



Local Government Projects Best Practices Workbook

Local Government Programs Section, Transportation Programs Division

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Chapter 1 – Introduction

This Local Government Projects Best Practices Workbook (Workbook) has been developed as a quick-reference tool and workbook to assist local Texas Department of Transportation (TxDOT) offices and local governments (LGs) with administration of LG projects.

This Workbook does not address all legal requirements, nor does it replace any of the instructions, manuals or guidance documents referenced in your project documents, in federal and state laws and regulations, or training. To the extent there is a conflict between this guide and the instructions, manuals, guidance documents, state and federal laws and regulations, then the applicable instructions, manuals, guidance documents, laws and regulations will control.

TxDOT and LG project managers and others working directly on the project are strongly encouraged to use this Workbook to monitor progress on a LG project and as a project record of activities as they are completed. This Workbook has been developed to assist project personnel in performance of the following phases of LG projects: (1) project initiation; (2) preliminary engineering and design; (3) environmental compliance; (4) right of way and utilities; (5) plans, specifications and estimates development; (6) letting and award; (7) construction; and (8) project close-out and maintenance. Many sections of this Workbook may not be relevant to LG projects only including non-construction activities.

► Is this Workbook being utilized by the LG to document completed project activities?

Yes* No

*If Yes, CSJ: _____

Additional Resources and Reference Documents

[Guide 1.3](#)

In addition to this Workbook, TxDOT's Local Government Projects (LGP) Section provides a series of reference documents and training materials to assist LGs and TxDOT staff during the development and management of LG transportation projects.

- [Local Government Projects Policy Manual](#) (Manual) – This document provides information on federal and state laws and regulations relevant to each step in the development of a LG project and outlines the policies that must be followed by the LG and TxDOT during administration of a LG project.
- [Local Government Project Management Guide](#) (Guide) – This document provides project management guidance for a LG administering a LG transportation project and for TxDOT staff who are providing oversight. Throughout this Workbook, links to the

Guide are provided to assist in navigation between documents. Links to videos developed by the Federal Highway Administration (FHWA) have also been included at various locations within the Guide as additional topical resources.

- [Local Government Projects Online Toolkit](#) (Toolkit) – LGP has developed a series of user-friendly web pages and an online Local Government Project Toolkit. The Toolkit presents information in a format mirroring the project development process presented in the Manual and Guide. The Toolkit provides users with an easy-access portal to find and download many useful forms of information.
- **Training** – LGP provides training courses to allow LG officials, staff and contractors, as well as TxDOT division, district and area office staff, to receive hands-on instruction. These courses are required for key project personnel and are offered throughout the state on a regular basis throughout the year. The current schedule for the LGP training courses are found on the [Local Government Project Procedures Training and Qualification web page](#).
- [Local Government Project Development and Delivery Checklist \[1-1\]](#) – This checklist provides LGs and TxDOT staff an overview of required elements throughout the project development and delivery process and can be utilized as a mechanism to document completion of specific activities and reviews.

Local Government Programs Section

[Guide 1.2](#)

LGP provides guidance and training for LG and TxDOT personnel in the development of transportation projects under TxDOT oversight. LGP develops policies and procedures, provides guidance to TxDOT districts, and maintains documents, resources and training tools for LGs, consultants and TxDOT staff.

LGP is part of the larger TxDOT organization, which has the following components.

- [District offices](#) are the initial and primary contacts for LGs and provide oversight for LG projects. Area offices (under the district office) may support the district office during different stages of the project.
- TxDOT [divisions](#) support and provide subject-matter expertise to the districts in each area of project development. Occasionally, a division may provide the direct project oversight on a LG project.
- [Administration](#), including the executive director and other executive offices, provides direction and oversight to all of the districts, divisions and offices.

Chapter 2 – Project Initiation

Local Government Projects Overview

[Guide 2.2](#)

[FHWA Federal-aid Essentials video: A Process from “Cradle to Grave”](#)

The first phase in any local government (LG) transportation project (construction or non-construction) is the Project Initiation phase. This phase of the project includes all of the steps between project identification and the execution of the legal agreement between the LG and TxDOT. Construction projects involve roads, highways, bridges, building facilities, alternative transportation projects (such as pedestrian and bicycle facilities, environmental mitigation, recreational trails or safe-routes-to-school programs) and other projects involving constructed infrastructure. Non-construction projects include planning studies, development of travel demand models, management of a “shared ride” service, “motorist assistance” programs, transportation corridor analyses and other similar projects not involving construction activities.

The identification of a transportation project by a LG will involve the definition of the project objectives, the degree of involvement by the state and federal partners, the ability of and commitment by the LG to manage the project, and additional key decision-making elements. The LG may work with regional transportation agencies, the TxDOT district or area offices, a TxDOT division, local stakeholders and other partners during this process. Once a decision is made to pursue a project, the partnership with TxDOT must be defined and the project moves into the Planning and Programming phase.

LG Project Oversight

[Guide 2.2.4](#)

[FHWA Federal-aid Essentials video: Risk-Based Stewardship and Oversight \(RBSO\)](#)

For all activities performed by the LG, TxDOT maintains an oversight and stewardship responsibility. The degree to which TxDOT monitors these projects depends primarily on a combination of funding source, highway system, statutory requirements, demonstrated competence of the LG personnel and resources, and the potential risk posed by non-compliance. As stated in federal law, federal regulations and state regulations, prior to authorizing the LG to perform any element of the project development process, TxDOT has a responsibility to determine each LG is qualified and has adequate resources and controls to perform the project work. The [Local Government Agency Risk Assessment \(RA\)](#) is completed by the district or division managing a project, assigning an overall risk score rating for the LG. The district or division determines appropriate communication with the LG regarding the rating.

Planning and Programming

[Guide 2.3](#)

[FHWA Federal-aid Essentials video: Projects and Statewide Planning Requirements](#)

Each TxDOT district has a planning and programming section that studies and plans for the needs of the district's highway system. LGs should work with the TxDOT district staff to identify and prioritize funding for projects. The Planning and Programming phase involves the identification of the project objectives and the development of a statement of work identifying the project or program priorities and activities to be performed by the project partners. The project must be included in the Metropolitan Transportation Plan (MTP) and Statewide Transportation Improvement Program (STIP) before any work is initiated. A minute order approved by the Texas Transportation Commission and an executed contract in the form of an advance funding agreement (AFA) with TxDOT are necessary before the district can authorize the LG to begin work on each project or program.

Local Government and TxDOT Project Staff

[Guide 2.3.2](#)

As a part of the AFA process, and to manage any element of the project development process, the LG must demonstrate to TxDOT's satisfaction that it has adequate staff to manage requested project functions. The LG staff should be experienced in managing similar-type projects and have a general knowledge of standard procedures for managing consultants, contractors and other vendors as required by the project. Appropriate LG and TxDOT project staff include a responsible person in charge (RPIC) and a project manager (PM), and the LG must also have a "qualified" person assigned to the project. The LG Project Designations form [\[2-2\]](#) has been provided as a method of documenting these required designations.

Initial Project Coordination

[Guide 2.3.3](#)

The appropriate TxDOT district personnel will contact the LG to discuss the project details (and an inspection of the proposed project site, when applicable). It is recommended that the initial project coordination occurs as soon as possible after the project is selected for funding. Should a meeting be scheduled to discuss these matters, a sample meeting agenda [\[2-1\]](#) has been developed.

- *Did initial project coordination occur?*
- Yes No (**add explanation*) N/A

- ▶ *Is the project included in an approved Commission minute order, the MTP and the STIP?*
 Yes No (*add explanation) N/A

- ▶ *If work is proposed to be performed by the LG’s own forces (force account labor/work), did the LG prepare and submit to TxDOT a Cost Effectiveness Determination Letter?*
 Yes No (*add explanation) N/A

- ▶ *Has the LG determined the functional classification for the project?*
 Yes No (*add explanation) N/A

- ▶ *Has the traffic data been requested by the LG and provided by TxDOT?*
 Yes No (*add explanation) N/A
**Explanation(s):* _____

Responsible Person in Charge (RPIC)

[Guide 2.4.2](#)

[FHWA Federal-aid Essentials video: Supervising Agency Requirements \(Responsible Charge\)](#)

Prior to beginning work, the LG and TxDOT will each designate, in writing, a RPIC. The LG’s RPIC will be the point of contact with TxDOT. The person designated as being in “responsible charge” is required to be a public employee who is accountable for the project. The LG’s RPIC must be a full-time employee of the LG. TxDOT’s RPIC must be a full-time employee of TxDOT, who is also a registered professional engineer.

RPICs are expected to be able to perform the following duties and functions for their agency:

- administer inherently governmental project activities, including those dealing with cost, time, adherence to contract requirements, construction quality and scope of federal-aid projects;
- maintain familiarity of day-to-day project operations, including project safety issues;
- make or participate in decisions about changed conditions or scope changes requiring change orders or supplemental agreements;
- visit and review the project on a frequency commensurate with the magnitude and complexity of the project;
- review financial processes, transactions and documentation to ensure safeguards are in place to minimize fraud, waste and abuse;

- direct project staff (agency or consultant) to carry out project administration and contract oversight, including proper documentation; and
- be aware of the qualifications, assignments and on-the-job performance of the agency (LG or TxDOT) and consultant staff at all stages of the project.

It is also important that each agency (LG and TxDOT) designate a project manager for communication with the other agency. The LG project manager can be a LG employee or a consultant, and is expected to perform the following duties and functions:

- responsible for daily oversight of the project;
- primary point of communication with TxDOT for day-to-day matters; and
- may be the same person as RPIC.

Qualified Person

[Guide 2.4.3](#)

The LG is also required to assign a “qualified” person to the project. This person must work actively and directly on the project and have successfully completed training (current course is TxDOT Local Government Project Procedures Training and Qualification Course, LGP101) as defined in the AFA. The “qualified” person may be an employee of the LG or an employee of a firm contracted by the LG to perform oversight of the project.

TxDOT provides training courses to allow LG officials, staff, consultants and contractors, as well as TxDOT division, district and area office staff, to receive instruction. These courses are required for key project personnel and are offered at locations throughout the state on a regular basis throughout the year.

Information on the training class and a current schedule for the LGP training courses are available on the [Local Government Project Procedures Training and Qualification web page](#).

Project Manager

[Guide 2.4.4](#)

Although not required by federal or state codes, it is anticipated that the LG and TxDOT will each also designate a “project manager” for the project. A project manager is responsible for the daily oversight of the project and is the primary point of contact with the other agency for day-to-day matters. The LG’s project manager may be the same person as the LG’s RPIC, a different employee of the LG or a consultant.

Advance Funding Agreements

[Guide 2.4](#)

[FHWA Federal-aid Essentials video: Funding Basics and Eligibility](#)

In order for TxDOT to spend funds or other resources on a transportation project with a LG, a written contract must first be executed between the parties. An AFA is the form of contract most frequently used for development of projects with LGs. The AFA is an agreement under which TxDOT and the LG allocate participation and funding in a transportation improvement project. The AFA allows TxDOT and the LG to “jointly” provide for the implementation of a specific project.

The AFA process includes the completion of the “Oversight Level Special Approval, Parts A and B” form. Part A is completed by the LG requesting approval to perform or manage one or more elements of the project development process. TxDOT will review the information furnished by the LG and complete its evaluation using Part B of the form. This evaluation will be used in determining responsibilities that are included in the AFA.

It is recommended that all members of the project team, both for the LG and TxDOT, become familiar with the project AFA and understand the terms, conditions, and funding requirements of the agreement.

▶ *Has the “Oversight Level Special Approval, Part A” form been completed, signed, and submitted by the LG?*

Yes No (*add explanation) N/A

▶ *Has the “Oversight Level Special Approval, Part B” form been completed, including confirmation of the LG’s Overall Risk Score, and signed by TxDOT?*

Yes No (*add explanation) N/A

▶ *Have the LG and TxDOT project managers received the executed AFA?*

Yes No (*add explanation) N/A

*Explanation(s): _____

State Letter of Authority

[Guide 2.5](#)

Once a project is identified and a contract (AFA) is executed between the LG and TxDOT, the LG must request and obtain an authorization to proceed prior to any work being performed on a construction or non-construction project. This authorization is in the form of a state letter of authority (SLOA), which functions as the notice to proceed with the work.

A federal project authorization and agreement (FPAA) is required in addition to the SLOA for all construction and non-construction projects including federal funds. A FPAA is not required for projects only including local and state funds. For projects involving federal funding, TxDOT initiates the SLOA process and submits required project information to FHWA for approval. Once the project is approved as eligible for federal reimbursement by FHWA, TxDOT generates the FPAA and may issue the SLOA to the LG.

▶ *Does the project have a SLOA and FPAA, if applicable, for preliminary engineering?*

Yes No (*add explanation) N/A

*Explanation: _____

Project Accounting

[Guide 2.6](#)

The LG is allowed to submit reimbursement requests to TxDOT, with attached status reports and schedules, no more frequently than once per month. The LG is strongly encouraged to submit reimbursement requests and back-up information on a monthly basis when work is being performed. This will facilitate efficient TxDOT review of requests and verification of work performed. A sample cover letter is available [\[2-3\]](#). TxDOT project personnel have a responsibility to work with their LG counterparts to ensure the adequacy and accuracy of the project financial records, the LG's compliance with all applicable federal and state requirements, plus any additional requirements stated in the project's AFA.

▶ *Has the LG submitted and obtained TxDOT approval of its initial project invoice?*

Yes No (*add explanation) N/A

*Explanation: _____

Project Documentation and Data Submittal

[Guide 2.7](#)

To ensure compliance with applicable state and federal requirements, project records, including legal documents, meeting minutes, reports from material testing, etc., must be maintained by the LG during the course of the project and after completion of the project for the period of time specified by the AFA. As soon as the contract between the LG and the contractor is executed, the LG should establish a system to maintain and organize the project records. Early organization of the project documents and files by the LG will ensure that an audit by TxDOT or FHWA during or at the close of the project will proceed smoothly. Proper record keeping also aids in the administration of the project by documenting compliance with local, state and federal procedures and policies.

▶ *Has TxDOT personnel reviewed the LG project records and provided guidance to the LG in accordance with the project's established oversight level?*

Yes No (*add explanation) N/A

*Explanation: _____

Chapter 3 – Non-Construction Projects

► If this phase is not applicable for this project, check here: N/A

Comments: _____

A non-construction project or program is defined as any transportation-related project or program not involving the act or process of building transportation infrastructure. Typical non-construction projects involving TxDOT and a LG partner are planning studies; development of a travel demand model; management of a “shared ride” service; a “motor assistance” program; a transportation corridor analysis, etc. [Chapter 3](#) of the Local Government Projects Policy Manual (LGPP Manual) provides the state and federal laws and policies that must be followed during a non-construction project.

