

Project Delivery Academy

Arizona Division Office

Grand Canyon



Module 2 – Federal Authorization

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Overview:

- Project Funds Management
- Project Authorization Package

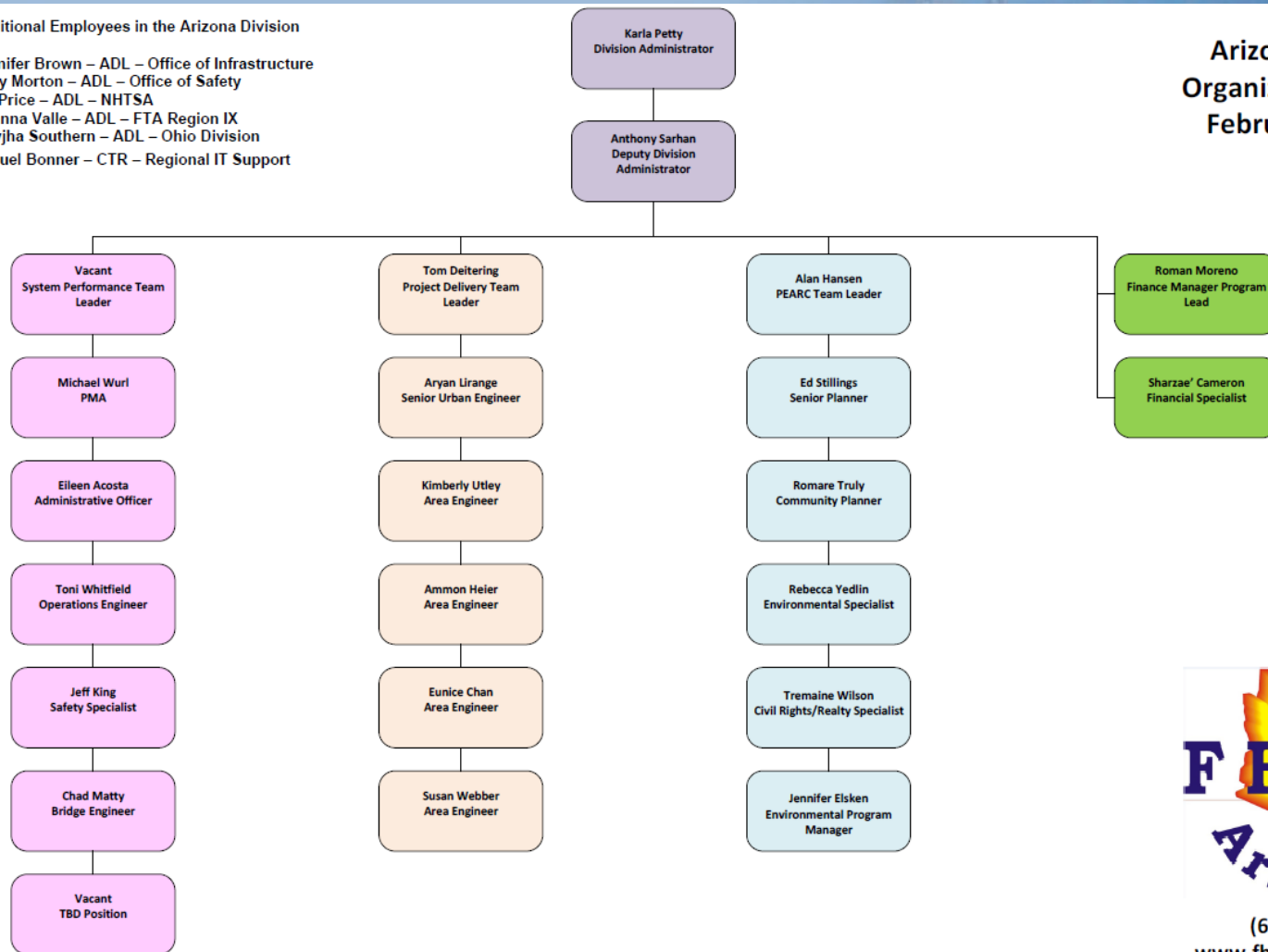


U.S. Department of Transportation
Federal Highway Administration

Additional Employees in the Arizona Division

Jennifer Brown – ADL – Office of Infrastructure
Kelly Morton – ADL – Office of Safety
Wil Price – ADL – NHTSA
Arianna Valle – ADL – FTA Region IX
Velyjha Southern – ADL – Ohio Division
Raquel Bonner – CTR – Regional IT Support

Arizona Division Organizational Chart February 5, 2021





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
- 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 Authorizations

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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 completed.
 - ⑩ 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.



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Project End Date vs Period of Performance

- The Project End Date is 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.
- Project charges must be incurred prior to the project end date lapsing (2 CFR 200.77)





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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
- Obliging 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))



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Types or “Phases” of Authorization

Project Authorization may be for:

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



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

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 – Most single phase authorizations will 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.



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FEDERAL HIGHWAY ADMINISTRATION - ARIZONA DIVISION OFFICE

ARIZONA DEPARTMENT OF TRANSPORTATION

"The FHWA and ADOT Stewardship and Oversight Agreement for Arizona (April, 2015)"

LETTER OF AUTHORIZATION AND PROJECT AGREEMENT



Authorization



Modified Project Agreement



Project Agreement



Grant Agreement

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.

DUNS # 098416667

FEDERAL AID PROJECT NO.

N0G-0(210)

SUFFIX

T

PROGRAM / PHASE (ADOT)

T0246 01D

COUNTY

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:



PHASE I: PRELIMINARY ENGINEERING - SCOPING, LOCATION STUDIES, ENVIRONMENTAL STUDIES AND PRELIMINARY DESIGN



CONSTRUCTION - ADVERTISE FOR RECEIPT OF BIDS



PHASE II: PRELIMINARY ENGINEERING - FINAL DESIGN/PREPARATION OF CONTRACT PLANS



CONSTRUCTION - PROCEED ON AN AGREED PRICE AND/OR FORCE ACCOUNT BASIS



ACQUISITION OF RIGHT-OF-WAY



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

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

Authorizations as “Other” do not require repayment but is limited to:

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



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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 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.



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Project Description

- Should not be a repeat of the Project Title
- Should 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 an inch
 - Pavement Preservation – Surface Treatments only



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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%?
 - 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



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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 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.



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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

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 award.
- **Type 3** - (conditional certification) Cleared during construction. **Contract documents advise bidders of constraints that will impact proposal.**
- **Type 4** – (conditional certification) Utilities will be cleared prior to bid opening.



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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).”*
 - 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.



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



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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.





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THANK YOU



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