



# Stewardship & Oversight Report – FY 2016

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Federal Highway Administration,  
Texas Division

November 30, 2016

## **Stewardship & Oversight Agreement**

On December 8, 2015, the Federal Highway Administration, Texas Division (FHWA Texas Division) and the Texas Department of Transportation (TxDOT) executed a Stewardship & Oversight Agreement on Project Assumption and Program Oversight (S&O Agreement). This agreement sets forth the roles and responsibilities of the FHWA, Texas Division and TxDOT with respect to Title 23 project approvals and related responsibilities and Federal-aid Highway Program (FAHP) oversight activities. In early 2016, in accordance with the agreement, new TxDOT Executive Director James Bass affirmed his endorsement of the agreement by letter.

Section XI, Subsection A, of the S&O Agreement describes the TxDOT oversight and reporting requirements, including submission of a summary report within two months of the end of the federal fiscal year of all significant stewardship and oversight activities conducting during the previous fiscal year. This report is the first of the annual reports under the S&O Agreement and provides summary information on TxDOT's Fiscal Year 2016 stewardship and oversight activities. In summary:

- TxDOT let \$7.346 billion in Fiscal Year 2016 for 1,029 projects.
  - 741 statewide lets (\$4,356 billion)
  - 45 Local Public Agencies (LPAs) lets (\$517.9 million)
  - 243 other lets (\$2,472.6 billion)
- TxDOT developed and reviewed 773 preliminary engineering plan sets to prepare projects for letting in Fiscal Year 2016.
- TxDOT executed 2 Comprehensive Development Agreements (CDAs) in Fiscal Year 2016 for the US 181 Harbor Bridge Project in Corpus Christi and the SH 288 Toll Lanes Project in Harris County (Houston).
  - The approximately \$970 million (capital cost) US 181 Harbor Bridge Replacement Project is fully funded by public contribution.
  - The SH 288 Toll Lanes Project in Harris County is being delivered through a CDA Concession, which leveraged \$17.1 million in public contribution to provide a 10-mile facility with approximately \$1.05 billion in private contribution and financing. Additionally, TxDOT received a \$25.5 million concession payment from the developer, which TxDOT can use for the development of other regional projects.
- TxDOT managed more than 1,600 active construction projects during Fiscal Year 2016

### Local Public Agencies (LPAs)

Section XI, Subsection B, of the S&O Agreement also requires that TxDOT provide an annual report documenting its fulfillment of responsibilities as a pass-through entity of FHWA funds on projects performed by local public agencies (subrecipients). The final update of that report, entitled "FY2016 Annual Report to FHWA-Texas - Local Government Projects Program (Local Public Agencies)" was submitted to FHWA-Texas on November 30, 2016. In accordance with federal regulations, TxDOT is ultimately responsible for local public agency compliance with applicable federal laws, rules and regulations on these projects. Additional

information on TxDOT's oversight of this program is included in the Subsection B report. In summary:

- a) TxDOT provided oversight to approximately 650 projects with subrecipients, with total funding in the amount of approximately \$3.75 billion (including approximately \$1.9 billion in federal funds).
- b) Entering FY 2016, 54 projects with federal funds were scheduled for letting by LPAs during FY 2016 with estimated total funding of \$328 million. LPAs actually let 50 projects (93%) with federal funds in FY 2016 and awarded 44 projects (81%) of those projects, totaling \$252 million (77%) in construction cost. During FY 2016, TxDOT provided concurrence-in-award on 33 LPA-let projects totaling \$213 million in construction cost.
- c) During FY 2016, TxDOT reimbursed subrecipients approximately \$188 million in FHWA funds on highway planning and construction projects.

## **Key Aspects of TxDOT's Stewardship & Oversight of the Federal-Aid Highway System in Texas**

### *Overview*

During Fiscal Year 2016, TxDOT has provided effective stewardship of the Federal-aid Highway System in Texas and responsible oversight of the project delivery programs that affect the condition and performance of that system across the state.

- At the end of the fiscal year, the percentage of pavements on the Interstate System in Texas in good condition (International Roughness Index < 95) was 71%; while the percentage of pavements on the Interstate System in Texas in poor condition was only 2%. Meanwhile, TxDOT maintained the pavements on the rest of the National Highway System (NHS) in Texas at 85.14% in good condition, with only 5.75% of the non-Interstate NHS in Texas falling in the poor condition category.
- For FY 2016, the number of structurally deficient bridges on the NHS in Texas was only 60, while the percent deck area of structurally deficient NHS bridges in Texas was less than 1% (0.86%).

