



Arizona Division Office

Project Delivery Academy

Module 2 –

Developing a Scope, Schedule and Budget

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Overview:

- Project Funds Management
- Project Authorization Package



Project Funds Management

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Properly Authorizing a Project

- Authorization is required before work starts or is advertised for consultant services or construction
- The authorization request must have a clearly defined scope of work, title and description
- Period of Performance must be identified (Project End Date)
- Project or project phase must be ready to proceed
- Federal share is established when funds are obligated
- Must include estimated total cost from all sources and should be supported by a current and accurate cost estimate
- Signed by at least two authorized state representatives and a minimum of two from FHWA



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Prohibited Practices

- Requesting authorization before a project is ready to proceed
- Authorizing projects prematurely to protect funds from lapsing at year-end
- Requesting authorization prematurely to meet fiscal delivery goals (i.e. 20, 30, 30, 20)
- Requesting authorization when a known scope change is under consideration
- Obligating funds solely to use all obligation limitation



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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- If a project is not progressing promptly, the project should be withdrawn or closed.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



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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.
- >>>>Note 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., If the pass-through entity (State) required records to be submitted by the LPA for 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

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The full Federal-aid Project Number should be shown on all documents.

AC-NHPP-CM-303-A(206)S

AC = Advanced Construction

NHPP & CM = Funding Type

303 = Route or City

A = Segment identifier

206 = Sequential project number

S = Level of Oversight



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Types of “Phases” of Authorization

Project Authorization may be for:

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



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Authorization of PE

- Two Phase Authorization – For EAs or EISs and some CEs
 - PE Phase 1 – for Preliminary Design up to 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 – Most single phase authorizations will be CE NEPA review type projects.
 - **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.





Arizona

| | | | | | |
|--|----------------------------------|---|---|-----------|------------------|
| FEDERAL HIGHWAY ADMINISTRATION - ARIZONA DIVISION OFFICE ARIZONA DEPARTMENT OF TRANSPORTATION | | LETTER OF AUTHORIZATION AND PROJECT AGREEMENT | | | |
| "The FHWA and ADOT Stewardship and Oversight Agreement for Arizona (April, 2015)" | | <input checked="" type="checkbox"/> Authorization <input checked="" type="checkbox"/> Project 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> DUNS # 098416667 | <input type="checkbox"/> Modified Project Agreement <input type="checkbox"/> Grant Agreement | | |
| FEDERAL AID PROJECT NO. | SUFFIX | PROGRAM / PHASE (ADOT) | COUNTY | | |
| NOG-0(210) | T | T0246 01D | SANTA CRUZ | | |
| DATE AUTHORIZATION EFFECTIVE | | FMIS DATE | | | |
| GENERAL LOCATION | | | | | |
| PATHWAY PROJECT, BAFFERT DR TO NOGALES HIGH SCHOOL, IN NOGALES | | | | | |
| GENERAL DESCRIPTION OF WORK | | | | | |
| BICYCLE AND PEDESTRIAN PATHWAY PROJECT | | | | | |
| YOU ARE AUTHORIZED TO PROCEED WITH THE WORK CHECKED BELOW: | | | | | |
| <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: | | | |
| FUNDING | TOTAL ESTIMATED PROJECT COST(\$) | FEDERAL PARTICIPATION AMOUNT(\$) | FEDERAL FUNDS(\$) | APPN CODE | RATIO(%) |
| 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 | | |
| OTHER (SPECIFY) | | | | | |

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PE Vs. Other

PE Authorizations require repayment if the project does not proceed to R/W Acquisition or Construction within 10 years.

- Authorization as “Other” does not require repayment but is limited to:
 - Corridor Planning / Feasibility Studies
 - **Advance Utility Relocation separate from construction**
 - Railroad work done by the railroad itself
 - **Procurement-only of Equipment of Software**
 - Sign Management Systems
 - NBIS Inspection or Training
 - Travel Demand Management projects (carpool, rideshare programs)



Project Authorizations

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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 use “@”
- Mileposts used alone are not desirable
- Avoid using county names, or ADOT Districts
- Should be the same on all documents – NEPA, PIFs, DEs, PS&E, STIP.



