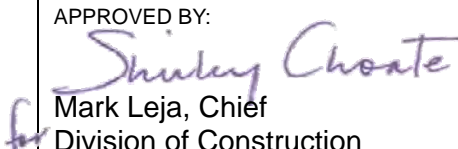


MANUAL CHANGE TRANSMITTAL		NO. 13-9
TITLE: Department of Transportation <i>Construction Manual</i>	APPROVED BY:  Mark Leja, Chief Division of Construction	DATE ISSUED: June 28, 2013
SUBJECT AREA Various sections of the <i>Construction Manual</i>	ISSUING UNIT Division of Construction	
SUPERSEDES CPD 12-3	DISTRIBUTION All Requested Manual Holders	

This manual change transmittal delivers the revisions of Chapter 9, Sections 1 and 2 of the *Construction Manual*. Updated sections may contain updated language, information, corrections, and references resulting from updates to the 2010 *Standard Specifications*, and from policy, and procedural changes. Change bars in the margins of the revised sections indicate text that was changed, added, or moved.

Please update your manual according to the table below.

Section(s)	Incorporates	Remove Old Page(s)	Insert New/Revised Page(s)
Table of Contents	None	TOC.4	TOC.4
Goldenrod, Chapter 9, Section 1, "Construction Contract Administration for Projects Funded by Others"	None	9-1.i	9-1.i
Chapter 9, Section 1, "Construction Contract Administration for Projects Funded by Others"	None	9-1.1 thru 9-1.3	9-1.1 thru 9-1.3
Goldenrod, Chapter 9, Section 2, "Projects Administered by a Local Agency on the State Highway System"	None	9-2.i	9-2.i
Chapter 9, Section 2, "Projects Administered by a Local Agency on the State Highway System"	CPD 12-3, "Quality Management Work on the State Highway System—Updated Attachment 1 and Quality Management Plan Link." Parts of CPB 09-6, "Oversight Project Completion Checklist"	9-2.1	9-2.1 thru 9-2.3

Section 9-1, “Construction Contract Administration for Projects Funded by Others”

- Updates language for consistency within *Construction Manual*.

Section 9-2, “Projects Administered by a Local Agency on the State Highway System”

- Updates language for consistency within *Construction Manual*.
- Corrects title of referenced Caltrans document.
- Provides new subsections: Quality, Reimbursement, Source Inspection, and Project Review.
- Provides information on: Source Inspection Quality Management Plan (SIQMP) and *Oversight Field Guidelines* (OFG).
- Incorporates parts of CPB 09-6, “Oversight Project Completion Checklist.”
- Incorporates information from CPD 12-3, “Quality Management Work on the State Highway System—Updated Attachment 1 and Quality Management Plan Link.” The CPD is eliminated because it is no longer needed.

CONSTRUCTION MANUAL

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This manual is being updated to reflect changes from the 2006 to the 2010 *Standard Specifications*. Bracketed section numbers refer to the 2006 *Standard Specifications*.

Section 1 Construction Contract Administration for Projects Funded by Others

9-101 General

Caltrans encourages local and private funding of state highway improvements. Local agencies develop and implement local funding programs that supplement federal and state funding programs to meet their current and future transportation needs. Projects funded by others that are constructed on the state highway system are sponsored by a city, county, local transportation authority, local transit agency, or private entity and use local or private funding.

Local revenues for state highway projects may include local sales tax, other local funds, local federal-aid funds (Surface Transportation Program [STP], Congestion Mitigation Air Quality [CMAQ], Transportation Enhancement Activities [TEA], and other funds), and private funds. Local agencies may combine their local funds with state and federal funds (State Transportation Improvement Program [STIP], Interregional Improvement Program [IIP], State Highway Operation and Protection Program and Minor Projects [SHOPP and Minor]) to develop transportation improvements.

The term “local agency” used throughout this section means any public entity (federal, state, regional transportation planning agency [RTPA], county, city, or other local government entity) that sponsors or administers a construction contract on the state highway system. In addition, any private entity that sponsors or administers construction contracts on the state highway system, unless otherwise noted, can be considered a local agency.

Caltrans policy states that the local or private entities sponsoring state highway system projects financed with local and private funds are responsible for construction contract administration. Caltrans will consider performing construction contract administration on a reimbursed basis in certain cases that are described in Section 9-103 of this manual.

9-102 Advertise, Award, and Administer Construction Contracts

Caltrans policy states that advertising, award, and contract administration shall not be divided among different entities; that is, the entity that advertises the project shall also award and administer the construction contract. Only the Chief, Division of Construction can waive this policy.

Section 1 Construction Contract Administration for Projects Funded by Others

9-101 General

9-102 Advertise, Award, and Administer Construction Contracts

**9-103
Caltrans
Administered
Projects Funded by
Others**

9-103 Caltrans Administered Projects Funded by Others

The district may honor local agency requests that Caltrans advertise, award, and administer the construction contract for local funded projects at the discretion of the district director, and subject to availability of resources. The local agency must accept the processing procedures normally applied to regular state highway projects, since the local funded project will be processed along with Caltrans' regular workload associated with developing the statewide transportation program.

