

CHAPTER 180
FEDERAL-AID URBAN SYSTEMS
[Previously (06,P1)Ch 2, until letter transfer request of 3/14/83]
[Prior to 6/3/87, Transportation Department[820]—(06,Q) Ch 10]

761—180.1(307) Definitions. When used in this chapter, unless the context otherwise requires:

“*Department*” shall mean the Iowa department of transportation.

“*FAUS*” shall mean the federal-aid urban system as established by Title 23, United States Code. The federal-aid urban system shall consist of arterial routes and collector routes as designated by federal functional classification, exclusive of urban extensions of the federal-aid primary system. (23 U.S.C. 103; 23 CFR 470.105)

“*FAUS project agreement*” shall mean an agreement between the department and a city or cities within an urban area which details responsibilities for various project activities.

“*Highway division*” shall mean the highway division of the department.

“*Metropolitan planning organization (MPO)*” shall mean the organization designated by the governor as being responsible, together with the state, for carrying out the provisions of 23 U.S.C. 134 for an urbanized area.

“*Policy committee*” shall mean a committee of a metropolitan planning organization responsible for giving direction to the transportation planning process and providing support for program implementation.

“*Urban area*” shall mean an urbanized area, or in the case of an urbanized area encompassing more than one state, that part of the urbanized area in each state, or an urban place as designated by the Bureau of the Census having a population of 5000 or more and not within any urbanized area, within boundaries to be fixed by responsible state and local officials in cooperation with each other, subject to approval by the Secretary of the U.S. Department of Transportation. These boundaries shall, as a minimum, encompass the entire urban place designated by the Bureau of the Census. (23 U.S.C. 101; 23 CFR 470.103)

“*Urbanized area*” shall mean an area so designated by the Bureau of the Census, within boundaries to be fixed by responsible state and local officials in cooperation with each other, subject to approval by the Secretary of the U.S. Department of Transportation. These boundaries shall, as a minimum, encompass the entire urbanized area within a state as designated by the Bureau of the Census. (23 U.S.C. 101) (An urbanized area comprises an incorporated place and adjacent densely settled surrounding area that together has a minimum population of 50,000.)

761—180.2(307) FAUS fund apportionment and allocation.

180.2(1) Apportionment. FAUS fund apportionment to Iowa is based on the ratio of population in Iowa urban areas to the United States population in urban areas.

FAUS funds are apportioned to the state at the beginning of the fiscal year of the apportionment and remain available for three years following the apportionment year.

180.2(2) Allocation. Each urban area shall be credited with a population or per capita share of available FAUS funds.

a. FAUS funds shall be credited to urbanized areas with a population of 200,000 or more in the amount shown for each in the “Supplementary Apportionment Tables” provided by federal highway administration “Notice” for the appropriate fiscal year.

b. Those funds which are not so attributable shall be allocated by the department according to a per capita factor using the population tables certified by the Iowa secretary of state for use in distributing road use tax funds.

c. In urbanized areas, each policy committee shall establish the procedures to be followed for the allocation of funds within the urbanized area, and shall establish the method by which necessary matching funds are provided by the urbanized area.

761—180.3(307) FAUS fund availability and eligibility for project use.

180.3(1) Availability. Projects for use of FAUS funds shall be accepted on a “first-come, first-served” basis up to the limit of each urban area’s allocation (see also subrules 180.3(2) and 180.3(3)), the current federal apportionments, and the amount of funds released to Iowa which are available for project use (obligation authority). The availability of FAUS funds for project use may be limited by the issuance of periodic obligation limitations by the federal government. The department shall not be responsible for federal fund deferrals or impoundments.

180.3(2) Borrowing ahead. Urban areas with eligible projects but with insufficient unobligated allocation balances to support the full federal share of the project may, with the approval of the highway division, “borrow ahead” up to two years of anticipated funds. This feature shall be on a “first-come, first-served” basis and shall be limited to the amount of funds held in reserve for this purpose.