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Project Description

- Should not be a repeat of the Project Title
- Should state the primary purpose of the project
- Should be the same on all documents
- Please avoid using “Preliminary Engineering” in the description of work.
- “Adaptive Ramp Metering”, “Install horizontal curve warning signs”

- Tip – Specific Words are important.
 - Pavement Rehabilitation – Mill and Fill over an inch
 - Pavement Preservation – Surface Treatments only



Project Authorizations

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Project Funding

- Verify Eligibility of the Program Fund – NHPP, CMAQ, HSIP, STBG
- Federal Share
 - Verify the Pro-rata share of eligible project costs – 94.3%, 94.34% (Interstate), 80%, 100%?
 - Is the required non-federal match included in the project cost data?
 - The match must be for Federal-Aid eligible activities. **Using non-federal match to pay for ineligible items of work is not acceptable.**
 - The authorization request must describe in detail any ineligible work in the project



Project Authorizations

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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 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

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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.**



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Status of Utilities

A statement is received from the State certifying that one of the following applies:

- **(Type 1)** No Conflicts, or cleared before construction. **Lowest Risk.**
- **(Type 2)** Authorization requested and will be cleared before award. **Uncommon.**
- **(Type 3)** Cleared during construction and must be included in contract language. **Contract document should ensure interested bidders are advised of constraints that will impact proposal.**



Project Authorizations

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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).”*
- According to ADOT Environmental Planning, this signature for this statement should be from the environmental planner or above.
- This statement must be shown on cover letters for all authorization requests for construction, utility or railroad work, right of way acquisition, and procurement. The only exception is Preliminary Engineering.
- This statement must also be provided for projects administered by LPAs.
- **Sending the environmental document to us 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.



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Railroad Certification

- 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 and has approved the project plans.
 - There is a railroad within the project limits. The railroad work was completed prior to advertisement of this project.
 - There is a railroad within the project limits. The railroad work will be completed with this project. See the attached special provisions for required coordination with the railroad and impacts to this project.



Project Authorizations

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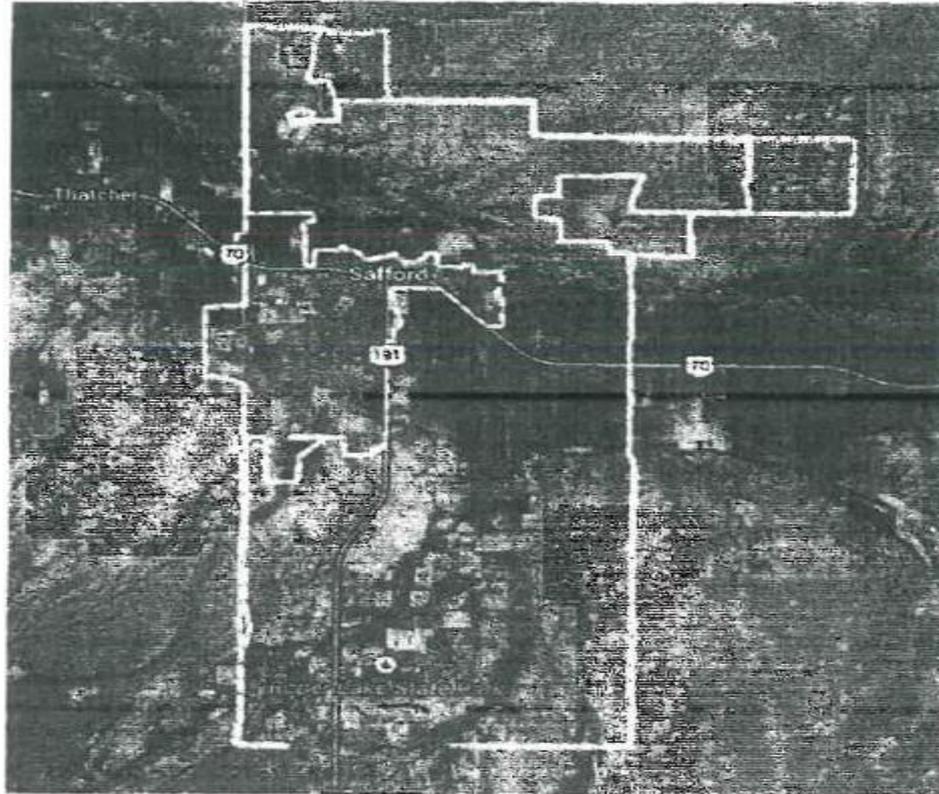
Project MAP!!!

- Construction authorization requests must 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.
- The map should depict the termini used in the project name.
- TIP: Save yourself time - Find an existing map from Project Documents, such as the NEPA Review.