The district director determines the appropriate method for advertising, awarding, and administering a construction contract project funded by others. The district director should consider advertising, awarding, and administering contracts in these instances:

- The project involves major urban freeway or expressway construction, where heavy public traffic will occur through construction.
- The project requires extensive night work.
- The project involves long and unusual structures.
- The Federal Highway Administration requests administration by Caltrans.

Caltrans administered projects that are funded by others follow this manual and the terms of the cooperative agreement. Whenever Caltrans advertises, awards, and administers the contract, the project is considered "state administered." Caltrans personnel perform the construction engineering in most cases. Arrangements may be made, however; for Caltrans to provide the resident engineer, structures representative, lead inspectors, and the remainder of the construction engineering staff to be local agency personnel, local agency hired consultants, or a combination of the two. In the latter case, the district (not the local agency) must ensure that such a project is properly staffed. The district must not allow a project to be inadequately staffed because the local agency does not furnish the expected personnel. The cost of the construction engineering team provided by a local agency is considered part of the local agency's share of the project costs.

Caltrans personnel make charges against the expense authorization for state administered projects similar to charging practices used on Caltrans projects. As a result of using this charging method, the local agency shares the engineering costs in accordance with the cooperative agreement between the local agency and Caltrans. Charges made for the local agency's personnel or consultants on state administered projects are also charged against the project and shared in accordance with the cooperative agreement. The method of charging the project for local agency personnel may vary depending on the entity and the agreement.

The Caltrans claims process in consultation with the fund provider is used when Caltrans administers a construction contract. For more information about this process, refer to Section 5-4, "Disputes," of this manual. The agreement must state that the fund provider will abide by the outcome of the Caltrans claims process.

9-103A Requesting Additional Funds for Local Federal-Aid (Subvention) Projects

If the project is funded in whole or part with local federal-aid funds, and the resident engineer determines that additional funds are needed, the resident engineer follows the procedures outlined in Section 5-203, "Obtaining Additional Funds," of this manual, with the following changes:

- The meeting with the resident engineer, construction engineer, construction field coordinator, and project manager to discuss funding needs and alternatives shall also include the district local assistance engineer and a representative of the local agency that sponsored the project. The meeting should include a representative of the local RTPA if the local federal-aid funds are programmed by the RTPA. The meeting should include the Federal Highway Administration transportation engineer for full oversight projects.
- The memorandum to request additional funds will be processed through the RTPA or district local assistance engineer. The meeting participants decide who receives the memorandum.
- If state funds are funding part of the project costs, the meeting will determine the responsibilities for the additional funds request. Project managers process the request for additional state (STIP, IIP, SHOPP and Minor) funds as outlined in Section 9-103B of this manual. The request for additional local federal-aid funds will be processed as determined at the meeting.

9-103B Requesting Additional Funds for Locally Funded Projects

If the project is not funded by local federal-aid funds, and the resident engineer determines that additional funds are needed, the resident engineer follows the procedures outlined in Section 5-203, “Obtaining Additional Funds,” of this manual, with the following changes:

- Include a representative of the local agency that sponsored the project when discussing funding need and alternatives during the meeting with the resident engineer, construction engineer, construction field coordinator, and project manager.
- Send the memorandum to request additional local funds to the local agency.
- Determine the split on the responsibility for the additional funds request during the meeting, if state funds are funding part of the project costs. Project managers process the request for additional state (STIP, IIP, SHOPP and Minor) funds as outlined. The request for additional local funds will be processed as determined at the meeting.

Section 2 Projects Administered by a Local Agency on the State Highway System

9-201 General

9-202 Quality

9-203 Reimbursement

9-204 Source Inspection

9-205 Project Review

This manual is being updated to reflect changes from the 2006 to the 2010 *Standard Specifications*. Bracketed section numbers refer to the 2006 *Standard Specifications*.

Section 2 Projects Administered by a Local Agency on the State Highway System

9-201 General

Ensure that all projects on or proposed for the state highway system are constructed efficiently and effectively in accordance with Deputy Directive 23-R1, “Roles and Responsibilities for Development of Projects on the State Highway System.” The directive requires local agencies to conform to Caltrans standards and practices as defined in policies, procedures, manuals, and guidance documents.

The implementing agency is that entity charged with successful completion of each project component as defined in Government Code, Section 14529 (b) of which one component is construction, construction management, and engineering, including surveys and inspection. To ensure clear lines of responsibility, contract advertisement, award, and administration shall be completed by the same implementing agency.

Work in partnership with the local agency by committing to fulfill all Caltrans promises as established by Director’s Policy DP-10, “Department Commitments.” These commitments will have been agreed to in the cooperative agreement and the encroachment permit.

Obtain a copy of the cooperative agreement and encroachment permit before work begins. Comply with the terms of both agreements or jointly amend them as necessary.

Perform quality management work in accordance with Deputy Directive 90, “Funding of Quality Management Work on State Highway Projects,” that outlines how quality management work will be performed for state highway system projects. That directive requires the implementing agency, other than Caltrans, to develop a quality control plan for construction administration.