State Letter of Authority

[Guide 3.1.3](#)

The LG must request and obtain from TxDOT a state letter of authority (SLOA), which functions as a notice to proceed with the work as approved in the AFA. Projects including federal funds must also receive a federal project authorization and agreement (FPAA).

► Does the project have a SLOA?
 Yes No (*add explanation)

► Does the project have a FPAA?
 Yes No (*add explanation) N/A

*Explanation(s): _____

The project may proceed upon receipt of the FPAA/SLOA or notice to proceed by the LG as described in [Chapter 2 – Project Initiation](#). Project management of a non-construction project usually includes the following general tasks:

- procurement of consultant or professional services;
- post-award meeting (LG, TxDOT, consultants);
- execution of project scope;
- submittal of final deliverables; and
- project close-out.

Procurement of Professional Services

[Guide 3.2](#)

[FHWA Federal-aid Essentials video: Hiring a Consultant Using Competitive Negotiation Procedures](#)

If the LG is seeking reimbursement for project-related consultant or professional services, it must be specifically stated in the AFA.

If the LG desires to utilize professional services providers for architecture, landscape architecture, engineering or surveying, state and federal laws require the provider to be procured competitively on the basis of qualifications.

- ▶ *Is the LG using a consultant?*
 Yes No

If the LG desires to utilize a consultant, state and federal laws require that the consultant be procured based on demonstrated competence, knowledge, qualifications and on the reasonableness of the proposed fees for the outlined services.

The procurement procedure should be submitted to TxDOT at least 3 weeks prior to initiating the selection process. The LG's use of TxDOT's selection process or an alternate process must receive prior written approval from the TxDOT. General criteria that will be analyzed to determine acceptability of the proposed consultant selection procedure are included in the Professional Services Procurement section of the Non-Construction Projects Review checklist [\[3-1\]](#).

- ▶ *Has TxDOT approved the LG selection procedures?*
 Yes No (*add explanation) N/A

For projects including federal funding, TxDOT will review the LG's proposed service provider contract and request a disadvantaged business enterprise (DBE) goal for the services contract from TxDOT's Civil Rights Division (CIV). TxDOT will also confirm the required language from Title VI of the Civil Rights Act of 1964 is included in all procurement documents.

- ▶ *Has the LG properly incorporated TxDOT's DBE program into its procurement procedures and professional services contract?*
 Yes No (*add explanation) N/A

- ▶ *What is the DBE goal for the professional services contract?* _____

Service providers are not allowed to participate in state or federally funded projects if they are suspended or debarred. The LG must confirm prior to executing a contract that the service provider has not been suspended or debarred. Reimbursement may be denied for any service provider contracts executed prior to the LG obtaining written TxDOT approval.

- ▶ *Did the LG properly implement and document selection procedures and obtain TxDOT concurrence of selection and the contract documents?*
 Yes No (*add explanation) N/A

Any services contract amendments or supplemental agreements that individually extend the contract amount or time by 25% or more should also be sent to the local district office for review and approval.

- ▶ *Did the LG comply with the above requirement regarding contract amendments?*
 Yes No (*add explanation) N/A
**Explanation(s):* _____

Procurement of “Other” Goods and Services

[Guide 3.3](#)

If the LG is seeking reimbursement for project-related goods or services that are not for construction or professional services, the LG must follow procurements procedures that have been pre-approved by TxDOT.

A detailed description of the rules for the procurement of goods and services is provided in the [LGPP Manual](#).

- ▶ *Is the LG procuring other goods and services as a part of this project?*
 Yes No

- ▶ *If so, has TxDOT approved the LG procurement procedures?*
 Yes No (*add explanation) N/A

**Explanation:* _____

Contract Administration

[Guide 3.4](#)

Contract administration and oversight involves four general processes: project/contract planning; monitoring contract performance; payment approval with required documentation; and scope changes. The goal of contract administration is to ensure the contract is performed satisfactorily and the responsibilities of both parties are properly discharged. The primary objectives of contract administration are to:

- verify performance for the purpose of payment;
- identify “material breach of contract” by assessing the difference between contract performance and material non-performance;
- determine if corrective action is necessary; and
- take such action if required.

In order to achieve the goal and objectives, a non-construction project must have a well-defined scope of work, clear communications through project meetings, a detailed plan for monitoring the progress of the project and complete documentation of the project work elements. It is the LG’s responsibility to meet the requirements of the contract.

After the SLOA (notice to proceed) has been issued, it is strongly recommended to conduct a post-award meeting. A sample post-award meeting agenda [\[3-2\]](#) is available. The purpose of this meeting is to ensure a clear and mutual understanding between the LG and TxDOT of the contract scope, major performance milestones, invoicing, deliverables, progress reports, and expectations and authority of all parties. Following the meeting, the TxDOT project manager (PM) will prepare a summary of the meeting for the project file and submit a copy to all meeting attendees.

► *Was a post-award meeting held and a summary developed and agreed to by LG and TxDOT?*

Yes No (**add explanation*)

**Explanation(s):* _____

Monitoring Performance

[Guide 3.4.4](#)

The LG is responsible for execution of all project elements in accordance with the AFA. The TxDOT PM will provide oversight and contract administration for invoices and work progress. As a part of this execution and oversight, both parties are responsible for monitoring the performance of the contractor/consultant throughout the project and for ensuring the project is completed in accordance with the contract items detailed in the AFA.

Monthly progress reports – The LG will prepare a monthly progress report consisting of recent activity and problems encountered and submit it to TxDOT's PM with its invoice. If no activity occurred, then the LG will submit a progress report indicating no activity. A monthly progress report is mandatory and required regardless of whether an invoice is submitted.

▶ *Did the LG provide monthly progress reports as required?*

Yes No (*add explanation)

*Explanation: _____

Project meetings – When appropriate, or at the interval determined by the post-award meeting, a project meeting between the LG and TxDOT project personnel should be held. The project meeting should be used to discuss regular project activity and billings, monitor progress and discuss problems. It is recommended, at a minimum, that a project meeting should be held on a quarterly basis. The LG will prepare a summary of the meeting for the project file and submit copies to all attendees.

▶ *Were project meetings held as necessary, and summaries developed and distributed by the LG?*

Yes No (*add explanation)

*Explanation: _____

Invoices/progress payments – Progress payments are compensation paid to the LG for the value of work performed during a covered period. Payments should be based on the value of the work performed, supported by satisfactory deliverables and appropriate documentation. The LG is allowed to submit reimbursement requests, with attached status report and schedule, no more frequently than once per month. The LG is not required to submit invoices on a monthly basis but is strongly encouraged to submit reimbursement requests

each month work is performed, or as directed by the AFA. For months where no reimbursement is required, the LG should submit a status update stating the reason. This will facilitate efficient TxDOT review of requests and verification of work performed. Consistent billing by the LG is required for federal-aid projects. A federal-aid project may be defined as an inactive project obligation by FHWA if no expenditures are made for a year (see [Project Accounting](#) in Chapter 2 of the Guide).

▶ *Has the LG submitted and obtained TxDOT approval of project invoices?*

Yes No (*add explanation) N/A

*Explanation: _____

Project reviews – Project reviews can be used to verify actual performance against scheduled or reported performance. They ensure the LG is dedicating sufficient resources and appropriate personnel to the contract. Project reviews should be conducted in accordance with the oversight level established by the Oversight Special Approval form during project initiation. Following the project review, the TxDOT PM will prepare a summary of the meeting for the project files and submit a copy to the LG. Additional project reviews should be scheduled for any follow-up issues, as needed.

▶ *Were site visits conducted, and a summary provided to the LG?*

Yes No (*add explanation) N/A

*Explanation: _____

Supporting Documentation

[Guide 3.4.5](#)

With each invoice, the LG is required to submit legible and proper documentation to validate all the expenditures being claimed on the invoice, which may include timesheets, receipts and third-party invoices. The LG should coordinate with the TxDOT PM on the required supporting documentation.

▶ *Was appropriate supporting documentation provided by the LG?*

Yes No (*add explanation)

*Explanation: _____

Records

[Guide 3.4.6](#)

Project records provide documentation and support for the payments for contract work performed. [Chapter 2 - Project Initiation](#) of the Guide contains a detailed description of the types of documentation that must be kept for any transportation project and lists the federal and state regulations governing records retention. The LG must retain records as specified in the AFA and in accordance with all applicable record retention schedules. The TxDOT district must also ensure the LG is maintaining the appropriate records to aid both TxDOT and FHWA during project reviews or audits.

▶ *Were project records maintained by the LG?*

Yes No (**add explanation*)

**Explanation:* _____

Corrective Action

[Guide 3.4.7](#)

If a TxDOT PM determines the LG is not performing in accordance with the terms of the AFA, appropriate corrective action will be requested of the LG. Corrective action may involve improved communication, more frequent meetings between the LG and TxDOT, interim performance evaluations, contract amendments, suspending work, replacement of LG project personnel or subcontractors, or terminating the contract.

▶ *If required, was appropriate corrective action taken on the contract?*

Yes No (**add explanation*)

**Explanation:* _____

Supervision and Staffing

[Guide 3.4.8](#)

The LG must demonstrate to TxDOT's satisfaction that it is suitably equipped and staffed to manage all project functions. TxDOT shall be notified of any proposed changes in the LG's responsible person in charge, project manager or "qualified" person in a timely manner.

▶ *Did the LG notify TxDOT of changes to its RPIC, PM or qualified person?*

Yes No (**add explanation*) N/A

**Explanation:* _____

Application of Contract Elements

[Guide 3.5](#)

Project management of non-construction projects involves administering the contract elements required by state and federal regulations.

Contract Amendments

[Guide 3.5.2](#)

A non-construction project is implemented using the AFA and any sub-agreements between the LG and service provider. For a project involving an agreement between a LG and TxDOT, any contract amendments must be executed by both parties prior to any extra work being performed and prior to the expiration of contract time. TxDOT must formally approve any proposed contract amendment between the LG and its service provider prior to its execution.

▶ *Have all contract amendments been approved by TxDOT?*

Yes No (**add explanation*)

**Explanation:* _____

Disadvantaged Business Enterprise (DBE), Historically Underutilized Business (HUB) and Small Business Enterprise (SBE)

[Guide 3.5.3](#)

The federal and state programs for DBEs, HUBs and SBEs have been developed to encourage participation in professional services, consultant services and construction industry by a wide variety of firms and, therefore, expand diversity in the industry. All federal-aid projects are subject to DBE requirements. The LG must implement TxDOT's DBE program and coordinate closely with the district.

Prior to work commencing, the LG must ensure DBEs are certified under the [Texas Unified Certification Program](#), and retain a screenshot of the search results in the project records.

The service provider should incorporate DBE participation reporting within the monthly progress reports. TxDOT will monitor progress/good faith efforts of the DBE program during the project reviews.

- ▶ *Are all DBEs certified?*
 Yes No (**add explanation*)

- ▶ *Has the DBE participation been incorporated and provided in the monthly progress reports and reviewed by TxDOT?*
 Yes No (**add explanation*)
**Explanation(s):* _____

Americans with Disabilities Act (ADA)

[Guide 3.5.4](#)

Discrimination by public entities on the basis of disability is prohibited. The Americans with Disabilities Act requires equal opportunity for individuals with disabilities. The LG must incorporate all appropriate federal requirements in its contracts with consultants and service providers, and provide any required reporting to the TxDOT PM.

- ▶ *Has the LG complied with this requirement?*
 Yes No (**add explanation*)
**Explanation:* _____

Equal Employment Opportunity (EEO)

[Guide 3.5.5](#)

The LG, as a contracting agency, has a responsibility to ensure all federal-aid contractors, subcontractors, vendors and material suppliers do not discriminate in employment and contracting practices based on race, color, religion (in the context of employment), sex, national origin, age or disability.

The LG must adopt TxDOT's EEO program or submit an alternate program proposal for TxDOT and FHWA approval, which is included in the AFA.

▶ *Did the LG adopt TxDOT's EEO program or submit and receive approval for an alternate program?*

Yes No (**add explanation*)

**Explanation:* _____

Lobbying Certification

[Guide 3.5.6](#)

Lobbying is the attempt to influence decisions made by officials in the government, including elected officials and those who work for regulatory agencies. [49 CFR Part 20](#) prohibits federal funds from being expended to influence or attempt to influence a federal agency or Congress in connection with the award of any federal contract or grant. By signing a contract or subcontract, a consultant or service provider to the LG is certifying it will comply with lobbying restrictions.

▶ *Has the LG complied with the lobbying certification requirements?*

Yes No (**add explanation*)

**Explanation:* _____

Chapter 4 – Preliminary Engineering and Design

The Preliminary Engineering and Design phase defines the overall project configuration, which has elements applicable to both construction and non-construction projects. This phase may include procurement of professional services, design schematic and layouts, and early phases of design (also considered to be 30% complete plans, specifications and estimates). Preliminary studies may be performed in this phase, including environmental assessments, surveys, geotechnical studies, hydrologic/hydraulic analyses, traffic studies, etc.

This phase includes the following general tasks.

- Procure consultant services (including conformance to Title VI), if necessary
- Kick-off meeting (LG, TxDOT, design consultants)
- Develop design criteria
- Develop preliminary design (30%) and cost estimates
- Identify environmental compliance issues
- Begin utility coordination – right-of-way requirements, utility relocations, etc.
- Coordinate with the Federal Aviation Administration (FAA), if necessary
- Develop standard specifications
- Develop necessary access and railroad agreements

Procurement of Professional Services

[Guide 4.3](#)

If the LG is seeking reimbursement for project-related consultant or professional services, it must be specifically stated in the AFA. For LG projects on which the LG desires to utilize professional services providers for architecture, landscape architecture, professional engineering, construction management or surveying services, state and federal laws require the consultant to be procured competitively on the basis of qualifications.

- *Is the LG using a consultant?*
 Yes No

The LG's selection process must receive prior written approval from TxDOT. The LG should submit its selection procedures to the district as early as possible in order not to delay the project. To ensure timely approval, the procedure should be submitted to TxDOT at least three weeks prior to initiating the selection process. Also, if the LG proposes to apply its costs paid for consultant services to the non-federal share of a project or program, the LG must provide documentation that it has followed a consultant selection process approved by TxDOT. General criteria that will be analyzed to determine acceptability of the proposed consultant selection procedure are included in the Professional Services Procurement Review checklist [4-1].

