

LPA Training

Arizona Division Office

Grand Canyon

Module 3 – Federal Authorization

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Overview:

- Grants Management
- Project Funds Management
- Project Authorization Package
- Increased Federal Share for Innovation

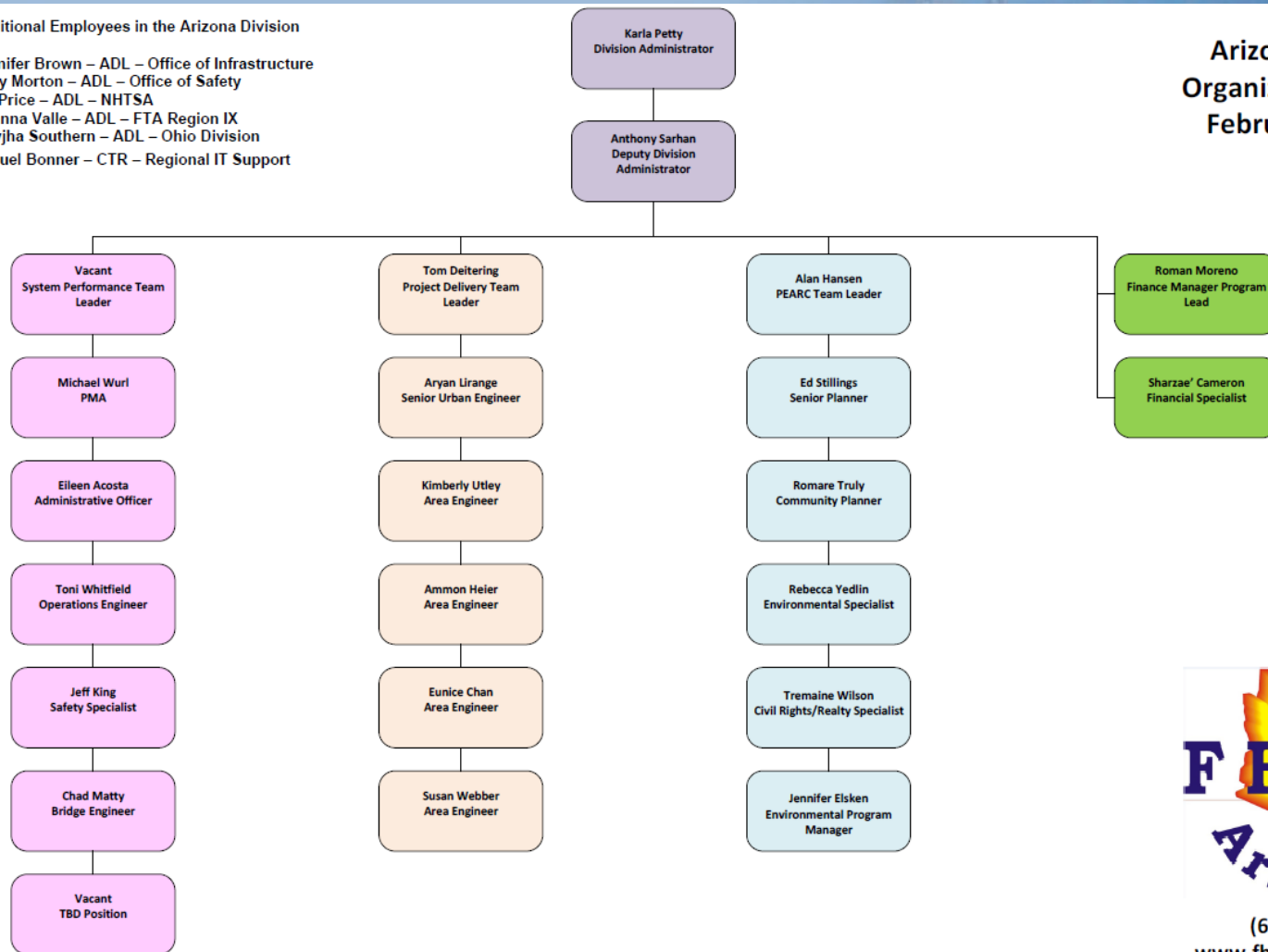


U.S. Department of Transportation
Federal Highway Administration

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
- 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





Project Funds Management

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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
- Obligating funds solely to use all obligation limitation





Project Funds Management

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- If a project is not progressing promptly, the project should be withdrawn or closed.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





Project Funds Management

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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.

