

# Congestion Mitigation and Air Quality Program

Transportation Planning Branch



Approved: October 1, 2007  
Version 1

## [Contents]

[Purpose](#)

[Background](#)

[Responsibility](#)

[Policy, Regulatory, and Legal Requirements](#)

[Scheduling and Time Constraints](#)

[Procedures and Flowchart](#)

[Warnings and Precautions](#)

[Resources and Tools](#)

[Contacts](#)

[Glossary](#)

[User Access](#)

## ***Purpose***

The purpose of this procedure is to define the main processes that the North Carolina Department of Transportation (NCDOT) uses to administer the Congestion Mitigation and Air Quality (CMAQ) program.

## ***Background***

The CMAQ program was created by the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991 and re-authorized by subsequent federal acts. The Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) jointly administer the CMAQ program, in consultation with the U.S. Environmental Protection Agency (EPA). The primary purpose of the CMAQ program is to fund transportation projects and programs in non-attainment and maintenance areas to help achieve and maintain the National Ambient Air Quality Standards.

## ***Responsibility***

The Systems Planning Group of the Transportation Planning Branch (TPB) administers the CMAQ program for NCDOT.

## ***Policy, Regulatory, and Legal Requirements***

Federal requirements, policies and guidance documents used to administer this program are available at FHWA's [CMAQ Improvement Program](#) web site.

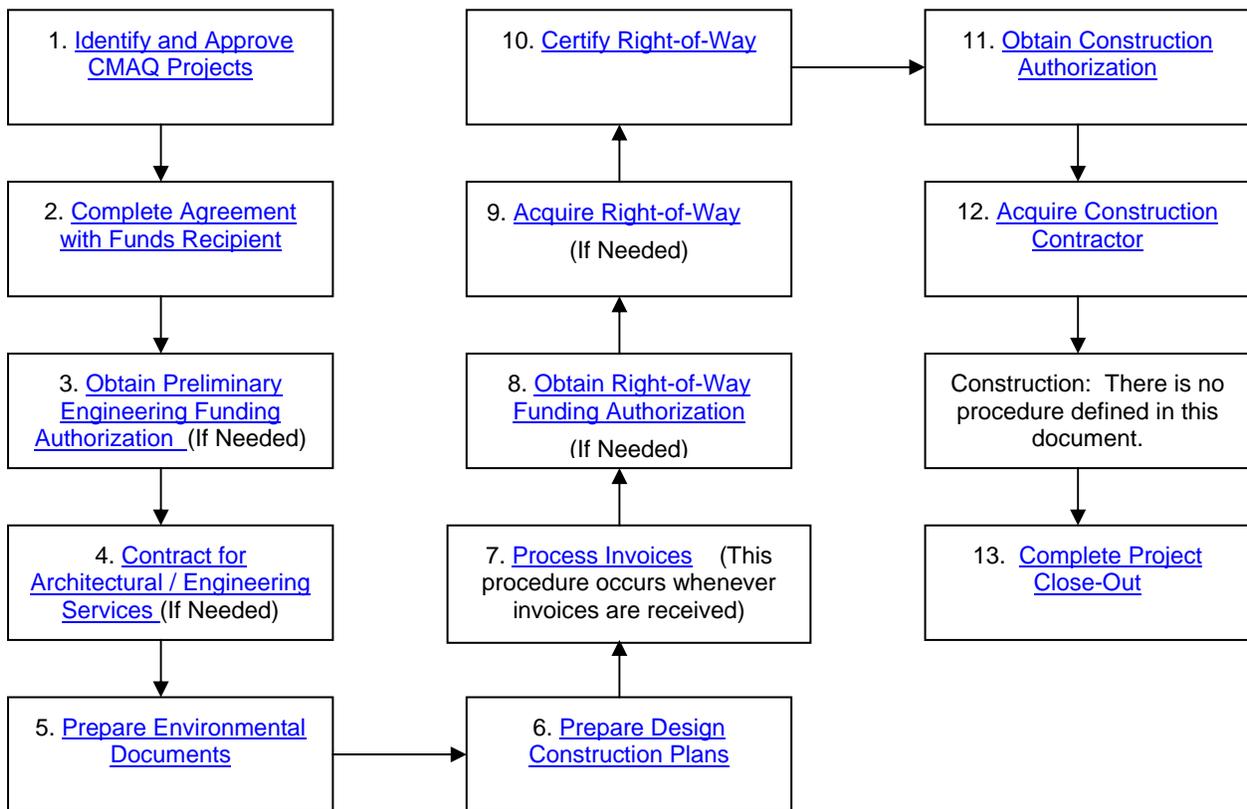
## ***Scheduling and Time Constraints***

The Transportation Planning Branch administers this program based on the projected availability of funds.

## Procedures

Several processes and associated procedures are followed in the administration of the CMAQ program. Below are the main processes and links to the procedures that define these processes.

**Note:** The first process, **Identify and Approve CMAQ Projects** applies to FTA as well as FHWA CMAQ projects. After this point, some transit projects are transferred to FTA for administration and do not follow the remaining procedures. The CMAQ Program Manager (PM) coordinates with NCDOT Public Transportation Division to make this determination. The Public Transportation Division submits a request to FHWA to effect the transfer to FTA. Transit projects that remain under NCDOT's administration follow the remaining procedures that are applicable to the specific type of project.

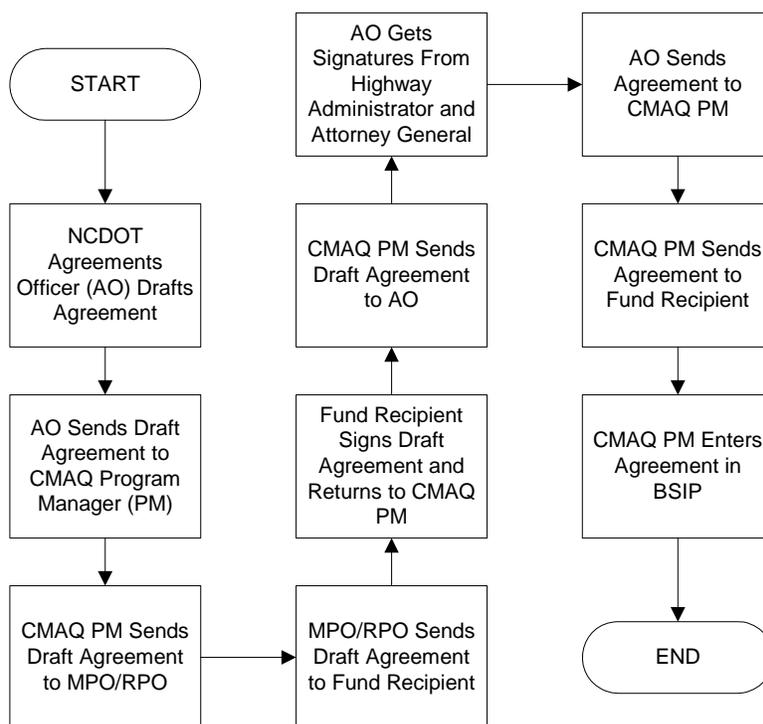


### 1. Identify and Approve CMAQ Projects

The NCDOT CMAQ Program Manager (PM) will follow the steps below to identify and approve all CMAQ Projects:

Step	Action
	This procedure is being revised and will be published before the next call for projects.

