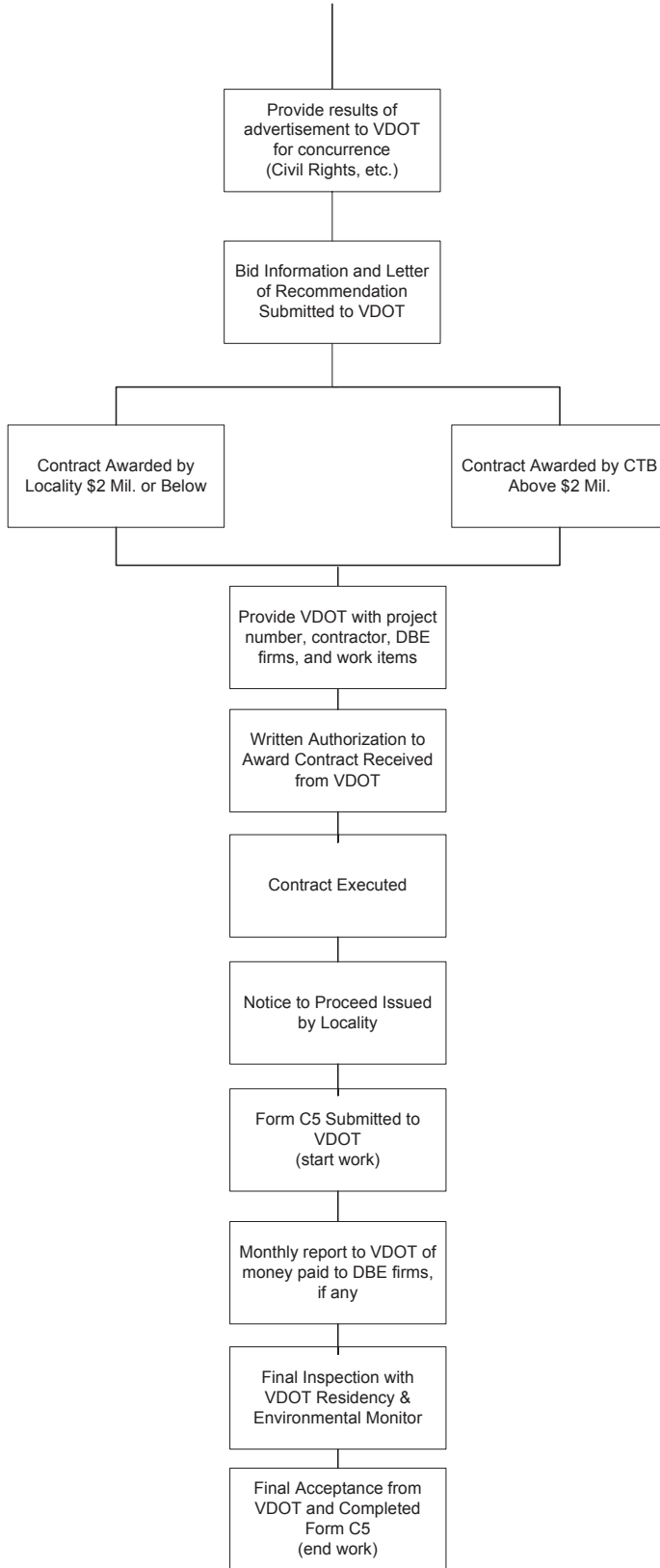
Federal Funding  
Two Hearing Process





# APPENDIX A

Federal Funding  
Two Hearing Process



APPENDIX B

Project Review Checklists

Federal-aid Project Checklist

Required	Complete	Task Name
		<b>Project Programming and Initiation</b>
<input type="checkbox"/>	<input type="checkbox"/>	Project and Funding in STIP and TIP (where applicable)
<input type="checkbox"/>	<input type="checkbox"/>	Local Government Resolution (Urban Localities)
<input type="checkbox"/>	<input type="checkbox"/>	Request to Administer Form
<input type="checkbox"/>	<input type="checkbox"/>	Project Administration Agreement (updated when total reimbursable costs change and prior to Construction)
<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	PCES Estimates Updated every 90 days during project development
<input type="checkbox"/>	<input type="checkbox"/>	Project Scoping Report
<input type="checkbox"/>	<input type="checkbox"/>	EQ-429/State Environmental Review Process (SERP) for projects ≥ \$500,000
<input type="checkbox"/>	<input type="checkbox"/>	Consultant Selection; Pre-Award Audit
<input type="checkbox"/>	<input type="checkbox"/>	NEPA Level of Documentation Concurrence
<input type="checkbox"/>	<input type="checkbox"/>	NEPA Documentation
<input type="checkbox"/>	<input type="checkbox"/>	Bridge “touch-down” points approved (when applicable)
<input type="checkbox"/>	<input type="checkbox"/>	30% Plan Submittal
<input type="checkbox"/>	<input type="checkbox"/>	Design Exception/Variance Requests
<input type="checkbox"/>	<input type="checkbox"/>	Value Engineering for Projects over \$5 M
<input type="checkbox"/>	<input type="checkbox"/>	60% Plan Submittal
<input type="checkbox"/>	<input type="checkbox"/>	Right of Way Plan Review
<input type="checkbox"/>	<input type="checkbox"/>	Public Hearing/Posting of Willingness
<input type="checkbox"/>	<input type="checkbox"/>	Design and Public Hearing Resolution
<input type="checkbox"/>	<input type="checkbox"/>	NEPA R/W Reevaluation
<input type="checkbox"/>	<input type="checkbox"/>	Project RW listed in STIP and estimates are current
<input type="checkbox"/>	<input type="checkbox"/>	<i>Right of Way Authorization</i>
<input type="checkbox"/>	<input type="checkbox"/>	90% Plan Submittal
<input type="checkbox"/>	<input type="checkbox"/>	Submit Final RW Plans, Cost Estimate including breakdown of Utilities, and Title Sheet
<input type="checkbox"/>	<input type="checkbox"/>	Complete RW and Utilities Checklist, RW-301
<input type="checkbox"/>	<input type="checkbox"/>	RW Acquisition completed
<input type="checkbox"/>	<input type="checkbox"/>	Utility relocation completed
<input type="checkbox"/>	<input type="checkbox"/>	Water quality permits/finalize coordination with environmental regulatory agencies
<input type="checkbox"/>	<input type="checkbox"/>	LPA performs final QA/QC on plans prior to submittal to VDOT for Advertisement Authorization
<input type="checkbox"/>	<input type="checkbox"/>	Environmental Re-evaluation at PS&E (EQ-200); Environmental Certification (EQ-103)
		Project Construction listed in STIP and estimates are current
<input type="checkbox"/>	<input type="checkbox"/>	Final Plan, Specifications and Estimates Submitted for VDOT approval DBE Goals

APPENDIX B

<input type="checkbox"/>	<input type="checkbox"/>	Publicly Advertise Project/Federal-aid Contracts must use VDOT Pre-qualified vendors
<input type="checkbox"/>	<input type="checkbox"/>	Public Opening of Bid/Bid Tabulations/Evaluation of DBE Goals (good faith efforts)
<input type="checkbox"/>	<input type="checkbox"/>	Contract Award Information submitted to VDOT for concurrence to award
<input type="checkbox"/>	<input type="checkbox"/>	Concurrence to award by CTB or Commissioner
<input type="checkbox"/>		<i>Award Authorization</i>
<input type="checkbox"/>	<input type="checkbox"/>	City/State Agreement or Modification of Project Agreement
<input type="checkbox"/>	<input type="checkbox"/>	Include Project in Dashboard
<input type="checkbox"/>	<input type="checkbox"/>	Preconstruction conference
<input type="checkbox"/>	<input type="checkbox"/>	Materials Certifications /Project Records
<input type="checkbox"/>	<input type="checkbox"/>	DBE/OJT Documentation
<input type="checkbox"/>	<input type="checkbox"/>	Change Orders submitted for approval
<input type="checkbox"/>	<input type="checkbox"/>	Final Inspection Reports
<input type="checkbox"/>	<input type="checkbox"/>	Notification of Project Completion
<input type="checkbox"/>	<input type="checkbox"/>	Final Acceptance Inspection
<input type="checkbox"/>	<input type="checkbox"/>	C-5 submitted/Project Closed
<input type="checkbox"/>	<input type="checkbox"/>	Final Invoice

VDOT Project Coordinator: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

LPA Project Manager: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**Once the checklist has been completed a copy should be maintained in the municipality's project file**

APPENDIX B

State-aid Project Checklist

Required	Complete	Task Name
<input type="checkbox"/>	<input type="checkbox"/>	Local Government Resolution (Urban Localities)
<input type="checkbox"/>	<input type="checkbox"/>	Request to Administer Form
<input type="checkbox"/>	<input type="checkbox"/>	Project Administration Agreement (updated when total reimbursable costs change and prior to Construction)
<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	EQ-429 / State Environmental Review Process (SERP); construction projects $\geq$ \$500,000 )
<input type="checkbox"/>	<input type="checkbox"/>	Plan Submittals for VDOT maintained highways
<input type="checkbox"/>	<input type="checkbox"/>	Design Exception Requests
<input type="checkbox"/>	<input type="checkbox"/>	Value Engineering for Projects over \$5 M
<input type="checkbox"/>	<input type="checkbox"/>	Right of Way Plan Review for sufficient R/W for VDOT maintained highways
<input type="checkbox"/>	<input type="checkbox"/>	RW Acquisition completed
<input type="checkbox"/>	<input type="checkbox"/>	Utility relocation completed
<input type="checkbox"/>	<input type="checkbox"/>	Submission of Project State-aid Certification Form
<input type="checkbox"/>	<input type="checkbox"/>	Contract Award Information submitted to VDOT for concurrence to award
<input type="checkbox"/>	<input type="checkbox"/>	Concurrence to award by CTB or Commissioner
<input type="checkbox"/>	<input type="checkbox"/>	<i>Award Authorization</i>
<input type="checkbox"/>	<input type="checkbox"/>	City/State Agreement or Modification of Project Agreement
<input type="checkbox"/>	<input type="checkbox"/>	Include Project in Dashboard - SYIP / SSYP Projects
<input type="checkbox"/>	<input type="checkbox"/>	Materials Certifications /Project Records – VDOT maintained projects
<input type="checkbox"/>	<input type="checkbox"/>	Final Inspection Reports, VDOT Maintained
<input type="checkbox"/>	<input type="checkbox"/>	Notification of Project Completion
<input type="checkbox"/>	<input type="checkbox"/>	Final Acceptance Inspection, VDOT Maintained
<input type="checkbox"/>	<input type="checkbox"/>	C-5 submitted / Project Closed
<input type="checkbox"/>	<input type="checkbox"/>	Final Invoice

VDOT Project Coordinator: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

LPA Project Manager: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

APPENDIX C

**SAMPLE ADMINISTRATION AGREEMENT**

**CITY OF \_\_\_\_\_  
Urban Construction Initiative  
Program Administration Agreement**

THIS AGREEMENT, made and executed in triplicate as of this \_\_\_\_ day of \_\_\_\_\_, 200\_, by and between the City of \_\_\_\_\_, Virginia, a municipal corporation of the Commonwealth of Virginia, hereinafter referred to as the CITY and the Commonwealth of Virginia, Department of Transportation, hereinafter referred to as the DEPARTMENT; and

WHEREAS, the CITY has, in accordance with Section 33.1-23.3 of the Code of Virginia 1950, as amended, expressed its desire to administer its urban system construction program and receive quarterly payments for the state portion of its annual urban construction allocations; and

WHEREAS, the CITY has held a public hearing and adopted a capital improvement program of projects and provided an ordinance or resolution approving same to the DEPARTMENT; and

WHEREAS, the Commonwealth Transportation Board adopts a Six-Year Improvement Program annually, and this program includes allocations for urban system projects in the CITY, and the federal portion of such construction allocations is identified as a part of 20.205 Highway Planning and Construction in the Catalog of Federal Domestic Assistance; and

WHEREAS, the DEPARTMENT is required to meet specific requirements of the Federal Highway Administration (FHWA) on projects funded by federal transportation funds; and

WHEREAS, both parties have concurred in the CITY's general administration of the design, right-of-way acquisition, utility relocation, and construction of the federally-funded and state-funded projects; and

WHEREAS, DEPARTMENT costs for State Environmental Review Process (SERP) processing, National Environmental Policy Act (NEPA) processing, and project review are eligible project costs and shall be billed to the CITY as may be agreed upon prior to project initiation by the CITY and DEPARTMENT; and

WHEREAS, the CITY may enter into separate agreements with the DEPARTMENT so that the DEPARTMENT may provide services to assist the CITY in the administration of specific projects as may be mutually agreed.

