

Local Agency Coordination Guide

Prepared by:



CONTRA COSTA
**transportation
authority**

2999 Oak Road, Suite 100
Walnut Creek, CA 94597
(925) 256-4700
Fax: 925.256-4701
www.ccta.net

September 18, 2013

Local Agency Coordination Guide

Contra Costa Transportation Authority

Table of Contents

1.0 Background	1
2.0 Cooperative Agreements	2
3.0 Funding Resolutions	2
4.0 Roles and Responsibilities	3
4.1 Environmental Review	4
4.2 Design	5
4.2.1 Project Peer Review	5
4.2.1.1 Exceptions to the Project Peer Review	6
4.2.1.2 Review Milestones	6
4.2.2 Phase I Design Review (65% Design)	6
4.2.2.1 Phase I Design Review Checklist	7
4.2.3 Phase II Design Review (90% Design)	7
4.2.3.1 Phase II Design Review Checklist	8
4.2.4 Final Review	8
4.2.5 Project Proponent Submittals for Design Review	8
4.2.5.1 Project Information Form	8
4.2.5.2 Project Plans, Specifications and Estimate	9
4.2.6 Project Proponent Presentation	10
4.2.7 Peer Review Committee Actions	10
5.0 Right-of-Way	11
5.1 Acquisition and Disposal	11
5.2 Hazardous Materials	13

6.0 Construction	14
6.1 Guidelines for Contract Change Orders (CCOs)	14
7.0 Funding Reimbursement Procedures	16
7.1 Reimbursement Procedure	16
7.2 Reimbursable Costs	17
7.3 Non-reimbursable Costs	19
8.0 Compliance Auditing	19
9.0 Glossary	20

LACG REVISION RECORD

REV'N. NO.	PREP'D. BY	REV'D. BY	REV'N. DATE	SECTIONS	COMMENTS
0			09/18/2013		

Local Agency Coordination

1.0 Background

The Contra Costa Transportation Authority (Authority) is responsible for overseeing the use of revenues from the transportation sales taxes authorized under California Public Utilities Code Section 18000 *et seq.* and approved by the voter in November 1988 (Measure C) and November 2004 (Measure J). The Authority allocates the sales tax revenues from these measures to the projects identified in the Measures up to the total amount specified in the current Strategic Plan. Measure funds are available to fund both capital projects and local agency sponsored projects. Capital projects are those that are managed and administered directly by Authority staff, whereas locally sponsored projects are managed and administered by local jurisdictions, with oversight from Authority staff. This document provides the detailed policies and procedures for local agencies to follow when using Measure funds on locally sponsored projects.

The Authority periodically updates the Strategic Plan for Measure projects. The Strategic Plan defines the general scope, schedule, and budget for implementing Measure projects, including a financial plan to deliver the projects. The Strategic Plan helps guide the Authority's cash flow and financial investments, and is based on input provided by local agency project proponents in regard to estimated costs and schedules for various phases of projects. Available funds are assigned to specific fiscal years dependent upon the proposed schedules from local agency project proponents. In order for a project proponent to receive funds for project activities, the project for which funds are requested must be contained in the Measure Strategic Plan and the project proponent must have an executed cooperative agreement and funding resolution with the Authority.

Once a project is programmed in the Strategic Plan, the project proponent is responsible for delivering the project according to the schedule submitted with the funding request. If the schedule for a project is delayed substantially, the Authority may work with the project proponent to define a more active role for the Authority in facilitating delivery of the project, or may reprogram the funds in future Strategic Plan updates.

2.0 Cooperative Agreements

Prior to incurring any costs for which reimbursement will be requested, the project proponent must enter into a cooperative agreement with the Authority for every funding category in the Measures from which the proponent seeks funding. The cooperative agreement is adopted by both the Authority and the project proponent's governing board. The cooperative agreement details the responsibilities, requirements, and role of each party with respect to each program category from which the project proponent seeks funding. The Authority does not require cooperative agreements or funding resolutions for the funding of Local Street Maintenance and Improvement projects. Such projects are to be funded with dollars returned to local jurisdictions found in compliance with the Growth Management Program (GMP), and are solely the responsibility of local jurisdictions. The GMP is a key component of the Measure that is designed to help Contra Costa plan for and accommodate future growth in population, households, and jobs.