▶ *Has the LG submitted the LG selection procedures to TxDOT and received TxDOT approval?*

Yes No (*add explanation) N/A

*Explanation: _____

For projects including federal funding, the TxDOT district will review the LG's proposed consultant contract and request a DBE goal for the professional services contract from TxDOT's Civil Rights Division (CIV). The LG must adopt TxDOT's disadvantaged business enterprise (DBE) program for use on projects with federal funds and incorporate the program requirements into the professional services contract. The TxDOT district will also confirm the required language from Title VI of the Civil Rights Act of 1964 is included in all procurement documents.

▶ *Has the LG properly incorporated TxDOT's DBE program into its procurement procedures and professional services contract?*

Yes No (*add explanation) N/A

*Explanation: _____

▶ *What is the DBE goal for the professional services contract?* _____

Professional service providers (contractors and suppliers) are not allowed to participate in state or federally funded projects if they are suspended or debarred. The LG must confirm prior to executing a contract that the service provider has not been suspended or debarred. Reimbursement may be denied for any professional services contracts executed prior to the LG obtaining written TxDOT approval.

▶ *Did the LG properly implement and document consultant selection procedures and obtain TxDOT concurrence of selection and the contract documents?*

Yes No (*add explanation) N/A

*Explanation: _____

Any professional services contract amendments or supplemental agreements that individually extend the contract amount or time by 25% or more should also be sent to the local district office for review and approval.

▶ *Did the LG comply with the above requirement regarding contract amendments?*

Yes No (*add explanation) N/A

*Explanation: _____

General Design Guidelines

[Guide 4.4](#)

The Preliminary Engineering and Design phase of both construction and non-construction projects includes the development of design guidelines that include requirements specified by state and federal statutes. The LG is strongly encouraged to submit preliminary design concepts for TxDOT’s review and approval, and to follow the principals of the design concept conference as outlined in TxDOT’s [Project Development Process Manual](#). For projects with a design concept conference, the TxDOT district must send staff with appropriate expertise to represent TxDOT.

The LG should provide a listing of the proposed design guidelines to be used for development of the project using a Design Summary Report [\[4-2\]](#) or similar document. This may include the American Association of State Highway and Transportation Officials’ (AASHTO) “[A Policy of Geometric Design of Highways and Streets](#)”, TxDOT’s [Roadway Design Manual](#), the [Texas Manual on Uniform Traffic Control Devices](#), [American Institute of Architects](#) (AIA) documents, the [Mandatory Building Codes](#), etc. Established guidelines and standards from sources such as these are minimum acceptable guidelines.

Variations in elements of the approved guidelines may be permitted, but they must be submitted to TxDOT with a request for design exception/waiver as detailed in the Roadway Design Manual. If the LG does not want to use TxDOT or other approved guidelines, its proposed guidelines must be submitted to TxDOT for review and approval. The General

Design Guidelines Checklist [4-3] or similar form may be used to ensure the selected design criteria for the project has been addressed.

If the LG is performing the design survey for a project on the state highway system, the LG will need to satisfy the requirements of the [TxDOT Survey Manual](#) and the district where the project is located, as well as satisfying applicable regulations under federal and state funding programs. If the LG is performing the design survey for its own project off the state highway system, the LG may follow its own standard survey procedures.

Design Concept Conference

[Guide 4.4.3](#)

For significant highway projects, the LG is strongly encouraged to follow the principals of a design concept conference as outlined in TxDOT's [Project Development Process Manual](#) to facilitate agreement to basic project features by all concerned parties. Use of the Design Summary Report (DSR) format [4-2] for significant highway projects is suggested to formally document agreements reached at the conference. Elements of the DSR may also be applied to smaller highway and non-highway projects. The LG, TxDOT and consultants should participate.

► *Did the LG conduct a design concept conference and provide a Design Summary Report, or similar document, for TxDOT approval?*

Yes No (*add explanation) N/A

*Explanation: _____

Preliminary Engineering Design for Construction

[Guide 4.5](#)

The LG is strongly encouraged to submit preliminary layouts for TxDOT's review and approval. This will ensure the LG is properly applying appropriate design criteria for the project. Early coordination will lessen the likelihood of any misunderstandings regarding state and federal project requirements and, therefore, will help the LG avoid the risk of costly re-design later in project development. Schematic development includes a scaled plan view geometric layout showing horizontal alignment with associated profile grade alignment for roadways. Typical sections, pavement designs and bridge layouts, if applicable, should be included. For building projects scaled plan views, elevations, typical wall details and floor plans should be provided.

If a LG has its own design specification and standards it wants to use on a project, the LG needs to submit them for review and approval by the TxDOT district (in coordination with TxDOT's Design Division and other TxDOT divisions). TxDOT needs adequate time to review the proposed standards and specifications; therefore, the LG should submit them at the 60% level of design. Later submissions may delay TxDOT issuance of authority to proceed with the next phase of the project.

For all projects with state or federal funds and/or projects on the state highway system regardless of funding source, the district is to assure the LG selects the proper functional classification, and uses acceptable traffic data and the appropriate design level of service.

Preliminary environmental findings should also be submitted for consideration along with the schematic layouts.

TxDOT written approval is required for all access connections (facilities for entry and/or exit, i.e. driveways, streets, roads, highways) that connect to the state highway system. Proposed access connections should be indicated on schematic layouts.

Value engineering (VE) studies are required on federally funded projects on the federal-aid system with an estimated total project cost greater than \$50 million and bridge projects with an estimated total project cost greater than \$40 million. This requirement must be fulfilled before construction is authorized. The LG is encouraged to conduct the VE study soon after completion of the geometric schematic (approximately 30% design stage) to facilitate economical incorporation of all VE recommendations into the plans, specifications and estimates (PS&E).

Issues involving the need for right-of-way acquisition, utility relocations, railroad coordination, and Federal Aviation Administration coordination should be identified during Preliminary Design and usually are involved with construction projects. Since resolution of each of these items can be time-consuming and should be completed prior to commencement of construction, initiation of these activities should begin as early in the project development process as is feasible. Certifications that each of these items has been completed are required prior to issuance of a SLOA to advertise for construction.

A checklist for documentation/coordination for Preliminary Engineering Design for Construction is available [\[4-4\]](#).

► *Did the LG submit preliminary layouts and other associated documents for TxDOT review and approval?*

Yes No (*add explanation) N/A

▶ *Did the LG submit preliminary environmental information along with preliminary layouts/schematics?*

Yes No (*add explanation) N/A

▶ *Has the LG obtained TxDOT written approval for all required access connections for the project?*

Yes No (*add explanation) N/A

▶ *Does this project meet the requirements to have VE studies performed?*

Yes No

▶ *If so, was the VE study performed in accordance with TxDOT or industry standards?*

Yes No (*add explanation) N/A

▶ *Has the LG provided adequate documentation to demonstrate that issues involving right of way, utilities, railroad and FAA coordination are in progress?*

Yes No (*add explanation) N/A

*Explanation(s): _____

Chapter 5 – Environmental Compliance

Environmental compliance responsibilities vary depending on the attainment status of the project area, traffic volumes and scope of the project. Project scoping for categorical exclusions, environmental review documents and amendments detail the process for environmental review and approval, and are available on TxDOT's [NEPA and Project Development Toolkit](#) web page. The legal requirements for highway projects are different from the requirements for other transportation projects. The legal requirements for highway projects being developed by a formally designated LG project sponsor are different from the requirements for a project being developed by a LG that has not been formally designated as a LG project sponsor. LG-sponsor highway projects have different requirements than TxDOT-sponsor highway projects. Other conditions also affect legal requirements.

Environmental compliance issues should be identified early in the project by the local government (LG) in cooperation with the TxDOT district's environmental coordinator since requirements may impact Project Initiation tasks, including the details in the advance funding agreement (AFA). The Environmental Compliance phase of any transportation project occurs throughout project development and execution, and runs concurrently with all the other phases. An additional Environmental Compliance Review Checklist is available [\[5-1\]](#).

General Environmental Compliance Requirements

[Guide 5.2](#)

[FHWA Federal-aid Essentials video: Overview of NEPA as Applied to Transportation Projects](#)
[FHWA Federal-aid Essentials video: Mitigation of Environmental Impacts and Environmental Commitment Compliance](#)

If the LG is going to perform (by its own forces or by consultants) the environmental phase of a transportation project, it is recommended the LG has early coordination with the TxDOT district's environmental coordinator (due to the complexity of environmental regulations and the potential requirements to be applied to any individual LG project). The district will request assistance from TxDOT's Environmental Affairs Division, as necessary, to identify environmental requirements for the proposed project.

Environmental permits, issues and commitments (EPICs) are any permits, issues, coordination commitments or mitigation obligations necessary to address, offset or compensate for social, economic or environmental impacts of a project (including sole source aquifer coordination, wetland permits, stormwater permits, traffic noise abatement, threatened or endangered species coordination, or archaeological permits and any mitigation or other commitments associated with the project). EPICs must be specified in the

construction documents and will be monitored for compliance during construction and for a defined period of time after completion of construction. A digital version of the [standard EPIC sheet](#) is available on the TxDOT website.

Environmental compliance for projects with federal funding occurs under the umbrella of the National Environmental Policy Act (NEPA). NEPA requires an agency to take a “hard look” at the environmental impacts and document the extent to which a project will or will not have a significant environmental impact. Environmental compliance under state jurisdiction in Texas follows a process similar to NEPA requirements and procedures. If the AFA indicates the LG is managing the environmental process for the project, the LG is responsible to perform all studies, public involvement and coordination required under state and federal statutes and regulations, and submit appropriate documents to the TxDOT district’s environmental coordinator.

Specific Environmental Compliance Requirements

[Guide 5.3](#)

[FHWA Federal-aid Essentials video: Overview of Other Laws and Requirements](#)

Specific environmental compliance requirements include information regarding archaeological, biological, water and historic resources, as well as information related to social issues and other legal requirements.

▶ *Has the LG developed the environmental scoping document and received TxDOT approval?*

Yes No (*add explanation)

▶ *Has the LG provided the required environmental document(s) and obtained approval?*

Yes No (*add explanation)

▶ *Has the LG properly prepared (or had prepared) the EPIC sheet?*

Yes No (*add explanation) N/A

*Explanation(s): _____

Chapter 6 – Right of Way and Utilities

Right-of-Way and Other Land Acquisition

[Guide 6.2](#)

[FHWA Federal-aid Essentials video: Introduction to Right-of-Way Requirements and the Uniform Act](#)

► If this phase is not applicable for this project, check here: N/A

Comments: _____

TxDOT has developed a [ROW Real Estate Acquisition Guide for Local Public Agencies](#) (also known as LGs). Land transactions occurring between TxDOT and LGs are divided into two broad categories: right of way for roads; and interest in land used for other purposes. Acquisition of new or additional right of way for transportation projects can be the responsibility of either the LG or TxDOT. In all cases state or federal law requires all right-of-way purchases to be done in conformance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. The requirements for complying with the Act are specified in TxDOT's [Right of Way Division \(ROW\) manuals](#). LG and TxDOT project personnel should familiarize themselves with the responsibilities for right-of-way acquisition and relocation assistance for each party, as defined in the AFA.

A Parcel Review Checklist for compliance with the Uniform Act (applicable to both on-system and off-system projects) is available [\[6-1\]](#). Various forms and documents for ROW activities are available on the [Right-of-Way Forms](#) web page. An additional Right-of-Way Review Checklist for on-system projects is also available [\[6-2\]](#).

The LG will need to submit to the district a Right-of-Way Certification Statement; the specific statement provided will be contingent upon the required ROW action(s) for the project. A sample of those statements is available [\[6-3\]](#). A FPAA and SLOA are required prior to the purchase of right of way for projects using state or federal funds.

If the LG is receiving any donated right of way, a donation letter similar to the sample [\[6-4\]](#) should be utilized.

► Has the LG acquired all required right of way for the project?

Yes No (*add explanation)

▶ *Has the LG followed all requirements of the TxDOT ROW Real Estate Acquisition Guide for Local Public Agencies?*

Yes No (*add explanation) N/A

*Explanation(s): _____

Utility Accommodation for Transportation Projects

[Guide 6.3](#)

▶ *If this phase is not applicable for this project, check here:* N/A

Comments: _____

If utilities exist within the current right of way or in the proposed right of way, they will frequently need to be relocated to allow for construction of a transportation project. Depending upon the terms of the agreement between the LG and the state, either party may be responsible for utility coordination. The utility coordination is to be performed in accordance with the local utility procedure and state utility procedure, or federal utility procedure, as applicable. TxDOT's [ROW Utilities Manual](#) defines the required procedures for utility relocations and coordination.

A Utilities Review Checklist for documentation/coordination for utility relocation items is available [\[6-5\]](#).

When it is necessary to extend utility service to projects such as new buildings or rest areas, the party constructing the project usually provides for the extension of utilities, such as water service, electric service or telecommunications service. Usually, this is handled by the responsible party (LG or TxDOT) in the customary fashion for the local utility provider. If a special form of contract is necessary, the LG should contact the district. The district will coordinate with TxDOT's Contract Services Division, as necessary.

The LG will need to submit to the district a Utility Certification Statement; the specific statement provided will be contingent upon the required utility action(s) for the project. A sample of those statements is available [\[6-6\]](#).

Any utility relocation or extension on a project in which any federal funds are being utilized will require compliance with the Buy America program.

▶ *Has the responsible party had all required utility relocations completed for the project?*
 Yes No (**add explanation*)

▶ *Have all utility relocations been performed in accordance with TxDOT's ROW Utilities Manual?*

Yes No (**add explanation*) N/A

**Explanation(s):* _____

Chapter 7 – Plans, Specifications & Estimates (PS&E) Development

The PS&E phase of a local government (LG) construction project generally occurs after the execution of the advance funding agreement (AFA), completion of Project Initiation tasks and after the 30% complete design is reviewed by TxDOT in the Preliminary Engineering and Design phase. The PS&E Development phase may run concurrently with the Environmental Compliance and Right of Way and Utilities phases. However, proceeding with tasks concurrently is done with some risk by the LG if all of the environmental commitments have not been cleared.

The LG should coordinate with the TxDOT district office early in the PS&E phase of the project in order to proceed efficiently with design. The project development staff in the TxDOT district is the primary contact point for the LG for development and approval of engineering PS&E. If the LG is developing engineering PS&E, the LG will transmit the plans to the TxDOT district staff for review and approval. The district is responsible for coordinating with the appropriate engineering divisions in Austin and for providing the final approval of the PS&E for highway, enhancement and other projects.

A checklist for documentation/coordination for Preliminary Engineering Design for Construction Review Checklist is available [\[4-4\]](#).