TxDOT presents these and other performance indicators for the Stewardship & Oversight Agreement in the [Stewardship and Oversight Indicators section](#) of this report. TxDOT will continue to work with the FHWA Texas Division to ensure that these performance indicators provide meaningful information on our efforts to effectively and responsibly manage the Federal-aid Highway Program in Texas.

TxDOT continues its ongoing efforts to improve its project delivery processes, taking advantage of state and federal authorizations, tools, and financing options to bring needed transportation infrastructure projects to the people of Texas. At the same time, TxDOT strives to incorporate the use of technology, such as Intelligent Transportation System applications, to manage the performance of the Texas transportation system. During Fiscal Year 2016, highlights of these efforts included a \$10 million investment to upgrade the system in Austin with cameras, dynamic message signs and speed detection on IH 35 to advise the traveling public on congestion levels and time to travel. Estimated time to travel through Austin on IH 35 versus SH 130 is communicated to travellers north of Georgetown, Round Rock

and Buda. The Traffic Management Center will also be upgraded and renewed community partnerships incorporated to provide enhanced customer service.

Much work remains to streamline and enhance the transportation planning, development, and delivery systems under TxDOT's responsibility. However, with the passage of Propositions 1 and 7 by an overwhelming majority of votes in 2014 and 2015, respectively, the Texas Legislature and the public indicated both their desire for action to improve mobility in Texas and their trust in TxDOT to deliver on those improvements. The public has entrusted TxDOT with significant new revenue sources to tackle the challenge of a growing state population and increasing demand for reliable and dependable means to transport goods across Texas and among the state's metropolitan regions. These additional state funds along with federal funds will allow a robust portfolio of improvements to the transportation system in the coming years. TxDOT and its partners are working every day to respond and deliver on that trust.

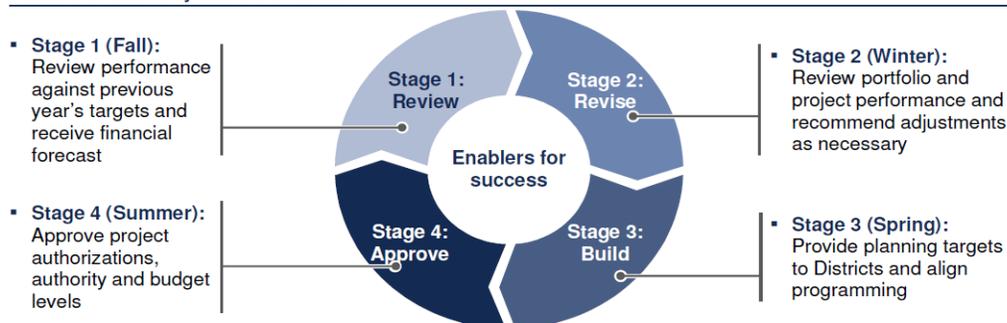
### *New Quarterly Review Process*

TxDOT initiated a portfolio management process and key performance measures to comply with Federal and State legislation. A major element is the Quarterly Review Process (QRP), a rigorous four stage process involving monthly data collection, data analysis and quarterly meetings between TxDOT Divisions and Districts to monitor the agency's performance in terms of budgeting, planning, and programming the department's project portfolio within a 10 year window (See Figure 1.) The objective of the QRP is to develop a healthy statewide portfolio supported by the right projects, developed in individual districts, and given resources provided by divisions to meet TxDOT's strategic initiatives. Specifically, the QRP aims to ensure:

- Portfolio health - Deliver TxDOT's strategic initiatives per latest financial forecast through building the right volume and mix of projects with cleared milestones;
- Project health - Monitor progress towards clearing milestones to ensure letting projects on time; and
- Resource health - Coordinate resource budgets and future staffing needs.

The process facilitates the timely request and accurate planning for centralized resources; provides early guidance and approved strategic guidance to districts on their volume and mix of projects, enabling improved planning; used to engage stakeholders, including Metropolitan Planning Organizations (MPOs), and provides transparency to TxDOT leadership on their role and required decisions. TxDOT developed the QRP in 2016 and TxDOT has since piloted Stages 1, 2, and 3. TxDOT is currently implementing the Stage 1 and Stage 2 cycles statewide and is working towards a full implementation in 2017.