The local agency must obtain an encroachment permit and use Caltrans approved plans and specifications before performing any construction administration or work on the state highway system. The local agency will provide the resident engineer and construction engineering team. Caltrans will provide independent quality assurance (IQA) and oversight of construction.

The *Construction Manual Supplement for Local Agency Resident Engineers* and the *Local Agency Structure Representative Guidelines* provide guidance to the implementing agency when it administers a construction project that modifies, maintains, or improves the state highway system. District construction and Office of Structures Construction oversight engineers should provide copies of these guidelines to the implementing agency at the project development team meeting where the construction phase cooperative agreement is discussed and at the preconstruction

Section 2 Projects Administered by a Local Agency on the State Highway System

9-201 General

**9-202
Quality**

meeting where roles, responsibilities, and procedures are discussed. The local agency is expected to conform to these guidelines.

9-202 Quality

When Caltrans is the implementing agency for construction administration, quality management work consists of quality control, quality assurance, and IQA activities described in the contract, structures construction technical manuals, and this manual.

When a government agency or private entity is the implementing agency, it is responsible for implementing adequate quality control and quality assurance procedures that ensure the project complies with Caltrans policies, procedures, standards and best practices such that the local agency's:

1. Contractor is responsible for quality control that consists of operational techniques and activities that are performed or conducted to fulfill contract requirements for quality.
2. Resident engineer is responsible for quality assurance that consists of planned and systematic actions necessary to provide confidence that product or service quality will satisfy the contract requirements as detailed in the *Construction Manual Supplement for Local Agency Resident Engineer*.
3. Structure representative is responsible for providing quality assurance as detailed in the *Local Agency Structure Representative Guidelines*.

The *Construction Manual Supplement for Local Agency Resident Engineers* and the *Local Agency Structure Representative Guidelines* are used by government agencies and private entities to prepare their quality management plan and to administrate the construction contract. A recommended local agency quality management plan outline is available at:

http://www.dot.ca.gov/hq/construc/CPDirectives/LA_QMP_for_Construction_Phase.pdf

Caltrans district construction, with input from structures construction for projects involving structures, must approve the quality management plan before the encroachment permit for construction is issued.

Caltrans oversees construction administration of the project administered by local agencies in order to ensure compliance with state and federal regulations and laws, and Caltrans standards. This IQA and oversight means Caltrans provides policy and procedural direction to non-Caltrans organizations, personnel, or companies administering construction contracts on projects under encroachment permit on the state highway system. Caltrans provides direction for similar organizations and personnel for projects that will become a future part of the state highway system.

The Division of Construction's *Oversight Engineer Field Guidelines* provides policy and procedures related to the duties of Caltrans construction IQA and oversight personnel on local agency administered construction projects. These guidelines establish Caltrans policy and procedure, and are to be used as a resource for Caltrans employees who provide IQA and oversight on projects administered by others on the existing or future state highway system. The *Oversight Engineer Field Guidelines* should not be used as a substitute for the encroachment permit or the cooperative agreement.

9-203 Reimbursement

When the implementing agency is a private entity, Caltrans performs IQA services at the private entity's expense. Caltrans may also perform a limited amount of quality assurance work for the private entity on a reimbursement basis.

When another government agency is the implementing agency, Caltrans IQA services are provided at state expense. Caltrans may perform a limited amount of the government agency's quality assurance responsibilities on a reimbursed basis. These activities could include source inspection, acceptance testing, and construction inspection.

9-204 Source Inspection

Caltrans may provide source inspection on a reimbursed basis to the implementing agency when it is not the implementing agency.

The local agency is required to prepare a Source Inspection Quality Management Plan (SIQMP) if it proposes to perform its own source inspection.

The state materials engineer will ensure that the implementing agency has prepared a SIQMP. Prior to issuance of the encroachment permit for construction, the SIQMP must be approved by the state materials engineer.

The recommended *SIQMP Outline* was introduced with the "Materials Engineering and Testing Services Source Inspection Quality Management Plan Outline" memorandum dated April 20, 2012 from the Division of Engineering Services, Deputy Division Chief for Materials Engineering and Testing Services (METS).

METS developed the *SIQMP Outline* to help local agencies manage their source inspection efforts when administering construction projects within the state highway system. The outline is available at:

http://www.dot.ca.gov/hq/esc/Translab/OSM/documents/agencyresources/SIQMP_Outline.pdf

9-205 Project Review

Caltrans, the local agency, and the contractor review a locally administered state highway construction project prior to contract acceptance.

Prior to this review, Caltrans oversight personnel perform a separate review and coordinate Caltrans safety and maintenance reviews of the local agency project at 90 percent complete.

Before local agency contract acceptance, the Caltrans oversight personnel discuss the findings of the independent review, safety review, maintenance review, and contractor's final project review with the local agency.

The local agency must submit all required contract, technical, and administrative documents, including as-built plans, change orders, and project history file before Caltrans accepts the project.

Caltrans oversight personnel must use Form OFG-6, "Final Acceptance Checklist for Caltrans Oversight Projects," to facilitate the review and acceptance by Caltrans of local agency or private entity-administered construction projects on the state highway system.

9-203 Reimbursement

9-204 Source Inspection

9-205 Project Review