

# FEDERAL AUTHORIZATION

CA Academy  
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**Presented by:**

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# Presentation Overview

- Project Funds Management
- Project Authorization Package



# Project Funds Management

## Properly Authorizing a Project

- Authorization is required before work starts or is advertised for consultant services or construction
- Project or project phase must be ready to proceed
- Federal share is established when funds are obligated
- Signed by at least two authorized state representatives and a minimum of two from FHWA

# Project Funds Management

## Properly Authorizing a Project

A proper authorization includes:

- A clearly defined scope of work for the applicable phase (PE, ROW, Construction) with sufficient funds to accomplish that work
- Must be supported by a documented current cost estimate aligned with the eligible work being complete
- Requesting authorization for part of a phase is not allowed (“Partial PE”)
- The agreement must have an identified Period of Performance (Project End Date) for the scope of work being authorized

# Project Funds Management

## Properly Authorizing a Project

- Ensure all submitted documents are consistent
  - Project number matches across documents
  - Amounts being requested match across documents, but also the TIP
  - Include all costs associated with project so we can include on our authorization request
- Any mismatches can cause authorization delays

# Project Funds Management

## Prohibited Practices

- Requesting authorization before a project is ready to proceed (prior to having an approved PS&E)
- Authorizing projects prematurely to protect funds from lapsing at year-end
- Requesting authorization prematurely to meet fiscal delivery goals
- Requesting authorization when a known scope change is under consideration
- Obligating funds solely to use all obligation limitation

# Project Funds Management

## Project End Date vs. Period of Performance

- Project End Date Definition:
  - The final date recorded in the project agreement when the recipient may incur direct costs on the project to be eligible for Federal-aid reimbursement
- The Period of Performance is the time period when cost may be incurred for authorized work (original authorization date of phase through to the end date)
- Project charges must be incurred prior to the project end date lapsing (2 CFR 200.77)

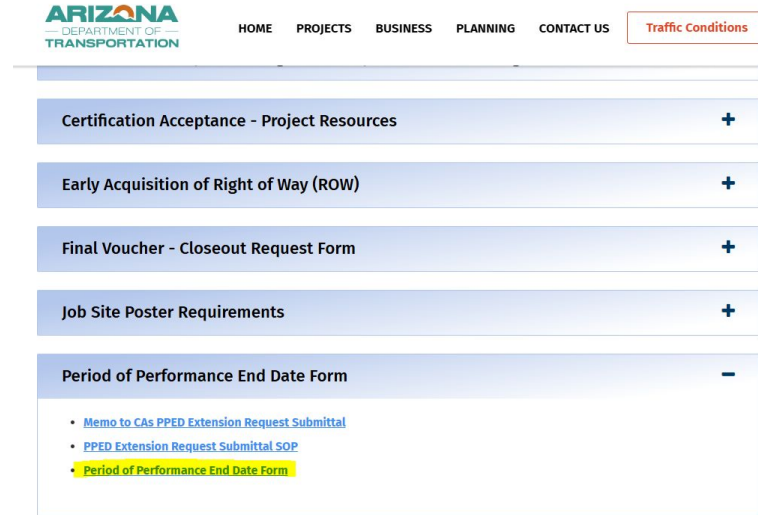
# Project Funds Management

## End Dates

- The project end date is only for the specific scope of work that is being authorized (e.g., PE, ROW, CN) and as work is added to the project agreement, the project end date is adjusted to add the time needed for that work.
- Once a project reaches its final stage, usually construction, the end date is extended one more time to allow time for construction work plus additional years for the final voucher process
- The project end date should be modified if there is a documented change in the project that affects the completion schedule of the project
  - Examples include change orders, contractually allowable delays, delays in award or re-advertisement, litigation delays, etc.