NOW THEREFORE, in consideration of the mutual premises contained herein, the parties hereto agree as follows:

- A. For urban system construction projects partially funded by federal highway construction allocations as shown in an approved Six-Year Improvement Program:
  1. The CITY shall:
    - a. Be responsible for all regulatory clearances including permits, the design, right-of-way acquisition, utility relocation, inspection, and construction of projects in

## APPENDIX C

accordance with federal and state law and regulations, except the administrative portion of the SERP, and coordinate with the DEPARTMENT for all NEPA scoping decisions, reviews, and approvals.

- b. Receive authorization from the DEPARTMENT before initiating preliminary engineering, right-of-way acquisition, and construction phases of project development.
- c. Maintain accurate records of the projects including documentation of all expenditures. Records for items upon which reimbursement will be requested shall be maintained for no less than three (3) years following FHWA acceptance of the final voucher. Project records shall be made available for inspection and/or audit by the DEPARTMENT or FHWA upon request.
- d. Submit no more frequently than monthly project level invoices with supporting documentation to the DEPARTMENT in the form prescribed by the DEPARTMENT.
- e. Reimburse the DEPARTMENT all project expenses incurred by the DEPARTMENT in the event that the CITY cancels a project and/or, due to actions by the CITY, the expenditures incurred are not reimbursed by the FHWA or in the event reimbursements are required to be returned to the FHWA.

### 2. The DEPARTMENT shall:

- a. Perform the administrative portion of the SERP, provide the CITY the results of the SERP, and provide the necessary coordination with the FHWA relative to environmental study scoping, design, decisions, reviews, approvals, and financial documentation, as appropriate.
- b. Upon receipt of the CITY's monthly invoices submitted pursuant to paragraph A.1.d, reimburse the CITY an amount not to exceed the lesser of the federal portion of the actual cost of eligible items or the amount appropriated and allocated to date for each project. Such reimbursements shall be payable by the DEPARTMENT within 30 calendar days of receipt of a complete and acceptable invoice.

### B. For urban system construction projects not financed by federal funds but at least partially financed by state construction funds through the quarterly payments made by the DEPARTMENT to the CITY:

#### 1. The CITY shall:

- a. Be responsible for all regulatory clearances including permits, the design, right-of-way acquisition and utility relocation, inspection, and construction of projects, except the administrative portion of the SERP, in accordance with federal and state law and regulations pertaining to highways, as applicable.
- b. Maintain such records as necessary to show compliance with law and regulations for a period of three (3) years after the completion of each project and make such records available for audit by the DEPARTMENT upon request.

## APPENDIX C

2. The DEPARTMENT shall perform the administrative portion of the SERP and provide the results to the CITY.
- C. For administration of the CITY's entire Urban System Construction Program:
1. The CITY shall:
    - a. Manage its highway program in accordance with federal and state law and regulations pertaining to highways, as applicable.
    - b. Prepare each year's capital improvement program of projects so that all federal funds apportioned to the CITY shall be obligated within three (3) years of apportionment. If federal funds are unable to be obligated within that time, the CITY will notify the DEPARTMENT in writing.
    - c. Provide certification annually in a form prescribed by the DEPARTMENT by a responsible CITY official that all urban project activities have been performed in accordance with state and federal laws and regulations. If the CITY expends more than \$500,000 in federal funding annually, such certification shall include a copy of the CITY's single program audit prepared in accordance with Office of Management and Budget Circular A-133.
    - d. In cooperation with the DEPARTMENT and pursuant to paragraph C.2.b, annually conduct a joint review of the CITY's urban system construction program.
    - e. Design and construct projects to meet or exceed current American Association of State Highway and Transportation Officials standards or appropriate supplementary standards as may be agreed upon by the DEPARTMENT.
  2. The DEPARTMENT shall:
    - a. Pay the CITY the state portion of its annual construction apportionment on a quarterly basis in accordance with Section 33.1-23.3 of the Code of Virginia 1950, as amended. Such payments shall be made no later than the 30<sup>th</sup> day of September, December, March, and June.
    - b. In cooperation with the CITY and pursuant to paragraph C.1.d, annually conduct a joint review of the CITY's urban system construction program.
    - c. In Conjunction with the CITY, develop, update as needed, and make available to the CITY program guidelines to assist the parties in carrying out program responsibilities under this agreement.
    - d. Audit on a random basis urban system construction program and project records as may be required to verify CITY compliance with federal and state laws and regulations.

THIS AGREEMENT shall not be construed as a waiver of the CITY's or the Commonwealth of Virginia's sovereign immunity.

APPENDIX C

THIS AGREEMENT, when properly executed, shall be binding upon both parties, their successors, and assigns.

THIS AGREEMENT may be modified in writing by mutual agreement of both parties.

THIS AGREEMENT may be terminated by either party upon 180 days advanced written notice. Such termination by the CITY requires a resolution of the CITY Council.

THE CITY and DEPARTMENT acknowledge and agree that this agreement has been prepared jointly by the parties and shall be construed simply and in accordance with its fair meaning and not strictly for or against any party.

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be executed in triplicate in its name and on behalf of its duly authorized officer as of the day, month, and year first herein written.

**CITY OF \_\_\_\_\_, VIRGINIA:**

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
Date

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Date

NOTE: The official signing for the CITY must attach a certified copy of his or her authority to execute this agreement.

**COMMONWEALTH OF VIRGINIA, DEPARTMENT OF TRANSPORTATION:**

\_\_\_\_\_  
Commonwealth Transportation Commissioner

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Date



APPENDIX D

(SAMPLE PROJECT RESOLUTION)

**PROJECT PROGRAMMING RESOLUTION**

WHEREAS, in accordance with Virginia Department of Transportation construction allocations procedures, it is necessary that a request by council resolution be made in order that the Department program an urban highway project in the City/Town of \_\_\_\_\_;

NOW THEREFORE BE IT RESOLVED, that the Council of the City/Town of \_\_\_\_\_, Virginia, requests the Virginia Department of Transportation to establish an urban system highway project for the improvement of \_\_\_\_\_ from \_\_\_\_\_ to \_\_\_\_\_, a distance of approximately \_\_\_\_\_. (or describe other type of project; such as bridge, signals, etc.)

BE IT FURTHER RESOLVED, that the Council of the City/Town of \_\_\_\_\_ hereby agrees to pay its share of the total cost for preliminary engineering, right-of-way and construction of this project in accordance with Section 33.1-44 of the Code of Virginia, and that, if the City/Town of \_\_\_\_\_ subsequently elects to cancel this project, the City/Town of \_\_\_\_\_ hereby agrees to reimburse the Virginia Department of Transportation for the total amount of the costs expended by the Department through the date the Department is notified of such cancellation.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_  
City/Town of \_\_\_\_\_, Virginia

ATTEST

\_\_\_\_\_  
Clerk of Council

BY \_\_\_\_\_  
Mayor/Manager

APPENDIX E

SAMPLE  
RESOLUTION OF INTENT TO JOIN THE URBAN CONSTRUCTION INITIATIVE

WHEREAS, the Section 33.1-23.3(D) of the Code of Virginia permits cities and towns to take responsibility for their construction program;

WHEREAS, the Virginia Department of Transportation has established policy and procedures to administer the urban construction program;

WHEREAS, it is desirable that City/Town Council formally express the City/Town's intent to become a participant in the Urban Construction Initiative;

NOW THEREFORE BE IT RESOLVED, that the City/Town Council of \_\_\_\_\_, Virginia requests the Virginia Department of Transportation to accept this Council Resolution as indicative of their support and intent for the City/Town to participate in the Urban Construction Initiative.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 20--

City/Town of \_\_\_\_\_, Virginia

By: \_\_\_\_\_  
Mayor / City/Town Manager

Attest: \_\_\_\_\_  
Clerk of Council

## VDOT Publications for Project Development

The following manuals are all available through VDOT's web site at [www.virginiadot.org](http://www.virginiadot.org) using the "business networks" tab or through the contact shown.

### **VDOT Road and Bridge Standards**

<http://www.virginiadot.org/business/locdes/road-and-bridge-standards.asp>

### **VDOT Road and Bridge Specifications**

<http://www.virginiadot.org/business/const/spec-default.asp>

### **VDOT Instructional and Informational Memoranda**

<http://www.virginiadot.org/business/locdes/rd-ii-memoranda-index.asp>

### **VDOT Road Design Manual**

<http://www.virginiadot.org/business/locdes/rdmanual-index.asp>

### **VDOT Public Involvement Policy & Procedure Manual**

<http://www.extranet.vdot.state.va.us/locdes/electronic%20pubs/Public%20Involvement%20Manual/Public-Involvement-Manual.pdf>

### **VDOT Drainage Manual**

<http://www.virginiadot.org/business/locdes/hydra-drainage-manual.asp>

### **VDOT CADD Manual**

[http://www.extranet.vdot.state.va.us/locdes/electronic%20pubs/CADD\\_%20MANUAL/cadd\\_cover.pdf](http://www.extranet.vdot.state.va.us/locdes/electronic%20pubs/CADD_%20MANUAL/cadd_cover.pdf)

### **VDOT Survey Manual**

<http://www.virginiadot.org/business/locdes/manual-survey-index.asp>

### **VDOT Traffic Engineering Design Manual**

<http://www.virginiadot.org/business/locdes/traffic-engineering-manual.asp>

### **VDOT Materials Manual**

<http://www.virginiadot.org/business/materials-download-docs.asp>

### **VDOT Landscaping Procedures**

<http://www.extranet.vdot.state.va.us/LocDes/Electronic%20Pubs/Standards/TOC1200.pdf>

### **VDOT Underground Utilities Policy**

[LIS > Administrative Code > 24VAC30-210-10](#)

### **VDOT Lighting Policy**

<http://www.extranet.vdot.state.va.us/locdes/electronic%20pubs/iim/IIM231.pdf>

### **Policy for Integrating Bicycle and Pedestrian Accommodations**

[http://www.virginiadot.org/programs/resources/bike\\_ped\\_policy.pdf](http://www.virginiadot.org/programs/resources/bike_ped_policy.pdf)

The following Manuals are available through VDOT's web site at [www.virginiadot.org](http://www.virginiadot.org) using the "business networks" tab or through the contact shown.

**VDOT Guide for Procurement and Management of Professional Services**

<http://www.virginiadot.org/business/resources/gpmps.pdf>

**VDOT Construction Manual**

[Please contact the Scheduling and Contract Division for further information.](#)

**VDOT Inspection Manual**

[http://www.virginiadot.org/business/resources/const/Inspection\\_Manual.pdf](http://www.virginiadot.org/business/resources/const/Inspection_Manual.pdf)

**VDOT Post-Construction Manual**

[http://www.virginiadot.org/business/resources/const/pc\\_manual.pdf](http://www.virginiadot.org/business/resources/const/pc_manual.pdf)

**VDOT's Right of Way Manual, Volumes I & II**

[Please contact the Right of Way and Utilities Division for further information.](#)

**VDOT Urban Construction and Maintenance Program Policies and Guidelines**

[http://www.virginiadot.org/business/resources/Urban\\_Manual\\_1-1-07\\_Final.pdf](http://www.virginiadot.org/business/resources/Urban_Manual_1-1-07_Final.pdf)

**State Agency Procurement Manual**

<http://dps.dgs.virginia.gov/dps/Manuals/manuals-bottom.htm>

**VDOT Construction Oversight Guide for Locally Administered Projects**

[http://www.virginiadot.org/business/resources/CNOversightGuide\\_Final\\_20807.pdf](http://www.virginiadot.org/business/resources/CNOversightGuide_Final_20807.pdf)

Certification – Design Approval & RW Phase

CITY LETTERHEAD

Date:

District Administrator:  
Attn: Project Coordinator  
District Address:

Project Street Name  
Project Number  
Project UPC Number  
From:  
To:

Subject: Project Certification - Right of Way Phase

Dear District Administrator:

This project consists of: (complete description from beginning to end of the location and the type of project, i.e. relocation of families and businesses, curb and gutter, intersection improvement, etc).

Reference is made to the agreement between the City of \_\_\_\_\_ and the Virginia Department of Transportation (VDOT) dated \_\_\_\_\_. This project has been developed in accordance with all applicable Federal and State laws, regulations and in accordance with the VDOT's Urban Construction Initiative Program Administration Guide.

The project development has been in accordance with the National Environmental Policy Act (NEPA).

Additionally, the project was developed in accordance with Federal and State laws and regulations governing public involvement. A Public Hearing was held on \_\_\_\_\_. The hearing location and date were properly advertised and posted, plans were available for review and comment, the NEPA document was available for review, a comment procedure was provided and all comments have been given due consideration.

*Or*

A Notice of Willingness was posted and expired on \_\_\_\_\_. The Notice of Willingness was properly advertised and posted including the procedure for requesting a public

## APPENDIX G

hearing, plans were available for review and comment, and the NEPA document was available for review.

This Project has been designed in accordance with AASHTO Design Criteria utilizing current engineering practice, methodology and process suitable for the project scope and complexity. A Quality Assurance and Quality Control Review has been completed for this phase of project development.