180.3(3) Withdrawal of allocated funds. The highway division shall annually review the status of unobligated FAUS funds for each urban area.

a. If it is found that any area has accumulated in excess of two years of unobligated funds and has no projects in advanced stages of plan development, that area’s excess funds shall be withdrawn and placed in a revolving fund to increase other areas’ capabilities of borrowing ahead on projects for which they have insufficient funds currently available.

b. A waiver of the withdrawal of excess funds shall be considered for approval by the highway division upon submittal of an appropriate application by the city or, in an urbanized area, by the MPO. Applications shall be in the form of a resolution and shall specifically identify proposed projects and schedules for obligating the fund balance.

180.3(4) Eligibility. When properly programmed, approved and documented, any project activity authorized under Title 23, United States Code, may be eligible for participation with FAUS funds in the proportion set by the “Federal-Aid Highway Program Manual.”

a. Eligible project activities may be categorized as follows:

(1) Construction projects which are let to contract and where the city incurs costs through payment to a contractor.

(2) Negotiated right-of-way contracts with property owners/tenants where the city incurs costs through payments for acquired right-of-way, land damages and relocation assistance benefits.

(3) Force account work which may include one or more of the following: Construction projects which are not let to contract but which are accomplished by city forces using city-owned equipment and city-furnished materials; preliminary or construction engineering performed by city forces; incidental right-of-way costs incurred by the city in conjunction with the acquisition of project right-of-way; or construction work performed by a railroad or utility company for which the city is billed.

(4) Consultant services engaged by the city.

b. Federal-aid funding for FAUS projects is on a reimbursement basis rather than on a grant basis. Each participating urban area shall provide the initial funding for each project.

761—180.4(307) System planning requirements.

180.4(1) Planning process. To qualify for FAUS funds, each urbanized area shall be required to have a continuing, cooperative and comprehensive transportation planning process pursuant to 23 U.S.C. 134.

180.4(2) Project priorities.

a. Priorities for FAUS projects in an urbanized area shall be determined by the policy committee. Such projects shall be a part of a transportation improvement program held valid by the policy committee which serves to implement an areawide plan developed within the planning process.

b. Priorities for FAUS projects in urban areas which are not urbanized areas shall be determined by the elected municipal officials.

180.4(3) System alignment.

a. In accordance with 23 U.S.C. 103, after June 30, 1976, the FAUS shall be located in each urbanized area and those other urban areas the department may designate and shall consist of arterial routes and collector routes as designated by federal functional classification, exclusive of urban extensions of the federal-aid primary system. The routes on the FAUS shall be designated by appropriate local officials, with the concurrence of the department, subject to the approval of the Secretary of the U.S. Department of Transportation, and in the case of urbanized areas shall also be in accordance with the planning process required pursuant to the provisions of 23 U.S.C. 134.

b. FAUS realignment shall be based upon anticipated federal functional usage in the year 1980 or upon a planned connected system.

761—180.5(307) FAUS project implementation.

180.5(1) General.

a. The FAUS program is directed through the U.S. Department of Transportation, federal highway administration. Procedures in the “Federal-Aid Highway Program Manual” are to be followed. However, the Iowa “Action Plan,” as approved and adopted by the federal highway administration, replaces the public hearing requirements of the “Federal-Aid Highway Program Manual” and shall apply to FAUS projects.

b. Since urban area boundaries may encompass segments of FAUS routes which are under county jurisdiction, FAUS funds may be utilized for improvements to those segments of the FAUS system. For that purpose, reference to city, as used herein, shall also mean county if and when applicable.

180.5(2) FAUS project initiation.

a. When a city wishes to initiate a FAUS project, a project concept statement shall be prepared by the city. The project concept statement describes the proposed improvement, existing conditions and traffic volumes, and contains an estimated project cost.

b. A city within an urbanized area shall submit the project concept statement to the MPO for review. The MPO shall review the proposed project for compliance with the transportation improvement program and adequate federal funding availability. Approved project concept statements shall be forwarded to the highway division.

c. A city outside an urbanized area shall submit the project concept statement to the highway division.