# Project Funds Management End Dates

- Requests to adjust the project end date for authorized activities should occur during the period of performance, prior to the project end date
  - If a progressing project has delays and the end date was not adjusted, work conducted during the lapse is not eligible for reimbursement so it is very important to monitor end dates and adjust promptly for additional costs to be allowable
- Requests should come in 90 days in advance of the current end date to allow time for the MPA completion and update in the system
- Go to CA Agency ADOT site, fill out the Period of Performance End Date form and submit to resourceadmin@azdot.gov



The screenshot shows the Arizona Department of Transportation website navigation menu. The logo is at the top left, followed by navigation links: HOME, PROJECTS, BUSINESS, PLANNING, CONTACT US, and a red button for Traffic Conditions. Below the navigation is a list of project management items, each with a plus or minus sign in a blue box:

- Certification Acceptance - Project Resources (+)
- Early Acquisition of Right of Way (ROW) (+)
- Final Voucher - Closeout Request Form (+)
- Job Site Poster Requirements (+)
- Period of Performance End Date Form (-)

Under the 'Period of Performance End Date Form' item, there is a list of links:

- [Memo to CAs PPED Extension Request Submittal](#)
- [PPED Extension Request Submittal SOP](#)
- [Period of Performance End Date Form](#)

# Project Funds Management

## Inactive Obligations

- An obligation that has not had expenditures in 6 months
- A Project should be advertised promptly after authorization
  - FHWA's expectation is Award and NTP occur within 3 months of authorization
- If a project is not progressing promptly, the project should be withdrawn or closed.
- Some circumstances may be beyond the state's control
  - Litigation
  - Catastrophic events
  - Unforeseen environmental concerns

# Project Funds Management

## Closeout and Record Retention

- Closeout process should occur soon after the project is physically completed
- Required record retention period for the non-Federal entity starts at final voucher and lasts 3 years
  - Some records, such as for right-of-way, have some variance
- Includes all records that demonstrate project met Federal requirements, not just financial
- To be retained at last level that required them to be submitted
  - E.g., approval or with billing, then the State is required to retain. If the LPA did not submit them to the Federal or pass-through entity, then the LPA would retain those records. (2 CFR 200.333(d))

# Project Authorizations

## Types or “Phases” of Authorization

A Project Authorization may be for:

- Phase I PE
- Phase II PE
- Single Phase PE
- Other
- ROW
- Construction



# Project Authorizations

## Authorization of PE

### **Two Phase Authorization – For EA’s or EIS’s and some Cat Ex’s**

- PE Phase 1 – for Preliminary Design up to 15 or 30%
  - *Work needed to complete initial design and finalize NEPA*
- PE Phase 2 – for Final Design after NEPA is complete
  - *Preparation of final design documents for advertisement.*

### **Single Phase Authorization – Single-phase authorizations are on projects with a Cat Ex.**

- Preliminary and Final Design authorized at once, with the understanding that NEPA should be complete by 60% design
- Projects that are not controversial may proceed to 95% design with EPG approval.
- Activities considered “Final Design” (final plans, final quantities, and final engineer’s estimate) may not advance prior to completion of NEPA.

40 CFR 1502.2(f) –  
“Agencies shall not  
commit resources  
prejudicing selection  
of alternatives before  
making a final  
decision”