## 2. Complete Agreement with Funds Recipient

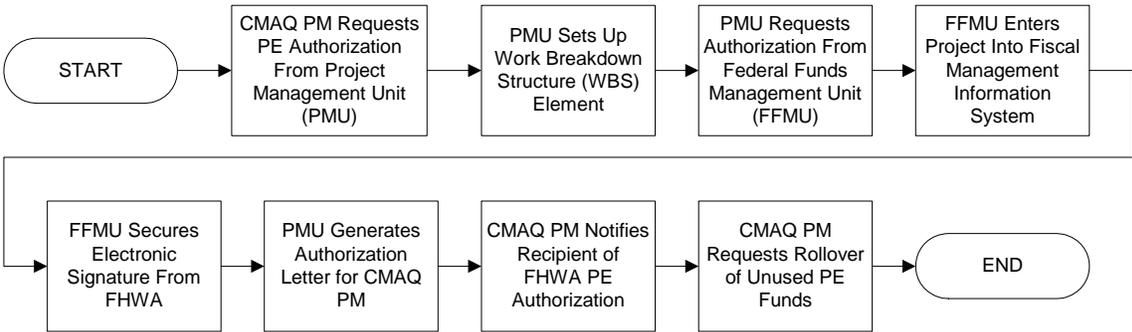


This procedure is applicable only when funding is awarded to a third party (an entity other than NCDOT) and only when receiving funding from NCDOT. Upon inclusion of the CMAQ project in the State Transportation Improvement Program (STIP), follow these steps to complete an agreement with the Funds Recipient:

Step	Action
1	The NCDOT Agreements Officer (AO) in the Agreements Unit of Fiscal initiates the development of an Agreement between the NCDOT and the Funds Recipient(s) outlining the conditions of the award.
2	The AO sends the draft agreement in duplicate to the CMAQ Program Manager (PM).
3	The CMAQ PM reviews the agreement and sends both copies to the MPO/RPO.
4	The MPO/RPO sends both copies to the Funds Recipient (which is usually a local government) for signatures.
5	The Funds Recipient returns both signed copies of the agreement to the CMAQ PM.
6	The CMAQ PM sends both signed copies to the AO.
7	The CO obtains signatures from the NCDOT State Highway Administrator and the State Attorney General.
8	Once these signatures have been obtained, the AO sends both executed agreements to the CMAQ PM.
9	The CMAQ PM sends a copy of the executed agreement to the Funds Recipient. The second copy is kept in TPB files.

<b>10</b>	The CMAQ PM enters the agreement in BSIP using the procedure “ <i>BSIP—Contract Administration—Entering Contracts.</i> ”
-----------	--

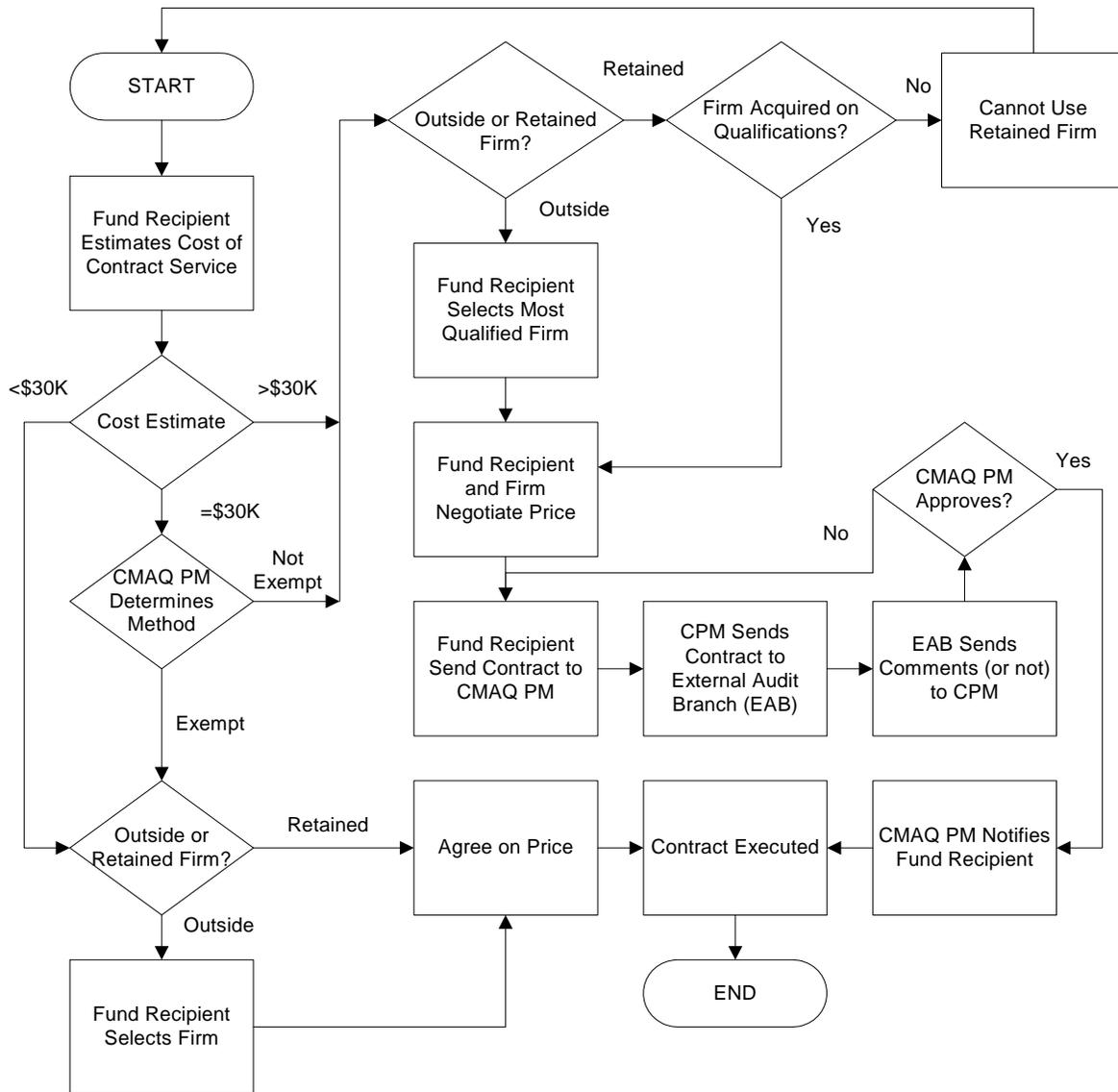
**3. Obtain Preliminary Engineering (PE) Funding Authorization**



This procedure is applicable only when Funds Recipient desires reimbursement for Preliminary Engineering (PE) expenses and PE expenses are to be reimbursed by NCDOT. Follow these steps to obtain PE funding authorization:

Step	Action
<b>1</b>	<p><b>Note:</b> Authorization for Preliminary Engineering (PE) expenses must be obtained from the FHWA prior to contracting for or incurring any PE expenses. PE activities include items such as environmental documentation, design, and preliminary hazardous waste testing.</p> <p>Upon execution of the CMAQ Agreement, the CMAQ Program Manager (PM) initiates the request for <a href="#">PE authorization</a> from the NCDOT Project Management Unit (PMU).</p> <p>Typically, the CMAQ PM requests PE authorization for all projects that need or appear to need the PE phase (since some projects do not specifically include PE in the application). In some cases, PE may be the only phase of activity. In other cases, PE authorization is not requested. For instance, PE authorization may <b>not</b> be requested if the award recipient assumes full local funding responsibility for PE activities.</p>
<b>2</b>	When reimbursement for PE is identified, NCDOT PMU sets up a Work Breakdown Structure (WBS) Element.
<b>3</b>	The NCDOT PMU requests funding authorization from the NCDOT Federal Funds Management Unit (FFMU).
<b>4</b>	The NCDOT FFMU enters the project information into FHWA's Fiscal Management Information System (FMIS) and obtains the FHWA electronic signature.
<b>5</b>	The PMU generates a project PE authorization letter and sends it to the CMAQ PM.
<b>6</b>	The CMAQ PM sends a letter notifying the Funds Recipient of the PE authorization.
<b>7</b>	If PE was authorized and funds are not needed, the PE funds can be rolled over into subsequent phases (ROW, Construction). The CMAQ PM should notify the PMU to roll over unused PE funds when requesting the next phase of project authorization (ROW and/or Construction).

