



Locally Administered and Division Administered Overview

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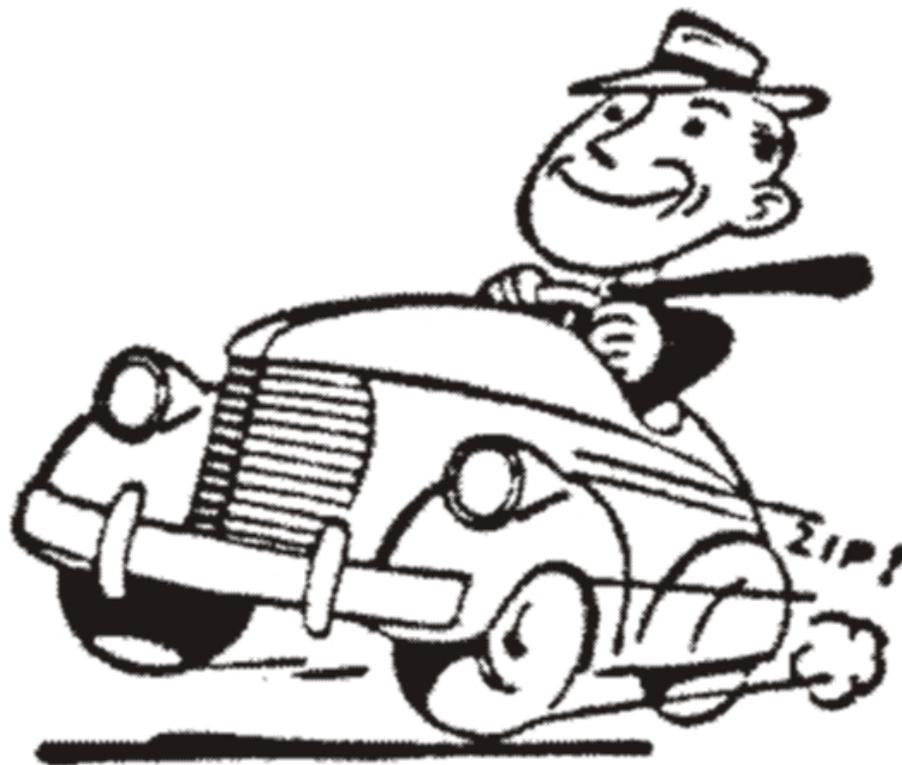
What is this presentation about?

A high-level overview of the differences and similarities of Locally-Administered and Division-Administered Projects

Definitions

- *Locally-Administered* – projects are managed and let by the local government agency (LGA) and NCDOT provides oversight.
- *Division-Administered* – projects are planned, designed, and let by the NCDOT. Where applicable, FHWA provides oversight.

Locally Administered



Locally Administered

- The LGA sets the schedule.
- The LGA hires consultants, prepares plans, acquires the right of way (ROW).
- The LGA advertises and lets a construction contract and ensures project is properly inspected.
- The LGA pays all invoices and requests reimbursement from NCDOT for eligible costs.
- NCDOT provides oversight, guidance, and review, but does not perform the work.

Division-Administered



Division Administered

- NCDOT/Division set schedule.
- Division prepares plans, provides environmental documents, and/or hires consultant to provide work.
- Division lets construction contract and provides inspection.
- If work on an NCDOT project is requested by an LGA, NCDOT will bill LGA for any cost.

Step by Step Highlights

Locally-Administered

Funding Allocated and Programmed in STIP

WHO?	WHAT?
MPO	STP-DA, TAP
MPO or RPO	CMAQ
STIP UNIT	Municipal Bridge (STP)
Bicycle/Ped Division	TAP/SRTS
Federal Government	TCSP, TIGER, other grants / earmarks
Division Office	State Funding

Funding must be programmed in the STIP prior to an agreement.

Agreement

- A project agreement is executed between the LGA and the NCDOT.
- Accounts Payable – meaning we (NCDOT) are paying (reimbursing) the LGA for eligible work.
- Agreement outlines scope, funding, time frame, and responsibilities.
- The typical Locally-Administered Project Agreement has the LGA providing all work for the project.