Design – Highways and Roads

[Guide 7.2](#)

[FHWA Federal-aid Essentials video: Project Geometric Design Requirements](#)

[FHWA Federal-aid Essentials video: Pedestrian Accessible Design Requirements](#)

For all projects with state or federal funds, and/or all projects on the state highway system regardless of funding source, the LG must develop the project using design criteria in TxDOT's [Roadway Design Manual](#). Functional classification must be based on TxDOT's [Statewide Planning Map](#). Traffic data for the selection of design criteria must conform to the ranges listed in TxDOT's [Roadway Design Manual](#). Projected traffic volumes will be based on a design year that is 20 years from completion of construction, unless otherwise directed or approved by TxDOT. Projected traffic volumes for projects on the state highway system will be furnished by TxDOT's Transportation Planning and Programming Division. Projected traffic volumes for projects off the state highway system will be furnished by the LG.

The American Association of State Highway and Transportation Officials' (AASHTO) [Guide for the Development of Bicycle Facilities](#) is the guide for the design of bicycle lanes and bicycle paths. For projects where state statutes allow, the LG may suggest alternate design criteria

by submitting a written justification to TxDOT for approval. Any requests should be submitted for approval early in the design process.

For project types not covered by TxDOT's Roadway Design Manual or AASHTO's Guide for the Development of Bicycle Facilities, fundamental aspects of the project, appropriate guidance manuals and design criteria should be identified and agreed upon at the design concept conference. Use of recognized design criteria from industry groups is recommended.

There may be occasions when one or more design elements do not meet established criteria. The approval authority for design exceptions and design waivers is established by policy in TxDOT manuals, or by agreement between the LG and TxDOT in the AFA.

All projects, regardless of cost, must comply with the provisions of the [ADA Accessibility Guidelines](#), [Texas Accessibility Standards](#) (TAS) and [16 TAC §68.102](#). The LG is responsible for submitting plans and specifications to a registered accessibility specialist (RAS) licensed by the Texas Department of Licensing and Regulation (TDLR) for public right-of-way projects with pedestrian elements estimated to cost at least \$50,000, building or facilities projects, and hike/bike trail projects. Variances to the TAS must be approved by TDLR.

Design - Traffic

[Guide 7.3](#)

[FHWA Federal-aid Essentials video: Transportation Management Plan Requirements](#)

For federally funded projects, the LG must prepare a Transportation Management Plan (TMP), which includes Public Information Plan, Traffic Operations Strategies and a Traffic Control Plan (TCP). For LG projects without federal funds, the LG must prepare a TCP. The TCP is defined as all documents pertinent to the proposed efficient, effective and safe travel of the public through work zones on a construction project, including the safety of construction workers and inspection personnel. The LG must prepare the plans and specifications for all LG projects in compliance with the [Texas Manual on Uniform Traffic Control Devices](#).

For design-bid-build projects with state or federal funds, or on the state highway system regardless of funding source, the LG must:

- submit a completed Form 2229 [[7-1](#)], which is the form used for significant project determination, to TxDOT early in the project development phase;
- develop the TMP/TCP, as applicable, and include it in the contract documents (for projects or classes of projects that the LG or TxDOT determines to have less than significant work zone impacts, the TMP may consist only of a TCP); and

- adopt TxDOT's [LG Standard Specification Item 7L](#) and [Standard Specification Item 502](#) or submit alternate specifications to TxDOT for approval (include required special provisions or equivalent).

Design – Bridges and Structures

[Guide 7.4](#)

A checklist of information to be shown on bridge layouts and samples of bridge layouts is contained in TxDOT's [Bridge Detailing Guide](#).

For projects with state or federal funds, all projects on the state highway system regardless of funding source and all projects off the state highway system but connecting to or crossing a state highway, the LG must:

- submit bridge layouts to TxDOT for approval (subsequent changes to the bridge layout must also be submitted for TxDOT approval); and
- submit final bridge plans to TxDOT with the PS&E.

State and federal regulations require TxDOT manuals, procedures, standards and guidelines to be followed for all other types of structures designed and subsequently built on the state highway system. Common types of structures include retaining walls, sound walls, culverts, junction boxes, manholes, signs, light and signal poles, etc. Other structures off the state highway system built with no state or federal funds may be designed in accordance with standards adopted by the LG.

Geotechnical studies are performed primarily for pavement design and structures (i.e., bridges, retaining walls, etc.), and for excavation and embankment stability evaluation. TxDOT practices are contained in TxDOT's [Geotechnical Manual](#). For projects with state or federal funds, or all projects on the state highway system regardless of funding source, the LG must perform geotechnical studies in compliance with TxDOT's Geotechnical Manual. If TxDOT's Geotechnical Manual does not address all items within the project scope, the LG must propose an alternative standard and seek approval from TxDOT.

Design – Building Facilities

[Guide 7.5](#)

LGs may be involved in the construction of buildings with TxDOT. The Roadside Facilities group in TxDOT's Maintenance Division in Austin is responsible for the review of all architectural and engineering PS&E for building projects on the state highway system or built with state or federal funds. Examples of LG projects involving buildings include emergency operations centers, rest areas, park buildings and transportation museums.

- ▶ *Has the LG submitted the plans to a RAS for review and approval?*
 Yes No (*add explanation) N/A

- ▶ *Is the LG design in accordance with established and agreed-upon design criteria?*
 Yes No (*add explanation)

- ▶ *If not, has the LG requested and TxDOT granted design exceptions or waivers?*
 Yes No (*add explanation)

*Explanation(s): _____

Bid Document Preparation

[Guide 7.6](#)

The bid documents (PS&E) are prepared by the LG and submitted to the TxDOT district for review and approval. On most projects, it is recommended the PS&E be submitted at the 60% and 90% complete stages in order to receive TxDOT concurrence during development of the design aspects of the project.

Specifications and General Conditions

Specifications are the directions, provisions and requirements that outline the description of work and the methods and manner work is to be performed. Specifications and special provisions for highway and road projects are an integral part of the contract between the LG and the contractor.

For all projects with state or federal funds, and/or all projects on the state highway system regardless of funding source, a LG must either adopt the latest TxDOT standard specifications, special specifications and required special provisions, or request TxDOT written approval of alternate, equivalent specifications. TxDOT’s [2024 Standard Specifications for Construction and Maintenance of Highways, Streets and Bridges](#) are the latest TxDOT standard specifications.

When a LG adopts TxDOT’s specifications for use on a LG-managed project, Items 1-9 need to be modified or special provisions need to be created for the contract documents to reflect the LG as the owner of the project. TxDOT has developed a [version of Items 1-9](#) to assist the LG in properly addressing these issues. They are referred to as the Local Government General Conditions (LGGC). These “general conditions,” along with additional requirements

specified by the particular LG, are intended to replace Item 1-9 in TxDOT's standard specifications on projects let by a LG.

If TxDOT approves the LG to use an alternate specification to the TxDOT standard specifications, the LG is to use the LGGC as guides for the contract language to be used in LG general conditions. The LG should review and compare LG general conditions to TxDOT LGGC for possible conflicts and remove all conflicts between the documents, without removing any applicable state or federal requirements.

Whenever a LG proposes to modify an existing TxDOT special provision for incorporation into the LG project, it must be renamed/renumbered so it is clearly identified as differing from the TxDOT special provision or special specification from where it was derived. TxDOT has developed [versions of certain special provisions](#) for use specifically on LG-let projects using the TxDOT 2014 standard specifications. Proposed specifications are to be submitted to TxDOT at 60% design completion to give TxDOT sufficient time for review and comment. Late submissions may delay TxDOT with issuing the authority to proceed with the next phase of the project. The LG must also include TxDOT's "Contractor's Assurance" document in all contract documents [7-2].

▶ *Has the LG adopted TxDOT standard specifications, special specifications and required special provisions?*

Yes No

▶ *If not, has the LG submitted and received TxDOT written approval of alternate, equivalent specifications?*

Yes No (*add explanation) N/A

*Explanation(s): _____

Federal and State Requirements

[FHWA Federal-aid Essentials video: Buy America Contract Requirements](#)

[FHWA Federal-aid Essentials video: Form FHWA-1273](#)

The LG must incorporate all applicable federal and state requirements in its bid documents. The Bid Document Checklist [7-3] should be completed by the LG, submitted to the TxDOT district along with the PS&E submittal and included in its project records. All columns for applicability, page number, LG task completion verification name and date should be completed for each item in the checklist. The district will review the PS&E and note its

verification that required items are included in the plans and project manual by filling in the TxDOT task completion verification name and date for each item on the checklist.

Applicable items may include:

- bonding;
- Buy America provisions;
- child support documentation;
- contract time;
- debarment certification;
- designated material sources/disposal sites;
- disadvantaged business enterprise/historically underutilized business/small business enterprise programs;
- Title VI and nondiscrimination programs;
- equipment rental rates;
- Federal Highway Administration (FHWA) final rule on temporary traffic control devices;
- Form FHWA-1273;
- liquidated damages;
- incentives/disincentives;
- lobbying certification;
- local hiring preferences;
- materials;
- method of construction (or method of bidding);
- non-collusion statement;
- nondiscrimination against persons with disabilities;
- non-responsive bid;
- non-segregated facilities;
- quality assurance plan;
- patented/proprietary products;
- qualification/pre-qualification;
- prevailing minimum wage;
- prison-produced materials;
- publicly owned equipment;
- railroad insurance provision;
- retainage;
- safety/accident prevention (Occupational Safety and Health Administration);
- state or local preference;
- subcontracting;
- termination or default of contract;
- trench safety; and

- warranties and warranty clauses.

For projects on the state highway system, the LG must require potential bidders to be prequalified by TxDOT. For projects off the state highway system, the LG may require, or choose not to require, potential bidders be prequalified by TxDOT. If an alternate prequalification process is used, it should be relatively short so it can be completed during the project advertising period.

If the LG wants to use prequalification or qualification criteria in addition to those prescribed by TxDOT, the criteria must be approved by TxDOT before becoming part of the bid documents. Any additional LG-proposed criteria must clearly relate to the determination of whether or not the bidder is “responsible.” A “responsible” bidder is one that is physically organized and equipped with the financial wherewithal to undertake and complete the contract. If the LG uses a post-bid qualification process, it may only include objective criteria defined within the bid documents and not be a consideration in determination of the lowest bid. A LG’s prequalification or qualification process should not be used to limit competition or discourage the submission of a bid by an otherwise responsible contractor.

The LG must define liquidated damages (LD) in the bid documents. The LG shall not use TxDOT’s LD rates. Instead, the LG must submit documentation of how it derived its LD rates, and TxDOT must approve the method of calculation. An example of items that may be included in LD calculations is available [\[7-4\]](#).

The Sample Bidder Certification statement [\[7-5\]](#) covers non-collusion, commitment to securing bonds, representation of authorized signatory, and truth and accuracy of proposal. A Child Support Statement [\[7-6\]](#) and sample State of Texas Child Support Business Ownership Form [\[7-7\]](#) are also available. Each bid submitted must include a list of all the names and Social Security numbers of the individuals, partners, shareholders or owners with an ownership interest of at least 25% for the successful bidder. Failure to submit this information with a bid makes it non-responsive and ineligible for award.

For all projects with federal funds, the LG must incorporate contract language in the bid documents that addresses the prohibition of use of services, systems, or services or systems that contain components produced by manufacturers named by [2 CFR 200.216](#) and [2 CFR 200.471](#).

Several additional contractor certifications are required to be incorporated into the bid documents, including provisions related to certain prohibited boycott and discriminatory

actions, conflict of interest, and disclosures of public information. These [certifications](#) are available online.

The LG must adopt TxDOT's DBE program and use the most current version of TxDOT DBE special provisions for federally funded projects. During its review of projects including federal funding, the TxDOT district will review the LG's proposed bid documents and request a DBE goal for the construction contract from TxDOT's Civil Rights Division. The LG must incorporate the TxDOT-approved project goal into the bid documents before advertising.

The LG must include environmental permits, issues and commitments (EPIC) sheets (as discussed in [Chapter 5 - Environmental Compliance](#)) in the contract plans using the format in the latest standard plan sheet available on TxDOT's [website](#).

Ideally, all right of way is acquired and all utilities are adjusted before construction begins. This gives the contractor unrestricted access to the project and minimizes the potential for delays during construction. When this is not accomplished, the LG must present to TxDOT (along with the PS&E submittal) the status of acquisition and adjustment before TxDOT issues authorization to proceed with construction. The status includes a reasonable date by which acquisition and adjustment is anticipated. It is important these dates be accurate, as the anticipated dates become part of the construction contract, and delays can lead to contractor claims and additional project costs.

▶ *Is the LG using TxDOT's prequalification process?*

Yes No (*add explanation)

▶ *Has the LG received TxDOT approval for additional or alternative prequalification/qualification criteria?*

Yes No (*add explanation)

▶ *Did TxDOT approve the LG's method of calculation for establishing LDs?*

Yes No (*add explanation)

▶ *Did the LG incorporate the required DBE provisions and include the TxDOT-approved DBE goal?*

Yes No (*add explanation)

**Explanation(s):* _____

Submittal of PS&E Documents

[Guide 7.6.2](#)

[FHWA Federal-aid Essentials video: Environmental Requirements](#)

[FHWA Federal-aid Essentials video: Utility Coordination and Certification Requirements](#)

[FHWA Federal-aid Essentials video: Railroad Coordination and Certification Requirements](#)

[FHWA Federal-aid Essentials video: Right-of-Way Coordination and Certification Requirements](#)

It is recommended the final PS&E be submitted to TxDOT at least 20 weeks prior to the proposed letting date. Some districts may allow a shorter review time. Upon final submittal, the PS&E and bid documents are reviewed and approved by TxDOT (and FHWA, when required), and a state letter of authority (SLOA) and a federal project authorization and agreement (FPAA), if required, are issued, which allow advertising of the construction phase of the project.

For construction projects requiring TxDOT approval, the format and content of the PS&E will be as described in TxDOT's [PS&E Preparation Manual](#), and should be submitted as shown in TxDOT's [Form 1002](#).

As stated in the Preliminary Engineering and Design phase, value engineering studies must be performed for all federally funded projects with an estimated cost greater than \$50 million and for all federally funded bridge projects with a total estimated cost greater than \$40 million. This requirement must be fulfilled before construction is authorized.

Federal-aid projects require a statement, often referred to as the railroad certification [[7-9](#)], from TxDOT and the LG confirming the appropriate railroad coordination has taken place. This certification is required for all federal-aid highway construction projects and is required prior to receiving the SLOA and FPAA. The railroad certification should address one of three possible situations:

- no railroad facilities will be impacted by the LG project;
- all railroad work will be completed prior to the start of the LG project; or
- work on the railroad facility is part of the LG construction project.

