“Who is the FHWA?? ... and what do they do?”

Louisiana Federal-Aid Highway Program Stewardship Agreement

Mary Stringfellow
Program Delivery Team Leader
Federal Highway Administration

Carl M. Highsmith
Project Delivery Team Leader
Federal Highway Administration

Developed in Partnership by the Federal Highway Administration (FHWA) &

The Louisiana Department of Transportation and Development (LADOTD)

January 2011
Objectives for Today

1. Identify the FHWA LA Division Office Staff.
2. Understand the Relationship between FHWA and LDOTD.
3. Identify the Federal Laws & Regulations for “Highways”.
4. Clarify the Roles & Responsibilities of FHWA & LDOTD in regards to accepting Federal-aid funds.
Summary of Federal funds in LA

- Louisiana receives approx. $500 Million annually in federal-aid funds for highways.

- Approximately 1600 Active federally funded projects in Louisiana
  - 18% - Full Oversight by FHWA projects
  - 82% - Delegated projects
FHWA/LDOTD Relationship – The Stewardship Agreement

- A signed agreement between the FHWA and the LDOTD on how to administer the Federal-Aid Highway Program (FAHP) to ensure compliance with Federal Laws & Regulations.

- The Stewardship Agreement formalizes the delegated responsibilities of the FHWA and the LDOTD and is based on the United States Code (USC) and the Code of Federal Regulations (CFR). This includes oversight and approval actions, as well as day-to-day actions.

- Current agreement was signed 9/1/07
Federal Laws

- United States Code

- The **United States Code** (**U.S.C.**) is a compilation and codification of the general and permanent federal law of the United States.

- USC Title 23 “Highways”
The **Code of Federal Regulations (CFR)** is the codification of the general and permanent rules and regulations (sometimes called administrative law) published in the *Federal Register* by the executive departments and agencies of the Federal Government of the United States.

- There are 50 titles
- Title 23 Highways (23 CFR)
From Federal Laws and Rules to a Stewardship Agreement

Since the enactment of the law we call ISTEA in 1991:

- 23 USC Section 106 allows for the State DOT to perform oversight actions for USC Title 23 responsibilities in place of the FHWA.
- These actions are referred to as “delegated”
Roles and Responsibilities

As a condition of accepting Federal-aid highway funds, LADOTD agrees to follow all applicable federal program and project requirements.
Oversight

- The act of ensuring that the Federal-aid highway program is delivered consistent with applicable laws, regulations and policies,

- And, that state-of-the-practice procedures and practices are employed

..........Both of the above must be done, either by LDOTD or FHWA.
Federal-aid Project Types

- Full Oversight vs. Delegated
  - (also called Exempt, or State Administered)
Full Oversight Projects

FHWA is responsible for project level oversight of USC Title 23 requirements on full oversight Interstate and NHS projects as defined in Section II of this stewardship plan.
**Oversight and Delegation Table**

<table>
<thead>
<tr>
<th>TYPE OF PROJECT</th>
<th>OVERSIGHT RESPONSIBILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interstate projects with an estimated construction cost &gt;$1 million.</td>
<td>FHWA</td>
</tr>
<tr>
<td>Interstate projects with an estimated construction cost &lt;$1 million.</td>
<td>LADOTD</td>
</tr>
<tr>
<td>NHS (non-Interstate) projects with an estimated construction cost &gt;$10 million.</td>
<td>FHWA</td>
</tr>
<tr>
<td>NHS (non-interstate) projects with an estimated construction cost &lt; $10 million</td>
<td>LADOTD</td>
</tr>
<tr>
<td>Non-NHS and locally administered projects.</td>
<td>LADOTD</td>
</tr>
<tr>
<td>Major Projects (&gt;=$500 million). All routes.</td>
<td>FHWA</td>
</tr>
<tr>
<td>Bridge Projects on any route with an estimated construction cost &gt;$50 million.</td>
<td>FHWA</td>
</tr>
<tr>
<td>All ITS projects (see note 2 below)</td>
<td>FHWA</td>
</tr>
</tbody>
</table>
National Highway System: Louisiana

Example of Functional Classification Maps

Found at: http://www.dotd.la.gov/planning/maps_classification
Delegated Projects Are:

- Interstate Highway Projects
  - projects with an estimated construction cost < $1 million.
- NHS (National Highway System) Projects
  - (non-interstate) projects with an estimated construction cost < $10 million.
- Non-NHS Projects
- Bridge Project on any route < $50M
- Local Agency Projects
FHWA is responsible for review and approval of the following actions...
- Plans, Specifications & Estimates (PS&E)
- Design Exceptions
- Concurrence in Awards
- Change Orders
- Final Inspections
- Project Acceptance
Full Oversight Projects

FHWA is also responsible for review and approval of:

- Obligation of Funds
- Financial Management Information System (FMIS) Transactions
  - Project Authorizations
  - Modifications
  - Final Vouchers
- Interstate Justification Reports
- Waivers to Buy America
- Environmental Documents
Full Oversight Projects
FHWA is also responsible for review and approval of...

- Consultant contract and selection process
- Civil Rights
- And more....

- These are just some of FHWA’s responsibilities.
Delegated Projects

LADOTD is responsible for review and approval of...

- Plans, Specifications & Estimates (PS&E)
- Design Exceptions
- Concurrence in Awards
- Change Orders
- Final Inspections
- Project Acceptance

This means that FHWA typically does NOT review and approve these items.
Delegated Projects

LADOTD Responsibility

- LDOTD performs these actions in place of FHWA....but must ensure that all federal laws & regulations are still followed!
Roles and Responsibilities

- Even for Delegated projects, FHWA retains authority for action and approval in many areas.

- These cannot be delegated to the LDOTD...
FHWA Responsibilities that cannot be delegated…

- Planning and Programming Oversight
- Obligation of Funds in FMIS
- Waivers to Buy America
- Interstate Access Approval
- Hardship Acquisition and Buying
- Environment
- And more…
Federal Program Areas

- In addition to projects, FHWA has program area responsibility

- The Stewardship Agreement is divided into 19 Program Areas.
Program Oversight

○ FHWA has full oversight of all Federal-aid programs.
○ FHWA manages and provides oversight of Louisiana’s Federal-Aid programs in various ways including:
  ● Routine day-to-day program actions.
  ● LA Division participation on LDOTD task forces, committees, reviews and attendance at LDOTD meetings.
  ● Process Reviews as determined through joint FHWA /DOTD risk assessments.
What is a Process Review?

- An in-depth analysis of a defined process or program area.
  - This includes examining the process and the products resulting from the process
  - The purpose is to identify and document the current process, identify issues and/or problems, and make recommendations for improvements or corrective actions.

- FHWA annually performs program risk analysis with LDOTD to determine the programs that need process reviews
Recent Process Review Areas

- Asphalt Pavement Plant Production
- Local Public Agency Project Oversight
- Retainer Contracts
- R/W Acquisition by Local Agencies
- Annual Bridge Inspection (NBIS)
- Implementation of NEPA commitments during project construction
The 19 Stewardship Plan Program Areas

- Planning
- Environment
- Design
- Bridge
- ITS

- Right of Way
- Utilities
- Financial Management
- Construction and Contract Admin.
- Major Projects
The 19 Stewardship Plan
Program Areas....(cont’d)

- Local Agencies and Tribal Governments
- Pavement and Materials
- Maintenance
- Traffic Operations
- Safety
- Civil Rights
- Emergency Relief
- Emergency/Security
- Research, Development, and Technology
For Each Program Area, the Stewardship Plan contains the following:

- Program Overview
- Roles & Responsibilities
- Methods of Oversight
- Control Documents
- Business Standards
- Performance Indicators
- Project Responsibilities

- .....Look at the “Construction & Contract Administration” Section Handout and Review.....
Highlights of the Program Areas:

......Where FHWA has review and/or approval actions.....
Planning

- Statewide Planning and Research (SPR) Work Program
- Statewide Long Range Transportation Planning
- Statewide Transportation Improvement Program (STIP)
- MPO Long Range Transportation Plan
- MPO Transportation Improvement Program (TIP)
- MPO’s Unified Planning Work Program (UPWP)
- And more.........
Bridge & Structures

- Highway Bridge Program (HBP) or Highway Bridge Replacement and Rehabilitation Program (HBRRP)
  - structurally deficient or
  - Functionally obsolete

- National Bridge Inspection Standards (NBIS) - all bridges must be inspected once every 2 years.