#### 4. Contract for Architectural / Engineering (A/E) Services



This procedure is applicable only when Funds Recipient needs to acquire a consultant and desires reimbursement for PE (consultant) expenses. If NCDOT staff provides Architectural/Engineering (A/E) services, there is no need for outside consultant services.

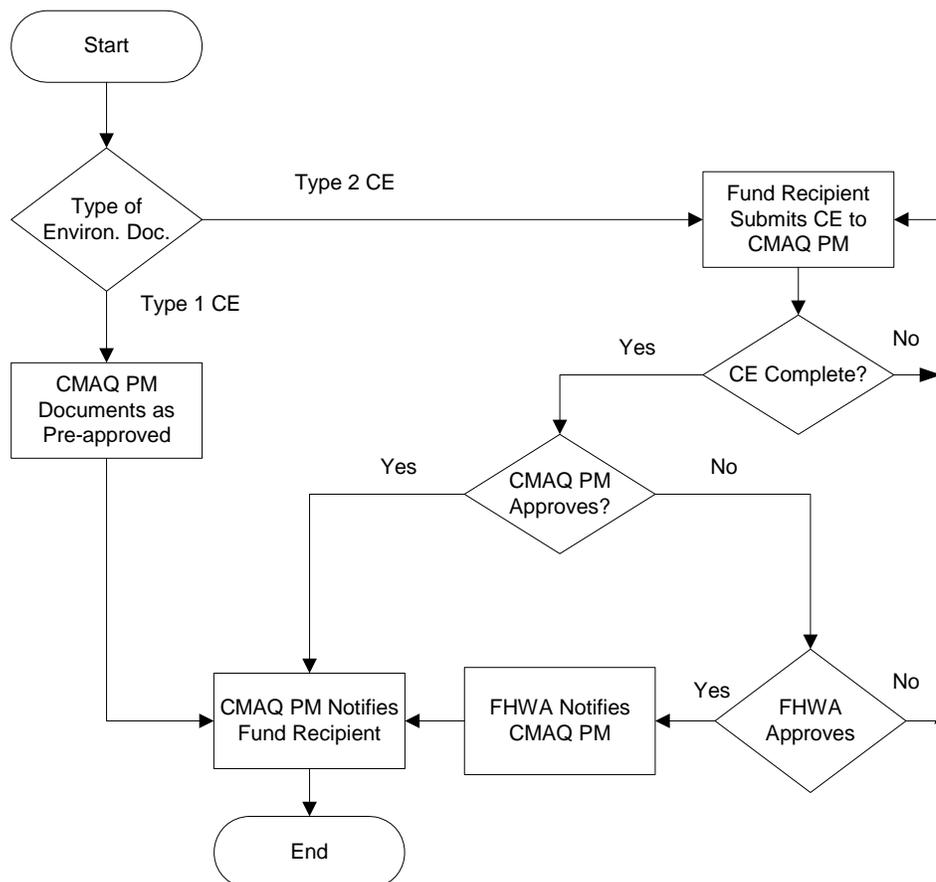
Step	Action
1	<p>The Funds Recipient estimates the cost for A/E services. The cost estimate for A/E services determines the procedures that are followed.</p> <ul style="list-style-type: none"> <li>• If the professional service contract for the project is estimated to cost less than \$30,000, go to Step 2.</li> <li>• If the professional service contract for the project is estimated to cost exactly \$30,000, go to Step 3.</li> <li>• If the professional service contract for the project is estimated to cost more than \$30,000, go to Step 4.</li> </ul>

2	<p>If the professional services contract for the project is estimated to cost less than \$30,000 the Funds Recipient may exempt (in writing) the contract from the requirements of NCGS 143.64. This frees the Funds Recipient from complying with the NCGS article and allows the Funds Recipient to acquire these services without NCDOT involvement.</p> <p>The Funds Recipient may either use a firm already retained or select an outside firm. The Funds Recipient negotiates with the firm and agrees on a contract price and executes a contract.</p> <p>See Notes 1 and 2 at end of procedure.</p>
3	<p>If the professional service contract for the project is estimated to cost exactly \$30,000 the CMAQ Program Manager (PM) will decide the method of acquisition. If the CMAQ PM decides that the contract is <b>not exempt</b> from the requirements of NCGS 143.64, proceed with Steps 4 through 9. Otherwise, follow the procedure in Step 2.</p>
4	<p>If the professional services contract for the project is estimated to cost more than \$30,000 the Funds Recipient complies with the NCDOT "<a href="#">Updated Policies and Procedures for Major Professional or Specialized Services Contracts.</a>"</p> <p><b>Note:</b> NCDOT must review and approve the negotiated contract <u>prior</u> to execution. As the contracting officer, the CMAQ PM must review the contract from a quantity standpoint to ensure the proposed hours are acceptable. This may require aid from other sections of NCDOT, as appropriate. The External Audit Branch reviews and approves the rates associated with the contract. The contracting officer awards final contract approval.</p>
5	<p>The Funds Recipient may use a firm already retained, <b>provided that firm was acquired based on qualifications.</b> Otherwise, the Funds Recipient selects the most qualified firm using the NCDOT "<a href="#">Updated Policies and Procedures for Major Professional or Specialized Services Contracts.</a>" See Notes 1 and 2 at end of procedure.</p>
6	<p>The Funds Recipient negotiates a contract price with the firm.</p>
7	<p>The Funds Recipient sends the proposed contract to the CMAQ PM at NCDOT for review and approval.</p> <p><b>Note:</b> When projects require the hiring of outside consulting firms at a cost &gt;\$30,000 the proposed engineering contract should follow <a href="#">NCDOT External Audit Branch Guidelines.</a></p> <p><b>Note:</b> NCDOT will also review the salary rates and other costs proposed by consultants. Maximum allowable rates (other than salaries) can be found at this <a href="#">link.</a></p>
8	<p>The CMAQ PM sends the contract to the NCDOT External Audit Branch (EAB) for review and comment. The EAB assists the CMAQ PM in reviewing qualifications and rates of proposed professional service contracts.</p>
9	<p>If the CMAQ PM approves the contract, they will notify the Funds Recipient and the contract may be executed. Otherwise, the CMAQ PM will provide instructions to the Funds Recipient to revise the contract, select a different firm, renegotiate price, or other direction.</p>

**Notes:**

1. NCDOT maintains a [list of firms pre-qualified](#) to bid. Award recipients are not required to select a firm only from this list. The list merely contains firms who have chosen to be pre-qualified. [Pre-qualification](#) is a requirement, however, for engineering contracts exceeding \$250,000 (\$30,000 for subgrantees such as local governments receiving CMAQ funds).
2. NCDOT also maintains a listing of [Disadvantaged Business Enterprise \(DBE\) consulting firms](#) where you can search by type and location. Since the CMAQ program utilizes federal funds, award recipients will need to consider DBE goals. The use of a DBE consulting firm counts towards the overall DBE goal.