3.0 Funding Resolutions

In addition to the cooperative agreement, prior to incurring any costs for which reimbursement will be requested, the project proponent must obtain a funding resolution from the Authority. The funding resolution summarizes the appropriations to the project, the anticipated scope of work, conditions associated with the resolution (if any), staff comments, and a summary of the funds programmed in the Strategic Plan.

To initiate the development of the funding resolution, the project proponent must submit a letter request which details the project schedule, the amount of funds requested and how they will be used, as well as an overall financial plan for the entire project that demonstrates the project is fully funded. This letter request will be attached to the Authority funding resolution. In order to allow adequate time for preparing the Authority staff report and recommendation, the request for a funding resolution must be submitted not less than six weeks prior to the Authority meeting at which it is to be adopted. If additional information is required, or if the request is complex, additional time may be needed.

The Authority is not responsible for and will not reimburse any project expenses incurred prior to the date of approval of the funding resolution by the Authority. To streamline the process, the funding resolution can be adopted at the same meeting as the cooperative agreement.

4.0 Roles and Responsibilities

It is imperative to the success of the Transportation Sales Tax Measure Program that project proponents of measure-funded projects work with the Authority representatives in a collaborative manner.

Authority representatives will work with project proponents throughout the project, to achieve the following:

- Resolve issues that may arise throughout the various phases of project delivery
- Review the components of the project environmental document, design, agreements, etc. to assure consistency with Measure and Authority policies and guidelines
- Review major cost components of the project to address issues such as safety, betterment/eligible items, cost-effectiveness, cost sharing agreements, and staging/constructability
- Review the project to ensure that the objectives and purpose of the project are consistent with the original purpose of the project programmed in the Strategic Plan (or equivalent document) and agency policies on complete streets.

It is the project proponent's responsibility to keep the Authority informed of significant issues affecting project design, delivery and cost. Ongoing communication resolves issues, assures compliance with Authority policies, and allows adequate funds to be available when they are needed. As part of the approval of Measure funding for the project, the project proponents must affirm that the proposed project is consistent with the agency's policies on complete streets as adopted in its General Plan, if consistent with the Complete Streets Act of 2008, or a complete streets resolution consistent with the MTC model resolution. If the project proponent is sponsoring a project on the State Highway System, the project proponent must follow Caltrans policies and procedures, to include Deputy Directive 64, as amended, related to "Routine Accommodation", if applicable.

At the outset of a project, a member of the Authority staff or its Program Management Consultant Team will be assigned to the project as the Authority Project Coordinator. The Project Coordinator will be responsible for working with the project proponent to provide assistance in complying with Authority policies and to ensure that adequate funds are available, as needed, for each phase of the project subject to the Strategic Plan.

For each phase of the project, the roles and responsibilities of the Authority and project proponent shall be as described below.

4.1 ENVIRONMENTAL REVIEW

For projects using Measure sales tax proceeds, the Authority is designated as a "Responsible Agency" according to the California Environmental Quality Act (CEQA) because it takes a discretionary action in funding measure projects. Project proponents will normally be the "Lead Agency" for any CEQA-required review. To fulfill their roles under CEQA as Lead Agency, project proponents are expected to meet their obligations to the Authority related to notification, consultation, and solicitation of comments in the environmental process for non-categorically exempt Measure projects. If federal funds will be used on the project, the project proponent is typically responsible for working with the sponsoring federal agency to ensure compliance with the National Environmental Policy Act (NEPA). The Authority representatives are available as resources to assist in the environmental process, and to review the environmental documents as they are prepared.

Activities associated with the environmental review phase include preparation and development of the project environmental document, preparation of all preliminary engineering for each alternative, including geometric layouts, determination of right-of-way needs, traffic, air, noise, energy and hazardous site investigation studies. In addition, the environmental review phase activities include all other studies or activities necessary to prepare and finalize the environmental document for approval.

During the environmental review phase the project proponent shall explore opportunities for value engineering and cost-effective project design alternatives. The value engineering should begin at the conceptual engineering/environmental review stage and should be completed early in design. The Authority encourages conceptual engineering studies of projects to promote cost effective designs that are sensitive to local community desires, and that provide appropriate mitigation for community impacts arising from the project, at cost levels consistent with Authority policies.