All required checklist have been previously submitted or are attached hereto.

I certify that the above is accurate and correct and reflects the project development process and documents on file which are available for review upon request.

Further, I approve the design features of this project for the *City or Town of* \_\_\_\_\_ and request VDOT to provide design approval and authorization to proceed with the acquisition of right of way.

\_\_\_\_\_  
City Manager or Director of Public Works  
or City Engineer

\_\_\_\_\_  
Date

cc: Urban Program Manager  
VDOT Project Coordinator

Attachments: EQ-121 Hazardous Materials Due Diligence Document  
Project Title Sheet (signed by a Municipality Official in  
responsible charge of the work)

VDOT Project Coordinator Copy List:

Local Assistance Division Director  
Programming Division Director  
State Location and Design Engineer  
State Right of Way and Utilities Director  
State Environmental Director  
State Structure and Bridge Engineer (when appropriate)  
State Construction Engineer  
District Construction Engineer  
District Preliminary Engineering Manager  
District Right of Way Manager  
District Environmental Manager  
District Structure and Bridge Engineer (when appropriate)  
Central Office Plan Coordination Section

Certification - Construction

CITY LETTERHEAD

Date:

District Administrator:

Attn: Project Coordinator

District Address:

Project Street Name

Project Number

Project UPC Number

From:

To:

Subject: Project Certification - Construction Phase

Dear District Administrator:

This project consists of: (complete description from beginning to end of the location and the type of project, i.e. relocation of families and businesses, curb and gutter, intersection improvement, etc).

Reference is made to the agreement between the City of \_\_\_\_\_ and the Virginia Department of Transportation (VDOT) dated \_\_\_\_\_.

This project has been developed in accordance with all applicable Federal and State laws, regulations and in accordance with the Urban Construction Initiative Program Administration Guide.

In accordance with State and Federal Code, all necessary rights of way have been acquired or legal right of entry onto each parcel has been obtained for the advertisement and construction of this project. Also, all affected utilities have been relocated or they are included as in-plan work to be performed by the project construction contractor. (If Federal Funds participated in this project, reference to FHWA requirements should also be included.) To the best of our knowledge, there are no contaminants contained within the soil on the property purchased.

The project development has been completed in accordance with the National Environmental Policy Act (NEPA). An approved environmental document has been prepared and all identified environmental commitments have been included in the plans and proposal. A completed Environmental Certification/Commitments Checklist (EQ-103) is attached. All applicable construction permits have been obtained.

Additionally, the project was developed in accordance with Federal and State laws and regulations governing public involvement. A Public Hearing was held on \_\_\_\_\_ and Design approval was provided on \_\_\_\_\_. Or A Notice of Willingness was posted and expired on \_\_\_\_\_, and Design approval was provided on \_\_\_\_\_.

## APPENDIX H

Also, this Project has been designed in accordance with AASHTO Design Criteria utilizing current engineering practice, methodology and process suitable for the project scope and complexity. If necessary, Design Exception(s) or Waiver(s) have been obtained and identified on the Title Sheet for the project. A Quality Assurance and Quality Control Review has been completed for each phase of project development.

All required checklist have been previously submitted or are attached hereto.

Attached are copies of the project plans, a current engineer's estimate and the City's proposed advertisement for construction package. *If Federal Funds are involved, include the statement "The advertisement package includes all appropriate federal aid project information including Minimum Wage rates and EEO provisions."*

I certify that the above is accurate and correct and reflects the project development process and documents on file which are available for review upon request.

\_\_\_\_\_  
City Manager or Director of Public Works  
or City Engineer

\_\_\_\_\_  
Date

cc: Urban Program Manager  
VDOT Project Coordinator

Attachments: [EQ-103](#) Environmental Certification/Commitments Checklist  
Project Title Sheet (signed and sealed by a professional engineer in responsible charge of the work who shall be duly registered to practice engineering in the Commonwealth of Virginia.  
Project Plans  
Engineer's Estimate  
Advertisement for Construction Package

VDOT Project Coordinator Copy List

Local Assistance Division Director  
Programming Division Director  
State Location and Design Engineer  
State Right of Way and Utilities Director  
State Environmental Director  
State Structure and Bridge Engineer (when appropriate)  
State Construction Engineer  
District Construction Engineer  
District PE Manager  
District Right of Way Manager  
District Environmental Manager  
District Structure and Bridge Engineer (when appropriate)  
Urban Program Manager  
Central Office Plan Coordination Section



## Urban Allocations Paid Directly to the Urban Localities

### **First Cities**

Accounting/Billing Information

06/08/05

### **State Funding**

Cash payments related to the state allocations (as determined by VDOT Programming/LAD staff) will be paid directly to the locality by VDOT on a quarterly basis.

### **Federal Funding**

Federal allocations will be made to the locality on a reimbursement basis at a project level (similar to the method currently used when the locality administers a state project).

VDOT will be responsible for billing FHWA to recoup federally participating costs. Since the federal agreement will be between VDOT and the Federal Highway Administration, it is imperative VDOT be able to support its billing requests. As a result, there will be more documentation required from the localities for costs that are to be federally reimbursed. Below is a summary of what might be required:

- The locality should submit a monthly project level invoice with supporting documentation to VDOT.
- Supporting documentation should include copies vendor invoices approved by the locality (for which payment to the vendor has been initiated by the locality) and a life to date project summary schedule tracking payment requests submitted by the locality, payments received from VDOT and any adjustments made over the life of the project (see sample on attachment A). When the invoice relates to internal labor provided by employees of the locality, the following basic information should be included with the reimbursement request:
  - Project ID
  - Period of Time Covered
  - Amount
- VDOT should make payment to the locality within 30 days after the receipt of the invoice.
- After payment is made to the locality, VDOT shall have a 30-day period to review the invoice and supporting documentation. If VDOT objects to any of the costs, it shall advise the city as to the costs it objects to, and VDOT shall make the adjustments necessary to correct for its objection on payment of the next invoice that is submitted at least 15 days after the locality receives notice of such objection. The locality shall notify VDOT if the locality does not agree with VDOT's objection and the dispute resolution shall be used to resolve such disagreement. If it is determined after such dispute resolution procedure that the cost was appropriate, the locality can then include such amount in an invoice and VDOT will make payment therefore.

## APPENDIX I

- VDOT will bill FHWA to recoup the cash paid to the locality.
- The locality should agree to reimburse VDOT 100% of all related expenditures incurred which are not reimbursed by the Federal Highway Administration due to the recipient's failure to follow proper federal guidelines and/or the expenditures are found to be federally non-participating items.

### **Local Match**

When a local match of 2% is required, VDOT will require the locality submit documentation to exhibit such funding is applied to each project. This should be done each time a request is made to VDOT for reimbursement of federally participating costs (reference Attachment A). In addition, the locality should report annually on the application of the 2% local share application for all projects, even those with no federal funding applied (reference Attachment B). The locality should maintain supporting documentation to support numbers reported on both schedules (A and B) and these documents should be retained as outlined below.

### **Records Retention**

- The locality will maintain accurate records of each project and documentation of all expenditures for a period of three (3) years after the final completion of a project unless there is federal funding on the project, in which case the locality will maintain such records for no less than three (3) years following the approval by the Federal Highway Administration of the final voucher. The locality will make such records available for inspection and/or audit by the Department at any time.

APPENDIX I ATTACHMENT A

SAMPLE LIFE TO DATE PROJECT SUMMARY SCHEDULE  
REQUEST FEDERAL REIMBURSEMENT  
(ATTACHMENT A)

Attachment A (Revised 04/09/08)  
 DRAFT Life to Date Project Summary Schedule - Request to VDOT for Federal Reimbursement

City Name Hampton Invoice Number 121314  
 Project ID/UF# AAAA/UFC 80104 Invoice Date 11/28/2006  
 Project Description Metropolis Boulevard Invoice Amount \$ 12,000.00  
 Federal Project ID# 6401638 Billing Period 10/1-10/31/2006

Request Number	Invoice Number	Invoice Date	Invoice Amount	Adjustment Date	Adjustment Amount	Project to Date		Comments
						Request for Reimbursement	Balance Outstanding	
1	1234	07/31/2004	\$ 10,000.00		\$ -	\$ 10,000.00	\$ 10,000.00	
2	5678	08/30/2004	\$ 5,300.00		\$ -	\$ 15,300.00	\$ 15,300.00	
3	91011	10/30/2004	\$ 7,000.00	09/22/2004	\$ (1,800.00)	\$ 20,500.00	\$ 20,500.00	Adjustment was made by VDOT due to transposition error on invoice 5678 (invoice amount should have been \$3,500 instead of \$5,300)
4	121314	11/28/2004	\$ 12,000.00		\$ -	\$ 32,500.00	\$ 20,500.00	\$ 12,000.00

Phase	Total Federal Dollars Requested		Total Project Expenditures		Local Match Applied		State Dollars Applied		Total Project Expenditures	
	Requested	Applied	Requested	Applied	Requested	Applied	Requested	Applied	Requested	Applied
Pre-Eng	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Right of Way	\$ 12,000.00	\$ 2,700.00	\$ 300.00	\$ 15,000.00	\$ 300.00	\$ 300.00	\$ 2,250.00	\$ 2,250.00	\$ 350.00	\$ 12,500.00
Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 12,000.00</b>	<b>\$ 2,700.00</b>	<b>\$ 300.00</b>	<b>\$ 15,000.00</b>	<b>\$ 300.00</b>	<b>\$ 300.00</b>	<b>\$ 2,250.00</b>	<b>\$ 2,250.00</b>	<b>\$ 350.00</b>	<b>\$ 12,500.00</b>

\*This scenario assumes all reimbursements requested of VDOT are eligible federally participating expenses and the Federal participation rate is equal to 80% on all phases of work and a 2% local match is required on this project

Certification

I certify that the above invoiced amounts are correctly calculated, the items being requested for payment have been used or installed on the project, and the costs are allowable per state and Federal regulations. Documentation to support the invoiced amounts is attached.

Director of Finance

APPENDIX I ATTACHMENT A

SAMPLE ANNUAL PROJECT FINANCIAL STATUS REPORT  
(ATTACHMENT B)

<u>DRAFT Annual Project Financial Status Report</u>											
Locality For Fiscal Year Ended		Hampton 06/30/2006									
Project ID	Project Status	Estimated/Actual Completion Date	Estimated/Actual Project Cost	Expenditures to Date	Federal Funding Applied	State Funding Applied	Local Match Applied				
00075089	Closed	12/31/2004	\$ 10,000.00	\$ 10,000.00	N/A	\$ 9,800.00	\$ 200.00				
00078000	Closed	10/30/2004	\$ 200,000.00	\$ 1,800,000.00	N/A	\$ 1,764,000.00	\$ 36,000.00				
00084682	Open	08/31/2007	\$ 350,000.00	\$ 100,000.00	\$ 80,000.00	\$ 20,000.00	Not Required				
00082001	Not started	12/31/2010	\$ 50,000.00	\$ -	\$ -	\$ -	\$ -				
AAAAA	Open	08/30/2006	\$ 204,000.00	\$ 40,625.00	\$ 32,500.00	\$ 7,312.50	\$ 812.50				
<b>Total</b>			<b>\$ 814,000.00</b>	<b>\$ 1,890,625.00</b>	<b>\$ 112,500.00</b>	<b>\$ 1,801,112.50</b>	<b>\$ 37,012.50</b>				
<b>Summary:</b>											
Allocations through FY06*			\$	5,000,000.00							
Plus Interest earned			\$	250,000.00							
Less: State Allocations Applied Through FY06			\$	(1,801,112.50)							
Balance Remaining			\$	<u>3,448,887.50</u>							
<u>VDOT Fiscal Division</u>											

**First Cities Payment/Billing Process Scenarios**

**Process Quarterly payment of state urban allocation to City of Hampton in the amount of \$2,000,000.**

Speedtype	Speedtype Value	City	Org	Operational Project	Account	Activity	Debit	Credit
CSC	1205002	114	10500	N/A	1431	N/A	2,000,000	2,000,000
Cash								2,000,000

- State urban allocation funds, as shown as “Formula City Payment” line items in the VDOT Integrated Six Year Program (ISYP) will be paid direct to the first cities in quarterly installments.
- LAD will process these payments.

**VDOT performs billable PE work in the amount of \$10,000 on a first cities project in the City of Hampton (project XXXXX). This project has no Federal participation.**

Speedtype	Speedtype Value	City	Org	Operational Project	Account	Activity	Debit	Credit
CSC	1205003	114	10500*	XXXXX	As applicable	716**	10,000	
Cash								10,000

- One operational project will be established for each scope of work (by LAD)
- These projects will not be in the VDOT Integrated Six Year Improvement Plan.
- One agreement will be established in FMS for each operational project to define billing parameters. (LAD will need to supply an agreement request form to Fiscal Division in order to trigger this event).
- A progress bill (for each operational project) will be sent to the city as expenses are incurred by VDOT (this will be a monthly billing).
- A cost component report can be made available on request.
- These expenses will need to be estimated and budgeted in the appropriate District.
- Each District should monitor charges against this cost center to ensure erroneous charges are not occurring.

