

CONSTRUCTION PROCEDURES HANDBOOK

SECTION VII	SUBSECTION K	DATE
CONSTRUCTION OPERATIONS	FHWA ACCEPTANCE (FEDERAL PARTICIPATING CONTRACT AGREEMENT CLOSEOUT)	07/05/2017

1. Purpose

The Department must provide the Federal Highway Administration (FHWA) necessary documents as part of the close out of the federal project agreement. There are two parts to this closeout process. The first is FHWA's acceptance (which is different from the Department's Acceptance after the Completion of the project), and second is the Financial Management Information System (FMIS) final voucher. The Regional Construction Engineer is responsible for submitting the request for FHWA's acceptance through the submission of the Federal Close-out Package (FCP). The FCP documents are different depending on the category of Federal Oversight of the project. The FHWA's approval of the FCP moves the project to Step-7a in FMIS. The Bureau of Accounting is responsible for submitting the FMIS final voucher to FHWA, and its approval moves the project to step- 9 in FMIS. The project's step-9 in FMIS is considered the formal close-out of the federal project agreement.

Refer to (Attachment "C") for an overview of the Construction Contract Closeout Process.

The FHWA's acceptance process for a federal project is dependent upon it following two different FHWA oversight categories:

- Non-Project of Division Interest (Non-PODI) category(Delegated)
- Project of Division Interest (PODI) Federal Oversight and Project of Division Interest (PODI) State Oversight categories

2. Non-PODI (Delegated) category

Upon receiving the Final Estimate Certificate from Accounting, the RCE or his designee will prepare the FCP and submit it to the Director of Construction Services and Materials. The Director of Construction Services and Materials will review the FCP and forward it to the Project Manager for further processing. The FCP includes the following documents:

- 1) Federal Close-out Package (FCP) cover memo (Attachment "A")
- 2) Completed [Form DC-21](#) Federal Highway Administration Closeout Checklist along with following documents:
 - i) Copy of the Final Estimate Certificate (for a Site Manager project include first 3 pages.
 - ii) An original signature copy of Materials Certification (form LB-96) along with any exceptions and justifications for any non-certified items related to Buy- America. (Not required for non-NHS projects).

3. Project of Division Interest (PODI) category (Federal and State Oversight)

Upon receiving the Final Estimate Certificate from Accounting, the RCE or his designee will prepare the FCP and submit it to the Director of Construction Services and Materials. The Director of Construction Services and Materials will review the FCP and forward it (within 1-2 days) to the FHWA Area Engineer, electronically, for Federal Oversight projects, for pre-approval. The FHWA Area Engineer will provide a response noting the FHWA Area Engineer's pre-approval or if rejecting the request, a response noting the deficiencies or concerns that must be addressed (within 14 days). If there are deficiencies or concerns, the Director of Construction Services and Materials will forward those concerns to the RCE for correction and the process will repeat until pre approval is received. Once pre approval is received, the Director of Construction Services and Materials will forward (within 1-2 days) the FCP to the Project Manager for further processing. There is no need for FHWA Area Engineer's pre-approval for State Oversight projects. The Project Manager will forward The FCP to the Office of Capitol Programming who will enter (within 3-5 days) the 7A request in FMIS. The FHWA will provide electronic approval in FMIS (within 5 days). The FCP includes the following documents:

- 1) Federal Close-out Package (FCP) cover memo (Attachment "A")
- 2) RCE's certification to FHWA (Attachment "B")
- 3) Completed [Form DC-21](#) Federal Highway Administration Closeout Checklist along with following documents:
 - i) Copy of the Final Estimate Certificate (for a Site Manager project include first 3 pages.
 - ii) An original signature copy of Materials Certification (form LB-96) along with any exceptions and justifications for any non-certified items related to Buy- America. (Not required for non-NHS projects).
 - iii) A Department Action (Form AD-12), for Department's Acceptance.
 - iv) An original signature copy of the Contractor's Final Certificate of Compliance, ([form DC-123](#)).
 - v) A written confirmation by the RE to FHWA that all deficiencies noted by FHWA as part of their inspections have been corrected (See [DC-155 Workbook C63D](#))
 - vi) A copy of Final payment voucher ([Form PV\(C\)](#)) signed by the Contractor with Final Release/Conditional Release as applicable below:
 - (1) If the Contractor has released all claims against the Contract and the final estimate certificate has been issued, a copy of the Contractor's release. **OR**
 - (2) If the contractor has failed to respond within the 30 days, a copy of RCE's notice to the Contractor that their failure to respond has acted as a waiver of all claims. **OR**
 - (3) If the Contractor has responded to the proposed final certificate, and the Contractor's response reserves claims against the Department (and thus a conditional final certificate is issued), the closeout package must contain a copy of that letter and a summary of those claims which the Contractor still has against the Department.
 - vii) A memorandum from the Project Manager verifying that all of the Department's environmental commitments for the project have been completed or a status update of outstanding environmental commitments.

- viii) The final DBE Report ([form CR-268](#)). If the ESBE/DBE goal was not met, include good faith effort documentation as specified on the form.
- ix) A summary of non-participating costs (as provided with the Final Change Order using Appendix D of the Change Order Guide-2010 as a model).
- x) A summary of Contract Time, detailing the contract time used, extensions/reductions of time, liquidated damages (Interim Completion, Substantial Completion and Completion), incentive/disincentive time payment adjustments and Lane Occupancy Charges (as provided in the Final Completion and Acceptance, Final Payment Memorandum as part of Department's Acceptance Package) ([see Sample B](#)).
- xi) For contracts with ITS elements, a memo from Mobility Systems Engineering indicating that all ITS testing forms are on their file for records. OR a memo from Mobility Systems Engineering indicating that the project has no ITS involvement.

4. Submission of FCP:

Although the FCP is addressed to the FHWA or to the Project Manager of the Division of Project Management, the original copy of the FCP is to be submitted to the Director of Construction & Materials. **No documents are to be directly submitted to the Division of Project Management or to the FHWA.** The Regional Office will retain a copy of the FHWA Closeout Documents. The office of the Director of Construction & Materials will process the FCP.

Attachment A

NEW JERSEY DEPARTMENT OF TRANSPORTATION

MEMORANDUM

TO: William Birch
Project Manager

FROM: Lisa Zacchino
Senior Management Assistant
Construction Services & Materials

DATE: July 17, 2017

PHONE: (609) 530-2386

SUBJECT: Centerline Rumble Strip Installation – Central 2015
Contract No. SWI153470
DP No: 15144
Federal Project No: HSP-C00S(740)
**Non-PODI (Delegated) or PODI Federal Oversight or PODI
State Oversight (select one)**

Please find the Federal Closeout Package (FCP) for the above subject project. Appropriate Closeout documents are included as shown in attached DC-21.

The federal project end date is 05/02/2018.

Please process this package further to seek the Closeout of the Federal Agreement.

C: Bureau of Construction Engineering

Region File

Attachment B



State of New Jersey

DEPARTMENT OF TRANSPORTATION
P.O. Box 600
Trenton, New Jersey 08625-0600

CHRIS CHRISTIE
Governor

RICHARD T. HAMMER
Commissioner

KIM GUADAGNO
Lt. Governor

July 17, 2017

Division Administrator
U.S. Department of Transportation
Federal Highway Administration
840 Bear Tavern Road, Suite 310
West Trenton, New Jersey 08528-2595

Subject: **Centerline Rumble Strip Installation – Central 2015**
Contract No. SWI153470,
Federal Project No: HSP-C00S(740)
Federal Closeout Package (FCP)

This is to certify that the above referenced project was completed in compliance with Federal requirements for a Non-PODI (Delegated).