Example

AC-NHPP-017-B(234)T

AC = Advanced Construction

NHPP = Funding Category

017 = Route or City

B = Segment identifier on state highway projects

234 = Sequential project number

T = Level of FHWA involvement





Project Authorizations

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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



Project Authorizations

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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.



Project Authorizations

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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)



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%?
 - 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/TIP.
- 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.
- If included in a STIP Amendment - Provide page that contains the project and be sure it was approved by ADOT and FHWA.
 - COG or City Council approvals are not necessarily adequate.





Increased Federal Share

23 USC 120(c)(3)

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Purpose

Promote innovative technologies and practices

Incentive

Additional 5% Federal-Aid up to 100% share



Increased Federal Share

23 USC 120(c)(3)

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What Qualifies?

- Innovative project delivery methods, technologies, engineering or design approaches, financing, or contracting that:
- Improve Work Zone Safety,
- Reduce congestion related to the construction
- Improve quality of highways and bridges
- Extend service life of highways and bridges
- Reduce long-term maintenance costs of highways and bridges



Increased Federal Share

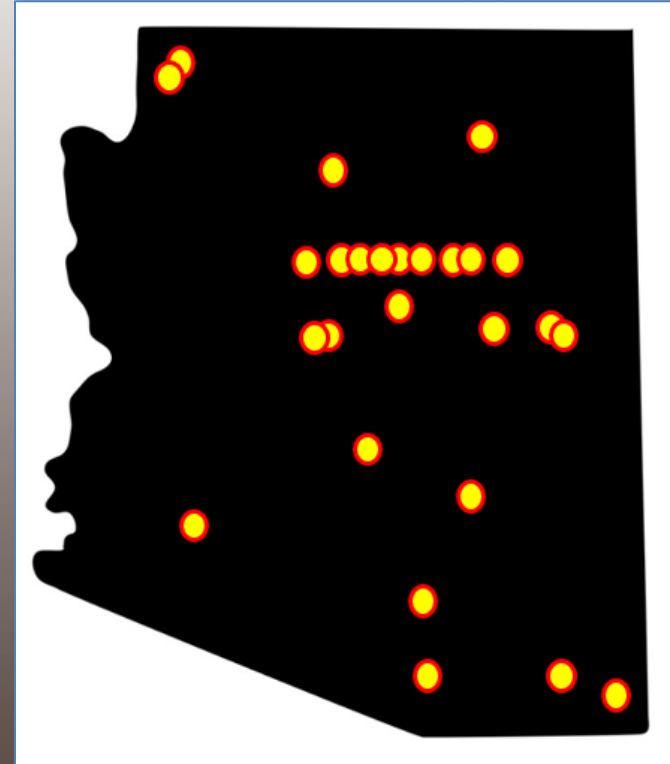
23 USC 120(c)(3)

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26 Projects since 2014

- 6 Smart Work Zone Projects
- 5 Accelerated Bridge Construction
- 3 Intelligent Compaction
- 5 Increased Asphalt Density
- 2 Electronic Plans
- 1 Incentivized Longitudinal Joint Density (AC)
- 1 ID/IQ
- 1 EDC Cape Seal
- 1 3D Paving
- 1 2D Hydraulic Modeling & A-GaMe



Application Form
Technology and Innovation Deployment Program (TIDP)
Increased Federal Share for Project-Level Innovation
23 USC 120(c)(3)