APPENDIX I ATTACHMENT A

**VDOT performs billable Construction phase work in the amount of \$7,000 on a first cities project in the City of Hampton (project YYYYY). This project has Federal participation and a UPC is listed in the ISYP (AAAAA).**

Speedtype	Value	City	Org	Operational Project	Account	Activity	Debit	Credit
CSC	1205003	114	10500*	YYYYY	As applicable	731**	7,000	
Cash								7,000

- One operational project will be established for each scope of work (by LAD)
- These operational projects will not be in the VDOT Integrated Six Year Improvement Plan (however, they will be related to UPC projects established in the plan representing the Federal Funding Source).
- One agreement will be established in FMS for each operational project to define billing parameters. (LAD will need to supply an agreement request form to Fiscal Division in order to trigger this event).
- A progress bill (for each operational project) will be sent to the city as expenses are incurred by VDOT (this will be a monthly billing).
- A cost component report can be made available on request.
- These expenses will need to be estimated and budgeted in the appropriate District.
- Each District should monitor charges against this cost center to ensure erroneous charges are not occurring.

**City of Hampton incurs \$8,000 in Federally participating expenses on Construction phase work for a Federally participating project (AAAAA) provided by ACME Construction Company. They also incur \$7,000 in Federally participating expenses on Construction phase work for the same project (AAAAA) provided by VDOT (reference previous transaction). The city submits an invoice in the amount of \$12,000 to VDOT to reimburse them for the federal participation on the combined expenses (80% of \$15,000 [\$8,000 + \$7,000]). Reference the attached sample invoice for details.**

Speedtype	Value	City	Org	Operational Project	Account	Activity	Debit	Credit
UPC	AAAAA	Project City	Project Org	N/A	2327**	631**	12,000	12,000
Cash								
UPC	AAAAA	Project City	Project Org	N/A	98900	631**	2,700	
UPC	AAAAA	Project City	Project Org	N/A	98900	731**	300	2,700
UPC	AAAAA	Project City	Project Org	N/A	98900	731**		300

- Each project with Federal funding will be listed in VDOT ISYP (only the federal funds will be allocated since the state match has already been funded through the quarterly formula payments made to the city –reference the first transaction shown).
- In-kind accounts will be used to track the state allocation and local match applied to each project with Federal participation.

## APPENDIX I ATTACHMENT A

- In total, the project expenses will total only the Federal share (\$12,000 in this case, however, participating activity expenses (\$15,000 [\$12,000 + \$2,700 + \$300]) will represent Federal, state and local expenses. This will ensure FHWA is billed properly, provided the agreement is set up in FMS II (Programming Division will provide this agreement to Fiscal Division).

\*Org. code utilized should represent organizational unit providing the service.

\*\*Standard activity codes/Account codes should be utilized as follows:

PE Phase	616,716	1261
ROW Phase	674,774	2112
CONST Phase	631,731	2327

**Summary of Guidelines Table**

The following table is for projects fully administered by the cities (PE, RW and CN). This is also only for projects that are within the Urban System (i.e. this does not pertain to Interstates, NHS facilities or Primaries maintained by VDOT.). This also does not apply to CMAQ, RSTP, Safety projects, etc. Public Private Partnerships, Design/Builds, etc. are not addressed here either.

<b>Activity</b>	<b>Requirements for Federal Funded Projects</b>	<b>Requirements for State Funded Projects</b>
<b>Preliminary Engineering</b>		
Project Initiation	Cities request project be included in SYP Individual line items in SYP In non-attainment & maintenance area must be part of conforming LRP & TIP Cost estimates by Cities in PCES Expenses are on a reimbursable basis	Cities include projects in their CIP In non-attainment & maintenance area must be part of conforming LRP & TIP Receive quarterly payments of state funds for work
PE Authorization	Cities must receive authorization from VDOT before initiating work on a particular phase	Not needed
<b>Environmental Processes</b>		
SERP	Cities initiate VDOT performs admin portion	Certify compliance in accordance with Chapter 5 of the LAP Manual
Preparation of Document	/FHWA determines level of document Cities prepare VDOT reviews to ensure compliance with fed/state requirements	If a regulatory agency other than FHWA requires a NEPA document, Cities are responsible for all preparation and coordination of document
Permits	Cities must secure all permits Cities must certify prior to construction that all permits have been secured	Same as federal
Hazardous Materials	Cities must certify that necessary action taken	Same as federal
<b>Consultant Procurement</b>	Cities must meet fed/state laws by following the processes outlined in Chapter 11 of the LAP Manual	Certify compliance in accordance with Chapter 5 of the LAP Manual
<b>Design</b>		
Value Engineering	Required for projects > \$5M Cities conduct and submit reports to VDOT	Same as federal



APPENDIX J

Activity	Requirements for Federal Funded Projects	Requirements for State Funded Projects
Location Approval	Must be approved by the CTB	Certify compliance in accordance with Chapter 5 of the LAP Manual
Design Standards	AASHTO	Certify design is in accordance AASHTO as outlined in Chapter 5 of the LAP Manual
Plan Reviews	VDOT will perform 3 plan reviews at: <ul style="list-style-type: none"> <li>➤ Pre public hearing</li> <li>➤ Pre Right-of-Way (including preliminary bridge plans)</li> <li>➤ Pre Construction (including 90% bridge plans)</li> </ul>	Department may initially conduct random reviews during project development Review preliminary bridge plans Cities must certify prior to construction that all design is in accordance with AASHTO VDOT to perform random post construction audits/reviews
Design Exceptions	VDOT must approve all exceptions to AASHTO standards	Same as federal
Public Involvement	Cities must meet fed/state laws as outlined in Chapter 12.4 of the LAP Manual	Certify compliance in accordance with Chapter 5 of the LAP Manual
Design Approval	Chief Engineer	Cities must certify prior to construction that all design is in accordance with AASHTO
<b>Right-of-Way &amp; Utilities</b>		
Right-of-Way Reevaluation (Environmental)	Yes, Results may require additional coordination by City	Not needed
Authorization	Cities must receive authorization from VDOT before initiating work on a particular phase	Certify compliance in accordance with Chapter 5 of the LAP Manual
Land Acquisition	Right-of-Way & Utilities Manual (any avoidance of procedures therein will be approved in writing by VDOT prior to initiation)	Certify compliance in accordance with Chapter 5 of the LAP Manual

APPENDIX J

Activity	Requirements for Federal Funded Projects	Requirements for State Funded Projects
Utility Relocation	Right-of-Way & Utilities Manual (any avoidance of procedures therein will be approved in writing by VDOT prior to initiation)	Certify compliance in accordance with Chapter 5 of the LAP Manual
<b>Construction</b>		
PS&E Reevaluation (Environmental)	Yes, Results may require additional coordination by City	Not needed
Authorization	Cities must receive authorization from VDOT before initiating work on a particular phase	Certify compliance in accordance with Chapter 5 of the LAP Manual
Project Certification	Cities certify that necessary action taken (certification outlining requirements being developed to include items such as Environmental, RW, Design, Coast Guard Permit, etc.) VDOT reviews to ensure compliance with fed/state requirements	Certify compliance in accordance with Chapter 5 of the LAP Manual
Local Force Construction	Municipality may utilize its own forces provided that it meets the requirements outlined in Chapter 12.6.11 of the LAP Manual	Same as federal
Advertisement/Contract Letting	Cities will advertise project CTB must approve award of contract > \$2 Million	Certify compliance in accordance with Chapter 5 of the LAP Manual
Change Orders/Funding Changes	Cities can approve change orders on non federal oversight projects Cities must determine from which projects the additional funds will come	Cities will oversee all change orders

APPENDIX J

Activity	Requirements for Federal Funded Projects	Requirements for State Funded Projects
Environmental Monitoring	VDOT will monitor periodically to ensure environmental commitments made in SERP/NEPA implemented	VDOT will monitor periodically to ensure environmental commitments made in SERP implemented
<b>Civil Rights</b>	Cities responsible for complying with applicable federal and state requirements as outlined in Chapter 17 of the LAP Manual	Same as federal
<b>Post Construction</b>		
Bridge Plans	Cities to submit PDF File of "As-Built Plans" to VDOT	Same as federal
Roadway Plans	Cities to submit PDF files of final plans to VDOT	Submittal to VDOT not required
<b>Fiscal/Audit/Budget</b>		
Audits/Compliance	VDOT may conduct random audits/reviews Cities must conduct a yearly independent audit of expenditures	Same as federal
Recovery of VDOT Costs	VDOT will not charge for general admin of program VDOT will charge for project specific items (environmental coordination, plan reviews, etc.) VDOT will provide an estimate of these costs to the Cities VDOT/Cities will enter into separate agreements for major project development items requested to perform on the Cities' behalf	Same as federal

**Urban Construction Initiative**  
**Risk Based Assessment for Preliminary Engineering**  
**(Plan Reviews)**

***Overview***

Localities are fully responsible for the administration of their projects and are required to provide a person of responsible charge from the municipality and assign a Professional Engineer during project development. The locality's responsibility includes maintaining sufficient documentation showing this is accomplished. VDOT has an oversight role since state and or federal funds are being used. VDOT's oversight role is not to duplicate the requirements or responsibilities of the locality; rather, it is to generally insure that project development and construction is being performed in accordance with the appropriate process and criteria. The purpose of these guidelines is to establish consistent procedures for Districts to provide oversight on locality administered projects.

Oversight requirements will vary from project to project, depending on complexity, experience, etc. The challenge is to determine the level of oversight that is appropriate for the unique nature of each project. By evaluating project characteristics and the impact and probability of non-compliance, the correct level of oversight can be established. The following approach will be used to perform and document this evaluation.

***Project Oversight Determination***

Each project, based on a calculated score, will be given an oversight level of Low, Moderate, or High. The oversight levels are based on the potential adverse impact of noncompliance and the likelihood that noncompliance may occur. The following table provides a summary of the oversight levels:

<b>Oversight Level</b>	<b>Impact/Probability</b>
High (H)	Significant impact on infrastructure due to non-compliance - Significant effects to quality of construction, cost, & schedule; High probability of non-compliance
Moderate (M)	Moderate impact on infrastructure due to non-compliance - Moderate effects to quality of construction, cost, & schedule; Moderate probability of non-compliance
Low (L)	Minimal impact on infrastructure due to non-compliance - Minimal effects to quality of construction, cost, & schedule; Low probability of non-compliance

Oversight levels will be determined by identifying specific elements applicable to the project. Several elements will be considered more important, and thereby "weighted," more heavily than others. Generally, a Federal Oversight project or a project on the National Highway System will require more oversight than one that is state funded. The Department also has less risk on projects that will be maintained by the locality and those projects are weighted lower than a project where VDOT will be maintaining the final product. The amount of experience a locality has in administering contracts is another factor that will be considered. These elements, and corresponding weighted values, are depicted on the following chart:

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Element	Value (factor)	Check Elements That Apply	Total Factor per Element
Federal Oversight	20		
National Highway System	20		
Funding			
Federal Funded (non-Enhancement)	15		
State Funded	10		
Federal Enhancement (Impacts R/W)	7		
Federal Enhancement (Off R/W)	1		
Completed Project Maintenance			
State Maintained Project	10		
Locality Maintained Project	2		
Project Category *			
Category I	2		
Category II	5		
Category III, IV, V	10		
Locality Experience Administering Project			
Low Level	15		
Intermediate Level	10		
High Level	5		
<b>Factor Total</b>			

To obtain the project’s score, each applicable element is identified and the corresponding value is transferred to the far right column. All values placed in the far right column are totaled to provide a final score or “Factor Total.” The level of oversight is established in accordance with the range on the following chart.

Level of Oversight	Range of Factor Total	
High (H)	> 45	
Moderate (M)	25-55	
Low (L)	< 35	

This analysis is a basic attempt to achieve the level of oversight needed. On occasion oversight levels may overlap. When the factor total falls within 2 ranges, the oversight level should be established using sound engineering judgment. This could be based upon several considerations, such as, unusually complicated features associated with the project development; highly sensitive environmental or socio-economic issues, the Project Manager’s experience working on similar transportation projects.

The VDOT Urban Program Manager in concert with the Locality may increase or decrease the frequency or intensity of VDOT’s oversight, based on the performance and the result of

## APPENDIX K

previous VDOT compliance reviews. If the District gains a higher level of confidence in the locality's project administration, the level of oversight may be reduced, and conversely, if there is evidence of deficiencies in the plans or reduction in the level of confidence, the level of oversight may be increased. Changes in the oversight level during project development should be well documented and coordinated with the Municipality.

### *Project Evaluation Frequency and Intensity*

The frequency/intensity of District plan reviews should be, generally, in accordance to the following chart.