In addition to public input during the environmental phase, the project proponent is responsible for community outreach and involvement. The Authority strongly recommends a level of involvement that keeps local residents informed throughout the process of the

potential impacts of the project, including any changes that may occur during the design or construction phases.

4.2 DESIGN

Design phase activities include, but are not limited to, preparation of alternative design or complete streets studies; materials, foundation, drainage, hydrology and hydraulic reports; project management; preparation of the plans, specifications and estimates (PS&E); preparation of bid documents and project files; preparation of permit applications and maintenance agreements; coordination of project proponent reviews; and any other activities necessary to prepare final PS&E for bid advertisement and award.

The design phase shall be conducted in an open, transparent and participatory manner, with periodic meetings to discuss project scope, schedule, and budget issues. Such meetings shall be open to other jurisdictions and agencies affected by the project, on an on-going basis.

One critical aspect of the design phase is project peer review. The purpose of the project peer review is to offer an unbiased review of the major components of the design, assure that the design is cost-effective, identify areas that need more evaluation, and offer suggestions for resolving any issues or problems. Design plans will be subject to review by the Authority to ensure consistency with the Strategic Plan, Measure policies, and program specific guidelines.

4.2.1 Project Peer Review

The following section summarizes the project peer review process required for Measure funded projects. The intent of the project peer review is to assure the Authority that the project proponent is complying with the current Strategic Plan and the Authority policies adopted to guide implementation of projects.

The Authority has established a peer review process that involves the City/County Engineering Advisory Committee (CCEAC). The Authority in conjunction with the CCEAC shall establish a peer review committee. The CCEAC Chair requests volunteers from city and county staff to serve as peer reviewers for each project and assigns members as needed. The committee conducts all of the reviews for a project.

A project peer review is required for all projects except those listed in the categories below.

4.2.1.1 Exceptions to the Project Peer Review

Projects with construction cost less than \$500,000 funded under the following programs:

- Pedestrian, Bicycle, and Trail Facilities
- Safe Transportation for Children
- Transportation for Livable Communities
- Major Streets

In addition, the following projects are exempt from the peer review process

- BART Parking, Access and Other Improvements: Projects built on BART property are exempt since they have to be built to BART design standards
- Major State Highway and Transit Extension Projects: Recognizing that major state highway and rail extension projects are overseen and reviewed by Caltrans and/or BART, these projects will be exempt from the peer review process.

The Authority representatives and CCEAC peer review committee will review the project at major milestones. The anticipated items for review at each milestone are listed below. The Authority/CCEAC peer review committee may decide to limit the number of peer reviews based on the nature of the project.

4.2.1.2 Review Milestones

At each review milestone the Authority representatives will review items that could have a significant impact on the cost of the project, and for consistency with Authority policies and guidelines. The CCEAC peer review committee will focus on the cost effectiveness of the project components, opportunities for value engineering, and the technical aspects of the project including geometrics, right-of-way, utilities, other environmental impacts, and permit requirements. The schedule and the estimated budget will also be evaluated.

4.2.2 Phase I Design Review (65% Design)

The Phase I review will be completed at the 65% design stage where a project alternative has been adopted and the details of the project have been defined for the following components of the project: right-of-way acquisition, easements, and any disposition of property; alignments; utilities; drainage; wetlands and other environmental issues; need for permit applications; and value engineering decisions.

The following checklist highlights items that will be reviewed at the 65% design stage.

4.2.2.1 Phase I Design Review Checklist

- Overall project scope
- Purpose of the project
- Project components
- Permit requirements
- Traffic considerations
- Bicycle and pedestrian accommodation
- Transit Access
- Environmental review and mitigation issues
- Public coordination/information
- Geometrics
- Consistency with agency complete streets policies
- Impacts to existing facilities
- Phase I property assessment (property acquisition)
- Right-of-way and easement requirements (identify properties to be impacted)
- Utility impacts
- Under grounding districts
- Wetlands mitigation and related issues
- Status of permit procurement including NPDES
- Value engineering
- Cost estimate vs. budget/funding overview – Are there sufficient funds to complete the project?