A. Project Information (completed by Applicant)

State	
Project Name	
Location of Project (Include Route Name and general location information)	
Description of Project	
Anticipated Authorization Date	
Approximate Additional Federal Share (\$)	
Increased Federal Share (%)	
Funding Source Used	<input type="checkbox"/> National Highway Performance Program (NHPP) <input type="checkbox"/> Surface Transportation Block Grant (STBG) Program <input type="checkbox"/> National Highway Freight Program (NHFP) <input type="checkbox"/> Metropolitan Planning (PL)
Innovation Being Proposed	
Description of Expected Benefit (include how the innovative technology or practice increases the efficiency of construction, accelerates the construction, improves the safety, improves the quality, reduces congestion from construction, and/or extends the service life of highways and bridges)	
Describe How the Project is Innovative in your State (Include how the technologies or practices proposed are new or have only rarely been used for unique or special applications and represent significant improvement to the state or local agency's conventional practice.)	
Contact Information (Name, Phone, Email)	

B. Eligibility Determination (completed and signed by FHWA Division Office)

- In each fiscal year, a State may apply up to 10 percent of its combined apportionments under the National Highway Performance Program (NHPP), Surface Transportation Block Grant (STBG) Program, National Highway Freight Program (NHFP) or Metropolitan Planning (PL) (funds apportioned under 23 U.S.C. 104(b)(1), (2), (5)(D) and (6)) for this increased federal share provision.

Would approving the increased federal share proposed for this project exceed the limitation of funds available?

☐ Yes ☐ No

- The Federal share payable may be increased by up to 5 percent of the total project cost, not to exceed 100 percent, for projects determined to meet the requirements specified in 23 U.S.C. 120(c)(3).

Would approving the increased federal share proposed exceed the allowable adjustment for the project?

☐ Yes ☐ No

- Provide a short narrative that substantiates how the proposed project meets or does not meet the eligibility requirements for the increased federal share provision.

Comments:

Based on a review of the application submitted by the _____ Department of Transportation, project _____ is determined to be:

☐ Eligible ☐ Not Eligible

for participation in increased Federal share for project level innovation in accordance with 23 USC 120(c)(3).

SIGNATURE: _____

NAME (PRINTED): _____

FHWA DIVISION OFFICE: _____

DATE: _____





New Specification: 109 INFS

Arizona Division Office

Description of IFS Component

IFS cannot be removed without
State & FHWA consent

Lessons Learned Report and
Closeout Meeting is required



U.S. Department of Transportation
Federal Highway Administration

NEW Specification

****USE ON PROJECTS WITH INCREASED FEDERAL SHARE****
****DESCRIBE THE INNOVATIVE TECHNOLOGY IN THE SECOND PARAGRAPH****

(109INFS, XX/XX/XX)

SECTION 109 MEASUREMENT AND PAYMENT: of the Standard Specifications is modified to add:

109.14 Increased Federal Share:

(A) General:

Increased federal share has been approved by FHWA for an innovative technology and practice. The increased federal share on this project is 5 percent.

The innovation includes *(Describe specific innovation – information can be found on the Increased Federal Share Application.)*

Due to the increased federal share, the project components related to the innovation described above must be constructed with the materials, quantities, methods, and innovations as shown on the project plans and specifications. If the contractor requests materials, quantities, methods, or innovations other than those included in the plans and specifications, the request must be reviewed and approved by the Department and FHWA. Approved changes shall be at no additional cost to the Department, and shall not increase contract time.

(B) Post-Activity Report and Meeting:

The contractor shall prepare a report that includes a general summary of the daily operations and discussion of the overall effectiveness of the innovative technology, in a format provided by the Department. A description of additional means of quality control and any benefits realized or detriments suffered relating to implementation and utilization of the innovative technology shall be included. Comments provided by equipment operators, laborers, field personnel, or other personnel who adapted to the use of the technology, positive or negative shall be included.

The contractor shall schedule a closeout meeting with the Engineer within 30 days of the innovative technology completion to review and discuss the findings contained in the report.



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THANK YOU



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