Oversight Level	Frequency / Intensity of District Reviews
High (H)	National Highway System – Federal Oversight Locality/VDOT/FHWA high attention 30/60/90 % Reviews with QA/QC Checklists
Moderate (M)	VDOT Concurrence at Major Points/Issues 30/60/90 % Reviews of Critical Issues
Low (L)	Recognize of Certifications and Checklists Minimal Plan Reviews – Verify (audit) process

Form Date: July 18, 2007

# Urban Construction Initiative Risk Based Assessment Form

This form is to be completed by the Locality and the VDOT District Office to document the level of oversight associated with a given project.

Locality:	Project #:	UPC:
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Project Scope (short narrative):

Local Contact	Name:		Phone:	
	Email:			

Element	Value (factor)	Check Elements That Apply	Total Factor per Element
Federal Oversight	20		
National Highway System	20		
Funding			
Federal Funded (non-Enhancement)	15		
State Funded	10		
Federal Enhancement (Impacts R/W)	7		
Federal Enhancement (Off R/W)	1		
Completed Project Maintenance			
State Maintained Project	10		
Locality Maintained Project	2		
Project Category *			
Category I	2		
Category II	5		
Category III, IV, V	10		
Locality Experience Administering Project			
Low Level	15		
Intermediate Level	10		
High Level	5		
<b>Factor Total</b>			

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The level of oversight is established in accordance with the range on the following chart.

Level of Oversight	Range of Factor Total
High (H)	> 45
Moderate (M)	25-55
Low (L)	< 35

Oversight Level	Frequency / Intensity of District Reviews
<input type="checkbox"/> High (H)	National Highway System – Federal Oversight Locality/VDOT/FHWA high attention 30/60/90 % Reviews with QA/QC Checklists
<input type="checkbox"/> Moderate (M)	VDOT Concurrence at Major Points/Issues 30/60/90 % Reviews of Critical Issues
<input type="checkbox"/> Low (L)	Recognize of Certifications and Checklists Minimal Plan Reviews – Verify (audit) process

By signing this form the City of \_\_\_\_\_ and VDOT agree that the oversight level of this project is \_\_\_\_\_.

City/ Town Project Manager	_____ (Signature)	Date: _____
	_____ (Print Name)	

<input type="checkbox"/> City/Town Manager <input type="checkbox"/> Director of Public Works <input type="checkbox"/> City/Town Engineer <input type="checkbox"/> Other _____	_____ (Signature)	Date: _____
	_____ (Print Name)	

<input type="checkbox"/> VDOT District Administrator <input type="checkbox"/> VDOT PE Manager	_____ (Signature)	Date: _____
	_____ (Print Name)	

VDOT Urban Program Manager	_____ (Signature)	Date: _____
	_____ (Print Name)	



## Project Category

Construction Project Characteristics	Project Examples
<p>Low volume single season projects with 1 to 3 components constructed in a rural setting, with minimum traffic impact and little or no schedule risk</p> <p style="text-align: center;">Simple No-Plan Projects</p> <p>Simple Maintenance Projects with minimum traffic impact</p> <p style="text-align: center;">Short Duration Project</p>	<p>Simple Road Rehabilitation</p> <p>Simple Bridge Rehabilitation</p> <p>Simple Emergency Bridge Repairs</p> <p>Minor Drainage Improvements</p> <p>Simple Widening/Turning Lanes</p> <p>Low Volume Overlay</p> <p>Surface Treatments</p> <p>Guardrail Repairs/Replacements</p> <p>Minor Signing/Striping/Signal Replacements</p>
<p>Low volume single season projects with 4 to 6 components constructed in either a rural or urban setting, with low to medium traffic impact, and low schedule risk</p> <p style="text-align: center;">Complex No-Plan Projects</p> <p>Complex Maintenance Projects with medium traffic impact</p> <p style="text-align: center;">Project Duration of 3 to 9 Months</p>	<p>Simple Road Reconstruction</p> <p>Simple Bridge Deck Replacements</p> <p>Emergency Bridge Repairs</p> <p>Major Drainage Improvements</p> <p>Complex Widening/ Turning Lanes</p> <p>Major Overlay</p> <p>Overhead Sign Structures</p> <p>Intersection Improvements/Signalization</p> <p>Utility Relocation</p>
<p>Low to mid volume multi-season projects with 4 to 6 components constructed in either a rural or urban setting, with 1 impact factor</p> <p style="text-align: center;">Project Duration of 12 to 24 Months</p> <p style="text-align: center;">Project with mid-level Complexities</p> <p style="text-align: center;">Project with Medium Schedule Risk</p>	<p>New Road Construction</p> <p>Road Reconstruction</p> <p>New Bridge Construction</p> <p>Bridge Replacements</p> <p>Multi-season Widening/Realignment</p> <p>Major Intersection Improvements</p> <p>Tunnel Refurbishment</p> <p>Regional Signal System Upgrade</p> <p>Major Highway Superstructure Replacements</p> <p>Major Utility Relocation</p>
<p>Medium to High Volume multi-season projects with more than 6 components constructed in either a rural or urban setting and with 2 impact factors</p> <p style="text-align: center;">Project Duration of 24 to 36 Months</p> <p style="text-align: center;">Project with mid to high level complexities</p> <p style="text-align: center;">Projects with medium to high level schedule risks</p>	<p>Major Highway Construction</p> <p>Major Bridge Construction</p> <p>Tunnel Construction</p> <p>Major Bridge Replacements</p> <p>Major Highway Widening/Realignment</p>
<p>High Volume/High Risk Multi-season project with greater than 10 components constructed in either a rural or urban setting and with 3 or more impact factor</p> <p style="text-align: center;">Multi-Project Contracts</p> <p style="text-align: center;">Mega Projects</p>	<p>Springfield Mixing Bowl</p> <p>Woodrow Wilson Bridge Project</p> <p>Major Tunnel Project</p>

**PROCUREMENT CHECK LIST****For items below, check if present**

1. \_\_\_\_\_ Specifications
2. \_\_\_\_\_ Bidders Mailing List
3. \_\_\_\_\_ List of Bids Received
4. \_\_\_\_\_ Original Bids Returned, including no bids:# \_\_\_\_\_
5. \_\_\_\_\_ Proposal Bond (AS-66)  
Signatures: Principal \_\_\_\_\_ Surety Agent \_\_\_\_\_
6. \_\_\_\_\_ Standard Performance Bond/Payment Bond
7. \_\_\_\_\_ Proof of Insurance Contractor's License Number \_\_\_\_\_  
(If Not Pre-Qualified with VDOT)
8. \_\_\_\_\_ Price Reasonableness Determination For One Bid
9. \_\_\_\_\_ Sole Source Documentation – Public Notice
10. \_\_\_\_\_ Emergency Documentation – Public Notice
11. \_\_\_\_\_ Late Bid Letters
12. \_\_\_\_\_ Unsigned Bid Letters
13. \_\_\_\_\_ Rejection Letters
14. \_\_\_\_\_ Addenda
15. \_\_\_\_\_ Bid Cancellation Letters

Signature \_\_\_\_\_

## APPENDIX M

### CONTACT TELEPHONE NUMBERS

LOCAL ASSISTANCE DIVISION (LAD)	
Michael A. Estes	804-786-2746
Jennifer B. DeBruhl	804-786-0334
VACANT (Program Manager)	804-786-3438
Cynthia Clark (Certification/Compliance Manager)	804-371-6289
ENVIRONMENTAL DIVISION	
Jackie Cromwell	804-371-6829
CIVIL RIGHTS DIVISION (CRD)	
Freddie Jones	804-786-4552
Doretha Davis	804-786-4430
EXTERNAL AUDIT	
Judson Brown	804-225-3597
FISCAL DIVISION	
Janice Long	804-786-2759
LOCATION & DESIGN DIVISION (L&D)	
Mohammad Mirshahi	804-786-2507
Emmett Heltzel	804-786-2949
SCHEDULING & CONTRACT DIVISION	
Don Silies	804-786-1630
STRUCTURE & BRIDGE DIVISION	
Ken Walus	804-786-4575
James Fariss	804-786-2998
VALUE ENGINEERING	
Ron Garrett	804-862-6266
DISTRICTS	
HAMPTON ROADS	
DISTRICT PRELIMINARY ENGINEERING MANAGER	
Adam Jack	757-925-2415
DISTRICT CONSTRUCTION ENGINEER	
Mark Cacamis	757-925-2504
URBAN PROGRAM MANAGER/LOCAL PROJECT TEAM COORD.	
Steve Rowan (acting)	757-925-2459
BRIDGE SECTION	
Will Forbes	757-925-1665
ENVIRONMENTAL SECTION	
Jack McCambridge	757-925-2631
RIGHT-OF-WAY SECTION	
Randy Friedland	757-925-2527
CIVIL RIGHTS	
Sam Davis	757-925-2519

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### RICHMOND

DISTRICT PE MANAGER/LOCAL PROJECT TEAM COORDINATOR	
Samuel Hayes	804-524-6095
DISTRICT CONSTRUCTION ENGINEER	
Harold Dyson	804-524-6211
URBAN PROGRAM MANAGER	
Lamont Benjamin	804-524-6400
LOCATION AND DESIGN	
Tom Holmes	804-524-6145
BRIDGE SECTION	
Gary Martin	804-524-6138
ENVIRONMENTAL SECTION	
Nicholas Froelich	804-524-6104
RIGHT-OF-WAY SECTION	
Debbie Barefoot	804-524-6038
CIVIL RIGHTS	
Tommy Todd	804-524-6091

### CULPEPER

DISTRICT PE MANAGER/LOCAL PROJECT TEAM COORDINATOR	
Brent Sprinkel	540-829-7552
DISTRICT CONSTRUCTION ENGINEER	
Kenneth Shirley	540-829-7510
URBAN PROGRAM MANAGER	
Leo Rutledge	804-786-2586
LOCATION & DESIGN	
John Giometti	540-829-7546
BRIDGE SECTION	
David Pearce	540-829-7635
ENVIRONMENTAL SECTION	
Rick Crofford	540-829-7509
RIGHT-OF-WAY SECTION	
Fannie Mae Printz	540-829-7701
CIVIL RIGHTS	
Carla Allen	540-829-7523

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### STAUNTON

DISTRICT PE MANAGER/LOCAL PROJECT TEAM COORDINATOR	
Terry Jackson	540-332-7786
DISTRICT CONSTRUCTION ENGINEER	
Randy Kiser	540-332-9095
URBAN PROGRAM MANAGER	
Jerry VanLear	540-332-9030
LOCATION AND DESIGN	
Matt Dana	540-332-9118
BRIDGE SECTION	
Park Thompson	540-332-9104
ENVIRONMENTAL SECTION	
Robert (Bill) Jones	540-332-9101
RIGHT OF WAY SECTION	
Robert (Bob) Ryder	540-332-9128
CIVIL RIGHTS	
Tammy Mancinelli	540-332-7888

### LYNCHBURG

DISTRICT CONSTRUCTION ENGINEER and PE MANAGER	
Robert Guercia, P.E.	434-856-8174
URBAN PROGRAM MANAGER	
Stanley Murphy	434-856-8285
LOCATION AND DESIGN	
Brian Casto	434-856-8276
BRIDGE SECTION	
Danny Torrence	434-856-8277
ENVIRONMENTAL SECTION	
John McClain	434-856-8289
RIGHT OF WAY SECTION	
Lori Snider	434-856-8235
CIVIL RIGHTS	
Joseph (Joe) King	434-856-8168

## APPENDIX M

### SALEM

DISTRICT PE MANAGER	
Michael Russell	540-375-3593
DISTRICT CONSTRUCTION ENGINEER	
Pete A. Sensabaugh, Jr.	540-387-5348
URBAN PROGRAMS MANAGER	
Leo Rutledge	804-786-2586
LOCATION AND DESIGN	
Thomas DiGiulian	540-375-3593
BRIDGE SECTION	
Nancy Woodson	540-387-5350
ENVIRONMENTAL SECTION	
Paul Johnson	540-387-5432
RIGHT OF WAY SECTION	
Lori Snider (Acting)	540-387-5365
CIVIL RIGHTS	
Chris Crain	540-387-5391

### NORTHERN VIRGINIA

DISTRICT PE MANAGER	
William C. Cuttler, PE	703-383-2321
DISTRICT CONSTRUCTION ENGINEER	
John Lynch, PE	703-383-2455
URBAN PROGRAM MANAGER	
Richard "Dic" Burke	703-383-2431
LOCATION AND DESIGN	
Steve Bates PE (Acting)	703-383-2197
BRIDGE SECTION	
Nick Roper	703-383-2117
ENVIRONMENTAL SECTION	
John Muse	703-383-2099
RIGHT OF WAY SECTION	
Brian Costello	703-383-2174
CIVIL RIGHTS	
Leslie Martin	703-383-2341

## **Certification Program**

### **1. Introduction**

Localities that are participating in the VDOT Urban Construction Initiative (UCI) Program may apply to be certified under the following process to deliver projects with streamlined oversight from VDOT. Certification with streamlined oversight applies to all projects except for those that are located on the National Highway System (NHS), that have been noted as requiring Federal Oversight (FO) or that have been identified by the Commissioner as requiring VDOT oversight.

