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# SECTION A

# INTRODUCTION

## Chapter 5

## Local Agency Force Projects

The United States Congress has determined that competitive bidding is the method of delivering federally funded projects. Therefore, local agencies desiring to use their own forces, materials, or equipment to construct federally funded projects, must first determine through a public interest finding that this would be in the public interest and substantially the most cost effective method.

### A. OVERVIEW

This chapter addresses the project construction requirements for local agencies using local agency forces.

The vast majority of federally funded local agency projects will be delivered by both certified and non-certified local agencies using the competitive bidding process. However, there may be instances when a public interest finding determines that it is substantially more cost effective to use local agency forces to deliver the project. Additional details are available in FHWA's [Contract Administration Core Curriculum Participant's Manual and Reference Guide](#) (FHWA Guide), Section II.C.3. A public interest finding request must be submitted by the local agency and approved by ODOT prior to the local agency commencing public force work. Examples of public interest finding letters can be found at ODOT's [Office of Pre-letting "Forms"](#) website.

It is the responsibility of the local agency to ensure that the local agency force work complies with the statutory requirements of [ORS 279C.335](#).

A project that meets legal requirements and has received ODOT approval may be designed and constructed by one certified local agency on behalf of other local agencies as a local agency force project.

The development of a project for construction by local agency forces follows the same procedures as for a competitive bid contract as defined in Section B, Chapter 15, and Section C, Chapter 16 and through the right of way acquisition process outlined in Section B, Chapter 6, and Section C, Chapter 7.

### B. PLANS SPECIFICATIONS AND ESTIMATES

The requirements outlined in the Plans, Specifications and Estimates chapters in Section B and Section C, as appropriate, will apply to the design, development and approval of local agency force projects.

## **C. FUND AUTHORIZATION**

A project agreement or a supplemental project agreement must be submitted to ODOT's [Regional Local Agency Liaison](#) requesting authorization of construction funds for use in a local agency force project.

## **D. CONTRACT NUMBER**

Construction work by local forces shall not start until a contract number has been obtained from ODOT's [Regional Local Agency Liaison](#). The contract number that the Liaison assigns, should be the same as the project agreement number. A Notice to Proceed letter will be sent from ODOT, and an Expenditure Account (EA) number will also be assigned.

## **E. CONSTRUCTION CONTRACT ADMINISTRATION**

### **1. Overview**

FHWA and ODOT are responsible for the proper expenditure of FHWA funds on local agency projects. In this capacity, the ODOT [Regional Local Agency Liaison](#) will consult and work with local agencies to ensure that proper project construction procedures are followed.

### **2. 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 Section C, Chapter 16 of this *LAG Manual* for additional details.

### **3. Progress Billings**

Progress billing must be based on all work performed. Costs of the labor, equipment, and material must be documented, as described in Section B, Chapter 4 and Section C, Chapter 5, as appropriate.

### **4. Changes and Extra Work**

Approval of changes to the original PS&E to ensure that approval, either verbal or written, is given and documented prior to beginning work shall be processed using the requirements of Section B, Chapter 16 and Section C, Chapter 16 in as appropriate.

## 5. Completion of Construction

General guidelines for construction shall be administered in accordance with Section B, Chapter 16 and Section C, Chapter 16 of this *LAG Manual* as appropriate. Materials will be measured and accepted in accordance with ODOT's [Construction Manual](#) and this *LAG Manual* unless otherwise approved by ODOT.

Completion of construction and project closure for certified local agency projects shall be accomplished according to the requirements of Chapter 16 and Chapter 17 as well as the following items.

### a. Final Inspection

Within 15 calendar days after completion of the work by local agency forces, the Local Agency Project Engineer shall notify the ODOT [Regional Local Agency Liaison](#) with a request for final inspection and acceptance. Refer to Chapter 17 for additional details.

### b. Final Reports

A construction project is complete when the local agency submits the items listed below to the [Regional Local Agency Liaison](#) or the approving authority:

- *Final Billing* (approving authority file)
- *Comparison of Preliminary and Final Costs* (approving authority file)  
This is a listing showing the preliminary and final costs of the labor, equipment, and material, including changed work.
- *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 Section B, Chapter 16, and Section C, Chapter 17.
- *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 ODOT.
- *Materials Certification*

The intent of material certification is to ensure 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 and retained by the local agency in accordance with this *LAG Manual*.

- “Buy America”  
All steel and iron must meet the “Buy America provisions” of [23 CFR 635.410](#). Use the ODOT [Certificate of Materials Origin](#) Form to document compliance. See FHWA’s [Buy America](#) website for additional information.

### **F. PROJECT BY CERTIFIED LOCAL AGENCY FOR ANOTHER LOCAL AGENCY**

ODOT approval is required for a certified local agency to use its forces to perform construction work for another local 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 local agency forces; and
- A public interest finding stating reason(s) why the work to be performed by local agency forces is considered to be in the best interest of the public.

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 local agency shall submit the request to the ODOT [Regional Local Agency Liaison](#).