<b>FEDERAL HIGHWAY ADMINISTRATION - ARIZONA DIVISION OFFICE</b> <b>ARIZONA DEPARTMENT OF TRANSPORTATION</b>		<b>LETTER OF AUTHORIZATION AND PROJECT AGREEMENT</b>			
"The FHWA and ADOT Stewardship and Oversight Agreement for Arizona (April, 2015)"		<input checked="" type="checkbox"/> Authorization <input type="checkbox"/> Modified Project Agreement <input checked="" type="checkbox"/> Project Agreement <input type="checkbox"/> Grant Agreement <small>The state agrees that as a condition to payment of the Federal funds obligated, it accepts and will comply with the agreement provisions set forth in 23 CFR 630.112; and its signature constitutes the making of the certificates.</small> <b>DUNS # 098416667</b>			
<small>FEDERAL AID PROJECT NO.</small> <b>NOG-0(210)</b>	<small>SUFFIX</small> <b>T</b>	<small>PROGRAM / PHASE (ADOT)</small> <b>T0246 01D</b>	<small>COUNTY</small> <b>SANTA CRUZ</b>		
<small>DATE AUTHORIZATION EFFECTIVE</small>		<small>FMIS DATE</small>			
<small>GENERAL LOCATION</small>  <b>PATHWAY PROJECT, BAFFERT DR TO NOGALES HIGH SCHOOL, IN NOGALES</b>					
<small>GENERAL DESCRIPTION OF WORK</small>  <b>BICYCLE AND PEDESTRIAN PATHWAY PROJECT</b>					
<b>YOU ARE AUTHORIZED TO PROCEED WITH THE WORK CHECKED BELOW:</b>					
<input checked="" type="checkbox"/> PHASE I: PRELIMINARY ENGINEERING - SCOPING, LOCATION STUDIES, ENVIRONMENTAL STUDIES AND PRELIMINARY DESIGN		<input type="checkbox"/> CONSTRUCTION - ADVERTISE FOR RECEIPT OF BIDS			
<input checked="" type="checkbox"/> PHASE II: PRELIMINARY ENGINEERING - FINAL DESIGN/PREPARATION OF CONTRACT PLANS		<input type="checkbox"/> CONSTRUCTION - PROCEED ON AN AGREED PRICE AND/OR FORCE ACCOUNT BASIS			
<input type="checkbox"/> ACQUISITION OF RIGHT-OF-WAY		<input type="checkbox"/> Other:			
<small>FUNDING</small>	<small>TOTAL ESTIMATED PROJECT COST(S)</small>	<small>FEDERAL PARTICIPATION AMOUNT(S)</small>	<small>FEDERAL FUNDS(S)</small>	<small>APPN CODE</small>	<small>RATIO(%)</small>
PREVIOUS AUTHORIZATIONS:	\$0.00 \$0.00	\$0.00 \$0.00			94.30% 94.30%
THIS AUTHORIZATION	\$380,000.00	\$380,000.00	\$358,340.00	2003	94.30%
PROJECT TOTALS	\$380,000.00	\$380,000.00	\$358,340.00		
<small>OTHER (SPECIFY)</small>					

# Project Authorizations

## PE vs. Other

Under BIL/IIJA authorizations for “PE” no longer requires repayment if the project does not proceed to R/W Acquisition or Construction within 10 year.

### Authorizations as “Other” are limited to:

- Railroad work by the railroad itself
- Procurement-only of Equipment or Software
- Corridor Needs studies
- Advance utility relocation prior to construction
- Sign Management Systems
- NBIS Inspection or Training
- Travel Demand projects (carpool, rideshare programs)



# Project Authorizations

## Project Title

**Should be in the form of:**

“Route Number or Road/Street”, “Termini 1” to “Termini 2”, in or near appropriate city.  
*SR 85, Welcome St. to Pima County Line, North of Ajo*

- Use features that can be found on maps as termini – roads, rivers, political boundaries, etc.
- Point locations may use “@”
- Mileposts used alone are not desirable
- Avoid using county names, or ADOT Districts
- Should be the same on all documents if possible – NEPA, PIFs, DEs, PS&E, STIP

# Project Authorizations

## Project Description

- Should not be a repeat of the Project Title
- Should concisely state the primary purpose/scope of the project
- Should be the same on all documents
- Please avoid using “Preliminary Engineering of” in the description of work for PE projects.

Tip – Specific Words are important for pavement projects.

- Pavement Rehabilitation – Mill and Fill over two inches
- Pavement Preservation – Surface Treatments only, mill and fill less than two-inches in depth.

