

61.1 General Discussion

Congress determined that competitive bidding is the preferred method of performing projects. Local agencies using their own forces to construct Federal Highway Administration (FHWA) projects must demonstrate that this is the most cost-effective method. Federal regulations clearly indicate that, in the absence of an emergency situation, circumstances are unlikely to justify the use of agency force construction. Therefore, the consideration of any noncompetitive construction contracting method requires a cost effectiveness determination as well as an evaluation demonstrating that it is in the best interest of the public to complete the project by means other than competitive bidding. It is deemed cost effective to do minor adjustments of railroad and utility facilities with agency, utility, or railroad forces (major work still to be accomplished by competitive bidding). Only local agencies operating under CA may administer an FHWA project using agency forces. It is the responsibility of the agency to ensure that the agency-force work is within its day labor statutory limits for construction costs (refer to [RCW 36.77](#) and [35.77](#)).

Projects may be designed and constructed by one local agency on behalf of another when approved by the Washington State Department of Transportation (WSDOT).

This chapter addresses the differences between Local Ad and Award, local administered projects by contract and bidders, [Chapters 46](#) and [52](#), and construction performed by the Local Agency forces.

The development of a project for construction by local agency forces follows the same procedures as for a competitive bid contract as defined in [Chapters 43](#) and [44](#) through the right of way acquisition process ([Chapter 25](#)).

61.2 PS&E Requirements

The requirements of [Chapter 44](#), will apply to the design and development of these projects.

61.3 PS&E Approval

The PS&E must be approved as described in [Chapter 44](#).

61.4 Approval for Use of Agency Forces

Prior to requesting funding authorization the agency must obtain approval from WSDOT for use of agency or railroad forces for construction. The request must clearly identify that the agency is requesting approval for construction activities that will be completed with agency or railroad forces. The cost-effectiveness determination/public interest finding must be provided as an attachment.

The Public Interest Finding must demonstrate value to the public and include the following;

- Short Project Summary/Description.
- Cost Estimate Comparing Agency Force to Contracted Construction.
- Sources of Materials – Competitive Bid Procurement Contract (new or existing must meet Buy America Requirements).
- Schedule Implications if Appropriate.
- Justification of why it is in the Best Public Interest including Public Benefit.
- Determination of cost effectiveness.
- Backup materials – detailed cost estimate both for agency and contract, consider all costs (contract development and administration).

61.5 Fund Authorization

A supplement to the Local Agency Agreement ([Chapter 22](#)) must be submitted to the Region Local Programs Engineer requesting authorization of construction funds. Any work started prior to authorization will be ineligible for federal reimbursement.

61.6 Contract Number

Construction work by local forces shall not start until a Local Programs contract number has been obtained from the Region Local Programs Engineer.

61.7 Construction Administration

.61 General Discussion – FHWA and the Washington State Department of Transportation (WSDOT) are responsible for the proper expenditure of FHWA funds on local agency projects. In this capacity, Region Local Programs Personnel will consult and work with local agencies as needed and will perform systematic project management reviews to ensure that proper procedures are followed.

General guidelines for construction will be administered in accordance with [Chapter 52](#). Materials will be inspected in accordance with the *Construction Manual* M 41-01 and [Chapter 52](#). (In case of conflicting guidelines, [Chapter 52](#) governs over the *Construction Manual*.)

.62 Preconstruction Conference – Refer to [Chapter 52](#).

.63 Quality Control. The quality of materials and workmanship on the project must conform to the project specifications so that the public funds expended will have purchased a safe, economical, and fully functional transportation facility. Refer to [Chapter 52](#).

.64 Progress Billing – Progress billing must be based on all work performed. Costs of the labor, equipment, and material must be documented, as described in [Chapter 23](#).

.65 Changes and Extra Work – An agency should have a written policy for the approval of change orders to ensure that approval, either verbal or written, is given and documented prior to beginning work.

Whenever a change in the project work is required, the Local Agency shall prepare a change order and submit it to the approving authority for approval. This procedure is described in [Chapter 52](#).

.66 Completion of Construction – The local agency will carry out the following requirements to ready the project for acceptance by WSDOT:

- **Final Inspection** – Within 15 calendar days after completion of the work by agency forces, the Local Agency Project Engineer shall notify the Region Local Programs Engineer that the contract work is complete and request a final inspection and acceptance. Refer to [Chapter 52](#).
- **Final Reports** – A construction project is complete when the items listed below are submitted by the Local Agency to the Region Local Programs Engineer or the approving authority.
 1. **Final Billing** (approving authority file).
 2. **Comparison of Preliminary and Final Costs** (approving authority file) – A listing showing the preliminary and final costs of the labor, equipment, and material.
 3. **Final Records** (approving authority file) – The Local Agency Project Engineer must document the work performed on the project. Documentation consists of any field books, inspector’s record of field tests, project engineer’s and inspector’s diaries, all invoices, weigh bills, truck measurements, quantity tickets, receiving reports, field office ledgers, mass diagrams, cross-sections, computer listings, work profiles, approved time slips, etc., when they are a basis of payment for work performed or material furnished. Photographs or video before, during, and after construction could be useful, especially if care is taken to show any unusual conditions, equipment, or procedures.

Final records shall be retained as specified in [Chapter 53](#).
 4. **Record of Material Samples and Tests** – Records of samples and tests will be retained by the local agency for at least three years following acceptance of the project by the Director, Local Programs.
 5. **Materials Certification** ([Chapter 52](#)) – The intent of the material certification is to assure that the quality of all materials incorporated into the project is in conformance with the plans and specifications and thus ensures a service life equivalent to the design life.

This material certification shall be completed in accordance with Sections 9-1.5C and 9-5.4 of the *Construction Manual*, and the sample in [Chapter 52](#).

This certification shall be retained by the local agency as specified in [Chapter 53](#).

61.8 Project By One Agency for Another Agency

WSDOT approval is required whenever one local agency uses its forces to perform construction work for another agency. The request for approval shall include the following information:

- Kinds of work to be performed.
- Two cost estimates or other types of justifications; one for contracted work, and one for work by agency forces.
- Reason(s) why the work to be performed by agency forces is considered cost-effective.

The cost estimate for the competitive bidding work may be based on unit prices, including any related engineering and administrative costs necessary to prepare, monitor, and close the project. The unit prices shall be based on competitive bidding on comparable construction work in the same general locality.

The requesting agency shall submit the request to the Region Local Programs Engineer.

The Project Development Checklist should be used to guide these projects.

61.9 Appendices

[61.91](#) Local Agency Force Preconstruction Conference – Example

Local Agency Force

Appendix 61.91 Preconstruction Conference – Example

1. Order of Work
2. Utilities and Railroads
 - a. Local Agency project engineer prepare list of affected services and representative to be contacted.
 - b. Underground service should be located.
 - c. Notification time required by organizations.
 - d. Insurance required, if any.
3. Traffic Control and Safety
 - a. Uniform Traffic Control Devices Manual will control signing.
 - b. Review and discussion of traffic control plan (TCP).
 - c. Safety control on structures.
 - d. Flagman should use standard paddle and vest and must be certified with flagman card.
 - e. Speed regulation of construction equipment.
 - f. Local Agency project engineer designate by name the individual responsible for construction traffic control.
 - g. Safety and health requirements.
 - h. Request police to report all construction zone accidents to the Local Agency engineer.
4. Environmental Considerations
 - a. Commitment files.
 - b. Standard Specifications/Special Provisions.
5. General Construction Discussion
 - a. Local Agency engineer explains how he plans to pursue the work.
 - b. Review of anticipated construction problems.