**5. Prepare Environmental Documents**



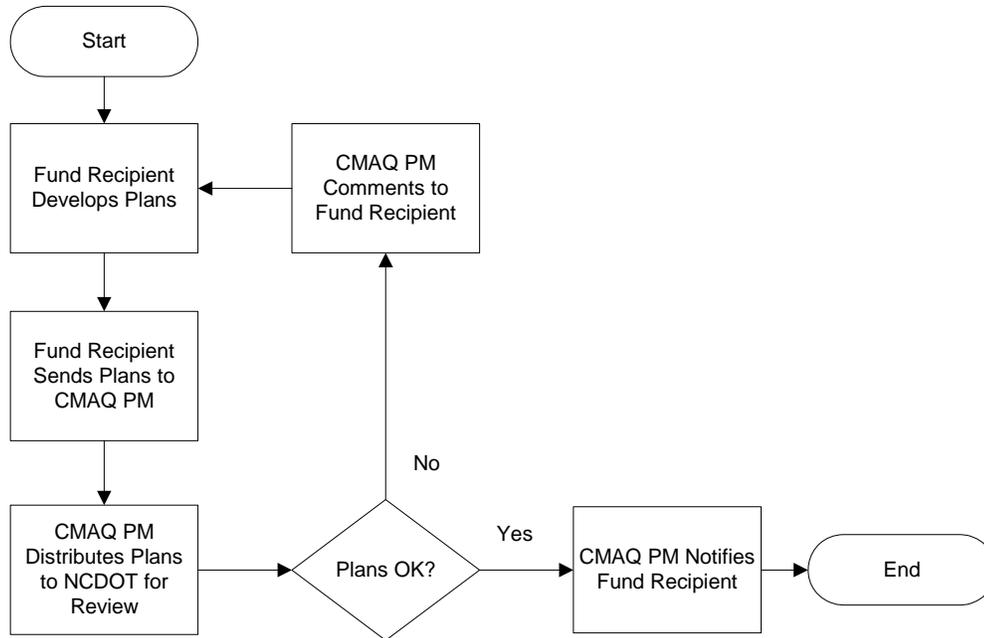
The National Environmental Policy Act (NEPA) of 1969 requires Federal agencies to use an interdisciplinary approach in planning and decision-making for actions that will have an impact on the environment. This Act established the Council on Environmental Quality (CEQ) and required that every recommendation for major federal actions include a discussion of the environmental impact of the proposed action. This procedure defines tasks and responsibilities for preparing and approving the environmental documents.

Step	Action
1	<p>For environmental documentation purposes, projects are classified according to the expected significance of the environmental impact. The CEQ guidelines define a Categorical Exclusion (CE) as a category of actions that do not individually or cumulatively have a significant effect on the environment. A categorical exclusion document is prepared in order to demonstrate that a proposed action will not have a significant impact on the environment. FHWA and NCDOT have determined that CMAQ activities normally should qualify as CEs. Click <a href="#">here</a> for “Documentation Requirements and Approval Procedures of Federal-Aid Projects Classified as Categorical Exclusions.”</p> <p>Determine the appropriate form of CE documentation required based on the CE classification (<a href="#">Type I or Type II</a>).</p> <ul style="list-style-type: none"> <li>• If <b>Type I</b> activities, no further documentation is required. No further approval is needed, as these actions are pre-approved by the FHWA as CEs. CMAQ Program Manager (PM) sends a letter notifying the Funds Recipient. No further Steps are required.</li> <li>• If <b>Type II</b> activities, further documentation is required. <ul style="list-style-type: none"> <li>- <b>Type II (A)</b> CE checklist is completed as part of the CE Documentation Requirements with no potential impacts noted. Proceed with Step 2.</li> <li>- <b>Type II (B)</b> CE checklist is completed with potential impacts noted and additional documentation resulting from coordination with FHWA or resource agency, as appropriate, is required. Proceed with Step 2.”</li> </ul> </li> </ul> <p><b>Note:</b> For purposes of the CMAQ program, the basic assumption is that implementation of CMAQ projects will not involve significant impacts, and therefore, a CE is the appropriate type of environmental document. In the event a significant environmental issue is raised during the course of the environmental investigation, FHWA will determine the appropriate level of environmental documentation required.</p>
2	The Funds Recipient completes the <a href="#">CE checklist</a> (and additional documentation if required) and submits it to the CMAQ PM.
3	<p>The CMAQ PM reviews the CE checklist for completeness.</p> <ul style="list-style-type: none"> <li>• If the checklist/documentation is <u>not</u> complete, it will be returned to the Funds Recipient for correction.</li> <li>• If the checklist/documentation is complete, proceed to Step 4.</li> </ul>
4	If there are no boxes checked on the CE checklist, the CMAQ PM approves the CE. Proceed to Step 6.
5	<p>If there are any “boxes” checked on the CE checklist, the CMAQ PM will coordinate with the FHWA Environmental Protection Specialist and/or NCDOT Project Development Unit. The CMAQ PM will determine if the CE can be approved or needs to be sent to FHWA for formal review and approval.</p> <ul style="list-style-type: none"> <li>• If the CE checklist is sent to FHWA and approved, FHWA will return the approved CE to the CMAQ PM who will proceed to Step 6.</li> <li>• If it is not approved, the CMAQ PM will return it to the Funds Recipient for correction.</li> </ul>
6	CMAQ PM notifies Funds Recipient by letter and provides a signed copy of the CE checklist.

**Notes:**

1. Ideally, the environmental document is approved before the Funds Recipient incurs reimbursable costs in order to protect the reimbursement eligibility. For example, if a Funds Recipient starts incurring design costs but the environmental documentation discovers an issue that prevents the project from being completed, then the Funds Recipient would not be reimbursed for the design expenses already incurred.
2. If the environmental document approval date is more than one year old when the next FHWA authorization (either ROW or construction) is requested, a written consultation (by NCDOT) of the environmental document will be required. A written consultation can be either a note to the file that the environmental document has been reviewed and conditions have not changed or it could be a revised CE if conditions have changed.

## 6. Prepare Design Construction Plans



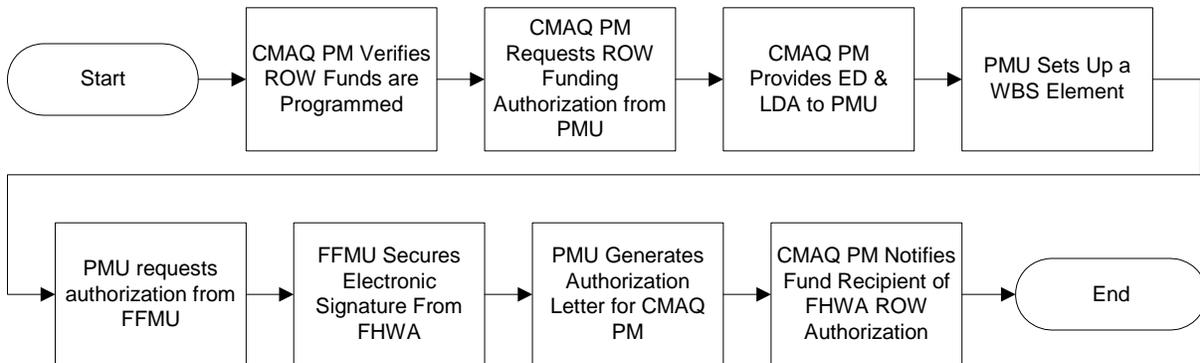
This procedure is applicable only when the project requires design work.