**Phases of Quarterly Review Process**



### *Alternative Project Delivery and Financing Programs*

TxDOT recently reorganized and combined certain core functions related to its alternative delivery program and financing/debt programs. The newly created Project Finance, Debt and Strategic Contracts Division (PFD) is responsible for managing and administering the financing and debt programs, leading the procurement of Comprehensive Development Agreements (CDA) and Design-Build (DB) contracts, providing programmatic support to the districts, and administration of the alternative delivery program to ensure contract commercial terms are met.

#### Transportation Infrastructure Finance and Innovation Act (TIFIA) Loan Program

In FY 2016, TxDOT submitted various construction progress, traffic and operating, and financial update reports on behalf of the Grand Parkway Transportation Corporation and in accordance with Transportation Infrastructure Finance and Innovation Act (TIFIA) requirements. In addition, TxDOT has been working on TIFIA loan applications for the SH 99 Grand Parkway Segments H&I, I-35E Managed Lanes and SH 183 Midtown Express projects.

#### Comprehensive Development Agreements (CDAs) and Design Build (DB)

In FY 2016, TxDOT executed two CDAs and is continuing the procurement of three Design Build (DB) contracts, coordinating various approvals relating to risks (cost estimating risk assessment), scope, alternative technical concepts, and final CDAs and DB contracts with the FHWA for federally funded projects. TxDOT districts lead the implementation of the CDA and DB contracts as they enter the design, construction and maintenance phases. PFD provides oversight during implementation ensuring the contractual compliance of change orders, amendments, financial plans, project management plans, and other submittals in accordance with federal requirements.

Additionally, Texas HB 20, as of August 31, 2015, not only required changes to several planning and programming processes used to prioritize and finance transportation projects, but also amended Design-Build (DB) authority. These amendments to DB authority include:

- Permanently limiting the department to entering into only three design-build contracts per fiscal year
- Increasing the minimum construction cost estimate from \$50 million to \$150 million for a project to be eligible for delivery under a DB contract
- Defining a design-build project as a single highway between two defined points in a corridor or two or more contiguous highway facilities
- Defining the schematic design as approximately 30% complete in the procurement documents
- Requiring proposers to provide pricing for the maintenance work, if applicable to the project, for each maintenance term, not to exceed five years and authorizing TxDOT to extend the term of maintenance agreement for additional periods beyond the initial maintenance term, with each additional period being not longer than five years

#### Section 129 General Tolling Program

PFD has taken the lead in reporting specific to FHWA's Section 129 General Tolling Program. TxDOT, as required by section 129, serves both as a public authority with jurisdiction over a toll facility and as an intermediary for other toll entities' compliance with section 129 to

the FHWA. To provide a department wide programmatic approach, PFD has formalized TxDOT's process for gathering and reporting section 129 requirements through an electronic content management system. The requirements include audited financial statements and maintenance certifications. PFD will verify documents are submitted annually and perform an audit for general compliance.

#### Alternative Delivery Support Tool

TxDOT continues to work across the state and across state lines to drive improvements. TxDOT recently adopted an Alternative Delivery Support tool to support decisions for use of design-build as a project delivery method. The tool, developed by The University of Texas Center for Transportation Research, is qualitative and quantitative, transparent and flexible. It uses a rigorous and repeatable decision support process to determine design-build delivery method suitability. Reviewing and implementing new tools and technologies to deliver efficiency is crucial in TxDOT's project selection, prioritization and programming.

#### Quality Assurance Program for CDA/DB Projects

PFD, in collaboration with the Construction Division and districts implementing CDA and DB projects, has also enhanced TxDOT's Quality Assurance Program (QAP) for CDA / Design-Build Projects with a Capital Maintenance Agreement with three optional five-year terms, which is in alignment with Texas HB 20. FHWA provided their final approval for the document in October 2016. The program consists of quality control, acceptance and independent assurance programs that ensure materials and workmanship incorporated into the highway construction project are in reasonable conformance with the approved plans and specifications, including any approved changes. The updates are based on TxDOT's continued partnership with the FHWA and the Associated General Contractors of Texas. As part of the document update, TxDOT re-evaluated the risk profile to align with alternatively delivered projects. TxDOT will post the final update at <http://www.txdot.gov/inside-txdot/division/construction.html>.

#### PS&E Packages

All TxDOT district offices submit their plans, specifications, and estimate (PS&E) packages for all state-let projects to the Design Division for final processing prior to letting. These PS&E packages are submitted electronically through a PDF Portfolio process (ePS&E). The submitted PS&E package includes plan sheets, standard drawings, specifications, engineer's project estimate, general notes, and supporting documentation certifying the completion or conditional completion of right of way acquisition, utility work, relocation work, and railroad work. The Design Division has been sharing the above described project oversight information with the FHWA regional office since April 2016 to assist in their project authorization process.