The LG must determine if the proposed project requires coordination with the Federal Aviation Administration (FAA) due to potential interference with navigational airspace (such

as possible encroachments in take-off and landing patterns). Documentation of satisfactory coordination with FAA must be provided to TxDOT before the project may be authorized for construction.

- ▶ *Has the LG received TxDOT written approvals of the PS&E and bid documents?*
 Yes No (*add explanation)

- ▶ *Has the LG completed and included the EPIC sheet for this project and obtained the required NEPA environmental clearance?*
 Yes No (*add explanation) N/A

- ▶ *Has adequate documentation and certification been provided to TxDOT that all right of way has been acquired and all utilities have been adjusted?*
 Yes No (*add explanation) N/A

- ▶ *If not, has the LG provided written documentation indicating the status of acquisition and adjustments with firm dates by which these efforts will be completed?*
 Yes No (*add explanation) N/A

- ▶ *Has adequate documentation and certification been provided to TxDOT that any necessary railroad agreements have been executed?*
 Yes No (*add explanation) N/A

*Explanation(s): _____

Chapter 8 – Letting and Contract Award Phase

▶ If this phase is not applicable for this project, check here: N/A

Comments: _____

State Letter of Authority

[Guide 8.2.2](#)

The state letter of authority (SLOA) is a form that must be issued by TxDOT on all projects whether the work is competitively bid or performed by the LG. The SLOA must be signed and dated prior to advertisement of the project. A federal project authorization and agreement (FPAA) is also required for all federally funded projects. The respective TxDOT districts are responsible for issuing all SLOAs and for obtaining all FPAA's from TxDOT's Financial Management Division. Upon issuance of the FPAA by FHWA, work can begin as described in the FPAA. The FPAA outlines federal, state and local funding participation. The approval of the FPAA by FHWA indicates the amount and ratio the federal government will participate and reimburse TxDOT. A checklist for the documentation/coordination for a SLOA is available [\[8-1\]](#).

▶ Have the SLOA and FPAA, if applicable, been issued for this project?

Yes No (*add explanation)

*Explanation: _____

Advertisement

[Guide 8.2.3](#)

[FHWA Federal-aid Essentials video: Project Advertisement, Bid Review and Request for Concurrence in Award](#)

An advertisement is the official announcement inviting bids for construction work. The local government (LG) may only advertise a project following TxDOT's approval of the plans, specifications and estimates (PS&E) package, and execution of the SLOA and the FPAA. On federal-aid projects, the minimum advertising period is three weeks (21 days) prior to the bid opening. For large and complex projects, the advertisement period should be greater than three weeks to permit prospective bidders adequate time to prepare a responsive bid proposal. The LG's advertisement must be published for at least two successive weeks in at least one newspaper of general circulation in accordance with the applicable sections of the Local Government Code. The advertisement for bids must include a notice that: describes

the scope of work; states the location where the bidding documents, plans, specifications or other data may be examined or purchased by all bidders; states the time and place for submitting bids and the time and place where bids will be opened; and states the online location of the information, if it's available on a website.

The Texas Comptroller of Public Accounts has a web page called the [Texas SmartBuy Membership Program](#) that provides access to a supplemental forum for advertising projects called the Electronic State Business Daily (ESBD). Utilization of internet advertising by the LG is also acceptable for federal aid projects as a supplement to traditional means. However, internet advertisement is only supplemental to the newspaper advertisement described above and cannot be used as a substitute for such newspaper advertisement. TxDOT encourages LGs to post their letting notices for project contracts in the ESDB. Instructions on obtaining an account for posting on the ESBD is attached [8-2].

Scheduling a pre-bid meeting to address prospective contractors' concerns and questions is considered a good industry practice. Any notice of a pre-bid meeting must include specific information regarding the scheduled date, time and place. Mandatory pre-bid meetings are allowed; however, they may restrict the number of bidders and are, therefore, discouraged. A sample pre-bid meeting agenda is available [8-3]. TxDOT is encouraged to attend any scheduled pre-bid meeting.

▶ *Were the SLOA and FPAA, if applicable, issued prior to commencement of advertising?*
 Yes No (*add explanation)

▶ *Was the initial advertisement at least 21 days prior to opening of bids?*
 Yes No (*add explanation)

▶ *Were the advertisements in the city/county in which the project is located in accordance with the applicable sections of the Local Government Code?*
 Yes No (*add explanation)

▶ *Was the project posted on the ESBD?*
 Yes No

▶ *Was a pre-bid meeting held?*
 Yes No (*add explanation)

*Explanation(s): _____

Distribution of Bid Documents and Addenda

[Guide 8.2.4](#)

The advertisement and approved plans and specifications must be available to bidders a minimum of three weeks prior to the opening of the bids. Shorter periods may be approved by TxDOT. However, this is rare and only in “emergency” situations. The distribution of bid documents will be in accordance with the advertisement or request for proposals.

Bid documents will specify the location where and the time when bids must be received. All hard copy bids should be submitted in sealed envelopes marked as specified in the bid documents. At the time of receipt of each bid package, the LG shall indicate the time of receipt on the exterior of each bidder’s envelope and enter the bid receipt on a bid log. Envelopes must not be opened until the bid opening. Any bids submitted in person after the deadline should not be accepted. Bids received by courier or other delivery services after the time deadline stated in the bid documents will be marked with the time of receipt on the outside of the envelope and entered on the bid log but shall not be opened. All bids received shall be kept in a secure location from the time of receipt until the bids are opened.

An addendum is an addition, correction or change to items in the bid documents. Since an addendum constitutes a deviation from the TxDOT-approved PS&E, the obligation of federal funds may be impacted by the change. Therefore, TxDOT must approve an addendum prior to release to the prospective bidders. The LGP Addendum Request form is available to assist the LG with its submission to TxDOT [8-4]. An addendum should not be used for trivial changes not anticipated to impact the bids. All prospective bidders must be made aware of any addendum as expeditiously as possible. The most important consideration in an addendum process is to give all potential bidders enough time to fully evaluate the effect of the changes and to adjust their bid accordingly.

▶ *Were all requirements for distribution of bid documents and receipt of bids properly executed?*

Yes No (*add explanation)

▶ *Were any addenda issued?*

Yes No N/A

▶ *If so, did TxDOT approve all addenda prior to distribution?*

Yes No (*add explanation) N/A

► *Were all prospective bidders notified of the addenda expeditiously and far enough ahead of the bid opening to allow potential bidders to fully evaluate the addenda?*

Yes No (*add explanation) N/A

*Explanation(s): _____

Bid Opening and Tabulation

[Guide 8.2.6](#)

The bid opening is a public forum for the announcement of all bids and is the point in time when the bids are opened and read aloud. Bid tabulations provide a means of evaluating bids and a mechanism for tracking construction costs. FHWA policy requires all bids to be opened publicly (allowing attendance by all interested bidders and the public) and read aloud either item-by-item or by total amount. A TxDOT representative should be present during the bid opening.

Reasons for not reading a bid include the bid being nonresponsive or the bidder being determined to be not responsible. A responsive bid is a bid meeting all requirements of the advertisement and proposal. The LG's bidding documents must clearly identify those requirements with which the bidder must comply to have a responsive bid. A responsible bidder is one that is physically organized and equipped with the financial wherewithal to undertake and complete the contract. A bidder may be deemed not responsible because of a failure to meet the LG's qualification requirements as outlined in the bid documents or because of state or federal suspension/debarment action. Criteria for which a contractor may be deemed not responsible shall be clearly defined in the bid documents. A determination of bidder non-responsibility may be done prior to, or after, the receipt of bids. The LG is highly encouraged to develop a procedure for verifying the eligibility of participants prior to the award of the contract, including checking the excluded parties list on the federal [System for Award Management](#) website and the [state list of currently debarred/sanctioned contractors](#).

Upon receipt and publicly opening all bids, the LG shall prepare a bid tabulation indicating the bid prices for each item for each bidder along with the estimated prices for each bid item as previously estimated by the LG (or its consultant). As a basis for tracking current construction costs and forecasting future construction costs, the LG must provide bid tabulation data to TxDOT.

► *Were all bids opened publicly and bids read aloud?*

Yes No (*add explanation)

▶ *Did a TxDOT employee attend the bid opening?*

Yes No (*add explanation)

▶ *Did the LG prepare a bid tabulation and provide it to TxDOT within a reasonable time after the opening of bids?*

Yes No (*add explanation)

**Explanation(s):* _____

Bid Analysis

[Guide 8.2.7](#)

[FHWA Federal-aid Essentials video: Project Advertisement, Bid Review and Request for Concurrence in Award](#)

The bid analysis process is an examination of the unit prices for reasonable conformance with the estimated prices (prepared by the LG or its consultant) to determine if the contract should be awarded or if all bids should be rejected. TxDOT maintains written procedures for justifying the award of a contract, or rejection of the bids, when the low bid appears excessive or rejection is being considered for other reasons. The LG should perform an analysis of the bid tabulations and the project estimate to determine the presence of unbalanced bids. This could be a bid that contains lump sum or unit bid items not reasonably reflecting the actual costs to construct the item or a bid that generates reasonable doubt the award to the bidder would result in the lowest ultimate cost to the LG. A materially unbalanced bid should not be awarded. The LG must obtain TxDOT concurrence on the determination of whether or not a bid is unbalanced. More information on the bid analysis process or the presence of unbalanced bids can be obtained in TxDOT's [Project Development Process Manual](#). Negotiations of bid item prices is strictly prohibited from the time of bid opening to construction contract execution.

A checklist for the documentation/coordination for letting and award review is available [[8-5](#)]. This checklist is to be completed by the LG and submitted along with the LG's request for TxDOT's concurrence in award.

▶ *Was the apparent low bid analyzed to determine if it was excessive or unbalanced?*

Yes No (*add explanation)

**Explanation:* _____

Contract Award

[Guide 8.3](#)

[Transportation Code §223.041](#) and [23 CFR 635.110](#) stipulate the award of a contract must be made to the lowest responsive and responsible bidder. The LG must formally request written concurrence by TxDOT in the award of the contract. Concurrence of the award by TxDOT is required to obtain federal participation in the construction costs and authorizes the LG to proceed with construction. Upon receipt of concurrence of award, the LG may execute the contract and provide it to the successful bidder (contractor). A list of submissions related to TxDOT concurrence with a contract award is available [[8-6](#)].

A checklist for the documentation/coordination for contract execution is available [[8-7](#)].

▶ *Did the LG submit a request for TxDOT's concurrence in award with all appropriate supporting documentation?*

Yes No (**add explanation*)

▶ *Did TxDOT concur in writing in the award prior to its execution?*

Yes No (**add explanation*)

▶ *Was the contract awarded to the lowest bidder?*

Yes No (**add explanation*)

**Explanation(s):* _____

Chapter 9 – Construction Phase

► If this phase is not applicable for this project, check here: N/A

Comments: _____

It is critical for the local government (LG) and the Texas Department of Transportation (TxDOT) to provide timely notice to each other in writing of any updates or changes to their responsible person in charge, project manager or the LG’s “qualified” person. This information should also be updated as discussed in [Chapter 2](#) of this document.

Contract Administration

[Guide 9.2](#)

[FHWA Federal-aid Essentials video: Introduction to Project Construction and Contract Administration](#)

LG PROJECT ADMINISTRATION RESPONSIBILITIES

During construction, the LG is responsible for providing adequate and qualified staff for administering the project and for completing tasks as outlined on the checklists included herein. In addition, specific responsibilities of the LG include the following.

1. *Records Organization and Retention* ([Guide 9.2.11](#)): Organization of project documents will increase the LG’s ability to manage the project during the construction phase. It is most effective to create the organization system at the beginning of the project and properly store documents as they are received. Physical or electronic folders may be created for each required element of the program [i.e. change orders, disadvantaged business enterprise (DBE), storm water pollution prevention plan (SW3P), etc]. The same should be done for each construction line item. The line item folders should contain the invoices, shipping tickets, test reports, summary of work performed, etc. At any time during the project and at the completion of the project the LG may be asked by the Federal Highway Administration (FHWA) and/or TxDOT to provide the project records for audit. Complete and orderly records will aide this process. There are two checklists and a list of recommended frequencies provided to assist the LG in identifying required project documents and preparing for the project reviews and audits: construction review checklist [\[9-1\]](#); contract administration checklist [\[9-2\]](#); and recommended documentation frequencies and monitoring [\[9-3\]](#).

2. *Pre-construction Meeting (Guide 9.2.4)*: The LG will organize and facilitate a pre-construction meeting as follows.
 - a. The LG must conduct this meeting with all parties (including TxDOT) before construction can begin. The LG may choose to use the sample pre-construction meeting agenda [9-4] and/or the pre-construction meeting guide and minutes [9-5] for planning assistance.
 - b. The TxDOT representative may use the pre-construction meeting guide and minutes [9-5] as a checklist to ensure all required items are discussed.
 - c. For any questions arising at the meeting that are answered after the pre-construction meeting concludes, the answers are to be incorporated in the meeting minutes.
 - d. The LG shall send a copy of the minutes to each participant and keep a copy in the project records.
3. *Notice to Proceed (Guide 9.2.5)*: The LG will issue the notice to proceed (NTP) or an authorization to begin work. The NTP is usually in the form of a letter issued by the LG to the contractor.
 - a. The LG must obtain concurrence from TxDOT's project manager that all contract execution requirements have been met before issuing a NTP.
 - b. The LG must issue a NTP to the approved contractor. The LG must include the work begin date and the method of time charges in this letter. A sample NTP is available [9-6].
 - c. The LG must send a copy of the NTP to TxDOT's project manager and keep a copy in the project records.
4. *Inspections (Guide 9.2.7)*: The LG is responsible for performing regular inspections and for addressing issues identified by TxDOT's project manager during oversight inspections.
5. *Specification Compliance (Guide 9.2.9)*: The LG is responsible for ensuring the contract elements included in the plans, specifications and estimates (PS&E) and the bid documents are completed by the selected contractor. These elements include critical procedures related to nondiscrimination against persons with disabilities, DBE, equal employment opportunity, equipment rental rates, liquidated damages and others as described in the advance funding agreement (AFA). Many of these elements are described below; however, the [LGPP Manual](#) provides detailed guidance on the regulatory policies and contract administration activities associated with these elements.
6. *Final Inspection (Guide 9.2.14.4)*: The LG must work with TxDOT to complete a final inspection upon completion of the construction phase of the project.
7. *Certification Letter (Guide 9.2.7.2)*: The LG will provide a signed copy of the certification letter, final plans and additional project documents to TxDOT in accordance with applicable TxDOT policies and procedures.

