

## California Department of Transportation

DISTRICT 4 OFFICE OF LOCAL ASSISTANCE  
P.O. BOX 23660, MS-10B | OAKLAND, CA 94623-0660  
(510) 960-0803 | FAX (510) 286-5229 | TTY 711  
[www.dot.ca.gov](http://www.dot.ca.gov)



September 16, 2021

Ms. Carla Short  
Interim Director  
San Francisco Public Works  
49 South Van Ness Avenue, Suite 1600  
San Francisco, CA 94103

Attention: Mr. Edmund Lee, Project Manager

Dear Director:

The Authorization to Proceed for construction phase has been approved for the Sloat Infrastructure Improvements Project, FERPL18-5934(186). A copy of the authorization document (E-76) is attached for your project files. The effective date of approval is September 16, 2021.

Please refer to Chapter 10, Consultant Selection, and Chapter 15, Advertise and Award Project, of the Local Assistance Procedures Manual (LAPM) that sets forth the procedures for consultant/construction contract procurements as well as project advertisement and award of the construction contract. You can find the current version of the LAPM as well as Office Bulletins, the latest policy and procedural changes, at the Division of Local Assistance's website (<https://dot.ca.gov/programs/local-assistance/>). For consultant contract estimates over \$500,000 and construction contract estimates over \$2 million, Exhibit 9-D, "DBE Contract Goal Methodology", of the LAPM must be submitted to <dbegoal.gfe@dot.ca.gov> and approved prior to advertising.

After advertising the project for bids, please send us one copy of the "as advertised" plans and special provisions. A minimum 21-day advertisement period is required for all projects. Any addenda must be approved by your agency and documented in your project files. Exhibit 15-C, "Local Agency Project Advertising Checklist", and Exhibit 15-I, "Local Agency Bid Opening Checklist", of the LAPM will be helpful during this period and must be in your project files. You must award the contract to the lowest responsive and responsible bidder. If award is not to the lowest bidder, you must provide written documentation in your project files. Federal law prohibits local preferences to bidders as well as requiring any bidder to obtain a license before submitting a bid. The contractor must have a valid State contractor's license for

award of the contract. The Form FHWA-1273 must be physically incorporated into the construction contract, subcontracts and lower-tier subcontracts; referencing Form FHWA-1273 separately or as part of project's other contract document(s) is not acceptable. Immediately after award of the contract and prior to the first invoice of the construction phase you must submit us a complete award package including the following documents:

- Local Agency Contract Award Checklist (Exhibit 15-L)
- Engineer's Estimate
- Low Bidder's Proposal
- Construction Contract DBE Commitment (Exhibit 15-G)
- If DBE Goal is not attained, "Proposer/Contractor Good Faith Efforts" (Exhibit 15-H) filled out by the contractor and your Agency's "Evaluation of Good Faith Efforts" Memorandum (Exhibit 9-E)
- Bid Tabulation Summary Sheet (Exhibit 15-D)
- Detail Estimate (Exhibit 15-M)
- Project Authorization/Adjustment Request (LAPM 3-A)
- Resident Engineer's Construction Contract Administration Checklist (Exhibit 15-B)

A sample award transmittal letter is attached to help you in reporting the above documents. Failure to submit complete and accurate project documentation may result in the de-obligation of funds on this project.

In addition to the above award package submittal, immediately after issuing a Notice to Proceed to the contractor, e-mail a copy of the notice to Jimmy Panmai, Area Engineer, at <Jimmy.Panmai@dot.ca.gov> and Siobhan Saunders, Construction Oversight Engineer, at <siobhan.saunders@dot.ca.gov>.

It is imperative that records for this project are clear, well organized, up to date, and complete. All contract documentation and backup records must be available at any time for review by Caltrans and FHWA personnel. Use of a uniform project filing system, together with diligent maintenance of the system, greatly facilitates a process review and minimizes negative findings. The project files must be available at a single location using the uniform project filing system. Also, material sampling and testing requirements must follow your approved Quality Assurance Program per Chapter 16, Administer Construction Contracts, of the LAPM.

Any unforeseen or additional work to be added to the contract must be within the project scope/limits as defined in the approved NEPA document and right of way

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certification regardless of its funding sources. Non-compliance will jeopardize the federal eligibility of the entire project. All change orders are to be approved by your agency in advance of any work being done on the change. Procedures for administering a contract change order (CCO) can be found in Chapter 16 of the LAPM. If a CCO requires additional federal funds beyond that shown on the E-76 authorization, you must receive additional authorization of funds before you approve the change order, otherwise, reimbursement for the additional work cannot be claimed.

Prior to invoicing us for eligible project costs, you must assure that the master and project supplemental agreements are fully executed. During Covid-19 exemption period and until notified otherwise, please submit invoices via email to Mr. Michael Hufana <[Michael.Hufana@dot.ca.gov](mailto:Michael.Hufana@dot.ca.gov)> and copy me <[Jimmy.Panmai@dot.ca.gov](mailto:Jimmy.Panmai@dot.ca.gov)>.