4.2.3 Phase II Design Review (90% Design)

The Phase II review will be at the 90% design stage. In particular, the review will focus on the following components of the project: right-of-way acquisition, easements, and any disposition of property; drainage; utility relocation; draft utility agreements; signing and striping plans; accommodation of bicyclists, pedestrians and transit users, as applicable; landscaping; construction staging; and final estimates.

The following checklist highlights items that will be reviewed at the 90% design stage.

4.2.3.1 Phase II Design Review Checklist

- Status of Phase I Review Comments
- Drainage
- Utility relocation
- Status of permit procurement
- Draft utility and other agency agreements
- Cost estimate versus budget/funding overview
- Landscaping/erosion control
- Traffic signal(s) including bicycle and pedestrian accommodation
- Construction staging
- Right-of-Way (full v. partial take)
- Construction Schedule
- Easements (temporary v. permanent)

4.2.4 Final Review

When the plans, specifications, and estimates (PS&E) are complete, a review by Authority representatives will be performed to verify that all comments from the previous review(s) have been addressed and that the project construction cost estimate is compatible with the Strategic Plan. If the comments from the previous reviews have not been addressed, or there are substantive revisions since the previous CCEAC peer review, then a formal review may be conducted by a CCEAC peer review group.

As discussed above the plans for each project are reviewed by Authority representatives and a CCEAC peer review committee at major milestones of design, the following section describes the information that the project proponent is to provide at each milestone, prior to the review.

4.2.5 Project Proponent Submittals for Design Review

The following materials are requested from the project proponent at least two weeks prior to each design phase review.

4.2.5.1 Project Information Form

To initiate the peer review request, the project proponent will submit a Project Information Form, which includes the following information:

1. Project Purpose and Need – Definition of the problem to be solved by the project, and how the proposed project solves it.
2. Project Description – Clear definition of the proposed work including how the needs of bicyclists, pedestrians and transit users are met, consistent with agency policies.
3. Project Schedule – Beginning and completion dates for the following activities:
 - a. Environmental Document;
 - b. Final Design stages for the Phase I, II and Final reviews;
 - c. Right-of-way Engineering and Acquisition;
 - d. Utility Relocation; and
 - e. Construction.
4. Financial Plan – Proposed funding sources and amounts, including shortfalls and potential revenue sources to address anticipated shortfalls.
5. Summary response to issues raised by Authority representatives or the CCEAC peers in previous reviews (if applicable).

The Authority project coordinator will set up the peer review meetings, after consultation with the project proponent and the members of the peer review committee.

4.2.5.2 Project Plans, Specifications and Estimate

Each project proponent will submit hardcopies of the plans to each peer reviewer and the Authority coordinator. Project proponents should make available any plans, reports, studies, or documents that may be appropriate for the Authority or the peer review committee. The size of the plans submitted will be coordinated with the Authority project coordinator, and will be dependent on the type and scale of the project being reviewed.

The proponent will submit a Project Cost Estimate, detailing the line item amounts for right of way, utilities, and construction materials. The construction mobilization and contingency amounts will be clearly shown in the estimate, as well as any additional project-specific

considerations that will affect the overall estimate. The Authority's Cost Estimating Guide is available to assist project proponents in developing consistent and reliable estimates.

The proponent will provide specifications consistent with applicable local, state and federal standards. At the 65% design phase, the specifications may be provided in outline format. For subsequent design phase reviews, full specifications will be distributed to the peer reviewers (Note- If a proponent intends to request a streamlined peer review, full specifications shall be provided at the 65% design phase review).

4.2.6 Project Proponent Presentation

The project proponent's staff or consultants will make a brief presentation of the project, the current status of the design, and any issues that are critical to understanding the project. The Authority representative and members of the peer review committee will review the plans, and then ask questions or make suggestions regarding the design.

4.2.7 Peer Review Committee Actions

Following each review the committee can take one or more of the following actions:

1. Approve the deliverable as presented
2. Make recommendations for changes
3. Ask the project proponent for additional data

If the committee takes either action 2) or 3) above, it may request the project proponent to present the deliverable to them again. The intent of this process is not to act as an impediment to the project, but to provide assurance that the project is in accord with the original language and intent of the current Measure and is in compliance with all applicable guidelines and standards.

Unless a significant issue remains unresolved, the project's progress does not need to await a formal approval from the CCEAC peer review committee. It should be noted, however, that the Authority may, at its discretion, choose not to appropriate Measure funding for any additional work until a satisfactory completion of the project peer review.