# Project Authorizations

## Project Funding

Verify Funding and Ensures it aligns with the TIP- ie CMAQ, HSIP, STBG, TA

- The authorization request must describe in detail any ineligible or non federally participating work on the project

Federal Share:

- Verify the Pro-rata share of eligible project costs – 94.3%, (94.34% for Interstate), 80%, 90%, 100%?
- The match must be for Federal-Aid eligible activities. **Using non-federal match to pay for ineligible items of work is not acceptable.**

# Project Authorizations

## STIP and TIP

- Provide the page from the approved STIP.
- If included in a STIP Amendment - Provide page that contains the project and be sure it was approved by ADOT and FHWA.
  - **COG, MPO, or City Council approvals are not adequate.**
- Verify that authorization request is within 15% or \$200K of programmed amount, whichever is less.
  - **If not, STIP/TIP amendment may be required prior to authorization.**

# Project Authorizations

## Status of Right-of-Way

**23 CFR 635.309 - A statement is received from the State certifying that one of the following applies:**

- **(Type 1)** All necessary rights-of-way, including control of access rights when pertinent, have been acquired including legal and physical possession. **Lowest Risk.**
- **(Type 2)** Although all necessary rights-of-way have not been fully acquired, the right to occupy and to use all rights-of-way required for the proper execution of the project has been acquired. **Uncommon.**
- **(Type 3)** The acquisition or right of occupancy and use of a few remaining parcels is not complete and the state is requesting to proceed with construction. **Obtain FHWA approval, must be rare, and must have contract provisions to advise interested bidders.**

# Project Authorizations

## Status of Utilities

**23 CFR § 635.309 - A statement is received from the SDOT on the status of Utility and RR.**

- **Type 1** - No Conflicts, or cleared before construction. **Lowest Risk.**
- **Type 2** - (conditional certification) Authorization requested and will be cleared before bid opening.
- **Type 3** - (conditional certification) Project can be authorized but will not be advertised prior to completion of utility relocation.
- **Type 4** - All utilities are mitigated. Contractor and/or Utility will coordinate final relocation during construction. See the Special Provisions for additional information.

# Project Authorizations

## Certification of NEPA

- Per the 326 and 327 MOUs, FHWA must have the following statement on the authorization cover letter that certifies NEPA is complete and incorporates all environmental commitments – *“ADOT certifies that NEPA requirements consistent with the scope of work of the project have been met and the project incorporates all environmental commitments per 23 CFR 771.109(d).”*
  - Should be from the ADOT environmental planner or above.
  - This statement must also be provided for projects administered by LPAs.
  - **Sending the environmental document to FHWA will not allow us to proceed with authorization.** Only ADOT can certify that NEPA is complete, current for the scope of the project, and includes all environmental commitments and mitigation.

# Project Authorizations

## Railroad Certification

**23 CFR 635.309(b); 23 CFR 635.307 - A statement is received from the State certifying that one of the following applies:**

- There is no railroad involvement within ½ mile of the project limits.
- There is a railroad within ½ mile of the project limits; but there is no railroad work on this project. The railroad was notified.
- There is a railroad within the project limits. The railroad work will be completed prior to advertisement of this project.
- There is a railroad within the project limits. Railroad work will be completed by the railroad and/or the contractor during this project. See attached special provisions for required coordination and impacts to this project.

# Project Authorizations

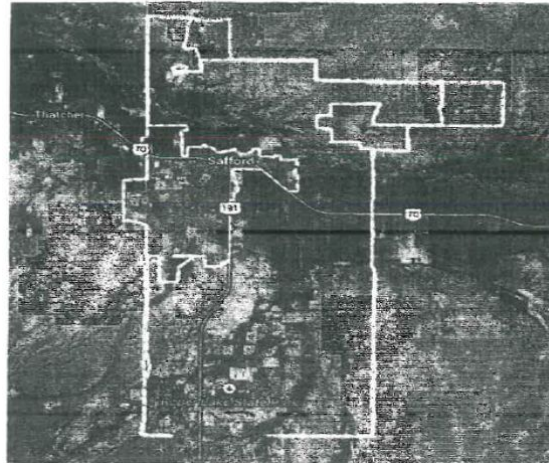
## Project MAP

- “A proper authorization includes a clearly defined scope of work for the applicable phase...” - FHWA Funds Management Guide.
- FHWA asks that construction authorization requests include a legible map showing the location of the project.
- Someone not familiar with Arizona geography should be able to locate the project and corresponding limits.
- ADOT PDCA established guidance for the project map.