▶ *Has a pre-construction meeting occurred?*
 Yes No (*add explanation)
Date of Meeting: _____

▶ *Did TxDOT attend the pre-construction meeting?*
 Yes No (*add explanation)
If yes, who attended? _____

▶ *Has LG provided a copy of minutes and sign-in sheet to all participants?*
 Yes No (*add explanation)

▶ *Has the NTP (authorization to begin work) been issued?*
 Yes No (*add explanation)
Date of NTP: _____ *Time Charges Begin Date:* _____

**Explanation(s):* _____

TxDOT Project Oversight Responsibilities

TxDOT maintains oversight responsibility during construction to ensure these projects are managed, developed and constructed in accordance with approved policies, procedures, plans and specifications. TxDOT’s required oversight responsibilities during construction include the following.

1. The project manager (PM) will ensure an orderly transition from the design phase to the construction phase.
2. The PM will determine the time necessary for TxDOT to properly evaluate the LG’s inspection activities at the project location in accordance with the established oversight level. The PM may determine that additional TxDOT construction reviews of critical items of work will be performed based on complexity and size of the project.
3. The PM will use a LGP Construction Oversight form [\[9-7\]](#), or alternative, to document periodic project reviews and inspection activities of the LG.
4. After each periodic project construction review, the PM will furnish a copy of the completed report and corresponding documentation to the LG.
5. The PM will work with the LG to resolve any issues or noted discrepancies. If a resolution cannot be achieved, the PM will immediately notify the district engineer, or designee, for further coordination with the LG.

6. The PM will participate in a final project inspection.
7. Upon receipt of the signed copy of the construction completion certification letter [9-8], final plans and additional project documents from the LG, the district will initiate the close-out process.

Environmental

[Guide 9.2.6](#)

[FHWA Federal-aid Essentials video: Documentation and the Environmental Process](#)

[FHWA Federal-aid Essentials video: NEPA Compliance and Class of Actions](#)

Environmental commitments are included in the project environmental documents and are listed in the environmental permits, issues and commitments (EPIC) plan sheet(s). The EPIC requirements must be followed throughout the project's construction phase by the LG and contractor to assure full compliance with state and federal environmental regulations.

1. The LG should refer to the EPIC sheet in the plan set for environmental requirements.
2. Potential environmental impacts on environmental commitments shall be evaluated prior to approving change orders.
3. The LG must ensure that SW3P inspections are conducted in accordance with the approved SW3P. This may be done using Form 2118 [9-9] or preapproved equivalent. Copies of each report should be kept in the project records for periodic review by TxDOT.
4. It is recommended that the LG keep an inspection log [9-10] listing each inspection date.

▶ *Have the appropriate environmental inspections been conducted and documented?*

Yes No (*add explanation)

▶ *Have the potential impacts on environmental commitments been evaluated prior to change order approvals?*

Yes No (*add explanation) No Change Orders

▶ *Have all requirements on the EPIC sheet been implemented and inspected for compliance?*

Yes No (*add explanation) N/A

*Explanation(s): _____

Inspection

[Guide 9.2.7](#)

The LG and TxDOT have certain inspection responsibilities. By executing an AFA, the LG assures it has the staff to manage all project functions. TxDOT verifies the LG's actions by conducting periodic inspections. However, it is the LG's day-to-day responsibility to determine compliance with the approved plans, specifications and contract administration requirements.

1. The LG is responsible to ensure the supervision of inspection staff is done by a licensed professional engineer.
2. The LG shall ensure there is adequate project supervision and inspection, and ensure the project is completed in conformance with approved plans and specifications.
3. The LG is responsible for oversight of all required inspections including: SW3P [\[9-9\]](#); traffic control devices [\[9-11\]](#); and the contractor's compliance with specifications for all installed work items.
4. TxDOT personnel will visit the project in accordance with the established oversight level to visually inspect work progress and to review project records. Individual(s) should document each project visit and record the review in writing using a LGP Construction Oversight form [\[9-7\]](#) or alternative.

▶ *Has the LG provided adequate project supervision and inspection?*

Yes No (**add explanation*)

**Explanation:* _____

Supervision and Staffing

[Guide 9.2.8](#)

The LG must demonstrate to TxDOT's satisfaction that it has adequate staff to manage all project functions. TxDOT shall be notified of any proposed changes in the LG's responsible person in charge, project manager or "qualified" person in a timely manner. A sample form to document any changes and provided to TxDOT is available [\[2-2\]](#).

▶ *Has the LG ensured it has adequate staff to manage the project, and notified TxDOT of any changes to project staff designations?*

Yes No (*add explanation)

*Explanation: _____

Quality Assurance Program (QAP)

[Guide 9.2.10](#)

[FHWA Federal-aid Essentials video: Construction Quality Assurance](#)

The LG must implement a quality assurance program (QAP) to ensure the materials and workmanship incorporated into each contract involving federal funds are in conformance with the requirements of the approved plans and specifications.

1. The LG should adopt TxDOT's QAP [\[9-12\]](#) or submit a program through TxDOT to FHWA that meets the requirements of [23 CFR 637B](#). The same applies for a [QAP on design-build](#) projects where the developer (contractor) is responsible for quality assurance tests.
2. The LG must assure compliance with the approved program. Independently of the contractor, the LG shall provide inspection services, construction materials testing and verification testing to assure the materials incorporated into the project substantially meet project specifications. Copies of all testing records and all technician and laboratory certifications shall be made available for TxDOT review. At project completion, the LG must submit a letter of certification [\[9-13\]](#) sealed by a licensed engineer stating all materials incorporated into the project are in conformity with the approved plans and specifications.
3. The LG must be in compliance with the Guide Schedule of Sampling and Testing [\[9-14\]](#) or a TxDOT-approved alternate.
4. Any non-TxDOT laboratories' sampling and testing shall be accredited by the American Association of State Highway and Transportation Officials accreditation program.

▶ *Has the LG adopted TxDOT's QAP, or submitted and received approval of an alternate by TxDOT?*

Yes No (*add explanation)

▶ *Has proper materials testing and sourcing documentation been obtained and retained?*

Yes No (**add explanation*)

**Explanation(s):* _____

Records

[Guide 9.2.11](#)

Project records fall into many categories, such as documentation of pay quantities, test reports supporting that the materials used meet specification requirements and a variety of contract administration documentation.

1. It is the responsibility of the LG to keep project records documenting the quantity and quality of completed work. The records must be maintained as specified in the AFA.
2. TxDOT will spot check the project records for compliance with the approved specifications during periodic inspections and final project review.
3. The LG field representatives and project personnel should keep a daily project diary [9-15] that documents daily work activities, contractor and subcontractor personnel and equipment on-site, and any additional pertinent information.
4. Quantities of items installed should be verified by calculations. The LG field representatives and project personnel should document installed work using a Work Report form [9-16] or preapproved alternative for material placement and payment; and a Summary of Work Performed form [9-17] or preapproved alternative for each line item included in the project records. Guidance providing the recommended documentation for project records organized by bid item is available [9-18].
5. As-built plans that incorporate any contract revisions and are signed, sealed and dated by a professional engineer licensed in Texas are to be retained in the LG project records. For all on-system projects, as-built plans must be submitted to TxDOT.

▶ *Were records developed, maintained and checked according to the above outlined procedures?*

Yes No (**add explanation*)

**Explanation:* _____

Subcontracting

[Guide 9.2.12](#)

Federal regulations impose limitations on the amount of work that can be subcontracted. This prohibits a prime contractor from “brokering” (subletting all contract work).

1. For projects with state or federal funds, the LG may not use subcontractors and/or suppliers on the state or federal debarred list. The LG must check the current list of debarred contractors and suppliers at both the federal [System for Award Management](#) (SAM) and the state [Debarred Vendor List](#) websites before awarding any contracts or approving subcontracts. Reviewing the lists periodically during construction is also encouraged.
2. The LG must include Form FHWA-1273 [9-19] verbatim into all contracts and must ensure the prime contractor incorporates the provisions into all subcontracts and purchase orders.
3. The LG must ensure the contractor has an executed written subcontract agreement with each subcontractor (including DBE subcontractors). This agreement must include: the amount of commitment; the scope of work and any assistance the contractor will provide; and the required special provisions and contractual requirements physically incorporated into the agreement. The LG must keep executed copies of all subcontractor agreements and a copy of each approval request form [9-20] in its project records for audit.
4. For all projects with federal funds, the LG must adopt the [TxDOT LG Standard Specification Article 8L](#), including the 30% limitation, TxDOT’s Contractor’s Assurance page [7-2], Form FHWA-1273 [9-19], prompt pay and other polices into its subcontract agreement. The contractor is required to perform work amounting to not less than 30% of the original contract amount, excluding specialty items, with its own organization. The 30% limitation is calculated as follows: (total contract amount less all subcontract amounts)/total contract amount.
5. Upon review for compliance with the above requirements, the LG shall send the contractor a formal approval in writing for each subcontractor. The LG must keep this documentation in the project records. The LG should keep a subcontractor log [9-21] indicating the date approved and whether or not the subcontractor is a DBE. The LG will notify TxDOT of approved subcontractors and provide this log.

► *Has the LG confirmed that no subcontractors and/or suppliers are on the state or federal debarred list?*

- Yes No (**add explanation*)

▶ Does the contractor have executed subcontract agreements with each subcontractor?
 Yes No (*add explanation)

▶ Has the LG notified TxDOT of each approved subcontractor and provided the subcontractor approval log?
 Yes No (*add explanation)

▶ Has the LG performed an analysis to confirm the contractor is meeting the 30% limitation?
 Yes No (*add explanation)

*Explanation(s): _____

Progress Payments and Final Payment

[Guide 9.2.14](#)

Progress payments are compensation to the prime contractor for the value of work performed during a covered period. Payments should be based on the value of the work performed (supported by field measurements) and materials delivered or stockpiled in accordance with the contract.

1. Progress payments must be based on the value of actual work completed and materials delivered or stockpiled in accordance with the contract. TxDOT must receive sufficient supporting documents prior to approving requests for reimbursement to the LG. These may include: invoices; cancelled checks; material inventory; test reports; daily work reports; inspection reports; and materials on hand (Forms 1914) [9-23] and (Form 1915) [9-24]. For all progress payment requests on projects with federal or state funds that include materials on hand, the LG is responsible for the inspection of stockpiles to ensure compliance with all rules and regulations.
2. The LG should request periodic reimbursement of completed work from TxDOT in accordance with the AFA. Requests should be made monthly throughout construction as payments are made to the contractor. The LG is responsible to comply with the TxDOT procedures and submit required forms. These forms may include: a reimbursement request cover letter [2-3]; a LG billing worksheet [9-25]; or other documents to submit a request for reimbursement as determined by district policy. Invoices to TxDOT must include sufficient details to answer who, what, when, where and how expenses are billed.

3. The LG shall pay the contractor within 30 days. TxDOT must ensure the contractor is issued payment by the LG before requesting reimbursement from TxDOT.
4. The LG is responsible to guarantee the subcontractors receive payment from the prime contractor within 10 days. This is accomplished by the contractor's monthly submission of Prompt Payment Certification (Form 2177) [9-26].
5. The LG shall prepare pay estimates with non-reimbursable items separated from reimbursable costs.
6. TxDOT's project manager will check TxDOT financial management system reports at least monthly (prior to approving LG reimbursement requests for progress payments) to verify payments and to check charges against the project and remaining fund balances.
7. Upon the completion of the review of a LG-submitted reimbursement request, TxDOT's project manager will attach the LG request for reimbursement to a Billing Worksheet (Form 2557) [9-27]. Copies of the most recent oversight documentation, such as a LGP Construction Oversight form [9-7], should be made available to the appropriate district staff for review in accordance with district policy and procedure. The approved request is submitted via e-mail to the appropriate accounting office to process for payment.
8. FHWA cannot make the final reimbursement for a project until TxDOT approves the completion of project construction. TxDOT cannot make the final reimbursement to the LG until it approves the completion of project construction and has received/reviewed all necessary documentation.
9. The LG should refer to [Chapter 10 – Project Close-out and Maintenance](#) in the Guide for the requirements for the final payment to be made.

► *Were the prompt payment forms submitted monthly?*

Yes No (*add explanation)

► *Were payments requested and processed according to policy?*

Yes No (*add explanation)

*Explanation(s): _____

Retainage

[Guide 9.2.15](#)

If provided for in the AFA, TxDOT may withhold from the LG a percentage of construction costs until TxDOT acceptance and audit of the project. This is done to protect the federal interest.

1. The LG may withhold retainage from the contractor, provided it is done in full compliance with all applicable state and local laws and regulations, and retainage withholding must be specified in the contract.
2. If the LG has withheld retainage from the contractor, the LG is to provide adequate assurance from the contractor that it has released retainage on a subcontractor's work within 10 days after satisfactory completion of all of the subcontractor's work.



Was this policy followed?

Yes No (*add explanation)

*Explanation: _____

Contract Time

[Guide 9.2.16](#)

[FHWA Federal-aid Essentials video: Contract Time and Schedule Management](#)

The term of the contract is an important part of every construction project. Too little contract time may result in higher construction costs, while too much contract time may encourage inefficiencies, increased user costs, and potential delays and inconvenience to the public.

1. The LG must ensure all charged and/or credited days are reported according to the specification provided in the contract documents.
2. The LG must obtain from the contractor the name and contact information of a designated individual who will develop and maintain the progress schedule. The Contractor Staff Designee Submission (Form 2795) [9-28] may be utilized by the contractor to supply this information.
3. The LG must obtain from the contractor progress schedules based on the sequence of work and traffic control plan shown in the contract; the contractor must maintain and submit updated project schedules for review by the LG.
4. The LG must submit a Contract Time Statement (Form 252) [9-29] or a pre-approved LG equivalent with each request for reimbursement to TxDOT.

5. TxDOT will review all time charges during each request for reimbursement period.

No. of contract days: _____

Days charged according to: _____

▶ *Has time been documented daily and included in the project records?*

Yes No (*add explanation)

▶ *Have time charges been assessed in compliance with the specification?*

Yes No (*add explanation)

▶ *Has the LG received the contractor's scheduler designation and the progress schedules in accordance with the contract documents, and included these in the project records?*

Yes No (*add explanation)

**Explanation:* _____

Time Extensions

[Guide 9.2.17](#)

Contract time extensions granted by a LG that affect project costs or liquidated damages shall be subject to the concurrence of TxDOT and will be considered in determining the amount of federal participation. Time extensions must be done through the formal change order process. Events that normally do not justify a time extension include: shutdowns for maintenance; breakdowns; suspensions or stop work orders for violation of safety or pollution regulations; and shutdowns for construction accidents. Time extensions may be justified for unusual market conditions for materials (industry-wide strike, natural disaster, area-wide shortage), and utility, railroad and right-of-way clearance delays.