One member of the peer review committee will summarize the review, and submit a letter containing recommendations to the Authority's Technical Coordinating Committee (TCC) regarding the technical merit of the project, the cost effectiveness of the design, and adherence to the scope, schedule and budget. This letter will be accompanied by a report from the Authority project coordinator. The same package will also be sent to the Administration and Projects Committee (APC) or Planning Committee (PC) for review and recommendations as well as to the Authority Board for approval. Be advised the timeframe to carry the peer review recommendation through the committees and Authority Board can be up to 3 months, depending on the timing of the peer review and regularly scheduled meetings. Therefore, it is critical that the proponent carefully plans the review of their respective project with these timeframes in mind, to avoid unexpected delays in project delivery.

5.0 Right-of-Way

5.1 ACQUISITION AND DISPOSAL

Real Property acquisition and associated relocation of affected parties must be conducted consistent with the requirements of state law and the federal "Uniform Acquisition and Relocation Assistance Act."

Right-of-way services include, but are not limited to, final determination of right-of-way needs; title searches; parcel appraisals; hazardous materials investigations; preparation of right-of-way maps; right-of-way engineering; negotiation with property owners and all activities involved with acquiring rights-of-way including condemnation proceedings and legal fees.

Measure funds may be used for the purpose of acquiring property necessary to construct the Measure defined project. Property necessary for the project will have been identified during the design phase and agreed to by the Authority. All costs other than the actual purchase price of the property shall be considered under right -of-way services.

The project proponent shall sell surplus right-of-way, and the net proceeds from the sale of surplus property, net of the costs of sale incurred, shall be returned to the Authority based on the percentage of funds it contributed to the purchase of the property. "Surplus" property is property deemed to be excess and not required for the Measure project. The project proponent is encouraged to include disposition of surplus property in the scope of work, schedule and budget. The project proponent is encouraged to use a firm or agency that is familiar with Federal and state requirements.

During the project peer review process the CCEAC peer review committee will evaluate proposed right-of-way acquisition and the potential for surplus property.

The project proponent should consult with Authority representatives throughout the right-of-way process. Any special circumstances regarding ownership of surplus property, or acquisition of property that will not be used for the Measure project should be identified early. With respect to disposal of property excess to the Measure project, the project proponent should consult with Authority representatives to determine the most cost effective and best time for the disposal, to get the highest possible return for the Measure Program. Unless the Authority expressly authorizes otherwise, the project proponent shall dispose of surplus property within five years following completion of the project. In some cases, this may mean that the project proponent accepts a less than optimal price, with the agreement of the Authority. In any case, the project proponent shall advise the Authority of its plans for disposition at the completion of the project.

The project proponent is responsible for maintaining property acquired with Measure funds prior to and during construction and for any period following completion of the project prior to disposal of the surplus property. These costs are eligible for reimbursement, if funds are appropriated for this purpose. Any proceeds from property acquired with Measure funds shall be refunded to the Authority, less the costs to maintain and hold the property.

Disposition of surplus property shall be completed consistent with customary and/or required governmental practices. Such practices include:

- disclosure of planning and zoning compliance by recorded notification
- first offer to public agencies for public use
- disposing of property by auction with a minimum bid
- preparing a formal appraisal if only one entity is interested in the property
- if the excess property is worth less than \$10,000, or if the land is of value only to the adjacent property owner, then the project proponent may follow whatever procedure appears most prudent and advantageous

Should the project proponent wish to retain a surplus parcel for non-Measure-project purposes, the proponent must enter into early discussion with the Authority to determine the appropriate value of the property. If the property is to be used ultimately for non-transportation purposes, then the project proponent must reimburse the Authority consistent with the fair market value

of the parcel, based on the highest and best use of the property. If the property is to be used for transportation purposes, the project proponent must work closely with the Authority to determine if the use is consistent with the Measure program, and that the expense is eligible for the funding category. The use of property excess to Measure projects for other transportation facilities would need to be approved by the appropriate Regional Transportation Planning Committee(s) and the Authority.