Please note that you must submit an invoice for this project at least every six months to avoid inactivity and loss of federal funds.

If you have any questions, please contact me at (510) 507-9943.

Sincerely,



TEPPITAK PANMAI  
Senior Transportation Engineer (Limited Term)

Enclosures

1. Authorization/Agreement Summary – (E-76)
2. Top Five Local Agency Issues – Reminder
3. Sample Award Transmittal Letter

**AUTHORIZATION / AGREEMENT SUMMARY - (E-76)**

**CALIFORNIA DEPARTMENT OF TRANSPORTATION**

**FEDERAL AID PROGRAM**

DLA LOCATOR: 04-SF-0-CR  
 PREFIX: FERPL18  
 PROJECT NO: 5934(186)  
 SEQ NO: 1  
 STATE PROJ NO: 0421000184L-N  
 ALT. PROJ NO:  
 AGENCY: SAN FRANCISCO  
 ROUTE:  
 DISASTER NO:

PROJECT LOCATION:  
 SLOAT BOULEVARD AT INTERSECTIONS WITH 45TH AND 46TH AVENUE  
 TYPE OF WORK:  
 PEDESTRIAN PATHWAY, INCLUDING SIDEWALK, CURB RAMPS, AND  
 FED RR NO'S:  
 PUC CODES:  
 PROJ OVERSIGHT: ASSUMED/LOCAL ADMIN  
 ENV STATUS / DT: 05/12/2021  
 RW STATUS / DT: 1 07/26/2021  
 INV RTE:  
 BEG MP:  
 END MP:  
 BRIDGE NO:

PREV AUTH / AGREE DATES:

PE:  
 R/W:  
 CON:  
 SPR:  
 MCS:  
 OTH:

PROJECT END DATE (PED): 12/01/2023

TIP DATA

MPO: MTC  
 FSTIP YR: 20/21  
 STIP REF: 206-0000-4629  
 FSTIP ID NO: SF-110005

<u>PROG CODE</u>	<u>LINE NO</u>	<u>IMPV TYPE</u>	<u>FUNC SYS</u>	<u>URBAN AREA</u>	<u>URB/RURAL</u>	<u>DEMO ID</u>
RPS1	30	06				CA786
RPS1	31	17				CA786

FUNDING SUMMARY

<u>PHASE</u>		<u>PROJECT COST</u>	<u>FEDERAL COST</u>	<u>AC COST</u>
PE	PE PREV. OBLIGATION	\$0.00	\$0.00	\$0.00
	PE THIS REQUEST	\$0.00	\$0.00	\$0.00
	PE SUBTOTAL	\$0.00	\$0.00	\$0.00
R/W	RW PREV. OBLIGATION	\$0.00	\$0.00	\$0.00
	RW THIS REQUEST	\$0.00	\$0.00	\$0.00
	RW SUBTOTAL	\$0.00	\$0.00	\$0.00
CON	CON PREV. OBLIGATION	\$0.00	\$0.00	\$0.00
	CON THIS REQUEST	\$281,131.00	\$163,512.93	\$0.00
	CON SUBTOTAL	\$281,131.00	\$163,512.93	\$0.00
OTH	OTH PREV. OBLIGATION	\$0.00	\$0.00	\$0.00
	OTH THIS REQUEST	\$0.00	\$0.00	\$0.00
	OTH SUBTOTAL	\$0.00	\$0.00	\$0.00
<b>TOTAL:</b>		<b>\$281,131.00</b>	<b>\$163,512.93</b>	<b>\$0.00</b>

STATE REMARKS

08/30/2021 this sequence is for CON and CE  
 09/02/2021 SEQ 1: Authorizing Earmark Repurposing funds Demo ID (CA786) for Construction and CE. Non-participating utility cost: \$500.

FEDERAL REMARKS

AUTHORIZATION

AUTHORIZATION TO PROCEED WITH REQUEST: CON  
 FOR: CONSTRUCTION & CE  
 DOCUMENT TYPE: AAGR

PREPARED IN FADS BY: MILITANTE, MARCO  
 REVIEWED IN FADS BY: SAFAIE, FRANK  
 SUBMITTED IN FADS BY: AMBROSINI, ADAM  
 PROCESSED IN FADS BY: SIGNATURE, NOT\_REQUIRED  
 E-76 AUTHORIZED DATE IN FMIS BY: TASIA PAPAJOHN

ON 2021-08-31 622-5919  
 ON 2021-09-02 653-5345  
 ON 2021-09-03 FOR CALTRANS  
 ON 2021-09-03 FOR FHWA  
 ON 2021-09-15 18:38:44.0