180.5(3) FAUS project agreement.

a. Each FAUS project shall require a FAUS project agreement between the department and those cities whose FAUS routes are part of the project.

b. The agreement shall set forth the various state and federal requirements, and shall also delineate departmental and city responsibilities for project planning, development, construction and materials inspection, and documentation.

c. One city within each urbanized area shall be responsible for each proposed project and shall provide all necessary contract administration. Also, for other urban areas, if a project is on a boundary between cities, one city shall be designated to handle all project administration activities for that project. This shall be specified in the FAUS project agreement.

(1) Prior to the department granting authorization for a city to administer a project, the city shall provide written assurance to the highway division that the city is able to fulfill the requirements of the “Federal-Aid Highway Program Manual,” volume 6, chapter 4, section 1, subsection 6—“Contract Procedures.”

(2) Prior to approval of the agreement, the department may perform a preaudit evaluation if force account work or consultant services are programmed for state- or federal-aid participation. The preaudit evaluation may include an examination of the city’s (or a railroad’s or utility’s, as applicable) accounting system to determine its adequacy to segregate and accumulate reasonable, allocable and allowable costs to be charged against the project.

180.5(4) Consultants.

a. Federal-aid participation. The cost of consultant services is eligible for participation with FAUS funds when properly programmed, approved and documented. Approval for FAUS funding is dependent upon compliance with rules 761—Chapter 20, preaudit and audit policies of the department, and the forms of compensation prescribed by federal procurement regulations.

b. Construction engineering consultants. The city engineer of the city which will administer the project shall be considered to function in a capacity equivalent to that of the highway division's resident construction engineer. Those cities which do not employ a city engineer and engineering staff shall, and those cities employing a city engineer and engineering staff may, engage a qualified consulting engineering firm to act in the capacity of a resident construction engineer provided that:

- (1) The firm is prequalified by the department in accordance with 761—Chapter 20.
- (2) The city provides the written assurance required by subparagraph 180.5(3)“c”(1).
- (3) A registered professional engineer is designated as being in day-to-day charge of the project, including job-site supervision.
- (4) A full-time, publicly employed engineer is assigned to have overall responsibility for the project.

c. “City.” As used herein, “city” may mean the city engineer or the city's consultant if and when applicable.

180.5(5) City responsibilities.

a. The city designated to provide contract administration shall also be responsible for providing the necessary project preliminary engineering, right-of-way acquisition and relocation assistance programs, and construction and materials inspection engineering.

b. Future maintenance of a completed federal-aid project shall be the responsibility of the local jurisdiction in which the project is located, unless otherwise specified in the FAUS project agreement.

180.5(6) Project procedures and responsibilities.

a. Right-of-way.

(1) The city will normally acquire necessary project right-of-way and provide relocation assistance benefits. The city must provide written assurance of compliance with real property acquisition policies as required by 49 CFR 25. The highway division shall provide consultative assistance on right-of-way acquisition and relocation assistance matters.

In certain instances, the department may acquire project right-of-way for a city. Details of this activity, including costs to the city, shall be covered in the FAUS project agreement.

(2) The city shall take all necessary legal action to discontinue and prohibit any use of project right-of-way for business purposes. The city shall prevent any future encroachment or obstruction within the limits of project right-of-way, including the erection of private signs thereon and the erection of signs on private property which will overhang the right-of-way.

(3) The city shall accommodate utilities in accordance with the department's policy for accommodating utilities on county federal-aid secondary (FAS) and city FAUS routes. The city's costs for certain project-related utility relocation, alteration, adjustment or removal may be eligible for federal-aid reimbursement in accordance with the federal highway administration policy applicable to the type of utility involved and Iowa Code chapter 306A.

(4) The city shall effect whatever steps may be required to legally establish the grade lines of the new highway facilities constructed under the project.

(5) Parking regulations to be imposed and maintained by the city shall be included in the FAUS project agreement.

b. Project development. Project development including, but not limited to, public participation, environmental impact analysis, cultural resource protection, location and design study reports, and public hearings shall be the responsibility of the city. The highway division and other divisions of the department shall provide consultative assistance on project development.

c. Plans, specifications and estimates.