# Project MAP (Example of what NOT to submit)

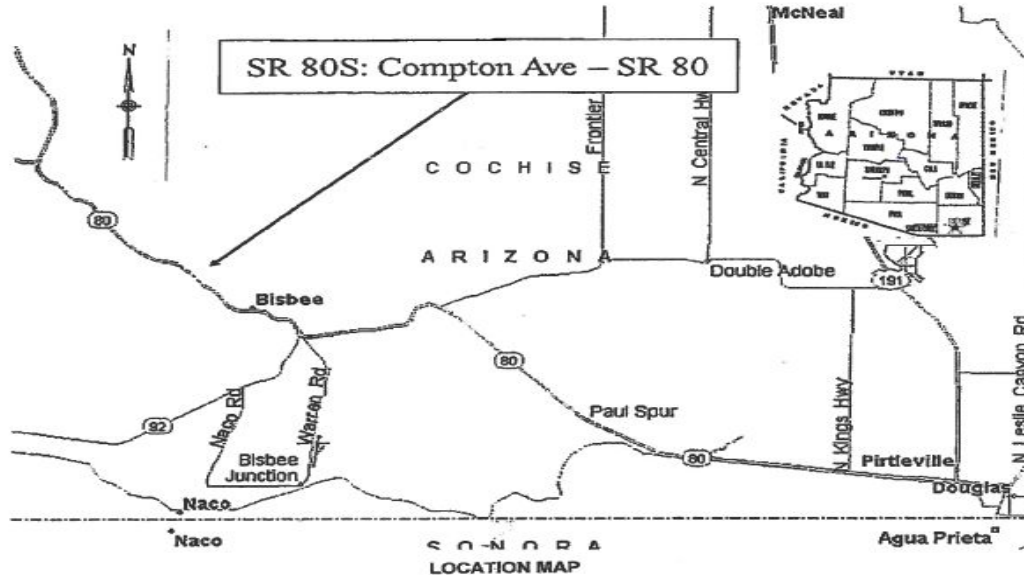
Project Name - “Various Locations in Safford”

Figure 1: Vicinity Map  
Safford, AZ



# Project MAP

Not bad, but where is SR 80S? Where is Compton Ave?