SIGNATURE HISTORY FOR PROJECT NUMBER 5934(186) AS OF 09/16/2021

FHWA FMIS SIGNATURE HISTORY

<u>MOD #</u>	<u>SIGNED BY</u>	<u>SIGNED ON</u>
0	SHUN HUEY	09/10/2021
	SHUN HUEY	09/10/2021
	TASIA PAPAJOHN	09/15/2021

FHWA FMIS 3.0 SIGNATURE HISTORY

CALTRANS SIGNATURE HISTORY

<u>DOCUMENT TYPE</u>	<u>SIGNED BY</u>	<u>SIGNED ON</u>
AUTH/AGREE	AMBROSINI, ADAM	09/03/2021



# **\*\*DON'T LOSE YOUR FEDERAL MONEY\*\***

## **Top FIVE LOCAL AGENCY ISSUES**

1. **Improper Procurement Practices**- Failure to follow required consultant contract procurement process per federal regulations and outlined in Caltrans Local Assistance Procedures Manual. Significant violations include:
  - Missing key documents in project procurement file, i.e. proof of advertising, all score sheets, profit negotiations, cost estimates etc.
  - Selection criteria's weighted values are not included in the RFPs/RFQs.
  - Selection of consultant was not based on the RFP/RFQ stated selection criteria and stated selection criteria's weighted values.
  - A detailed Independent cost estimate was not prepared before proposals are received.
  - Profit was not negotiated as a separate cost item.
  
2. **Contract Administration for Consultant's Services Contracts**- Failure to maintain contract administration systems and proper management to ensure consultants perform in accordance with the terms and conditions of contracts. Significant violations include:
  - Amending an expired contract.
  - Making significant changes to the original scope of a contract.
  - Charging rates not consistent with the contract cost proposal.
  - Making changes in key personnel without prior approval.
  - Adding classifications or personnel without prior approval.
  - Method of payment is inconsistent with method of payment stated in the RFP and the signed contract.
  
3. **Contract Administration for Construction Contracts** – Failure to maintain a contract administration system to ensure payments to contractors are supported by project records. Significant violations include:
  - Line Item quantities are not supported by project records
  - Construction Change Orders (CCO) are not supported by independent cost estimates, were not properly approved and/or costs claimed are not properly documented.
  - CCO's work is not within the scope of the original contract, i.e. Contractor caused damage and repair.
  
4. **Conflict of Interest**- Agency employees and consultants potentially violate conflict of interest laws and regulations by making decisions for which the Agency employee, or consultant acting on behalf of the Agency, could benefit financially.
  
5. **Improper Charge of Indirect Costs**- You are in violation when you charge indirect costs without an approved Indirect Cost Rate from Caltrans Audits & Investigations. This includes any indirect cost charged by the Agency, or Division/Department etc. of the Agency. This also includes any Cognizant approved rates received by the Agency from someone other than Caltrans Audits & Investigations.

**Note: Caltrans Division of Local Assistance (DLA) reminds you to avoid these common mistakes that have resulted in the loss of federal fund by local agencies.**



# LOCAL AGENCY AWARD PACKAGE TRANSMITTAL

## (Local Agency Letterhead)

(Today's Date)

Mr./Ms. Xxxx Xxxx

Local Assistance Area Engineer  
Caltrans, District 4, Office of Local Assistance  
Mail Station 10-B  
111 Grand Avenue/Mail: P.O. Box 23660  
Oakland, CA 94623-0660

Dear Mr./Ms. Xxxx:

Re: (Project Number, Location and Description)

We have awarded the construction contract for the subject federal-aid project to (Contractor's Name) for the amount of \$(Dollar Amount).

Attached are copies of the award information as required by the Local Assistance Procedures Manual:

- Local Agency Contract Award Checklist (Exhibit 15-L)
- Engineer's Estimate
- Low Bidder's Proposal
- Local Agency Bidder's Construction Contracts DBE Commitment (Exhibit 15-G)
- DBE Information – Good Faith Efforts (Exhibit 15-H) filled out by the contractor and the agency's "Evaluation of Good Faith Efforts" memorandum (Exhibit 9-E)
- Bid Tabulation Summary Sheet (Exhibit 15-D)
- Detail Estimate (Exhibit 15-M)
- Project Authorization/Adjustment Request (LAPM 3-A)
- Resident Engineer's Construction Contract Administration Checklist (Exhibit 15-B)

Please review and process these documents so that the E-76 can be revised as necessary to reflect project cost. We will submit progress invoices as well as our Final Invoice and Final Report of Expenditures (FROE) for review and processing.

If during construction the participating costs overrun this estimate and there are federal funds available, we will submit a revised request for authorization (RFA) package to modify the E-76 authorization.

You may direct any questions to (Your Name) at (Email Address) or (Phone Number).

Sincerely,

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Signature and Title