This document describes the application, evaluation and qualification requirements for localities to become certified to deliver their program and projects with Federal funding with less oversight from VDOT. This document should be read in conjunction with the Certification and Compliance flowchart included as Exhibit A.

The major steps in the flowchart are explained below along with details of the submission requirements that Localities will be required to meet, what information must be submitted and how VDOT will evaluate that information.

### **2. Initiation of Certification Process and Eligibility Requirements**

Certification is voluntary and each Locality must decide for themselves if it fits their needs or not. VDOT is responsible to FHWA for projects that receive Federal funding so VDOT must ensure that only eligible and suitably qualified Localities are allowed to deliver projects via a streamlined process with limited VDOT oversight.

Eligibility will be determined by VDOT as the first step in the evaluation process. In summary, the eligibility requirements are:

- 1) The Locality has demonstrated their ability to administer and deliver federally funded projects via a combination of projects from different federal funding sources (i.e. not solely Urban), and has accomplished this through the use of local or contracted resources. Experience must be demonstrated in the following areas at a minimum:
  - a. Preliminary and final engineering
  - b. Meeting NEPA requirements
  - c. Undertaking Land Acquisition
  - d. Procuring Consultants
  - e. Undertaking Construction Project Management
- 2) The Locality has participated in the UCI Program for a minimum of one (1) year and must have demonstrated programmatic responsibilities, such as fiscal management.
- 3) The Locality must have not had any unresolved compliance issues arising from Office of Management Budget (OMB) Audits, VDOT findings of non-compliance or FHWA findings of non-compliance or non-participation.

Before progressing further, it is recommended that the Locality discuss the eligibility requirements with their local VDOT contact and Local Assistance Division (LAD) to decide if they can meet them. If the Locality has any concerns regarding previous VDOT and/or FHWA compliance issues these should be raised with the LAD Director and discussed prior to expressing interest in becoming certified.

Localities that believe they are eligible must formally express interest in Certification via a Letter of Intent from a Locality Administrative Official to the LAD Director. In no more than two pages, the Locality should state the reasons why it is pursuing certification and how it meets the eligibility criteria. In responding to the criteria on demonstrated ability to administer and deliver projects, the Locality is required to include within their Letter of Intent a brief list of projects that support their eligibility. The list should include the project description and UPC reference code.

VDOT will review the Letter of Intent with assistance from the Home District Administrator and his or her staff. The LAD Director will carry out the final evaluation and respond within 30 days. A positive response will include confirmation that the eligibility criteria have been met and will request a formal detailed submission based on the requirements outlined below. In this response, VDOT will inform the Locality who will be on the Certification Evaluation Panel and therefore to whom they should submit their detailed submissions to. If the eligibility requirements have not been met the reasons will be listed in VDOT's response.

### **3. Certification Submission Requirements**

For a Locality to achieve certification status, VDOT needs to be confident that the Locality:

- 1) has appropriate program delivery systems in place;
- 2) has appropriate project delivery processes in place;
- 3) has an organization structure in place to support program and project delivery;  
and
- 4) has experience in program and project delivery.

VDOT will evaluate the above and approve or deny certification based on the detailed submission document from the Locality. In this document, the Locality is required to address program and project processes and explain how they act together within their own specific organization to meet Federal requirements. In addition the Locality is required to describe its experience in these specific areas.

To guide the Locality in the development of the detailed submission and to standardize evaluations, the Locality should respond to the questions below. The Locality must submit their narrative no more than 90 days after receiving confirmation of eligibility. If this period expires, the Locality may need to re-submit their Letter of Intent for a new eligibility review.

In the questions below, program and project delivery have been split into various sub-headings that match the minimum Federal requirements.



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Sub-headings for program management (Section 3.1) are addressed first as these apply to all projects that receive Federal funding through VDOT. VDOT needs to have information on these functions to have confidence in the Locality's performance without needing to continually check each aspect in detail.

Sub-headings for project delivery (Section 3.2) relate to the stages of project development and construction that still require VDOT approval. VDOT will continue to be involved at these stages as they are required to do so by Federal regulations; however a Certified Locality will be able to work towards each approval without additional oversight or detailed interim checks. In order to be comfortable with this streamlined process, VDOT needs to know how the Locality will carry out the steps needed to meet each approval point.

In answering the questions below, the Locality may use a format of their choosing. If a Locality already has a project implementation plan or other form of process manual it may reference that in its answers and append the appropriate sections.

### 3.1 Program Management Requirements

The Locality is required to demonstrate that it has systems in place to support project development and construction, and that it can carry out associated roles and responsibilities required by Federal regulations. These are defined as program management systems and roles. Therefore each request shall address the following in their description of the systems in place:

- 1) What processes (documentation, systems, and controls) are in place to ensure successful program delivery?
- 2) How does your organizational structure support/ ensure success?
- 3) What combinations of in-house/out-sourced resources are to be utilized to achieve program delivery?
- 4) What experience demonstrates the Locality's ability to deliver Federal programs?

The systems or programs that the Locality is required to describe include, but are not limited to:

1. Fiscal, audit and budget systems
  - Federal Aid Payment requirements
  - Project documentation
  - Audit requirements according to OMB Circular A-133 (CAFR)
2. Civil Rights program
  - DBE Program Plan
  - DBE goals (establishing and attaining)
  - DBE requirements in contracts
3. Internal QA/QC processes
  - Management of external consultants/ resources
  - Design quality control plan

## APPENDIX N

- Constructability and bidability review
  - Construction quality control requirements
  - Construction quality assurance program (including independent materials testing where required)
4. Public outreach program
    - Outreach plan
    - Public involvement at appropriate stages
  5. Consultant procurement process
    - Virginia Public Procurement Act/Brooks Act
    - Ensuring fairness and transparency
  6. Project controls for cost and schedule
    - Baseline schedule preparation
    - Engineering, construction, administration and project management cost estimating and budget preparation
    - Project controls methodology & systems

The program management roles and responsibilities are also shown in a table in Exhibit C.

### 3.2 Project Delivery Requirements

VDOT can only be assured that Federal requirements will be met, and be able to award certification, if it is confident that the Locality has documented delivery processes in place to meet the requirements. The project delivery flow chart in Exhibits B1 and B2 is presented as a guide to demonstrate typical project flow but not all steps are needed for all projects, and the steps are not necessarily sequential. Emphasis should be placed on processes that are federally required and that require VDOT interaction or approval whether a Locality is certified or not. The boxes highlighted in red are key points requiring VDOT/ FHWA coordination/ approval and are to be addressed in the certification submission as described below.

Each Locality shall address their internal knowledge of the requirements, processes in place, their internal and /or external resource utilization and experiences for each key point during project development. Below are the key points and suggested topics for each.

1. Preliminary Engineering Authorization
  - Local Council Approval
2. NEPA & Permitting
  - Preparation of NEPA documentation and associated permits including:
    - Coordination with appropriate resource agencies
    - Development of environmental document
    - Federal permits including Virginia State required permits
    - Final environmental approvals
    - Environmental re-evaluations

3. Right of Way

Preparation of R/W and utility plans including:

- R/W total parcel acquisition plans
- R/W special negotiations identification
- R/W and Utilities agreement and authorization

4. Sole Source or Proprietary Procurement

- Sole source justification

5. Construction Authorization

- Bridge/ structures special details
- AASHTO design standards
- Value Engineering
- Design exceptions, documentation and justification
- Final PS&E and contract documents preparation

6. Award of Construction Contract

- Project advertisement
- Contract award and package
- Contractor Value Engineering review
- Administration of construction contracts including project controls

7. Project Final Inspection and Acceptance

- Acceptance procedures
- Report of expenditures

The project management roles and responsibilities are also shown in a table in Exhibit D and are referenced to the UCI Guide.

The Locality may refer to VDOT processes (including the LAP Manual) if these are adopted for project delivery. If VDOT processes are used, the Locality is required to state how they use them and what modifications are applied.

3.3 Organization Chart

An organization chart is required to assure VDOT that qualified staff are either employed or retained to demonstrate knowledge of the processes requirements and to implement the delivery processes and use the delivery systems. The organization chart must show the 'chain of command' with lines identifying the participants who are responsible for major functions to be performed and their reporting relationships showing key roles and interaction between roles. The Locality also needs to clearly identify responsibility for interaction with VDOT.

The Locality is also required to submit a narrative describing the functional relationships among participants for the organizational chart. The Locality must indicate whether positions are filled in-house or outsourced. There should be alignment between the processes and the organization chart.

Note that VDOT does not require all roles to be in one department. The Locality should explain how it manages its own processes, whether that involves links to other

departments for certain functions (e.g. payment) or whether it is all in one department. Lines of authority need to be clear and the Locality needs to assure VDOT that those in responsible charge have internal support for processes that have to be carried out to meet Federal requirements.

### 3.4 Experience

When addressing experience the localities shall demonstrate that it has previously delivered projects with Federal funding. The size or type of project does not matter because certification will apply to all sizes and types of project, i.e. there will not be tiered certification. If a Locality has not delivered one entire project all the way through but feels it can demonstrate its experience via multiple projects it may do so. Experience gained prior to participation in UCI may be included if it clearly is relevant to the program and project delivery headings above.

The Locality submits their narrative directly to the VDOT Evaluation Panel members.

## **4. Certification Evaluation**

Evaluation will be carried out by a VDOT Evaluation Panel. This panel will include Local Assistance Division Administrator (or designate), the Home District Administrator (or designate) and an Independent District Administrator (or designate). The Home District is the District in which the Locality is situated. The Independent District is any other District in the Commonwealth. A representative from the FHWA will be invited to participate as a non-voting member.

Evaluation will focus on the program management requirements, project delivery processes, organizational structure, and experience. The panel members will independently evaluate the Locality's entire submission but focus on the areas described below.

- 1) The Local Assistance Division (LAD) Director will focus on policy and programmatic issues. LAD will review the program management processes presented by the Locality and evaluate whether they fit with the current UCI program and with the aims and objectives of streamlining. From a policy perspective, LAD will evaluate whether all Federal requirements will be satisfied by the program management processes. LAD will also bring experience and knowledge of Locality's key staff and use that to contribute to the evaluation of organizational structure. LAD will also guide the evaluation process itself.
- 2) The Home District Administrator (or designate) will focus on three areas: project delivery processes; experience; and provide an overall view of information presented, including organizational structure. The Home DA will use their experience of working with the Locality to evaluate the processes put forward and the extent to which they have been carried out successfully. Home District staff may be consulted for feedback on technical aspects of evaluation and past performance.
- 3) The Independent District Administrator (or designate) will provide a third view of overall narrative and policy issues presented in the submission. Independence

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promotes objectivity when compared to the evaluations by the other panel members.

A simple evaluation result will be deployed allowing each panel member to determine that each component is either 'Demonstrated' or 'Non Demonstrated.' These results will be applied by each panel member to each of the six program management components and each of the seven project delivery components. Comments must be provided on any area identified as 'Non Demonstrated.' Organizational structure and experience are not separate evaluations as they apply to each of the 13 components.

Local Assistance Division will summarize the panel's comments on the Locality's submission. Feedback will be provided to the Locality in written form. This phase will be the Intermediate Review and will not confirm that Certification has been awarded or not.

The feedback will list the components that were evaluated as Non Demonstrated and ask the Locality to address these areas in a follow up interview presentation. The Locality will have an opportunity to revise its narrative and prepare for the interview, which will be held in a Home District location. New information that addresses Non Demonstrated areas must be resubmitted in narrative form at the interview.

The Locality is required to achieve a Demonstrated result in all 13 component areas in order to achieve certification.

Following the interview, the panel will reconvene and reach a consensus determination on whether the non demonstrated areas have been addressed or not. The LAD Director will provide the panel's recommendation to the VDOT Chief Engineer who will then make the final decision. The result will be communicated to the Locality in written form.

If the Locality is not approved for Certification, VDOT will provide detailed feedback for improvement allowing the Locality to resubmit its submission.

An Agreement and a formal Certificate will be signed by the Locality and VDOT if the Locality is successful in achieving Certification. The Locality may begin the transition to Certified status immediately however ongoing coordination with LAD will be required.

### **5. Certification Evaluation Timeline**

The timeline described below relates to the entire application and evaluation process. Please refer to Exhibit E for a diagrammatic summary.

- 1) A Locality that believes it is eligible for certification must initiate the process by submitting a Letter of Intent to the LAD Director.
- 2) Within 30 days VDOT will advise the Locality in writing whether or not they have successfully met the eligibility criteria. If successful, VDOT will respond with confirmation that the eligibility criteria has been met and ask for a formal detailed submission based upon the requirements detailed in Section 3. The Locality will also be informed of the members of the Certification Evaluation Panel.