CERTIFIED:

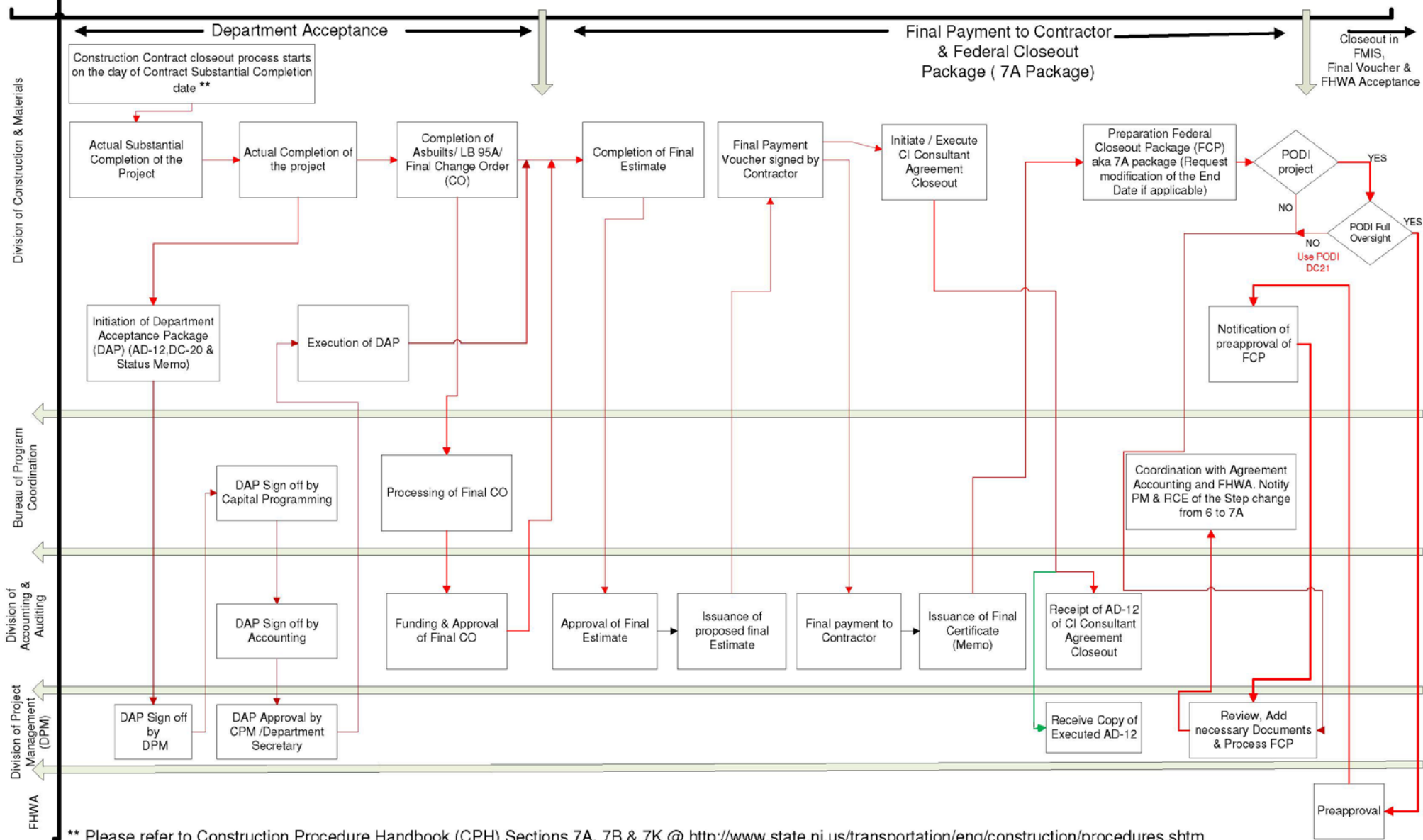
Robert A. Parker
Regional Construction Engineer
Region Central Construction

The attached DC-21 provides a list of documents which are attached and are on file with the Department's Federal Aid Coordination Section:

C: William Birch, Project Manager

Attachment C

Construction Contract Closeout Process



** Please refer to Construction Procedure Handbook (CPH) Sections 7A, 7B & 7K @ <http://www.state.nj.us/transportation/eng/construction/procedures.shtm>