5.2 HAZARDOUS MATERIALS

With respect to property potentially containing hazardous materials, the project proponent must perform a qualified site assessment prior to the acquisition of property. The results of the assessment are used to determine if further actions are required including more invasive testing as well as a site remediation plan. All work relevant to the identification and remediation of hazardous materials must be performed by a qualified firm or individual. Where the project proponent ascertains that there is no likelihood of the presence of hazardous materials, the project proponent may request exemption from the required site assessment.

To the extent legally permissible, the document transferring title should include language that leaves the financial responsibility for mitigating hazardous materials impacts with the selling party. In the case of condemnation or dedication of property the project proponent should exercise its discretion regarding the use of such language in consideration of the varying nature of these transactions.

In order to prevent hazardous materials discovery from becoming the project proponent's financial liability after transfer of ownership, it is advisable that language clearly assigning the financial obligation for mitigating hazardous materials impacts to the selling party be included in the right-of-way contract.

The Authority recognizes the potential costs involved and therefore wants hazardous materials to be identified at the earliest possible time. The Authority recognizes that the cost of mitigating the impact of hazardous materials is an eligible project cost; however the Authority does not guarantee that funding in excess of the amount programmed for the project in the current Strategic Plan will be available. The project proponent may request their Regional Transportation Planning Committee to approve, and recommend to the Authority, that additional Measure funding be made available.

6.0 CONSTRUCTION

Project proponent management oversight expenses associated with the construction of Measure projects may include activities such as inspection, processing billings, reviewing proposed change orders, and activities involved with submitting final costs to the appropriate agencies to secure other leveraged funds.

During construction, as agreed in the Cooperative Agreement, signs are required to identify the project as a Measure funded project.

Measure funds are available to cover all construction expenditures for the project that are part of the scope of work agreed to by the Authority. Should more funding be secured than needed for the cost of the project, savings will be available for additional programming by the Authority within the same project category, and within the same sub-region of the project that experienced the cost saving, subject to the overall Strategic Plan constraints.

6.1 GUIDELINES FOR CONTRACT CHANGE ORDERS (CCOS)

While it is preferable that the original set of Plans, Specifications and Estimate (PS&E) be complete and accurate, in some instances the plans are necessarily general due to imperfect design information or construction techniques. Because of these and other modifications in the design and construction phases, Contract Change Orders (CCOs) do occur on Measure funded projects.

Once a contract has been awarded, the project proponent shall notify the Authority of the amount of Measure funds used to award the contract, including the reserve for contract change orders as described below. In awarding contracts, project proponents are encouraged to maximize the use of State, federal and/or regional funds available for the project in order to preserve Measure funds. If applicable, an adjustment in the fund appropriation will be made either upward or downward based upon the difference in the accepted bid amount and the original appropriation for construction. The project proponent shall set aside contingency funds to address CCOs required during construction.

CCOs are used during a project's construction phase to adjust the construction price to reflect agreed-upon changes in the schedule, or in the set of PS&E, or in the working conditions that the contract was originally based upon. For projects that are funded wholly, or in part with Measure funds, the project proponent must submit a list of CCOs to Authority staff. The

Authority reserves its right to disallow reimbursement of CCOs from Measure funds that constitute betterment outside the project scope detailed in the Measure Strategic Plan, and/or resulting from design errors.

Current policy requires projects proponents to prepare project estimates. The Authority's Cost Estimating Guide is available for use by the project proponents. The guide provides a 5% contingency to account for uncertainties in estimating and a 10% reserve for contract change orders. Proponents will base their request for an appropriation of funds from the Authority on this estimate with consideration for additional local, State, federal or regional funds available to complete the project.

For projects solely funded by Measure money, the revised appropriation will include the contract award price plus the following amounts set aside for construction change orders:

1. \$5,000 or 10% of any contract amount up to \$5,000,000, whichever is greater; or
2. \$500,000 for projects whose contract amount is between \$5,000,000 and \$10,000,000;
or
3. 5% for projects whose contract amount is above \$10,000,000.

These additional funds will be included in the adjusted fund appropriation and will be available for the project, subject to the provisions detailed below.

Any difference between the adjusted appropriation and the amount programmed in the current Measure Strategic Plan would be available to cover CCO costs in excess of the original balance set aside for these costs. However, access to these additional funds would require prior approval by the Authority staff.