(1) The city shall prepare the construction plans, specifications and estimates, and take whatever action is necessary to comply with federal laws and regulations. Project design shall be in accord with departmental policy, standards and guides for highway geometrics, or other approved modifications.

(2) For all projects, current departmental specifications and supplemental specifications shall be used. The city may furnish special provisions to the contract documents for approval by the department and the federal highway administration.

(3) When the city submits the plans, specifications and estimates for letting authorization, the city shall certify to the status of public hearing requirements, agreements with railroad and utility companies and right-of-way acquisitions.

(4) The highway division shall program the project with the federal highway administration and submit the plans, specifications and estimates for approval and obligation of federal funds.

d. Project letting and contract award. The department shall let projects for the city. The nomenclature of bid items shall conform to the department's bid item descriptions.

(1) The department shall follow normal project letting procedures. After bids are received and opened, the department shall furnish the city with a tabulation of all bid proposals. The department shall formally approve the letting and, concurrently, the city, by council resolution, shall act on the bids received. The city shall furnish the department with a copy of the resolution. The department shall forward the required documents to the federal highway administration for concurrence.

(2) Upon receipt of federal highway administration concurrence on an acceptable bid, the city shall obtain the signed contract, performance bond and certificate of insurance from the contractor, and file these documents with the department. The department shall review the contract documents, prepare a detail project agreement based on contract unit prices, and submit the agreement to the federal highway administration for approval.

e. Materials testing and construction inspection.

(1) The city shall be responsible for assuring that the project is constructed in accordance with approved project plans and specifications. The city shall supervise the construction with an adequate inspection force, the qualifications of which shall be subject to review by the highway division.

(2) The inspection force shall use testing and documentation methods, report forms and inspection procedures specified or normally used by the highway division as indicated in the highway division's "Construction Procedures and Instructions Manual" and "Materials Instructional Memorandums."

(3) The city shall provide the necessary project documentation and job control testing. Sampling and testing shall be in accordance with "Materials Instructional Memorandum" 204 and current supplements.

(4) The highway division shall provide source inspection of materials and laboratory testing of project, plant and grade samples of materials within its normal procedures. Shop fabrication inspections shall be performed at plants located in areas where routine inspection service is available.

The department shall bill the city for testing services according to its normal policy.

(5) Testing and inspection equipment shall be furnished by the city and shall be subject to calibration and approval by the highway division.

(6) The city shall prepare and file with the highway division daily, weekly and monthly project report forms; change and extra work orders; subcontract requests; and other forms as are normally utilized on construction projects.

All change orders, extra work orders, and subcontracts require prior highway division approval.

f. Contract payments.

(1) During the progress of the project work, the city may submit progressive billings to the highway division covering eligible payments that have been made by the city for completed work. The department shall process payment to the city.

(2) Upon completion of the project, the city shall submit a certificate of completion of field work to the highway division. A final project inspection shall be made by the city, the highway division, and the federal highway administration.

(3) After a highway division audit of quantities and materials, the city shall make final acceptance of the project, make final payment to the contractor, and forward all necessary forms to the highway division.

(4) Final quantities, price adjustments, and liquidated damages shall be subject to audit by the highway division.

(5) Upon completion of final project auditing, the department shall file the required project certifications with the federal highway administration and bill the federal highway administration for the final participating federal funds. Upon receipt of final federal reimbursement, these funds shall be forwarded to the city.

(6) Should the federal highway administration withdraw federal-aid participation in the project, or any parts of the project, because of noncompliance with specifications, inadequate documentation or for any other reason, it shall be the full responsibility of the city to provide the financial resources in substitution for the federal-aid participation.

These rules are intended to implement Iowa Code section 307.44.

[Filed 7/1/75]

[Filed 3/16/78, Notice 1/11/78—published 4/5/78, effective 5/10/78]

[Filed 4/17/81, Notice 2/18/81—published 5/13/81, effective 6/17/81]

[Filed 5/11/87, Notice 3/11/87—published 6/3/87, effective 7/8/87]◊

[Filed 1/15/92, Notice 12/11/91—published 2/5/92, effective 3/11/92]

CHAPTERS 181 to 200

Reserved