

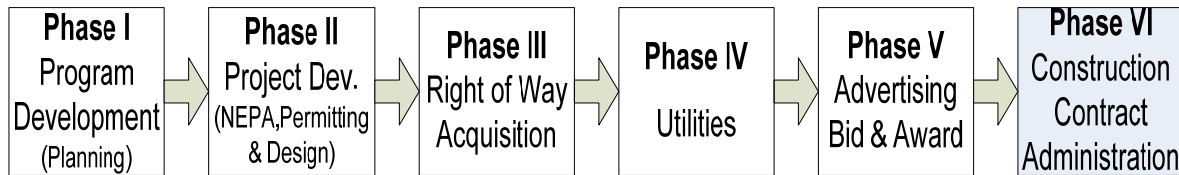
SECTION C

CERTIFIED AGENCY

Chapter 17

Project Closure

This chapter outlines requirements for closing the project accounts (at the certified local agency, ODOT and FHWA) and addresses project management reviews and project audits.



A. OVERVIEW

Project closure is most successful when the local agency has set up a quality control plan at the beginning of the project and maintained the records needed for final submittal concurrent with the progress of the project. After substantial completion of the construction work, it is important for the certified local agency to diligently pursue contract completion. After construction of an FHWA funded transportation project, specific procedures are carried out to terminate the project's finances and review project performance. These procedures are necessary in order to settle any outstanding contract obligations, and to ensure that funds were expended properly. The certified local agency will use its own processes as approved by ODOT, for final project acceptance, closeout and payment. The local agency's spec 100's must align with the certified local agency's process for closeout.

B. ROLES AND RESPONSIBILITIES

1. Project Closure Documents

a. Certified Local Agency

Certified local agencies are responsible for preparation of the following project closure documents:

- Completion letter;
- Final Materials Certification Form #734-1979;
- List of change orders;

- Final quantities; and
- Payrolls and labor compliance.

b. ODOT

ODOT is responsible for the following project closure documents or actions:

- Final payment to certified local agency;
- Final inspection report; and
- Notice to FHWA of project completion.

2. Early Termination of Contract

a. Certified Local Agency

The certified local agency shall follow its written procedures and criteria, as approved by ODOT, for termination of a contract. These procedures must contain language requiring ODOT's concurrence prior to any early termination of contact by the certified local agency.

b. ODOT

ODOT will review and provide a response to the certified local agency's request for termination of a contract.

3. Project Data Reporting to ODOT

a. Certified Local Agency

As noted [in Section C, Chapter 16, Construction and Contract Administration](#), the certified local agency will complete a [Certified Agency Quarterly Report form # 734-2590](#) and submit it to the [Regional Local Agency Liaison](#).

b. ODOT

The [Regional Local Agency Liaison](#) will forward the [Certified Agency Quarterly Report form #2590](#) to ODOT's Construction Contract Administration Office for recording of specific project information such as project starting and completion dates, project construction costs, and contractor information.

4. Final Project Acceptance, Project Closeout and Final Payment

Final project acceptance, closeout and payment are the responsibility of the certified local agency using its own approved processes including the following activities.

a. Final Inspection

The certified local agency shall send a request for ODOT to participate in the final inspection and acceptance to the [Regional Local Agency Liaison](#) within 15 days of completion of all the on-site work including completion of all the punch list items. A copy of the physical completion letter that is sent to the contractor should accompany the request for ODOT to participate in the final inspection.

b. Final Project Documentation

A construction project is considered complete when the following items have been completed:

- Final estimate (approving authority file);
- Final invoice (approving authority file);
- As constructed plans;
- Record of materials, acceptance and test results;
- Materials certification;
- Document compliance with “Buy America” [23 CFR 635.410](#);
- Affidavit of wages paid;
- Civil rights forms; and
- Final records (approving authority file).

NOTE: The local agency is responsible for retaining all certifications and reports for at least six years after final acceptance of the project.

Refer to [Section C, Chapter 16, Construction Contract Administration](#), for additional details regarding these final reports.

Additional information is available in [OMB Circular A-133](#). This [Circular](#) sets forth standards for federal audits of state and local governments, related to the expenditure of federal funds.

c. Quality Control and Quality Assurance

It is important for the certified local agency and ODOT’s [Regional Local Agency Liaison](#) to communicate often throughout the life of the contract and especially during project closeout. Unless otherwise agreed upon in the certified local agency’s Master Certification Agreement, the following applies:

1. The certified local agency is responsible to perform the Quality Control aspects of construction contract administration and
2. ODOT Regional Assurance Specialist (RAS) shall perform the Quality Assurance and documentation review. The documents used to complete this work include the initial report and the Document Review Report (DRR).

NOTE: The Certification Program is currently reviewing other options for QC/QA process including an expansion of the certified local agency's authority to manage and perform their own QA. Refer to diagrams [in Chapter 16 Construction Contract Admin](#). For additional guidance, work with the Regional Local Agency Liaison.

d. As Constructed Plans

As noted in the local agency Master Certification Agreement, within one year following contract completion for construction, the certified local agency shall send ODOT a final copy of As Constructed plans if a roadway project is on or affects the state highway system and for all bridge projects both on and off the state highway system where ODOT has responsibility for inspection of such bridges.

e. ODOT Responsibilities

1. Reimbursement for Final Payment

ODOT will reimburse the certified local agency for final payment, per the local agency's Master Certification Agreement with ODOT. After release of final payment, ODOT's [Regional Local Agency Liaison](#) will oversee completion of the following:

- Close-out of the appropriate Expense Account;
- Preparation of a memo recommending that ODOT accepts the project; and
- Notification to FHWA that ODOT considers the project closed.

2. General Materials Certification Procedures

On test projects, ODOT's Regional Assurance Specialist (RAS) will perform an initial review and a second review and as needed, subsequent reviews of the certified local agency's documents and procedures for project delivery. The RAS will use an initial reporting checklist and the Document Review Report form (DRR). The certified local agency, RAS and the Regional Local Agency Liaison shall retain copies of the initial report and the DRR performed for every certified test project. More information is available in [Chapter 16 of this LAG Manual](#) and on the [Construction website](#).

3. Project Reviewing Schedule

The timing, types and schedule of ODOT reviews is outlined in [C-16](#) of this LAG Manual, and include Civil Rights, Quality and Quantity, Labor, and Certification Oversight.