Step	Action
1	<p>Funds Recipient develops plans. In most cases, the Funds Recipient will need to undertake architectural/engineering services in order to develop a set of construction plans. All design plans must be consistent with federal and state standards. The CMAQ Program Manager (PM) will provide guidance on what standards are applicable. Examples of these include, but are not limited to:</p> <ul style="list-style-type: none"> <li>• <a href="#">Americans With Disabilities Act</a>;</li> <li>• <a href="#">NCDOT Roadway Standard Drawings and Standard Specifications</a>;</li> <li>• <a href="#">North Carolina Pedestrian Facilities Design Guidelines</a>; and</li> <li>• <a href="#">North Carolina Bicycle Facilities Planning and Design Guidelines</a></li> </ul> <p><b>The CMAQ project agreement must include PE as a reimbursable cost in order to reimburse the Funds Recipient for these costs.</b></p> <p>For projects constructed within the state highway system right-of-way, an Encroachment Agreement will be necessary. Encroachment Agreements are handled through the relevant <a href="#">NCDOT Highway Divisions</a>.</p>
2	Funds Recipient sends two copies of the plans to the CMAQ PM.
3	CMAQ PM distributes plans to the NCDOT Roadway Design Unit Special Design Section for review.
4	If the plans are acceptable, the NCDOT Roadway Design Unit Special Design Section sends a memo/letter to the CMAQ PM. The CMAQ PM sends notification by letter to the Funds Recipient.
5	If the plans need to be changed, the CMAQ PM provides comments to Funds Recipient and repeats the process.

## 7. Process Invoices

The CMAQ Program Manager (PM) will follow the BSIP procedure, [“BSIP—Contract Administration—Processing Consultant/Agency Invoices.”](#)

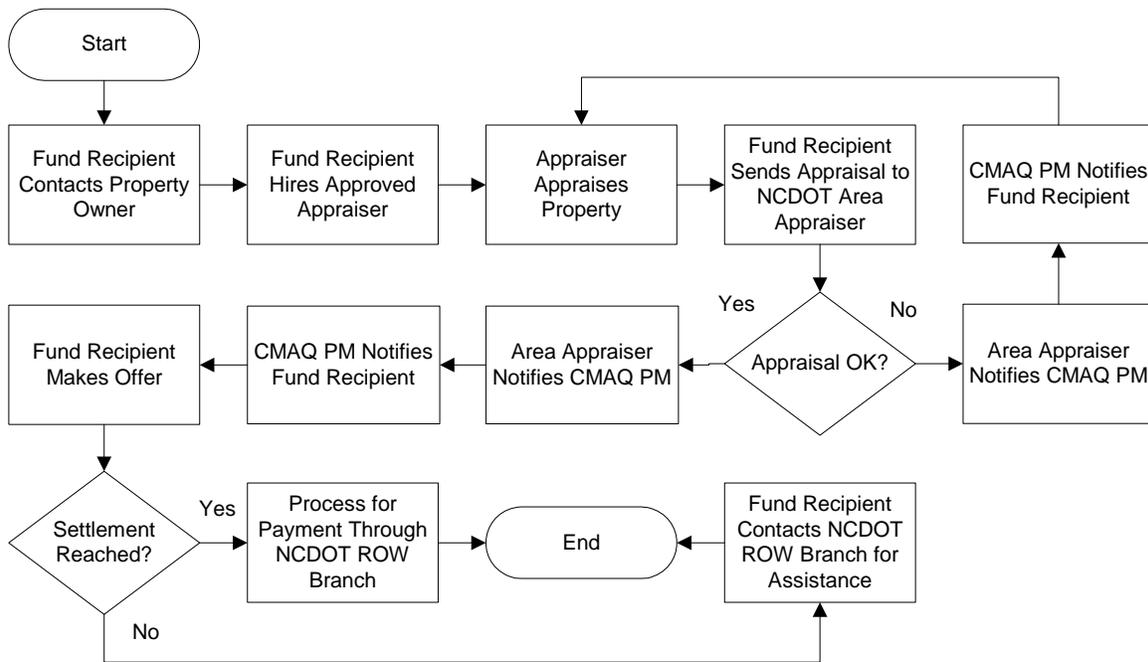
## 8. Obtain Right-of-Way Funding Authorization



This procedure is applicable only when Federal funding has been awarded for Right-of-Way (ROW) acquisition and only when ROW expenses are to be reimbursed by NCDOT.

Step	Action
1	CMAQ Program Manager (PM) should contact the appropriate TIP Regional Manager to verify that the ROW funds are programmed in the federal fiscal year of the STIP and MTIP (if the project is within an MPO boundary) in which the ROW authorization is desired. This should be accomplished via written communication – either letter or email – included as documentation in the project file. <b>Note:</b> Authorization must be secured from FHWA prior to any acquisition activities.
2	CMAQ PM requests ROW Funding Authorization from NCDOT Project Management Unit (PMU).
3	CMAQ PM provides Environmental Documentation (ED) ( <a href="#">See Procedure 5. Prepare Environmental Documents</a> ) and, if construction is to follow, a Location and Design Approval (LDA) memo/letter to the PMU. These will be needed by the PMU to request authorization from FHWA.
4	PMU sets up a Work Breakdown Structure (WBS) Element.
5	PMU requests authorization from NCDOT Federal Funds Management Unit (FFMU).
6	FFMU secures electronic signature from FHWA.
7	PMU generates authorization letter for CMAQ PM.
8	CMAQ PM provides notification by letter of FHWA ROW authorization to the Funds Recipient.

## 9. Acquire Right-of-Way

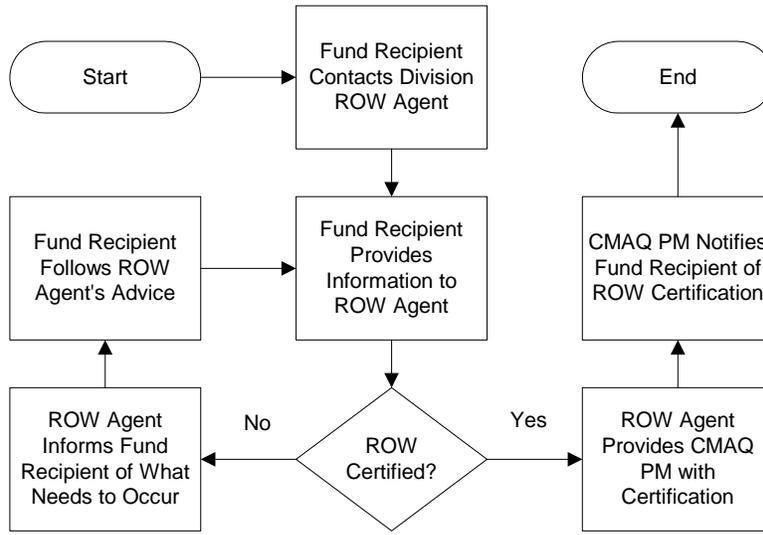


This procedure is applicable only when acquiring Right-of-Way.