- National Bridge Inventory (NBI) - all public bridges within its borders including parish (county) and municipal owned bridges are inspected, load rated, and reported in accordance with the NBIS requirements.
Pavements & Materials

- On the NHS System:
  - Structural Design
  - Materials Testing & Specifications
  - LADOTD Standard & Supplemental Specifications
  - Quality Assurance Program
Intelligent Transportation Systems (ITS)

- National & Regional ITS Architecture – MPO, statewide & rural
- ITS projects
- System Engineering
- ITS Standards
Traffic Operations

- Traffic signal warranting and operational studies
- Capacity, traffic operations and geometric analysis
- Queue analysis
- Temporary traffic control studies
- Lighting studies
- Pedestrian and bicycle facility studies (including ADA analysis)
- Crash analysis and countermeasure development
- Device (such as signs, signal systems, pavement marking, etc.) and system inventory/management
- Construction and maintenance work zone operations
- Traffic signal timing and operation
- Contra-flow and other evacuation & emergency operations plans
- Unique intersection designs (roundabouts, displaced left-turns, etc.)
Safety

- Highway Safety Improvement Program (HSIP)
  - Roadway & Railroad Crossings
- Strategic Highway Safety Plan (SHSP)
- Safe Routes to School Program
- Work Zone Safety standards & standards
- Etc...
Research, Development & Technology
FHWA will approve …

- State Planning and Research (SPR) Program – Part II: - this is the Louisiana Transportation Research Center (LTRC) annual program

- Local Technical Assistance Program (LTAP) – LA LTAP Center at LTRC – a center to provide training and technical assistance to local governments in LA.
Financial Management

- Accounting process for payroll additive rates and indirect costs
- Resolution of OIG and State audit findings
- Federal-aid Current Billing
- Final Vouchers, Project Authorizations, Modifications, and Agreements
Financial Management

- All financial management and accounting activities through periodic review (FIRE):
  - Grant Financial Management Process Review
  - Improper Payments Information Act Review
  - Inactive Federal-aid Projects Review
  - Single Audit Review
Civil Rights

- Disadvantaged Business Enterprise (DBE) program and supportive service plan
- Affirmative Action plan
- Contract Compliance Review Program
- Title VI/Non-discrimination Program
- LDOTD’s Labor Compliance Reviews
- Investigate Americans with Disabilities Act (ADA) Complaints
Local Agency Projects

- Local Agencies include: Cities, Parishes and now Toll Agencies.

- LDOTD is responsible for assuring that all local agency Federal-aid projects comply with all applicable Federal and State requirements.

- LDOTD is not relieved of this responsibility even though the project may be administered by the local agency and no state funds are involved.
Environment

- Under current law and regulation, FHWA may delegate responsibility to the LDOTD for activities to address the various environmental laws, Executive Orders, and regulations, but it may not delegate environmental approval authority.

- Therefore the LDOTD is obligated to submit most environmental documents to FHWA for approval. The exception being Programmatic Categorical Exclusions (PCE).
Environment

- Environmental documents (CE, EA, EIS, FONSI)
- Public involvement procedures for NEPA
- Collaborate with LDOTD to determine a project’s NEPA classification
- Provide legal sufficiency reviews
Right of Way
FHWA will approve or authorize LDOTD’s…

- Right of Way Manual
- Federally aided ROW activities
- Early Acquisition, Protective buying, hardship acquisition
- Project ROW Certifications
- Sale or Transfer of excess ROW
- Joint Use Agreements
Utilities
FHWA will approve or authorize LDOTD’s…

- Standards Manual for Accommodating Utilities
- Federally aided Utility Relocation projects
  - Authorization of funds
  - Approval of utility certification
Construction & Contract Administration

FHWA will approve or authorize:

- Federal-aid funds and construction authorizations for all federal-aid projects
- LDOTD’s Standard Specifications and Supplemental Specifications
- Project Agreements, modified project agreements, and final vouchers
- Waivers to the Buy America Act
Construction & Contract Administration

For Full Oversight projects, FHWA will approve:

- Plans, Specifications & Estimates
- Project Addenda
- Concurrence in Award
- Category 1 and 2 Construction Change Orders
- Contract Time extensions
- Claim settlements
- Final Acceptances
Construction & Contract Administration

FHWA will:

- Perform project inspections:
  - Initial inspection
  - Intermediate inspections (minimum quarterly)
  - In-depth inspections
  - Final Inspections

- Attend CPM/partnering meetings and other project meetings (as necessary)
FHWA will…

- Evaluate the quality of:
  - Materials
  - Equipment
  - Construction practices
  - Work force
Major Projects

FHWA will approve...