▶ *Has the LG received TxDOT concurrence of any time extensions?*

Yes No (*add explanation) N/A

**Explanation(s):* _____

Termination of Contract

[Guide 9.2.18](#)

If the LG desires to terminate its contract with the contractor, it must obtain prior approval by TxDOT.

▶ *Has the LG complied with these requirements?*

Yes No (**add explanation*) N/A

**Explanation:* _____

Claims

[Guide 9.2.19](#)

All claims filed by the contractor must be done in accordance with the procedures specified in the contract documents. Claims on projects with federal or state funds must be approved by TxDOT to assure TxDOT participation.

▶ *Has the claims procedure been followed?*

Yes No (**add explanation*) No Claims

**Explanation:* _____

Application of Contract Elements during Construction

[Guide 9.3](#)

The Construction phase of the project is guided by the elements included in the PS&E and the bid documents executed during letting.

Change Orders

[Guide 9.3.2](#)

[FHWA Federal-aid Essentials video: Change Orders](#)

1. The LG must have TxDOT written concurrence on all change orders. The LG should coordinate for review and concurrence through TxDOT's project manager. Major changes must receive formal concurrence before work begins. Non-major changes also require formal concurrence, but may be given retroactively at TxDOT's discretion. The criteria includes:

- a. does the proposed change order reflect a change in the original “scope of work;”
 - b. is the requested change order eligible for FHWA reimbursement;
 - c. if due to gross negligence or carelessness, neither state or federal funds can be used for needed design or construction;
 - d. can the LG perform and suitably document the cost analysis for the proposed change order; and
 - e. if a time extension is required to accomplish the revised scope, it must show time impact to the original project schedule.
2. The LG is responsible to keep all support documents (including cost analysis for negotiated prices) with the change orders during the project.
 3. Time extensions must also be done through the formal change order process. TxDOT retains approval authority over all time extensions.
 4. All requests and concurrences must be done in writing. The Construction Change Order Form (Form 2146-L) [[9-31](#)] may be used, or other format as directed by the TxDOT district.

► *Has the change order procedure been followed and has the LG received TxDOT concurrence in writing?*

- Yes No (*add explanation) No Change Orders

*Explanation: _____

Convict (Inmate) Labor

[Guide 9.3.22](#)

The LG is not allowed to use convict labor on federally funded projects. The principle behind the prohibition of convict labor is that use of convict labor restricts competition since it can be furnished at rates well below market labor costs or force account rates. It is the responsibility of the LG to ensure the contractor does not use convict labor.

► *Has this procedure been followed?*

- Yes No (*add explanation)

*Explanation(s): _____

Differing Site Conditions

[Guide 9.3.4](#)

For all projects with federal or state funds, the LG must be in accordance with federal regulations. Differing site or changed condition clauses must be included verbatim in the contract documents. Differing site conditions may include materially different subsurface or latent physical conditions, unknown physical conditions of an unusual nature, suspensions of work ordered by the LG in writing (for a period of time not originally anticipated, customary or inherent to the construction industry), materially differing character of work from that of the original contract, or an increase or decrease of 25% or more of an original contract quantity.

Should such a condition exist, the LG should handle it in accordance with provisions contained in the contract documents and notify TxDOT immediately.

▶ *Were differing site conditions present on this project?*

Yes No

▶ *If yes, was the condition handled in compliance with the contract provision and documented in the project records?*

Yes No (*add explanation) N/A

*Explanation: _____

Disadvantaged Business Enterprise (DBE)

[Guide 9.3.5](#)

[FHWA Federal-aid Essentials video: Program Overview \(DBE\)](#)

[FHWA Federal-aid Essentials video: Project Contract Administration \(DBE\)](#)

[FHWA Federal-aid Essentials video: Commercially Useful Function](#)

The LG must ensure that the contractor complies with the DBE program requirements and provisions included in the contract document. The LG should coordinate with TxDOT as soon as possible regarding any issues or concerns of contractor noncompliance, including goal or commitment shortfalls, substitution requests, joint check agreements or good faith efforts.

1. Prior to contract award, the LG should review and approve the contractor's DBE participation plan to ensure contract goals will be satisfied in accordance with provisions in the bid document.

2. Prior to work commencing, the LG must ensure DBEs are certified under the [Texas Unified Certification Program](#). It is recommended to save a screenshot of the search results in the project records.
3. The LG must complete a Commercially Useful Function Project Site Review (Form 2182) [9-22] for each DBE subcontractor. The LG must keep this documentation in the project records for periodic review by TxDOT.
4. The contractor must submit in writing the name and contact information for a designated DBE Liaison Officer. The Contractor Staff Designee Submission (Form 2795) [9-28] may be utilized by the contractor to supply this information.
5. The contractor must submit monthly reports after work begins on DBE payments to meet the DBE goal to the LG. The DBE Monthly Progress Report (Form SMS.4903) [9-32] is used to document this information. These reports are due within 15 days after the end of the calendar month.
6. The LG must provide a copy of the reviewed monthly progress reports to TxDOT within 5 days of receipt from the contractor.
7. TxDOT will monitor progress/good faith efforts of the DBE program at least quarterly.
8. The contractor must submit the DBE Final Report (Form SMS.4904) [9-33] to the LG the month after work is completed. This must be kept in the project records and a copy forwarded to TxDOT.

▶ *Did the LG verify that all DBEs are certified?*

- Yes No (*add explanation)

▶ *Have the monthly DBE progress reports been submitted by the contractor, verified by the LG and provided to TxDOT?*

- Yes No (*add explanation)

▶ *Has the LG conducted a commercially useful function project site review for each DBE subcontractor?*

- Yes No (*add explanation)

▶ *Has the final DBE progress report been submitted by the contractor, verified by the LG and provided to TxDOT? Has the DBE goal for the project been met?*

- Yes No (*add explanation)

**Explanation(s):* _____

Equal Employment Opportunity (EEO)

[Guide 9.3.6](#)

[FHWA Federal-aid Essentials video: Job Site Posters Compliance](#)

The LG, as a contracting agency, has a responsibility to ensure all federal-aid contractors, subcontractors, vendors and material suppliers do not discriminate in employment and contracting practices based on race, color, religion (in the context of employment), sex, national origin, age or disability.

1. The provisions of the Form FHWA-1273 (Section II. Nondiscrimination) related to [23 CFR Part 230](#) are applicable to all federal and federal-aid construction contracts, and to all related construction subcontracts of \$10,000 or greater. Pursuant to FHWA-1273, contractors must not discriminate and must take affirmative action to assure equal opportunity.
2. The Form FHWA-1273 [\[9-19\]](#) must be physically incorporated into each federally funded construction contract. The contractor (or subcontractor) must insert this form in each subcontract and further require its inclusion in all lower-tier subcontracts (excluding purchase orders, rental agreements and other agreements for supplies and services). The provisions of 23 CFR Part 230 are not applicable to material supply, engineering or architectural service contracts.
3. The LG must ensure the contractor displays the required federal posters and notices on project-site bulletin boards. It is recommended to document when the bulletin board is observed using the Bulletin Board Checklist [\[9-38\]](#).
4. To ensure compliance with Form FHWA-1273, TxDOT's Civil Rights Division (CIV) conducts contract compliance reviews of contractors in accordance with [23 CFR 230, Subpart D](#). CIV also provides technical assistance to contractors on federal equal opportunity requirements and the contractor compliance review process. LGs shall work with CIV and FHWA to ensure contractors have made every good faith effort to provide equal opportunity with respect to the terms and conditions of employment.
5. The LG shall work in coordination with CIV and the TxDOT district's LG contact in the administration of the Federal-aid Highway Construction Contractors Annual EEO Report project. The LG shall maintain a list of prime contractors and subcontractors performing on federal-aid projects to include the name of the company, mailing address and contact information. The information should be submitted in June to the TxDOT district's LG contact.
6. The LG must ensure the contractor submits annually the Form [FHWA-1391](#), which is a summary of laborers on their last payroll period before the end of July. The form is submitted each August for projects under construction during the month of July. The LG keeps a copy of the form in its project records.

▶ *Has the EEO procedure been followed?*
 Yes No (**add explanation*)

▶ *Has the contractor's bulletin board been monitored for all required federal postings?*
 Yes No (**add explanation*)

▶ *Has the LG obtained a copy of the contractor's FHWA-1391 form?*
 Yes No (**add explanation*)

**Explanation(s):* _____

Equipment Rental Rates

[Guide 9.3.7](#)

Equipment rental rates on force account work shall be at the Blue Book rental rate or actual rates.

▶ *If there has been force account work, were the equipment rental rates at the Blue Book rental rate or actual rates?*

Yes No (**add explanation*) N/A

**Explanation:* _____

Temporary Traffic Control Devices

[Guide 9.3.8](#)

Federal regulations provide requirements related to the use and payment of uniformed law enforcement officers, positive protection measures between workers and motorized traffic, and temporary traffic control devices on construction, maintenance and utility work zones.

1. If law enforcement officers are used for temporary traffic control, ensure they are trained as required in [23 CFR 630.1008\(d\)](#).
2. The contractor must designate a Contractor Responsible Person and alternate responsible for monitoring, maintaining and correcting deficiencies of implemented traffic control devices. The Contractor Staff Designee Submission (Form 2795) [\[9-28\]](#) may be used by the contractor to provide the required designations.
3. The LG must ensure contractor and subcontractor personnel are trained in compliance with [Item 7L](#).

- The LG must regularly conduct thorough inspections of all traffic control features. TxDOT's Traffic Control Devices Inspection Checklist (Form 599) [\[9-11\]](#) and the Monthly Barricade Inspection log [\[9-34\]](#) are available as acceptable forms for documentation of required inspections. The LG must keep inspection reports in a separate file labelled "DO NOT DISCLOSE – EXCEPTED FROM DISCLOSURE BY 23 USC §407."

▶ *Has the contractor provided designations of its Contractor Responsible Person and alternate, and supplied evidence of the appropriate required training??*

Yes No (*add explanation)

▶ *Have the LG verified required contractor and subcontractor personnel are in compliance with required training??*

Yes No (*add explanation)

▶ *Has the LG performed and documented appropriate inspections of implemented traffic control devices?*

Yes No (*add explanation)

**Explanation(s):* _____

Liquidated Damages

[Guide 9.3.10](#)

Liquidated damages are required as a means of recovering, at a minimum, construction engineering costs from a contractor.

- The LG must monitor and assess liquidated damages according to specifications for each progress payment once contract time has elapsed. This should be reviewed by TxDOT for each reimbursement request.

▶ *Has this requirement been followed?*

Yes No (*add explanation)

**Explanation:* _____

Materials

[Guide 9.3.11](#)

[FHWA Federal-aid Essentials video: Buy America Field Compliance](#)

Materials used in a LG construction project must be clearly defined and specified in the PS&E. TxDOT must review and approve any changes to material specifications prior to their implementation.

The project must also be constructed in compliance with required Buy America provisions included in the contract documents. Steel and iron products to be incorporated into the project must be of domestic origin. All manufacturing processes for steel and iron products to be incorporated into the project must take place domestically, including donated material.

1. The LG must receive concurrence for any changes to material specifications prior to their implementation.
2. The LG must obtain from the contractor material source verification documents for all materials incorporated into the project and maintain them in the project records.
3. The LG must ensure intelligent transportation system components are in compliance with [2 CFR 200.216](#) and [2 CFR 200.471](#) by obtaining sourcing documentation from the contractor for the project records.
4. The LG is responsible to obtain documentation certifying steel and iron products covered by the Buy America provision are domestic, such as Mill Test Reports and the Material Statement (Form 1818) [[9-30](#)]. These must be retained in the project records.

▶ *Are material tickets and/or source verification documents for materials incorporated into the project in the project records?*

Yes No (*add explanation) N/A

▶ *If there were any changes to material specifications, were they approved in advance by TxDOT?*

Yes No (*add explanation) N/A

▶ *Has the Buy America policy been followed and documented in the project records?*

Yes No (*add explanation) N/A

▶ *Has the LG provided TxDOT a written certification that all materials incorporated into the project are in compliance with plans and specifications?*

Yes No (*add explanation) N/A

*Explanation(s): _____

Nondiscrimination Against Persons with Disabilities

[Guide 9.3.12](#)

[FHWA Federal-aid Essentials video: Nondiscrimination Requirements on Construction Contracts](#)

Discrimination by public entities on the basis of disability is prohibited. The Americans with Disabilities Act requires equal opportunity for individuals with disabilities.

1. For all projects on public right of way with an excess of \$50,000 in pedestrian elements, the LG must submit plans to a registered accessibility specialist (RAS) licensed by the Texas Department of Licensing and Regulation (TDLR) for review and approval. The LG must send a copy of the TDLR/RAS approval to the TxDOT district.
2. The LG is responsible for coordination of RAS inspection and for paying all fees assessed related to renew and approval.
3. TxDOT must verify TDLR/RAS has conducted its final inspection approving all pedestrian elements before recommending the project's final acceptance by TxDOT and final payment to the LG.

▶ *Have these items been received and completed?*

Yes No (*add explanation)

Date of TDLR/RAS Approval: _____

▶ *Is the project in compliance with ADA requirements?*

Yes No (*add explanation) N/A

*Explanation(s): _____

Non-segregated Facilities

[Guide 9.3.13](#)

The contractor cannot discriminate against any person by having segregated facilities.

1. The Form FHWA-1273 [9-19] is required to be included within the bid documents, prime contract and all subcontracts of \$10,000 or greater. Form FHWA-1273 helps ensure contractor-provided facilities for employees are not segregated.
2. The LG shall observe the site no less than quarterly to verify compliance by contractor and subcontractors. This verification should be documented in the project diary on the date of the observation.

► Was this procedure followed?

Yes No (*add explanation)

*Explanation: _____

Prevailing Minimum Wage and Certified Payroll Statements

Guide [9.3.15](#) and [9.2.13](#), respectively

[FHWA Federal-aid Essentials video: Contractor Payroll Submittals and Statements of Compliance](#)

The LG must ensure the contractor is paying predetermined minimum wages for certain job classifications used on federal-aid contracts. The [Davis-Bacon Act of 1931](#) requires payment of local prevailing wages and fringe benefits to laborers and mechanics employed on federal contracts in excess of \$2,000 for construction, alteration or repair (including painting and decorating) of public buildings or public works.