The following requirements are only applicable for projects solely funded with Measure funds. For projects that require funding in addition to Measure money, the project proponent is expected to secure all necessary funds to complete the project work, including all CCOs. Measure funds appropriated to the project shall not exceed the amount included in the most recently adopted Strategic Plan.

Funds for CCOs are to be committed by the project proponent subject to the following review by Authority staff:

1. Prior written approval by Authority staff must be obtained for any single CCO that is either more than \$50,000 or 50% of the initial CCO set aside or as specified in a fully executed Cooperative Agreement with the Authority.
2. CCOs that are inconsistent with the original project scope are not allowed. Should there be any question on the part of the proponent regarding the appropriateness of the CCO, the proponent should receive written approval from the Authority staff contact person prior to signing the CCO.
3. Should the project consume the initial balance of funds set aside for CCOs and an un-appropriated balance of Measure funds remains for the project, then the proponent may request an additional appropriation for unanticipated change orders consistent with the project scope. Before approval is granted, a review of all CCOs approved by the proponent to date will be conducted to ensure that the original set aside was properly drawn down.

Project proponents are required to adhere to the following reporting requirements whether or not projects are solely funded with Measure money.

1. The Authority's Administration and Projects Committee will receive, for information, a listing of all executed change orders that exceed \$25,000 if the capital value of the construction project is equal to or less than \$15 million and a listing of all executed change orders that exceed \$50,000 if the capital value of the construction project is greater than \$15 million.
2. All project proponents shall submit a monthly construction progress report to the Authority staff that includes a current log of all draft, pending, and fully executed CCOs involving the expenditure of Measure J funds.

7.0 Funding Reimbursement Procedures

A project proponent must follow certain procedures in order to qualify for reimbursement under the Authority's program.

7.1 REIMBURSEMENT PROCEDURE

The project proponent must submit an invoice to the Authority. The invoice:

- Must be for the purpose of seeking reimbursement for project costs previously paid by the project proponent and signed by a finance department employee or the project manager. The project proponent must attest that the invoice is for reimbursement purposes only.
- Must be accompanied by a summary of charges, the Authority funding resolution, and adequate detail to justify the expenses.
- Must include payment instructions.

Authority representatives will review and approve the invoice, if all of the required information has been submitted. If clarification or additional information is needed, then the project proponent will be contacted.

Once the reimbursement request is approved, Authority staff will promptly process payment per the invoice instructions.

7.2 REIMBURSABLE COSTS

Approval of the cooperative agreement and a funding resolution will allow the project proponent to begin incurring reimbursable expenses against the future availability of funds. Details for submission of invoices are included in the cooperative agreement.

To meet its fiscal responsibilities, the Authority will monitor project progress and provide a mechanism for tracking Measure funds expended on each project. The success of this system depends upon a partnership between the project proponents and the Authority. Both parties must work together to identify an appropriate scope of work for each phase of each project and to define project elements that are eligible for reimbursement with Measure funds. If the project proponent expands the scope of the project to include improvements beyond those defined in the Strategic Plan, and the expense for the added scope can be partially or wholly defined, the added expense will be the responsibility of the project proponent and must come from a non-Measure project fund source.

As a guide for acceptable initial conceptual engineering/environmental and design costs, the following general expectations shall apply:

- Conceptual engineering studies, which define the alternatives evaluated in the environmental document, should cost approximately three percent of the estimated construction costs.
- Environmental studies should cost approximately three percent of the estimated construction costs.
- Projects should have final design costs in the range of twelve to fourteen percent of the estimated construction costs.
- Construction staking, design services during construction, and construction management shall be performed in an efficient and cost-effective manner.
- Right-of-way engineering, acquisition and disposal services, and utility relocations services, shall be performed in an efficient and cost-effective manner.

The percentages specified above can be modified depending upon the size and complexity of the project, if justification is submitted by the project proponent.

Measure funds can be used to reimburse project proponents for all activities within the scope of work defined in the funding resolution, including the following:

- Project Management – Project proponent staff directly involved in project management or project development work. Hourly wages and fringe benefits should be charged based on the project proponent's standard mark-up rate, not to exceed a maximum mark-up rate of 50% of the hourly wage (1.5 times hourly salary). If this rate does not allow the project proponent to recoup direct costs dedicated to Measure projects, the project proponent may submit documentation of extenuating circumstances for Authority consideration and authorization.
- Incurred costs for testing, analysis, and/or production of documents for project-related work.
- Contracted consultant staff, based on monthly invoices consistent with the contractual agreement.
- Fees imposed by other agencies, including permit fees, or reimbursement for review or oversight costs.
- Preliminary engineering and environmental clearance.