- Major project = $500 Million or more (LA 1, Twin Spans)

- Actions similar to normal Full Oversight projects plus...
  - Project Management Plans
  - Finance Plans and Updates
All State DOTS are required to maintain each project constructed with federal-aid funds.

Although maintenance is required, it typically is not eligible for federal-aid funds (such as mowing, vegetation control, pot hole patching, etc.)

Only activities defined as “preventive maintenance” are eligible for federal funds – these follow normal procedures for federal-aid projects.
Maintenance
FHWA will...

- Make observations of any maintenance deficiencies during normal travel. Any deficiencies noted will be forwarded to LDOTD for corrective action.

- Make an annual review of the condition of the Interstate routes in the State. A report of findings will be sent to the LDOTD.
Emergency Relief

- Funds are available for repair of federal-aid roads due to natural disasters or catastrophic failures.
  - Hurricanes (Katrina, Rita, Gustav, Ike)

- Total damage must exceed $700,000.

- Individual site damage must exceed $5,000.
Emergency Relief

○ Oversight responsibilities for each ER eligible project will be determined.

○ Once the determination is made, the project will follow the normal procedures for Full Oversight or Delegated projects.
Emergency/Security

- Purpose is to establish procedures to respond to national and local emergencies and security issues.

- The other purpose is to share state and federal policies and guidance on readiness in the event of an emergency.
American Recovery & Reinvestment Act of 2009 – ARRA

- Supplement to the FHWA/DOTD Stewardship Plan
- Revises Stewardship and Oversight for 100 ARRA funded projects only
- 6 Checklists are filled out by FHWA staff during inspections of the ARRA funded projects.
## II. DELEGATION OF ARRA FUNDED PROJECTS

The following table defines oversight responsibility for Federal-Aid projects funded fully or partially with ARRA funds in Louisiana.

<table>
<thead>
<tr>
<th>Type of Projects</th>
<th>Oversight Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interstate projects with an estimated construction cost &gt;$1 million</td>
<td>FHWA</td>
</tr>
<tr>
<td>Interstate projects with an estimated construction cost &lt;$1 million</td>
<td>LADOTD</td>
</tr>
<tr>
<td>NHS (non-Interstate) projects with an estimated construction cost &gt;$10 million</td>
<td>FHWA</td>
</tr>
<tr>
<td>NHS (non-Interstate) projects with an estimated construction cost &lt;$10 million</td>
<td>LADOTD</td>
</tr>
<tr>
<td>Non-NHS and Locally Administered Projects with an estimated construction cost &gt;$2.5 million</td>
<td>FHWA</td>
</tr>
<tr>
<td>Non-NHS and Locally Administered Projects with an estimated construction cost &lt;$2.5 million</td>
<td>LADOTD</td>
</tr>
<tr>
<td>Enhancement Projects with an estimated ARRA construction funds &gt;$5 million</td>
<td>FHWA</td>
</tr>
<tr>
<td>Enhancement Projects with an estimated ARRA construction funds &lt;$5 million</td>
<td>LADOTD</td>
</tr>
<tr>
<td>Bridge Projects on any route with an estimated construction cost &gt;$50 million</td>
<td>FHWA</td>
</tr>
<tr>
<td>All Design-Build Projects</td>
<td>FHWA</td>
</tr>
</tbody>
</table>

Note 1: NHS-projects are defined by system, irrespective of Federal funding source.

Note 2: Locally Administered Projects = Local Public Agency Projects (i.e., Parish, Municipality).
Conclusion

- The Stewardship Agreement is intended to:
  - result in the effective and efficient management of public funds and
  - to ensure that the Federal-aid highway program is delivered consistent with laws, regulations, policies and good business practices.