The LG must review the payroll statements for completeness and certification, and then spot check items such as classification, hourly rate, authorized deduction, fringe benefits, overtime hours and rate, and net wages paid.

1. The LG shall adopt the TxDOT monitoring program or a TxDOT-approved alternate program.
2. The LG should obtain from the contractor the name and contact information of a designated Payroll Officer. The Contractor Staff Designee Submission (Form 2795) [9-28] may be utilized by the contractor to supply this information.
3. The LG must verify current wage rates are posted at the site of work.
4. The LG must obtain copies of certified payroll statements from the contractor and subcontractors each week for the duration of the project.
5. The LG shall conduct spot checks on prime and subcontractors certified payrolls to verify they are paying the minimum wages as contained in the contract documents.

The LG must verify the contractor pays overtime for work in excess of 40 hours in a work week.

6. The LG must verify workers are paid appropriate wages for the work classification specified on the certified weekly payrolls by conducting quarterly employee interviews. The completed form(s) must be kept in the project records with attached payroll. The Labor Standards Review (Form 2220) [9-36] and Labor Interview Tracking log [9-37] are acceptable forms for documentation of required interviews.
7. If an additional classification is deemed appropriate, either approval or a determination from the U.S. Department of Labor (USDOL) is required for the classification. In this case, the contractor should submit to the LG a completed Standard Form 1444 - Request for Authorization of Additional Classification and Rate [9-35]. The LG, after signing the form, should submit it via email to the USDOL.
8. TxDOT shall review at least one payroll per project, and spot check completed labor interviews to ensure compliance.
9. The LG should notify TxDOT of any issues, concerns or complaints regarding these requirements.

► *Were weekly certified payrolls provided from the contractor and subcontractors?*
 Yes No (*add explanation)

► *Were labor interviews conducted according to procedures?*
 Yes No (*add explanation)

► *If noted, have all deficiencies been addressed by the responsible company?*
 Yes No (*add explanation) N/A

*Explanation(s): _____

Safety

Guide [9.3.19](#) and [9.3.20](#)

Provisions of the Occupational Safety and Health Administration (OSHA) apply to all projects. The administration of the national program for occupational safety and health rests with OSHA.

1. FHWA is required by law to ensure compliance with construction safety standards. Section VII of the Form FHWA-1273 form [9-19] specifically grants USDOL representatives right of entry to projects using federal-aid funds.

2. [Texas Labor Code](#) requires employers to provide and maintain employment and a place of employment that is reasonably safe and healthful for employees, as well as take all actions reasonably necessary to make the employment and place of employment safe.
3. The LG must include provisions regarding accident prevention and trench safety in the contract that implement OSHA standards and monitor compliance with these provisions during construction.
4. The contractor is required to designate in writing and provide the contact information of a Contractor Safety Point of Contact. The Contractor Staff Designee Submission (Form 2795) [9-28] may be utilized by the contractor to supply this information.

► *Were safety standards applied and compliance monitored??*

Yes No (**add explanation*)

**Explanation:* _____

Salvage Credits

[Guide 9.3.24](#)

The LG shall provide assurance that disposal of surplus property has been conducted in conformance with the Texas Administrative Code.

► *Was the disposal of any salvaged material in accordance with Texas Administrative Code?*

Yes No (**add explanation*) N/A

**Explanation:* _____

Chapter 10 – Project Close-out and Maintenance

Project Close-out

[Guide 10.2](#)

[FHWA Federal-aid Essentials video: Project Closeout](#)

Project close-out is a critical step in the project and is necessary to complete the requirements of the advance funding agreement (AFA). Close-out includes a project review by the Texas Department of Transportation (TxDOT) to:

- determine if all work was completed and acceptable to TxDOT;
- determine each party’s final cost share for the project;
- process the final payment to close the work on the project; and
- complete the project audit.

The close-out process requires the local government (LG) to provide physical or electronic access to all necessary project documentation to TxDOT for review. Upon completion of its review, the LG will retain the project files as defined in the AFA.

Project Review

[Guide 10.2.2](#)

Within 30 days of project completion the LG shall submit to TxDOT’s project manager (or designee) the final reimbursement request with backup documentation and access to the project records for final review.

1. At final completion, the LG shall provide a “certification of compliance” (with as-built project plans for projects on the state highway system) signed, sealed and dated by a licensed professional engineer. An example is available [\[9-8\]](#).
2. TxDOT will perform and document a final inspection and issue a “completion of construction” letter to the LG [\[10-1\]](#).
3. The LG shall deliver to TxDOT’s project manager the final request for reimbursement, which may include the retained percentage of the final construction cost (if withheld from LG by TxDOT) and required supporting documents.
4. TxDOT district or area office personnel will perform a review of the project records and documentation, and all required elements of the project using the LG Final Project Records Review [\[10-2\]](#) and/or other review tools from the [LGPP Manual](#).
5. If hard copy records were provided, TxDOT will ensure the records are secured and returned to the LG after performance of the review.

6. TxDOT will provide a final project report to the LG along with return of its project records; this may include instructions to address comments, if any, from the records review.
7. The final billing statement will be paid within 10 days of TxDOT's review being completed and comments, if any, are addressed. TxDOT will also issue a "completion of records review" letter to the LG [\[10-3\]](#).
8. After final payment to the LG has been processed and paid by TxDOT, the district office should notify, via e-mail, the Accounting Management Section of TxDOT's Financial Management (FIN) Division that the project is complete so the project can be changed from an active to an inactive status in the financial management system.

▶ *Has the LG provided a "certification of compliance" signed, sealed and dated by a licensed professional engineer?*

- Yes No (*add explanation) N/A

▶ *Has the district issued a "completion of construction" letter to the LG?*

- Yes No (*add explanation) N/A

▶ *Has the LG delivered the final billing statement and required documents with access to the project records to TxDOT's project manager?*

- Yes No (*add explanation) N/A

▶ *Has TxDOT completed the project review and provided a final project report to the LG?*

- Yes No (*add explanation) N/A

▶ *Has TxDOT approved and processed the final request for reimbursement?*

- Yes No (*add explanation) N/A

*Explanation(s): _____

Final Close-out

[Guide 10.2.3](#)

The primary responsibility to fiscally close-out an AFA project lies with the TxDOT district or division.

1. The TxDOT district office will process a certified statement of cost (SOC) after the project has been inactivated and within 90 days from when final payment was made

to the LG. The SOC should be reviewed and certified as correct by a signature of the appropriate district personnel before submission to FIN for concurrence.

2. FIN will review the SOC for completeness and accuracy. Once all discrepancies, if any, have been addressed, FIN will send a concurrence e-mail to the project manager. TxDOT project staff should not provide the LG with amounts due or payable until FIN concurs with the completed SOC. Questions between FIN and TxDOT project staff regarding the interpretation of an AFA shall be sent to TxDOT’s Contract Services Division staff for final interpretation.
3. TxDOT project staff will then provide the approved SOC to the LG with either a notice of reimbursement for any excess escrow funds, a statement of no funds due or a letter requesting additional funds from the LG. TxDOT shall send a request for additional funds to the LG within two weeks of the date of concurrence e-mail. This request shall contain a due date for receipt of payment that is no later than 30 days following the date of the request.
4. If payment is not received by the stated due date in the request letter, TxDOT shall follow [43 TAC §5.10 Collection of Debts](#), which entails mailing out demand letters and possibly having to contact FIN’s Payments Management Section to initiate a “warrant hold” on that entity. The “warrant hold” procedure, which is officially processed by the Texas Comptroller of Public Accounts, ensures no treasury warrants are issued to the LG until payment is received. SOC procedures can be found in the [Financial Management Policy Manual](#) (available to internal users).
5. All projects are subject to final audit by the Federal Highway Administration (FHWA). If the FHWA audit identifies any inconsistencies in payment from the contract terms or rules any previously reimbursed expenses ineligible, TxDOT will prepare a revised final SOC and mail it to the LG along with a reimbursement check, a statement of no funds due or a letter requesting the LG repay TxDOT the appropriate amount of previously reimbursed expenses. If additional funds due to the FHWA audit are required and not paid within 90 days, the Comptroller will place a warrant hold on the LG ensuring no state treasury warrants are issued to the LG until payment is received.

► *Has TxDOT project staff provided the LG with a SOC (approved by FIN)?*

Yes No (*add explanation) N/A

*Explanation(s): _____

Maintenance

[Guide 10.3](#)

LGs and TxDOT district offices have frequently cooperated in the maintenance of the state highway system. From a contractual perspective, this is done either through a municipal maintenance agreement or through an AFA for a specific project. The LG may assume all or part of the responsibility for maintenance in these agreements. However, the district remains the primary contact between TxDOT and the LG and, therefore, takes the lead in assuring projects are maintained in accordance with agreement provisions.

▶ *Have the LG and district executed a municipal maintenance agreement or other maintenance agreement in accordance with all AFA requirements?*

Yes No (*add explanation) N/A

*Explanation: _____

TxDOT's project manager, supported by district or area office personnel, is responsible to ensure all administrative responsibilities of the agreement are fulfilled by the LG. However, it is ultimately the responsibility of the LG to ensure it is in compliance with all provisions of the AFA. Failure to comply with the agreement(s) could result in forfeiture of federal funds for the project.

For additional resource assistance, go to TxDOT's [Local Government Programs Section web page](#).

Notes: _____

Reference Documents

These are sample forms and documents. Local governments may use these forms and documents or can develop their own forms and documents containing similar items. Not all elements apply to every project.

** NOTE: Some of these forms and documents are only accessible by using Internet Explorer.*

- 1-1 [LG Project Development and Delivery Checklist](#)
- 2-1 [Sample Agenda – Initial Project Coordination Meeting](#)
- 2-2 [LG Project Designations](#)
- 2-3 [Sample Billing Worksheet Cover Sheets](#)
- 3-1 [Non-Construction Projects Review Checklist](#)
- 3-2 [Sample Agenda – Post Award Meeting](#)
- 4-1 [Professional Services Procurement Review Checklist](#)
- 4-2 [Design Summary Report \(Form 2440\)](#)
- 4-3 [General Design Guidelines Review Checklist](#)
- 4-4 [Preliminary Engineering Design for Construction Review Checklist](#)
- 5-1 [Environmental Compliance Review Checklist](#)
- 6-1 [Title III Parcel Review Checklist for LPAs \(Form ROW-LPA-IIIIPR\)](#)
- 6-2 [Right-of-Way Review Checklist](#)
- 6-3 [Sample Right-of-Way Certification Statements](#)
- 6-4 [Sample Full Donation Letter](#)
- 6-5 [Utilities Review Checklist](#)
- 6-6 [Sample Utility Certification Statements](#)
- 7-1 [Significant Project Procedures \(Form 2229\)](#)
- 7-2 [“Contractor’s Assurance” Page](#)
- 7-3 [Bid Document Checklist](#)
- 7-4 [Sample Liquidated Damages Calculations](#)
- 7-5 [Sample Bidder Certification](#)
- 7-6 [Child Support Statement](#)
- 7-7 [State of Texas Child Support Business Ownership Form](#)
- 7-8 [Sample “2 CFR 200.216 and 2 CFR 200.471 Compliance” Contract Language](#)
- 7-9 [Sample Railroad Certification Statements](#)
- 8-1 [Engineering and Architectural Letter of Authority Review Checklist](#)
- 8-2 [Electronic State Business Daily Instructions](#)
- 8-3 [Sample Pre-Bid Meeting Agenda](#)
- 8-4 [LGP Addendum Request Form](#)

- 8-5 [Letting and Award Checklist](#)
- 8-6 [Recommended Submissions for TxDOT Concurrence with Contract Award](#)
- 8-7 [Contract Execution Review Checklist](#)

- 9-1 [Construction Review Checklist](#)
- 9-2 [Contract Administration Checklist](#)
- 9-3 [Recommended Documentation Frequencies and Monitoring](#)
- 9-4 [Sample Pre-Construction Meeting Agenda](#)
- 9-5 [Pre-Construction Meeting Guide & Minutes](#)
- 9-6 [Sample Construction Notice to Proceed](#)
- 9-7 [LGP Construction Oversight](#)
- 9-8 [Sample LG Project Completion Certification Letter](#)
- 9-9 [Construction Storm Water Pollution Prevention Plan Field Inspection and Maintenance Report \(Form 2118\)](#)
- 9-10 [SW3P Inspection Log](#)
- 9-11 [Traffic Control Devices Inspection Checklist \(Form 599\)](#)
- 9-12 [Quality Assurance Program for Design-Bid-Build Projects](#)
- 9-13 [Sample LG Materials Certification Letter](#)
- 9-14 [Guide Schedule of Sampling and Testing](#)
- 9-15 [Sample Daily Project Diary](#)
- 9-16 [Work Report \(Form 1257\)](#)
- 9-17 [Summary of Work Performed \(Form 1258\)](#)
- 9-18 [Project Records Checklist](#)
- 9-19 [Required Contract Provisions Federal-Aid Construction Contracts \(Form FHWA-1273\)](#)
- 9-20 [Subcontractor Request for Approval \(Form 2802\)](#)
- 9-21 [Subcontractor Approval Log](#)
- 9-22 [Commercially Useful Function Project Site Review \(Form 2182\)](#)
- 9-23 [Request for Payment of Materials on Hand Summary Page \(Form 1914\)](#)
- 9-24 [Request for Payment of Materials on Hand \(Form 1915\)](#)
- 9-25 [LG Billing Worksheet](#)
- 9-26 [Prompt Payment Certification \(Form 2177\)](#)
- 9-27 [Billing Worksheet \(Form 2557\)](#)
- 9-28 [Contractor Staff Designee Submission \(Form 2795\)](#)
- 9-29 [Contract Time Statement \(Form 252\)](#)
- 9-30 [Material Statement \(Form 1818\)](#)
- 9-31 [Construction Contract Change Order Form \(Form 2146-L\)](#)
- 9-32 [DBE Monthly Progress Report \(Form SMS.4903\)](#)
- 9-33 [DBE Final Report \(Form SMS.4904\)](#)
- 9-34 [Monthly Barricade Inspection Log](#)
- 9-35 [Request for Authorization of Additional Classification and Rate \(Standard Form 1444\)](#)
- 9-36 [Labor Standards Review \(Form 2220\)](#)
- 9-37 [Labor Interview Tracking Log](#)
- 9-38 [Bulletin Board Checklist](#)

- 10-1 [Sample TxDOT Completion of Construction Letter](#)

10-2 [LG Final Project Records Review](#)

10-3 [Sample TxDOT Completion of Records Review Letter](#)