- Design services.
- Right-of-way services and acquisition.
- Utility relocation.
- Construction contract items and construction management.
- Landscaping – For local projects, project proponent landscaping expenses reimbursable by Measure shall not exceed 10% of the total construction cost. The 10% level is a cap, and not a target for individual projects. Project proponents are encouraged to maximize the use of Measure funds for transportation improvements. Exceptions to the 10% limit may be considered on a project by project basis provided there are adequate funds programmed in the Strategic Plan for the project to accommodate the request. The proponent may finance, at its own cost, landscaping costs in addition to those covered by Measure funds. For projects on the state highway system, project proponents are required to adhere to Caltrans standards, subject to the 10% cap.

7.3 NON-REIMBURSABLE COSTS

Ineligible costs could include, but are not limited to: the correction or betterment of preexisting non-transportation related items such as drainage, landscaping or pedestrian facilities, unless these were approved as part of the original project. This could also include items of work within the scope, but cover more expensive treatment for the facility such as specialized lighting standards and signs, more elaborate landscaping or specialized treatment on the face of soundwalls and retaining walls. Annual expenses incurred for maintenance agreements or permanent easements shall be borne by the project proponent from fund sources that are not Measure funds.

Ineligible costs also include interest or borrowing costs incurred by project proponents as may be needed to initiate and finance a project.

8.0 Compliance Auditing

Any recipient (Project Proponent, or Consultant, or Jurisdiction) who incurs expenditures to be reimbursed by Measure funds is subject the Authority's policy and procedures with respect to compliance audits as contained in Resolution 08-05-A.

9.0 Glossary

Enabling Legislation – The Transportation Expenditure Plan and Growth Management Program is required by the California Public Utilities Code Section 180206 for the expenditure of the local transportation sales tax in Contra Costa County. The local transportation sales tax is imposed pursuant to Ordinance 88-01, which is the retail transaction and use tax ordinance applicable to the incorporated and unincorporated areas of Contra Costa County.

Transportation Sales Tax Measure – Any current or future Contra Costa County Transportation Sales Tax Measure to fund transportation projects in the Expenditure Plan passed by the voters. In November 2004, voters approved Measure J, which extended the sales tax, with collection beginning in April 2009 and extending 25 years, through 2034.

Strategic Plan – The Contra Costa Transportation Authority periodically updates the estimate of sales tax revenues generated by Measure J, the 2004 voter-approved measure to continue the collection of the half-percent countywide sales tax for transportation projects. The revenue assumptions relative to inflation, real growth rate, and actual sales tax receipts to date are detailed in the Strategic Plan. In addition, the financial commitments, by fiscal year, to each project are presented in the Strategic Plan.

Growth Management Program – To receive its share funding from the Measure Local Streets Maintenance and Improvement program and to be eligible for the Measure Transportation for Livable Communities program, local jurisdictions must meet the requirements of the Growth Management Program (GMP). The overall goal of the GMP is to achieve a cooperative process for growth management on a countywide basis, while maintain local authority over land use decisions and the establishment of performance standards. The Transportation Sales Tax Measure is intended to alleviate existing major regional transportation problems. Growth Management is needed to ensure that future residential, business and commercial growth pays for the facilities required to meet the demands resulting from that growth.

To demonstrate that it complies with the GMP, each jurisdiction must biennially submit a statement of compliance with the Growth Management Programs to the Authority. To be in compliance, each local jurisdiction must adopt the following:

1. Adopt a Growth Management Element to the General Plan
2. Adopt a development mitigation program
3. Address housing options

4. Participate in multi-jurisdictional planning efforts to reduce the cumulative regional traffic effects of development
5. Adopt an urban limit line
6. Develop a five-year Capital Improvement Program
7. Adopt a Transportation Systems Management ordinance or alternative mitigation

More information can be found in the most recent version of the Measure J Transportation Sales Tax Expenditure Plan (<http://www.ccta.net>).