Step	Action
<b>1</b>	<p>Funds Recipient contacts the property owner to explain the project and property acquisition process. This explanation should include the property owners rights:</p> <ul style="list-style-type: none"> <li>• to have an appraisal and to accompany the appraiser</li> <li>• to receive an offer for no less than the approved appraisal</li> <li>• if displacement is necessary, to have at least 90 days after transfer of property, in which to move and have the relocation program fully explained, if applicable.</li> </ul> <p><b>Note:</b> Acquisition of property rights (fee simple acquisition or easements) for Federally-funded projects is subject to the Uniform Relocation Assistance and Real Property Acquisition Policies Act (Uniform Act) regarding acquisition procedures and relocation assistance. <b>It is imperative that the Funds Recipient be familiar with and follow the procedures of this Act as well as the NCDOT Right-of-Way Manual.</b> A copy of this manual is available from the NCDOT ROW Branch. Brochures are available from NCDOT ROW Branch to assist in explaining Relocation Assistance and Right-of-Way Acquisitions.</p>
<b>2</b>	<p>Funds Recipient hires appraiser.</p> <p>Funds Recipient contacts the appropriate NCDOT Area Appraiser to obtain a list of approved appraisers (licensed in NC) from NCDOT. For Guidance review click <a href="#">here</a>.</p>
<b>3</b>	<p>Appraiser appraises property.</p>

<b>4</b>	Funds Recipient sends the appraisal to the NCDOT Area Appraiser.
<b>5</b>	<p>If the NCDOT Area Appraiser <b>approves</b> the appraisal:</p> <p>a) Area Appraiser notifies CMAQ Program Manager (PM) of approval.  b) CMAQ PM sends notification by letter of approval to the Funds Recipient.</p> <p>If the NCDOT Area Appraiser <b>does not approve</b> the appraisal:</p> <p>a) Area Appraiser notifies CMAQ PM with reasons for not approving.  b) CMAQ PM notifies Funds Recipient by letter and the property is re-appraised.</p>
<b>6</b>	Funds Recipient makes a written offer for no less than appraised value. If applicable, also provide written explanation of any eligible relocation benefits
<b>7</b>	<p><b>If a satisfactory settlement is reached</b> based on the appraisal, complete appropriate documentation and process for payment through NCDOT ROW Branch.</p> <p><b>If no settlement is reached</b> and unless specified otherwise in the municipal agreement, contact the NCDOT ROW Branch for guidance and assistance with the condemnation process.</p>

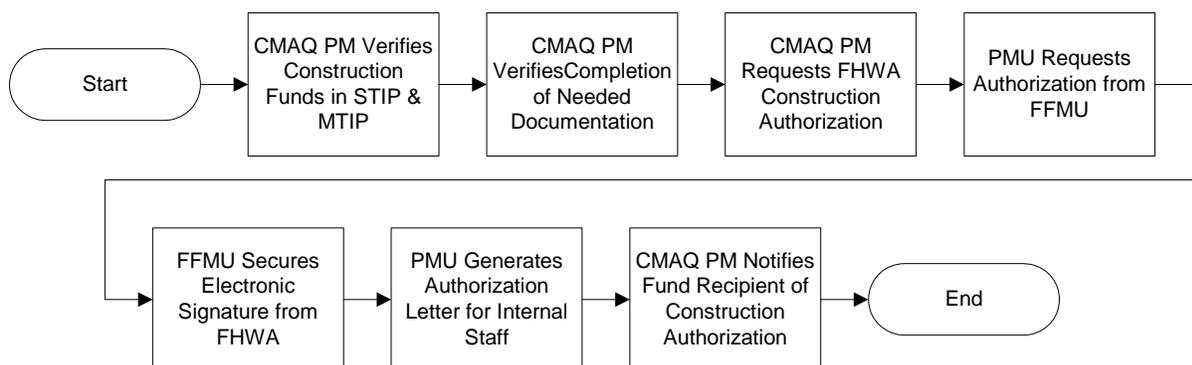
## 10. Certify Right-of-Way



This procedure is applicable only for projects involving Right-of-Way (ROW)-related and/or construction-related activities.

Step	Action
<b>1</b>	Funds Recipient contacts Division ROW Agent. <b>Note: It is the responsibility of the Funds Recipient to make contact with the Division ROW Agent.</b> <b>Note: Construction funding is contingent upon the existence of certifiable ROW.</b> This is to ensure that funded projects have complete legal right to be on the property they are occupying. All projects involving ROW acquisition and/or construction must have a ROW Certification. <a href="#">NCDOT Division ROW Agents</a> perform ROW Certifications.
<b>2</b>	Funds Recipient provides project location information to ROW Agent.
<b>3</b>	NCDOT Division ROW agent proceeds with the ROW certification process. <ul style="list-style-type: none"> <li>• <b>If certified</b>, the ROW Agent provides CMAQ Program Manager (PM) with certification.</li> <li>• <b>If not certified</b>, the ROW Agent informs Funds Recipient of what needs to occur. Funds Recipient follows ROW Agent's advice. Funds Recipient provides information to ROW Agent (and continues this process until certification is received).</li> </ul> <b>Note:</b> When there are parcels or easements needed to be acquired or where long-term leases are involved, the ROW cannot be certified until either all parcels are in public ownership, easements secured, or leases executed.
<b>4</b>	CMAQ PM notifies Funds Recipient by letter of ROW certification.

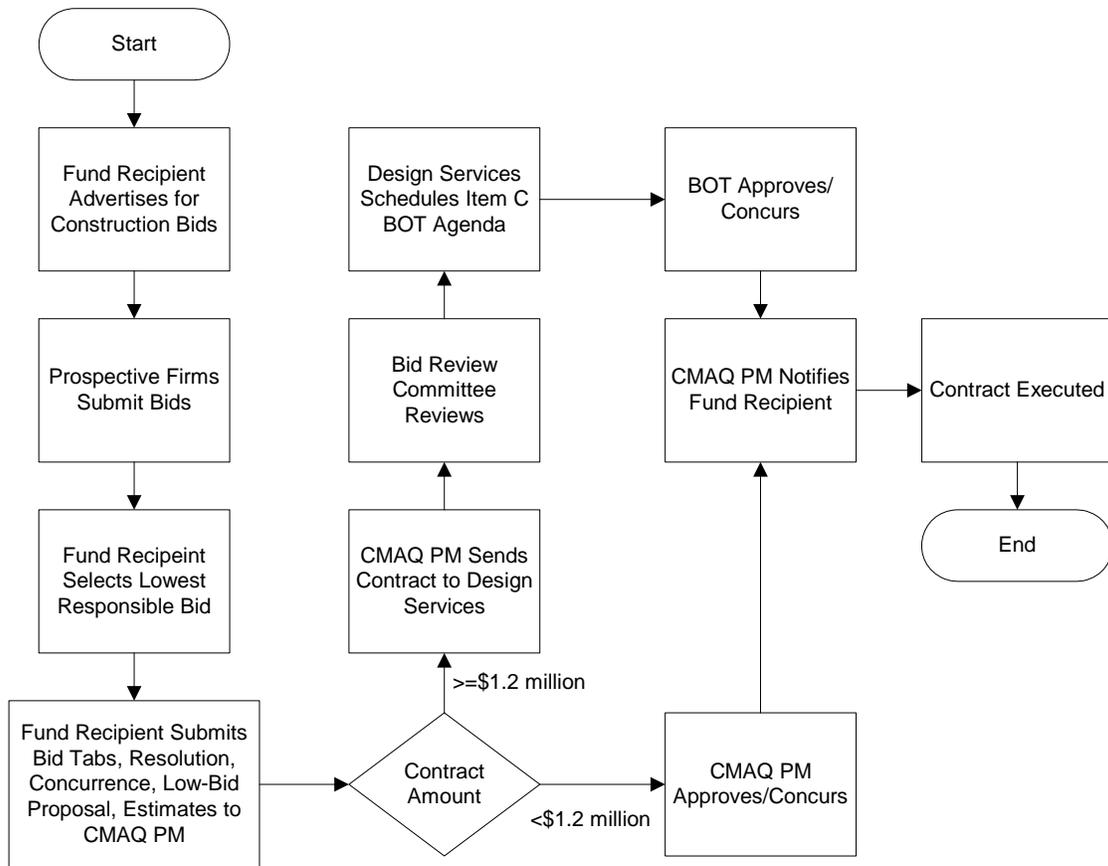
## 11. Obtain Construction Authorization



This procedure is applicable only for projects involving construction-related activities.