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- 3) The Locality will then have up to 90 days to submit its application to the Evaluation Panel. As soon as the submission is received, VDOT will arrange a tentative date for the evaluation presentation/ interviews, which should be held approximately 90 days from the submission date.
- 4) The Evaluation Panel will complete its review of the submission over a 60 day period. At the end of the 60 day period, the panel will identify any non demonstrated areas and LAD will provide summary comments to the Locality.
- 5) The Locality's interview/presentation to the panel shall be held 30 days after VDOT has provided the Locality its summary comments. The Evaluation Panel will discuss the application after the interview and document its final recommendation.
- 6) The LAD Director will schedule a briefing with the VDOT Chief Engineer over the next 30 days after which he or she will inform the Locality of the result of their application.

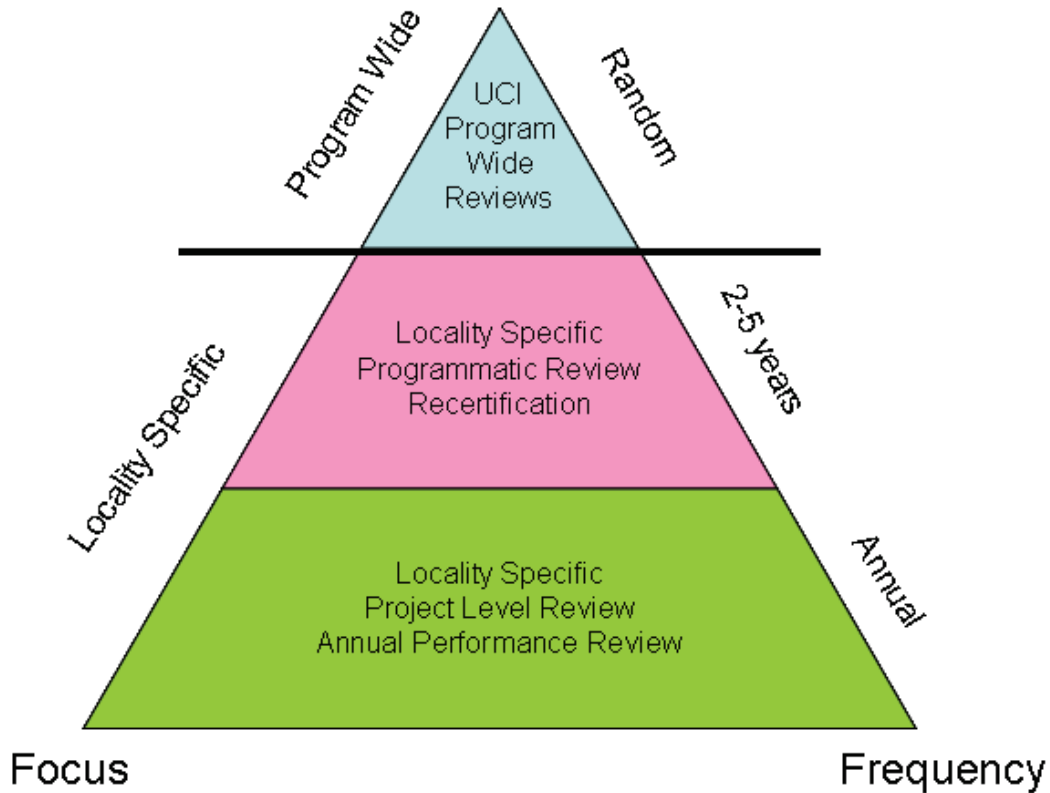
### **6. Certification Compliance**

#### **6.1 Introduction**

Once a Locality has been certified it is important that performance is monitored and improved. This is achieved through a compliance assessment regime as described below. Compliance is an important component of the Certification process to ensure that FHWA and VDOT requirements are continually met and that the Locality is given necessary feedback to improve. The Local Assistance Division is responsible for executing the compliance program, with support from the Districts and Central Office policy divisions.

#### **6.2 Project and Program Reviews**

The certification program includes three levels of review as shown on the diagram below:



### 6.2.1 Project Level Reviews

The first level of review is called the Project Level Review performed on an annual basis. This is comprised of reviewing specific projects. Although this review does not directly relate to re-certification it is important for performance improvement purposes and will provide VDOT with information that may be included in the re-certification review.

The number of projects selected for annual review will be dependent upon the number of federally funded projects being carried out under the program in the relevant Locality, with a minimum number of one, and a maximum of three projects being reviewed.

The projects selected for compliance review will provide a representative sample from the Locality's various fund sources utilizing federal and state funds and identified in the SYIP and/or Year End Report. The review will consider the following but will not be limited to:

- 1) previous review findings;
- 2) complexity/risk;
- 3) projects underway; and,
- 4) phase completion.

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The projects shall be selected by LAD with input from the District Urban Program Manager. Focus for the review will be on activities that have occurred following certification. The intended schedule for compliance reviews is outlined below:

<u>Timeframe</u>	<u>Event</u>	<u>Details</u>
August	Identify pool of projects	Projects chosen from SYIP and/ or Year End Report
September	Project review team established	Review visits are scheduled
October – December	Review process	~ Conduct project reviews ~ Summarize findings (compliance/noncompliance) ~ Send summary to Locality
January - March	Correction/resolution	90 days to provide correction action plan and/or dispute deficiencies if necessary
April – May	LAD review	LAD review of response and coordination of further corrective action (as needed)

The schedule above may be modified at the discretion of the LAD Director. The actual timeframe will depend to some extent on the number of projects reviewed, the complexity and risk involved in those projects and the number / significance of Locality's correction actions.

### 6.2.2 Re-Certification

A re-certification review will be conducted by LAD and specified compliance team members two (2) years after the Locality is initially certified. This review will be focused on programmatic responsibilities to check that all key areas are being delivered in accordance with accepted processes. Any changes in the Locality from the original application must be brought to the attention of LAD before the re-certification process begins. The review will also include an evaluation of the annual performance (project-level) reviews.

Assuming continual program success and compliance, re-certification reviews will take place every 5 years thereafter.

### 6.2.3 Program Wide Reviews

Program wide reviews will be conducted periodically to ensure that the whole program is on track. This level of review may include random spot checks during various stages of project development and/or areas identified with consultation with the FHWA and Localities.

Each year, FHWA and VDOT will evaluate the status of the entire local administration program as part of an annual risk assessment. This discussion will include consideration of the timing and scope of Program Wide Reviews for the UCI Certification Program.



### 6.3 Compliance Assessment Team

LAD will coordinate the reviews and identify the appropriate team members based on the type of review being done and disciplines involved. Typical team members for reviews are identified below:

- 1) The LAD Compliance Coordinator will be responsible for initiation, planning, coordination, implementation and provision of feedback related to each compliance review. The Coordinator will facilitate the selection of the projects to be reviewed and the review team. The coordinator will also participate in the review itself.
- 2) The District Coordinator/Urban Program Manager will be responsible for technical aspects of compliance with program and project requirements. This member will also review the efficiency of the Locality in areas such as the timeliness of submissions to VDOT.
- 3) Central Office Policy Division Representatives will be responsible for supporting the review of their technical areas. In most cases, these review team members are members of the Local Partnership Team.

### 6.4 Findings and Deficiencies

Three levels of deficiency are described below. Each requires a different form of correction or resolution and, when identified by VDOT, the Locality will be required to provide a correction action plan. The LAD compliance team may need to further investigate preliminary findings to determine if the infraction(s) may jeopardize the Locality's certification.

- 1) A programmatic deficiency is defined as a finding that a Locality's programmatic approach, practices, or procedures do not sufficiently demonstrate their ability to ensure compliance with federal or state requirements or their own stated policies and procedures. Continued certification may be conditioned, or certification may be removed until the deficiencies are corrected. Examples of programmatic deficiencies include: failure to demonstrate sufficient understanding of federal-aid processes, failure to maintain updated processes/procedures, failure to implement Civil Rights policies, failure to audit or budget correctly, failure to carry out adequate QA/QC, and significant deviation from organizational structure.
- 2) A project deficiency is defined as an error or omission that violates federal or state regulations, or mandated policies. If uncorrected, they may jeopardize federal or state participation in all or a portion of the project. Examples of project deficiencies include: failure to require specific Civil Rights information from contractors, failure to meet agreed-upon materials acceptance testing procedures, and failure to submit adequate information for approvals. This level of deficiency may result in loss of all or part of the federal and/or state funding for the project.
- 3) An "unrecoverable" project deficiency is one that has proceeded beyond the ability to correct and is of such magnitude as to create doubt that the policies and

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objectives of Title 23 of the USC (or other applicable federal codes) will be accomplished by the project. Examples of unrecoverable project deficiencies include: failure to meet NEPA stakeholder involvement requirements, violations of Brooks Act requirements when hiring of professional consultants, failure to obtain a design exception prior to construction, and award of a contract to a suspended or debarred contractor. This level of deficiency may result in the withdrawal of all or a portion of the federal and/or state funds from the project.

### 6.5 Resolution of Findings

#### 6.5.1 Introduction

During the compliance review process it is possible that differences of opinion will arise when non compliance findings are identified and when closing out corrective actions. The following resolution process is intended as a guide to the action that a Locality can take should this occur. The goal is to for issues to be resolved constructively and at the lowest possible level.

#### 6.5.2 Resolution Process

The first level of discussion should be between the compliance review team and the Locality. The Locality must fully describe the project issues where there is a disagreement and include the following information:

- A detailed statement of Locality's position on the issue.
- Any backup for the position statement, including maps, plans, invoices, agreement(s) (draft and/or executed), pictures, and other material needed to give a full picture of the disputed issue.

Upon receiving the request the Compliance Coordinator shall prepare a response in the form of a memorandum to include the following:

- A detailed discussion of the items that are in dispute with references to sections in the manuals and policy memos that support VDOT's position.
- An overview of the issue, including any additional maps, plans, invoices, agreement(s) (draft and/or executed), pictures, and other material needed to give a full picture of the disputed issue that was not included in the Locality's request.

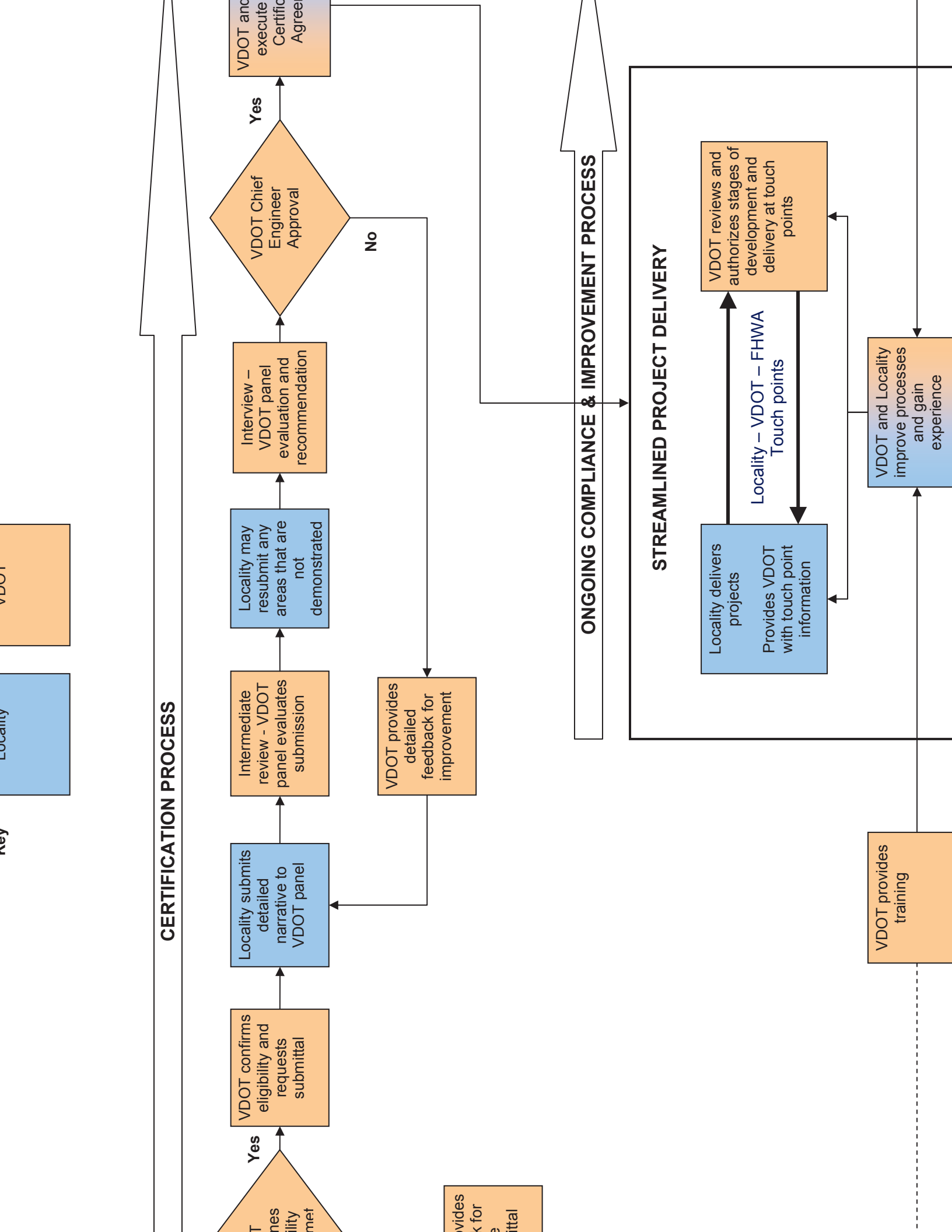
In preparing the above information, the Compliance Coordinator will consult the other members of the compliance review team including the Urban Program Manager and Central Office advisor(s). The District Administrator or delegate may also be included.