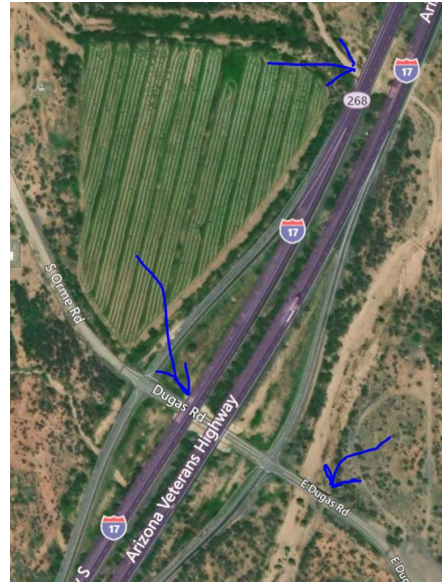
# Project MAP

## A Recent Example of Why a Map is Important

**I-17 @ Dugas TI, MP 268**

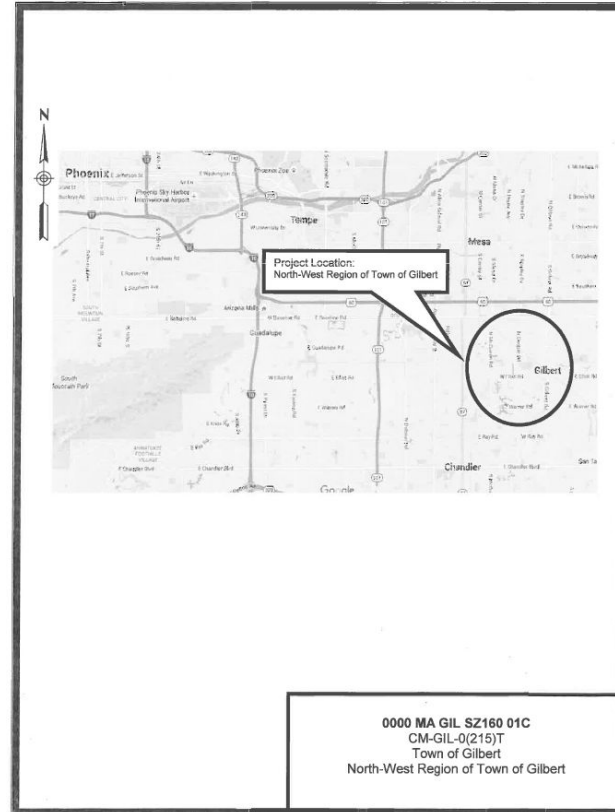
**Concrete Slab for Scour Protection  
to Bridge Piers and Abutments**

**NHPP-017-B(234)T**



# Project MAP

Map from Authorization  
Request (not bad)



# Project MAP

Map from Cat-Ex  
(Much better)

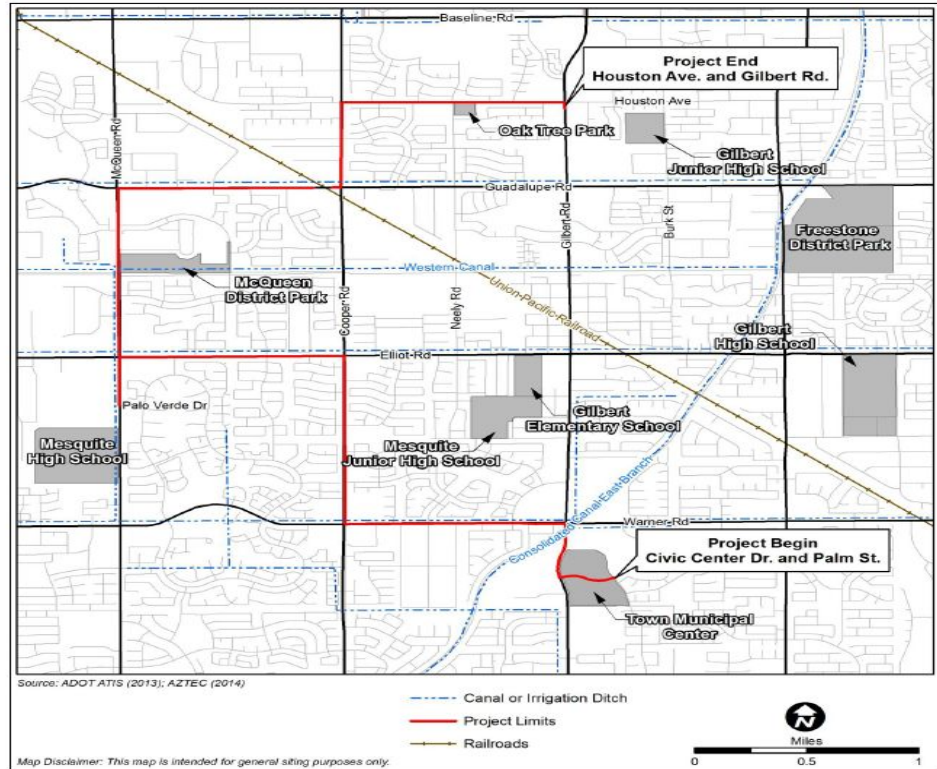


Figure 2. Project Vicinity Map  
CM-GIL-0(215)T

**QUESTIONS?**