In addition, FHWA develops two lists of selected TxDOT projects for their review annually. These two lists are labeled (1) Projects of Division Interest (PODI) and (2) Projects of Corporate Interest (POCI), and are a selected group of TxDOT projects in which FHWA requests, from the appropriate district office, project specific information in order to perform a compliance review. The Design Division, upon receipt from FHWA, coordinates these lists with the respective district offices (see attached lists).

### Railroad Agreements in PS&E Packages

The Traffic Operations Division is responsible for providing information to the districts regarding railroad agreements that are executed, which is an item included in the PS&E packet. This certification is done by the District and verified by Design Division. The districts and Design Division prepare railroad certification letters for the PS&E packet, which are required for each project, whether there is a railroad within the project limits or not. In Fiscal Year 2016, TxDOT executed a total of 249 railroad agreements in support of construction and maintenance projects.

Under Item 4 in the certification letter, “Agreement not Executed- Work during Construction,” the Traffic Operations Division will determine how quickly the railroad agreement can be executed, and the district engineer will confirm that the contractor can work outside of railroad right of way until the agreement is executed without any delay to the contractor. A standard operating procedure will confirm approval with administration prior letting the projects and issuing a notice to proceed.

Of the 249 projects that TxDOT certified last year, TxDOT let four (4) projects without associated agreements. The status of these four projects is included below:

CSJ	Road Name	Conditionally Released	Agreement Status
0028-06-081	Beaumont Seal Coat	11/1/2016	Final Signatures by December 1, 2016
0009-04-065	FM 551 Widening	10/25/2016	In process
0718-01-064	FM 156	9/22/2016	Final estimates in process
0047-06-133	US 75	November 2015	Agreement with KCS Railway for signature. Other agreement signed

### **Construction Oversight and Inspections**

As part of TxDOT’s oversight duties, the Construction Division conducts reviews of district operations and provides for the Quality Assurance Program for TxDOT.

#### *Construction Oversight*

As an example, this year the Construction Division conducted a process review on interim and final reviews on construction projects for all districts. The memo from Joe Graff, the Construction Section Director, to Tracy Cain, the Construction Division Director, is attached as well as a spreadsheet reporting the finding for all districts.

#### *Quality Assurance*

The Construction Division, Materials and Pavements Section reports to FHWA annually on the Independent Assurance Program, a component of the Quality Assurance Program used by districts to test and approve materials at the district level. Attached is the annual report

for 2015 (the most current one) and an email from FHWA indicating their approval of this report.

The Materials and Pavements Section also maintains the Quality Assurance Program document for Design-Bid-Build projects (the quality program used for all but CDA projects). This document can be found at: [http://ftp.dot.state.tx.us/pub/txdot-info/cst/qap\\_dbb.pdf](http://ftp.dot.state.tx.us/pub/txdot-info/cst/qap_dbb.pdf)

The Materials and Pavements Section also maintains the Quality Assurance Program document for Design-Build projects (the quality program used for all CDA projects). This document can be found at: [http://ftp.dot.state.tx.us/pub/txdot-info/cst/qap\\_db.pdf](http://ftp.dot.state.tx.us/pub/txdot-info/cst/qap_db.pdf)

## Right-of-way Acquisition; Business, Residential, and Utility Relocation

The Right of Way Division recently adopted the following mission statement:

*“Proactively engage and collaborate with our district partners to provide all of our stakeholders and customers with timely and professionally delivered right of way solutions for TxDOT and the citizens of Texas.”*

In furtherance of this mission, the Right of Way Division has established a basis for Stewardship and Oversight as mandated by the Federal Highway Administration.

The delivery of right of way is carried forward by 185 employees sited at Right of Way Division headquarters or at district locations around the state. The Right of Way Division has established protocols for training and taken measures to assure compliance with state and federal laws and regulations, most notably, the Uniform Relocation and Real Property Acquisition Act (“the Uniform Act”). Local Governmental Agencies and consultants engaged in right of way acquisitions are routinely monitored and counselled concerning the importance of Uniform Act compliance in acquisitions, relocations and eminent domain.