Funding Authorization

- Prior to beginning any eligible phase of work, funding must be authorized by FHWA.
- Authorization can only occur after certain deliverables are provided.
- Eligible phases:
 - PE – design & environmental documentation
 - ROW – acquisition of ROW and utility relocation
 - Construction – construction of project, construction engineering & inspection

Professional Services

- All consultants utilized by LGA must be pre-qualified by NCDOT in the requested work codes.
- Procurement must be in accordance with 23 CFR 172.
- FHWA has recently enacted new requirements as far as LGA's policies, procedures, and record-keeping of professional services contracts.

Environmental Document

- Most LGA projects qualify for a Programmatic Categorical Exclusion (PCE).
- LGA should ensure qualified professionals handle the information gathering and analysis of findings.
- LGA should coordinate with resource agencies *within allowed limits*.

Design

- Most projects shall be designed to NCDOT Standards.
- LGA should ensure qualified engineers, who are familiar with NCDOT process, provide plans and specifications.

Acquiring Right of Way

- All right of way acquisition should be in accordance with the Uniform Act.
- NCDOT must review and concur in offers of just compensation to property owners.
- All documentation must be reviewed by the Division Right of Way Agent, who will issue a ROW Certification.

Relocating Utilities

- Above-ground utilities should be relocated prior to construction contract let.
- If not, a plan for their relocation should be included in contract proposal.
- Underground utilities may be moved as part of construction.

Contract Documents

- LGA must use NCDOT specifications to create a contract proposal.
- Special website available to help LGAs “build” a contract proposal the NCDOT way.
- NCDOT must provide review and concurrence in LGA’s contract award.

Construction, Inspection, and Administration

- LGA directs the work of the contractor.
- LGA provides Construction Engineering and Inspection (CEI) and Contract Administration.
- Division provides *review and oversight*, however, in some cases, Division may provide the CEI and administration.
- In these cases, the Department will bill the LGA for any cost incurred.

Close-Out

- LGA accepts project from contractor with NCDOT concurrence.
- LGA may provide records to document material certification, although NCDOT must certify the materials.
- NCDOT will calculate the LGA share of any project costs and bill the LGA.

For ex: the 20% match of DOT charges, or the full cost of DOT charges, if no federal funds are available.

Maintenance

- Almost all LGA projects will be the maintenance responsibility of the LGA.
- Projects should be maintained in accordance with a reasonable useful life.

Division-Administered Projects

- NCDOT must follow the same requirements that the LGAs follow for project delivery.
- Key Differences between Locally-Administered and Division-Administered Projects:
 - Agreement
 - Contract Documents
 - Funding

Agreement

For a Division-Administered Project, no agreement is needed, unless:

- LGA requests utility relocations be included
- LGA requests betterments
- LGA has maintenance responsibilities

NCDOT would prepare an Accounts Receivable Agreement – NCDOT is receiving money from the LGA.

Contract Documents

- NCDOT lets projects under GS 136 and LGAs let projects under GS 143.
- Separate website set up to help develop contract documents for locally-administered projects vs. NCDOT projects.

Funding

- DOT retains the funding.
- No MPO/RPO actions, except if STP-DA is allocated to an NCDOT project.
- Any LGA costs/betterments are paid to NCDOT through an agreement.

Top Five Challenges with Locally-Administered Projects

- Not understanding the schedule and how long it will take project to be developed.
- Not understanding the “onboarding” process and requirements for consultant acquisition.
- Not being aware of scope of services needed to develop project.
- Not understanding issues with ROW/utilities and environmental documents.
- Not budgeting sufficient funds to account for DOT charges to the Project.

Top Five Challenges with Division-Administered Projects

These issues require extensive Department Review to Find and Correct:

- Incomplete Plans – Plans are not fully developed (plan sheets missing, standards missing, etc.)
- Missing Bid Items from Bid Sheets
- Constructability Issues That are not Identified Early in the Project Development Process
- Difficulty with Consultant Work being Delivered on Time to Meet Project Schedule
- Utilities not Fully Vetted and Addresses for a Project Resulting in Construction Delays

In Summary

	Locally-Administered	Division-Administered
Agreement	YES	NO, unless LGA requests work
Who does Work?	LGA	NCDOT
Who Provides Oversight?	NCDOT	FHWA (Federal)
Letting	NCGS 143	NCGS 136

Thanks for your attention!

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