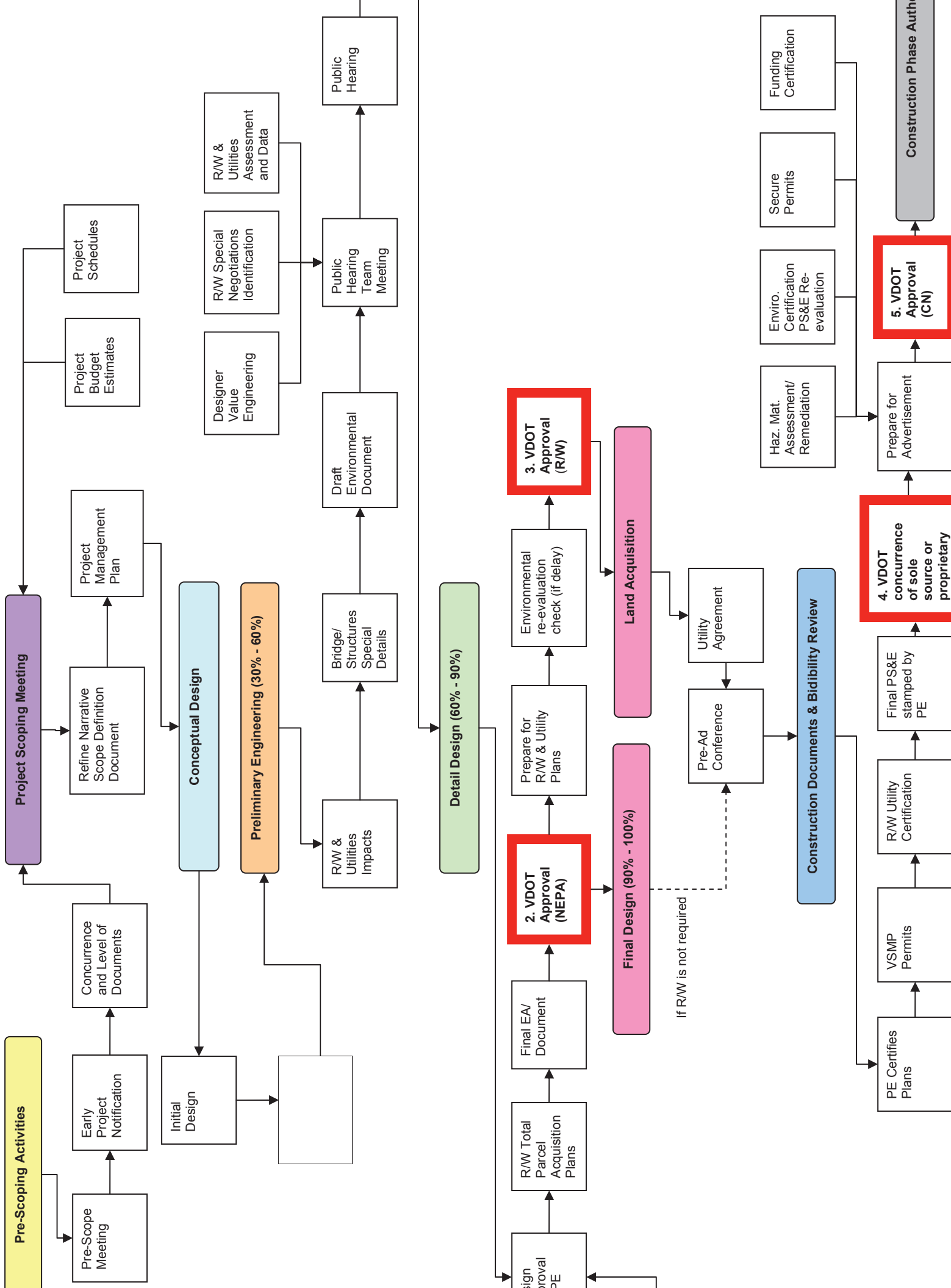
The above exchange of information is to be provided in a timely manner so as not to impede the ongoing delivery of projects by the Locality. The Compliance Coordinator will invite the Locality to a meeting to discuss its response memorandum.

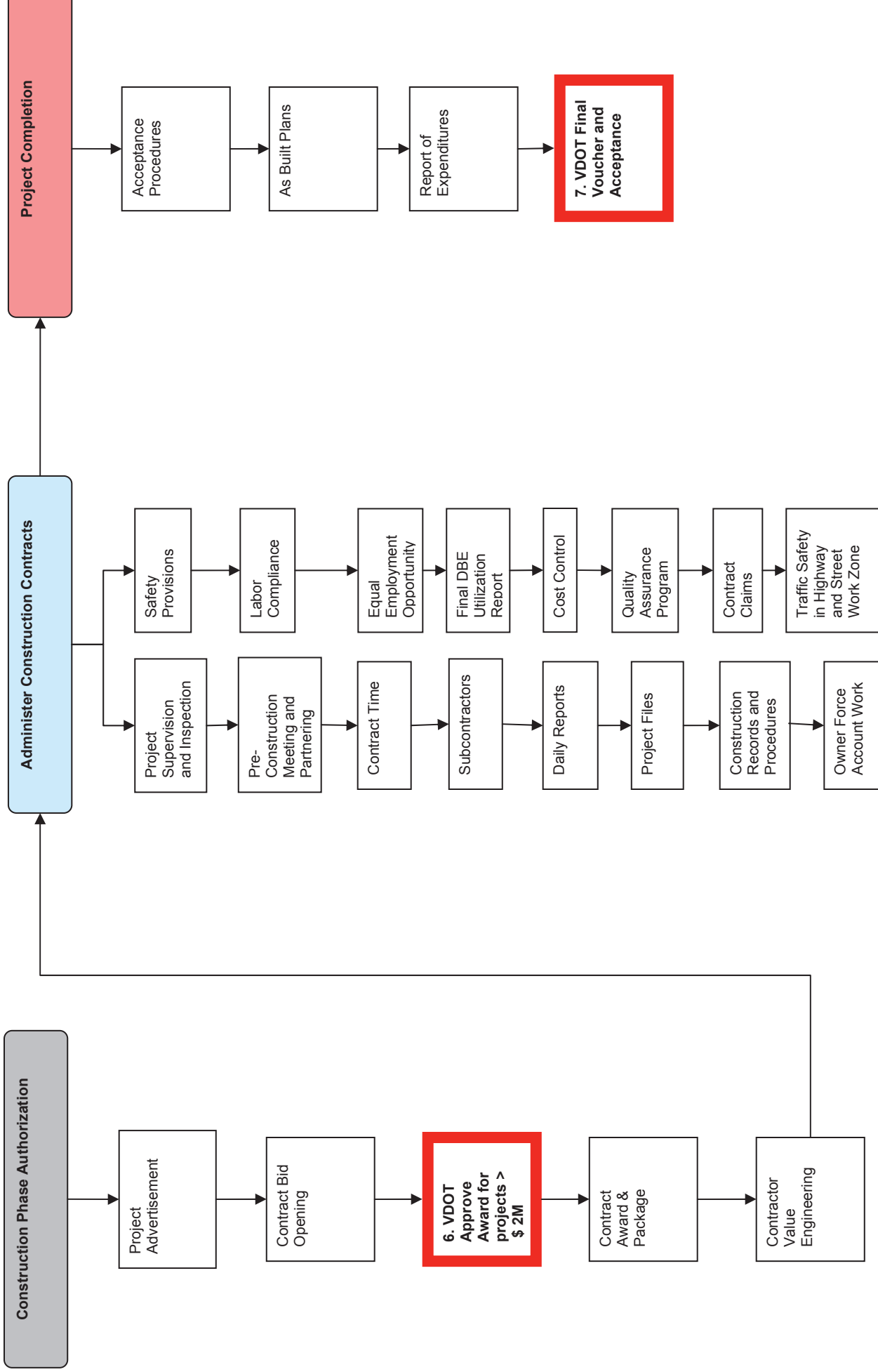
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Should an agreement not be achieved, the matter may be escalated to the LAD Director for resolution. The information described above will be made available to the LAD Director along with the minutes of relevant meetings held between the Locality and the compliance review team. The LAD Director's decision will be final.

If the issues identified are such that continued certification may not be possible, the LAD Director shall brief the VDOT Chief Engineer. The Chief Engineer will make the final decision regarding certification of the locality. The Chief Engineer's decision will be final.







**Exhibit C: Program Management Roles and Responsibilities**

Topic	Locality	VDOT
1	Fiscal, Audit and Budget  Ensure that project meets Federal-Aid Payment requirements Maintain project documentation Conduct annual independent audit of expenditure according to OMB Circular A-133 Submit invoices at least quarterly	Carry out random audits, notify findings and request appropriate and timely corrective action
2	Civil Rights  Comply with VDOT's DBE Program Plan unless the Locality has a DBE Program Plan approved by USDOT Establish a DBE availability goal and include in bid document Use DBEs certified by VDOT	Obtain approval of the USDOT approval letter for the DBE Program Plan for highways
3	Compliance & Improvement (Quality Assurance and Control)  Develop and implement a QA/QC system to meet VDOT compliance including design QC plan and construction QC/QA requirements Provide information to VDOT that is requested as part of reviews	Lead the Certification Compliance and Improvement process Carry out spot checks on delivery process and communicate findings to Locality
4	Public Affairs and Outreach Plan  Prepare a project specific outreach plan and comply with it	
5	Consultant Procurement  Demonstrate method for acquiring suitably qualified consultants according to Virginia Public Procurement Act	
6	Project Controls  Prepare and update initial baseline schedule Prepare progress schedule Issue recovery schedules where applicable Plan and monitor costs	

## Exhibit D: Project Delivery Roles and Responsibilities

Topic		Locality	VDOT
1	Preliminary Engineering (PE) Authorization	Contact Urban Program Manager to request that VDOT obtain federal agreement to authorize preliminary engineering	Obtain PE Authorization from FHWA
2	NEPA documentation	Ensure that all federal requirements under NEPA have been completed	Liaise with FHWA Review and approve
3	Right of Way (RW) Authorization	Submit a request for Right of Way Authorization along with certification letter certifying to VDOT that all activities necessary to obtain R/W or relocate utilities have been complete and all documents have been signed by person of responsible charge	Obtain RW Authorization from FHWA
4	Sole source or proprietary procurement	Provide relevant justification information and documentation to VDOT	Obtain concurrence from FHWA
5	Construction (CN) Authorization	Submit a request for Construction Authorization along with certification letter certifying to VDOT that all activities necessary to advertise the project for construction have been completed and all documents have been signed by person of responsible charge	Obtain CN Authorization from FHWA
6	Award of Construction Contract	Provide results of award to VDOT with supporting documentation for projects > \$2m	Approve the award >\$2m
7	Project Final Inspection and Acceptance	Inform VDOT that project is complete and provide final invoice for processing	Process federal financial closure



## Exhibit E: Certification Evaluation Timeline

No. Days	Event	Details
30	Letter of Intent	Locality initiates process with Letter of Intent. Letter contains Locality's reasons for believing that it meets eligibility criteria. Letter is brief, 2 pages max.
Up to 90	VDOT Response	VDOT-LAD advises Locality in writing if they have met eligibility criteria or not. If not, feedback is provided for future re-submittal. If eligible, VDOT advises Locality of panel members and requests full submittal.
60	Submittal	Locality submits detailed information based on Certification Requirements.
30	Intermediate Review	VDOT completes review and identifies any concerns, known as Non Demonstrated areas. Summary comments communicated to Locality by LAD.
30	Interview/ Presentation	Locality presentation to panel should focus on identified Non Demonstrated areas. Locality resubmits documents at interview on areas of concern.
30	Recommendation	Panel makes recommendation to Chief Engineer.
	Result	Chief Engineer makes decision. LAD notifies Locality of result.

Max schedule = 240 days = 8 months