Step	Action
<b>1</b>	<p>CMAQ Program Manager (PM) should contact the appropriate TIP Regional Manager to verify that the construction funds are programmed in the federal fiscal year of the STIP and MTIP (if the project is within an MPO boundary) in which the construction authorization is desired. This should be accomplished via written communication – either letter or email – included as documentation in the project file.</p> <p><b>Note:</b> The FHWA must authorize construction funding prior to any construction activities taking place.</p>
<b>2</b>	<p>CMAQ PM verifies that the following tasks and documentation have been completed:</p> <ul style="list-style-type: none"> <li>• ROW Certification;</li> <li>• Approved Environmental Document (not more than one year old); and</li> <li>• Final Plans, Specifications and Estimates (PS&amp;E).</li> </ul>
<b>3</b>	<p>CMAQ PM requests FHWA <a href="#">construction authorization</a> and provides ROW Certification and the Environmental Document to the Project Management Unit (PMU).</p>
<b>4</b>	<p>PMU requests authorization from NCDOT Federal Funds Management Unit (FFMU). PMU works with the FFMU to obtain FHWA authorization for construction through Federal Fiscal Management Information System (FMIS).</p>
<b>5</b>	<p>FFMU secures electronic signature from FHWA and notifies the PMU.</p>
<b>6</b>	<p>PMU generates authorization letter for internal staff through BSIP.</p>
<b>7</b>	<p>CMAQ PM sends notification by letter of construction authorization to the Funds Recipient and grants notice to proceed.</p>

## 12. Acquire Construction Contractor



This procedure is applicable for projects involving highway construction-related activities.

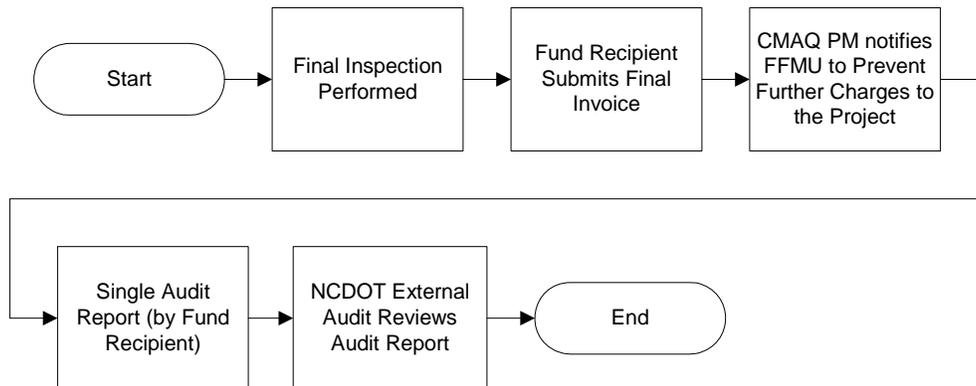
**Note:** There are different procedures based on whether the project is “linked” to a Federal-aid highway as well as the value of the contract.

Step	Action
1	<p>CMAQ Program Manager (PM) determines if the project is “linked” or “non-linked” to a Federal-aid highway. One of three scenarios is likely to occur:</p> <ul style="list-style-type: none"> <li> <b>Informal Bid:</b> The project is not located within a Federal-aid highway ROW and the contract is \$1,200,000 or less—Funds Recipients should follow the informal bid procedures required by <a href="#">NC General Statute 136-28.1 (b)</a>. The informal bid process is generally defined as receiving at least three bids in writing, pursuant to a written request, without public advertising.         </li> <li> <b>Formal Bid:</b> The project is not located within the highway ROW and the contract is greater than \$1,200,000—the Funds Recipient should follow the formal bid procedures required by <a href="#">NC General Statute 136-28.1(a)</a>. The formal bid process is generally defined as the advertisement of the invitation to bid, at least one week before the time specified for the opening of the proposal in a newspaper having general circulation in such town or county. At least three bids must be received. If fewer than three bids are received, re-advertisement is required. When re-advertisement occurs, then a minimum of one bid is acceptable.         </li> </ul>

	<ul style="list-style-type: none"> <li>• <b>Competitive Bid:</b> The project is “linked” to a Federal-aid highway (regardless of cost)—the Funds Recipient should follow the competitive bid procedures required by <a href="#">23 CFR 635A</a>. The competitive bid process is generally defined as the advertisement of the invitation to bid, at least three weeks before the time specified for the opening of the proposal in a newspaper having general circulation in such municipality or county.</li> </ul>
2	<p>Funds Recipient advertises for construction bids.</p> <p><b>Note: FHWA construction authorization must occur prior to advertisement for bids. (Refer to Procedure 11. Obtain Construction Authorization.)</b></p> <ul style="list-style-type: none"> <li>• The Funds Recipient will need to include special <a href="#">provisions, required by FHWA</a>, in the bid proposal. FHWA has developed “Form FHWA-1273” as a convenient collection of the required contract provisions. This form should be included in all contracts.</li> <li>• Other Contract Provisions (required but not on Form FHWA-1273) <ul style="list-style-type: none"> <li>- Buy America</li> <li>- Disadvantaged Business Enterprise</li> <li>- Indian Preference on Federal-aid Projects</li> <li>- Noncollusion Statement</li> <li>- On-the-Job Training</li> <li>- Standardized Changed Conditions Contract Clauses</li> </ul> </li> </ul> <p><b>Note:</b> Not all-special provisions are required for all construction contracts. Some special provisions are included if the project is located on a certain type of road (e.g. National Highway System) or if the value of the contract exceeds certain monetary thresholds. Click <a href="#">here</a> to view a matrix of special provisions.</p> <p>The CMAQ PM is available to assist the Funds Recipient in determining which special provisions should be included in a particular construction contract. The CMAQ PM will coordinate special provisions with NCDOT Contractual Services.</p>
3	Prospective firms submit bids.
4	Funds Recipient selects lowest responsible bid.
5	<p>When the Funds Recipient has gone through the bid process and has identified the lowest responsible, responsive bidder, the Funds Recipient will furnish the following items to the CMAQ PM:</p> <ul style="list-style-type: none"> <li>• <a href="#">Letter</a> to CMAQ PM requesting Concurrence in Award, including final engineer's estimates and bid tabulations.</li> <li>• Copy of the lowest responsible, responsive bidder's bid package.</li> <li>• <a href="#">Resolution</a> from governmental entity recommending award of the construction contract to the lowest responsible, responsive bidder, contingent upon NCDOT approval.</li> </ul>
6	<p>Assuming these items are satisfactory, NCDOT will then “concur in the award” of the contract. (Refer to the <a href="#">Resources and Tools</a> section for a template for DOT Concurrence with Contract Award ) The amount of the contract dictates who within NCDOT will concur in the award:</p> <ul style="list-style-type: none"> <li>• If the contract amount is less than \$1.2 million, the CMAQ PM can concur in the award and proceed to Step 8.</li> </ul>

	<ul style="list-style-type: none"> <li>If the contract amount is greater than or equal to \$1.2 million, the BOT must concur in the award. Proceed to Step 7.</li> </ul>
<b>7</b>	<p>If the contract amount is greater than or equal to \$1.2 million the BOT must concur in the award:</p> <ul style="list-style-type: none"> <li>CMAQ PM sends the contract to NCDOT Design Services</li> <li>The Bid Review Committee reviews the contract</li> <li>Design Services schedules Item C BOT Agenda</li> <li>BOT Approves/Concurs</li> <li>CMAQ PM proceeds to Step 9</li> </ul>
<b>8</b>	CMAQ PM Approves/Concurs.
<b>9</b>	CMAQ PM sends notification by letter to the Funds Recipient.
<b>10</b>	Contract is Executed. At this point, the Funds Recipient may sign the construction contract.