Project Name - “Various Locations in Safford”

Figure 1: Vicinity Map
Safford, AZ

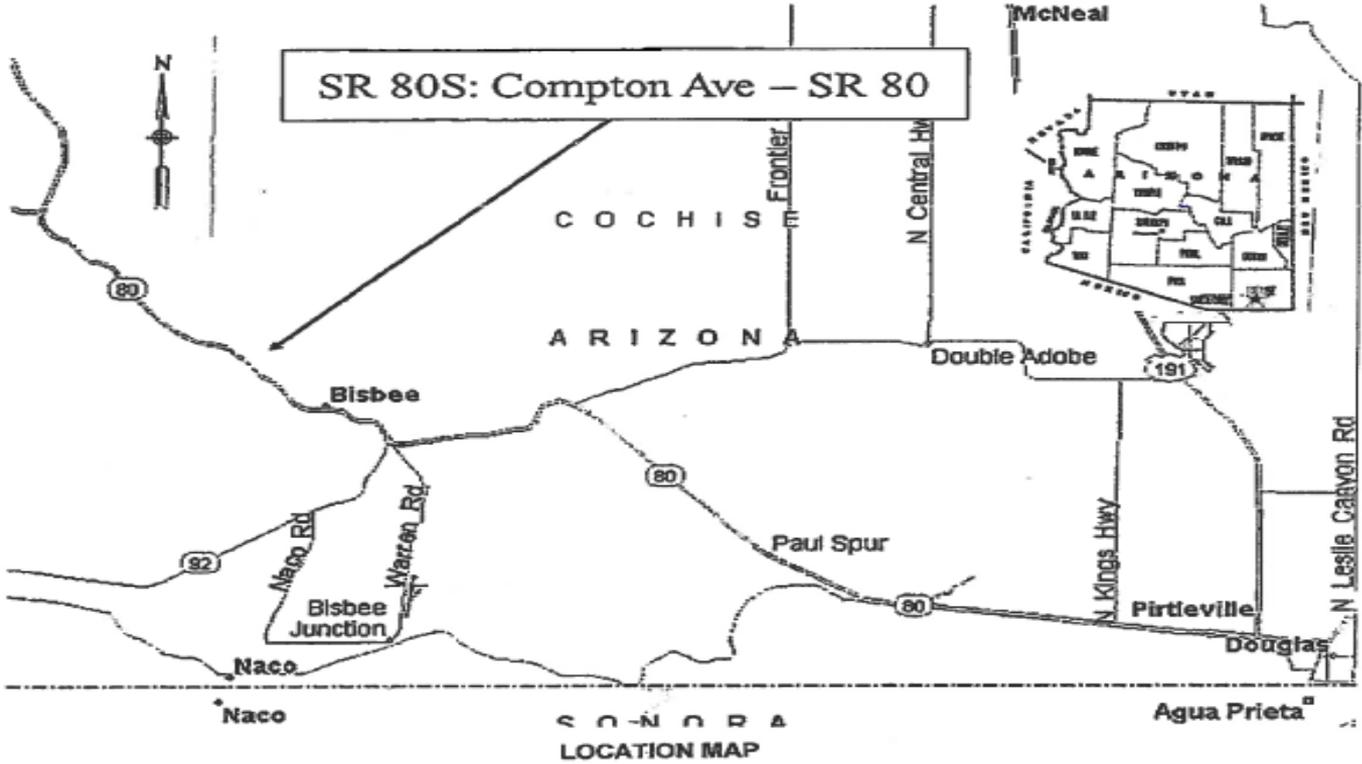


MP 175 - MP 186

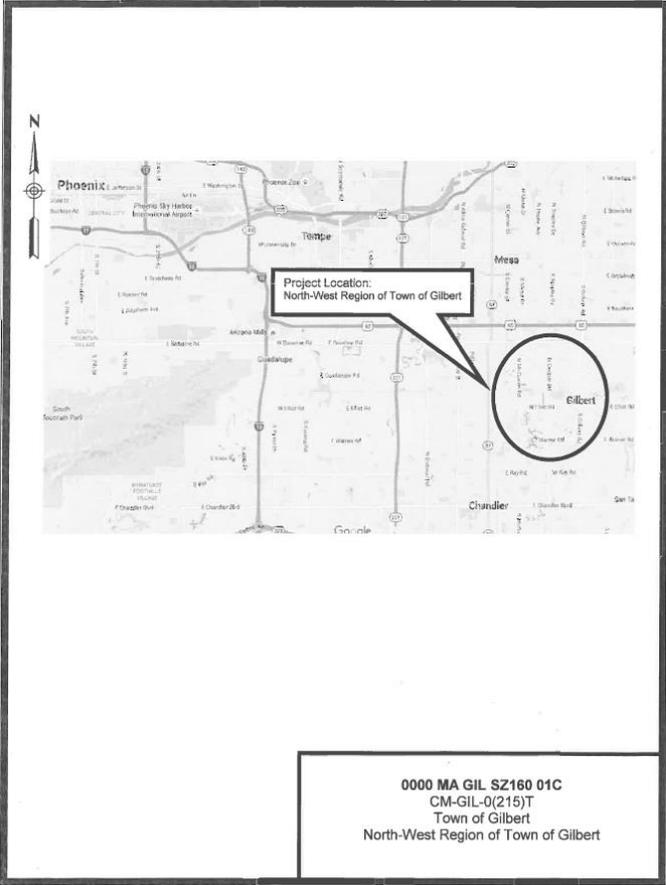
Google Maps



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



Map from Authorization Request (not bad)



Map from Cat-Ex (Much Better!)

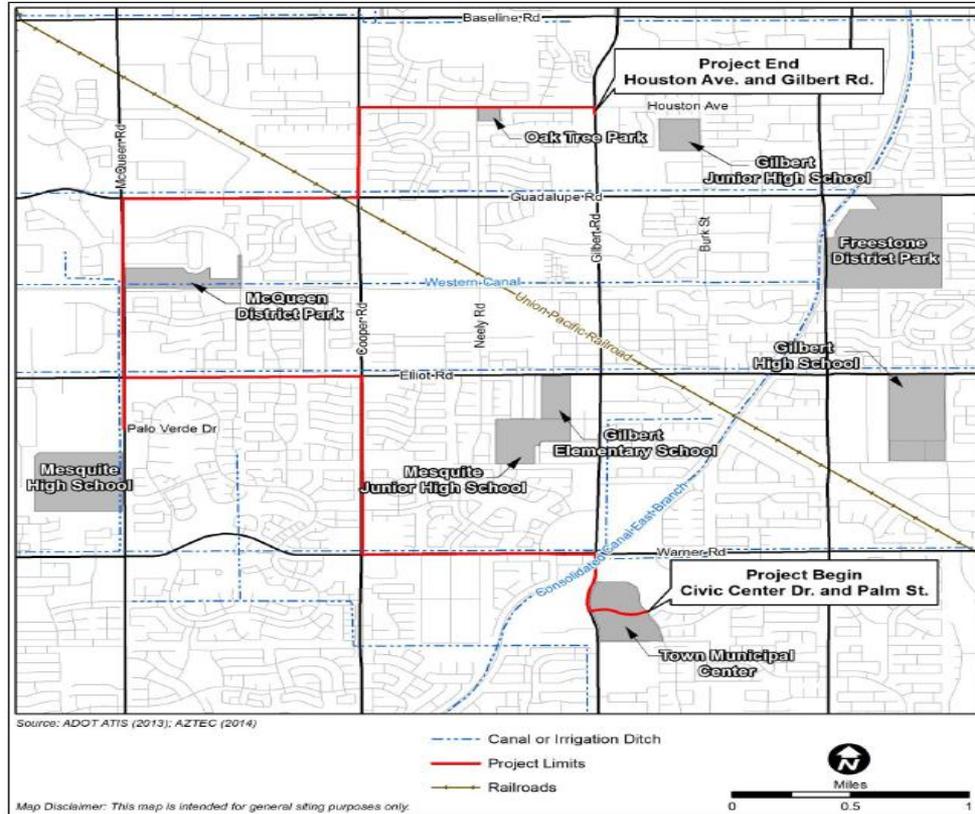
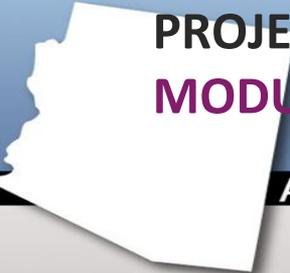


Figure 2. Project Vicinity Map
CM-GIL-0(215)T



PROJECT DELIVERY ACADEMY

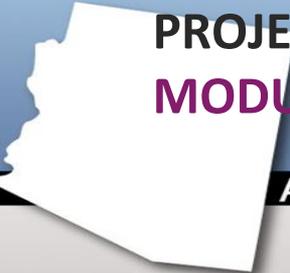
MODULE 2: DEVELOPING A SCOPE, SCHEDULE AND BUDGET

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QUESTIONS





PROJECT DELIVERY ACADEMY

MODULE 2: DEVELOPING A SCOPE, SCHEDULE AND BUDGET

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THANK YOU