### 13. Complete Project Close-Out



This procedure is applicable for all projects.

Step	Action
1	<p>Funds Recipient performs a final inspection. There are several scenarios for this task, depending upon the location and type of project:</p> <ul style="list-style-type: none"> <li>• <b>Projects within DOT ROW:</b> Highway Division staff inspects and "accepts" the project and notifies the CMAQ PM.</li> <li>• <b>Projects within a municipal ROW:</b> Funds Recipient's project manager notifies CMAQ PM of final inspection. DOT Highway Division staff may or may not be requested (CMAQ PM's discretion) to also inspect.</li> <li>• <b>Projects involving structures:</b> Funds Recipient's project manager provides copy of the Certificate of Occupancy to the CMAQ PM.</li> </ul>
2	<p>Funds Recipient submits the final invoice and <a href="#">certification statement</a> as described below.</p> <p><b>Note:</b> Processing of the final invoice will not proceed without the certification statement.</p> <p>When a non-profit entity receives funding directly from NCDOT, <a href="#">NCGS 143-6.1</a> applies. This essentially states that Funds Recipients that expend less than \$300,000 of total state (including federal flow-through) funds in a fiscal year must provide a certification statement, which is a sworn accounting of receipts and expenditures of the state funds. If the Funds Recipient expends an amount equal to or in excess of \$300,000 of total state (including federal flow-through) funds in a fiscal year, then the Funds Recipient must file an annual financial statement.</p>
3	<p>CMAQ PM processes the final invoice in BSIP then notifies the NCDOT Federal Funds Management Unit (FFMU) by letter to close the project WBS from further charges.</p>

<b>4</b>	<p>The Funds Recipient performs a single audit of the federal funds</p> <p>Audit requirements are governed at the Federal level by <a href="#">OMB Circular A-133</a>. Guidance on state auditing requirements is contained in <a href="#">NCGS Chapter 159-34</a>. Since most CMAQ projects are awarded to units of local governments, local governments are bound by auditing requirements in NCGS, which are more stringent than OMB Circular A-133.</p> <p>Auditing of CMAQ awards can be folded into the local government's annual audit, which is forwarded to NCDOT—a separate audit for the CMAQ award is generally not required, unless the Funds Recipient typically does not provide NCDOT with an annual audit.</p>
<b>5</b>	NCDOT External Audit reviews audit report and reconciles expenditures.

### ***Warnings and Precautions***

- Authorization for Preliminary Engineering (PE) expenses must be obtained from FHWA prior to contracting for or incurring any PE expenses. PE activities include items such as environmental documentation, design, and preliminary hazardous waste testing.
- If federal funds are to be used for Right-of-Way (ROW) acquisition, authorization must be secured from FHWA prior to any acquisition activities.
- Acquisition of property rights (fee simple acquisition or easements) for federally funded projects is subject to the Uniform Relocation Assistance and Real Property Acquisition Policies Act (Uniform Act) regarding acquisition procedures and relocation assistance. **It is imperative that the Funds Recipient be familiar with and follow the procedures of this Act.**
- When there are parcels or easements, which need to be acquired, or where long-term leases are involved, the ROW cannot be certified until either all parcels are in public ownership, easements secured, or leases executed.
- The FHWA must authorize construction funding prior to any construction activities taking place.

### ***Resources and Tools***

- [CMAQ Frequently Asked Questions](#)
- [CE Checklist](#)
- [NCDOT Guidance Package for Eligible MPOs and RPOs](#)
- [CMAQ 1999 Program Guidance](#)
- [CMAQ Application Form used by MPOs and RPOs to submit candidate projects](#)
- [Updated Policies and Procedures for Major Professional or Specialized Services Contracts](#)
- [List of firms pre-qualified to bid](#)
- [Private consultant firm qualifications package](#)
- [Directory of MBE, DBE, WBE, SEB, HUB consulting firms](#)
- [NCDOT External Audit Branch Guidelines](#)
- [Maximum allowable rates for consultants](#)

- [Americans With Disabilities Act](#)
- [NCDOT Roadway Standard Drawings and Standard Specifications](#)
- [North Carolina Pedestrian Facilities Design Guidelines](#)
- [North Carolina Bicycle Facilities Planning and Design Guidelines](#)
- [NCDOT Division ROW Agents](#)
- FHWA's [CMAQ Improvement Program](#) web site
- [Documentation Requirements and Approval Procedures of Federal-Aid Projects Classified as Categorical Exclusions](#)
- [U.S. Census web site](#)
- [PE Authorization Request Memo](#)
- [Request for Construction Authorization Memo](#)
- [Template Letter to CMAQ PM Requesting Concurrence](#)
- [Template for Governmental Resolution for Construction Contract Award](#)
- [Template for NCDOT Concurrence with Contract Award](#)
- [Template for Fund Recipient Certification of Project Completion](#)

## **Contacts**

- For suggestions to change this procedure contact: Earlene Thomas (919) 733-4705 ext. 31
- For questions about performing this procedure contact: Terry Arellano (919) 715-5482 ext. 393

## **Glossary**

**Congestion Mitigation and Air Quality (CMAQ)** - A category of funding created with ISTEA. The CMAQ program directs funds to projects that contribute to meeting national air quality standards. These funds may only be used in non-attainment or maintenance areas.

**Categorical Exclusion (CE)** - A classification given to federal aid projects or actions, which do not individually or cumulatively have a significant impact on the environment. Categorical Exclusions do not require extensive levels of environmental documentation.

**National Environmental Policy Act (NEPA)** - An act to establish a national policy for the environment, to provide for the establishment of a Council on Environmental Quality (CEQ) to administer the act (NEPA), and to provide for other purposes. NEPA requires a federal agency to document the environmental impact of its actions including an evaluation of alternatives. The NEPA process consists of a set of fundamental objectives that include interagency coordination and cooperation, and public participation in planning and project development decision-making. Environmental reviews involve an interdisciplinary and interagency process. A framework for collaborative decision making between federal agencies and those who will bear the environmental, social and economic impacts of agency decisions.

**Non-Attainment** - If an area is designated as an Air Quality "Non-Attainment" it means that the air quality does not attain the air quality standards set by the EPA/federal legislation (that is their air quality is poor). This triggers a requirement of actions by the MPO or State that an analysis be performed on long-range plans and the TIP to show that these programs will improve their air

quality. After being designated as “non-attainment” and improving their air quality to the required standards, the area may be re-designated to “maintenance.”

**BSIP/SAP** – Enterprise department-wide software used for business integration. SAP stands for Systems Applications and Products (in data processing). Worldwide corporation headquartered in Germany.

**State Transportation Improvement Program (STIP)** – The STIP is the document showing the transportation projects expected to occur over the next seven years. MPOs adopt an **MTIP (Metropolitan TIP)** which only covers that area within the MPO. The STIP and MTIP must match exactly for federal funding to move forward.

**Program Manager (PM)** – The person responsible for managing the program. In this case it is the CMAQ program.

### ***User Access***

Restricted NCDOT, FHWA, MPO, RPO, Consultants, etc.