For Federal Fiscal Year 2016 the Right of Way Division has accomplished the following:

- 1,496 parcels acquired, with 1,169 acquired by negotiation and 327 acquired by condemnation (22.01% eminent domain rate)
- 380 relocations, of which 155 were residential and 114 Business/Farm Non-Profit organization
- 79 personal property moves
- 32 off-premise advertising sign relocations
- 261 Utility agreements executed

## Contract Awards for the Procurement of Professional and Other Consultant Services and Construction-related Services

The Professional Engineering Procurement Services (PEPS) Division awarded 369 contracts for a grand total of \$1,230,237,914 in four procurement waves over state Fiscal Year 2016. The total expenditures for consultant services were \$421,000,000 for Fiscal Year 2016. The total for all Professional and Other Consultant Services programs outsourced was 79.74% for Fiscal Year 2016. The total for all Construction-related Services programs outsourced was 49.31% for Fiscal Year 2016. These totals are inclusive of all pre-engineering and construction engineering activities for the Department.

\*NOTE\* Percentages derived from associated costs for consultant services that included non-PEPS related variables.

## Environmental Compliance

TxDOT is in its second year working under the Memorandum of Understanding (MOU) between the FHWA and the department concerning State of Texas' participation in the Project Delivery Program pursuant to 23 U.S.C. 327.

Fiscal Year (FY) 2016 Federal Environmental Approvals Included	
Categorical Exclusions	1,853
Environmental Assessment/FONSI	28
Environmental Impact Statement/ROD	1

Key Assignment Metric. Key to the foundation of the assignment program is streamlining and shortening the environmental review and approval process for federal aid projects while assuring projects are environmentally compliant. Since the effective date of Assignment (December 16, 2014) the days to complete both EAs and EISs has decreased significantly.

Assigned Federal Projects	Avg time to completion pre-assignment (2009 – Dec 2014) (days) (Baseline) *	Avg time to completion post-assignment (Dec 2014 – Aug 2016) (days)	Time Savings (days)
EA	1,040	687 **	353
EA (beginning to completion during Assignment )	1,040	324 ***	716
EIS	3,337	2,684	653

\*Baseline data derived from reviewing projects completed between 2009 and December 2014

\*\* This includes projects that were begun both before and after Assignment was effective; therefore, projects that were begun before Assignment had FHWA involvement

\*\*\* This includes projects that both began and were completed during the Assignment period beginning December 2014 and going forward to present

The Environmental Affairs Division (ENV) calculated the average number of days prior to Assignment (baseline) and post Assignment to complete environmental assessments (EA) with a project decision of a Finding of No Significant Impact (FONSI) and environmental impact statements (EIS) with a project decision of a Record of Decision (ROD. The reduction in time to develop and complete an environmental document is a direct result of recent improved efficiencies, guidance, training, and the authority assigned to TxDOT to make project decisions on assigned federally funded projects (NEPA Assignment).

Training. ENV provides training to department staff as well as local government, consultant, and other agency staff. In fiscal year 2016 (FY16) ENV provided training to 762 persons through classes such as Irrigation and Historic Preservation, Section 7 – ESA and Interagency Cooperation, Air Quality, and Maintaining Project Consistency. In addition to the broad range of training classes offered, ENV hosts an annual Environmental Conference every September, drawing staff from TxDOT, other Texas state agencies, federal agencies, local governments, MPOs, Oklahoma DOT, and private consultants. The September 2015 conference had 730 registrants.

Staffing. ENV has a total of 66 technical subject matter experts and 14 business operations staff who guide overall program activities and assist district personnel on federal aid projects.

Projects in active litigation on the basis of NEPA determination. The department is currently in active litigation on two separate lawsuits involving project delivery; however, only one of the lawsuits is on the basis of NEPA determination.

## Changes or Enhancements to TxDOT's Organizational Structure

### February 2016

- Created new Chief Administrative Officer position
- Realigned several divisions under the Chief Financial Officer, Chief Engineer, Chief Administrative Officer, Director of Strategy & innovation, Deputy Executive Director and the Executive Director
- Merged several offices/divisions as sections under existing Divisions
  - Local Government Projects Office, Project Management Office, and Public Involvement Office added to the Transportation, Planning & Programming Division
  - Enterprise Systems Office added into the Information Management Division
- Renamed several divisions

April 2016 – Remaining offices were renamed to divisions

July 2016 – The Project Finance and Debt Management Division and the Strategic Contract Management Division were consolidated and renamed to Project Finance, Debt & Strategic Contracts Division.

August 2016 – Contracts and Purchasing Division split into the Contract Services Division and the Procurement Division.

See current TxDOT organizational chart reflecting these changes [here](#).

## Changes or Enhancements to Financial Management Systems

### *Enhancements to TxDOT's Oracle PeopleSoft Financial Supply Chain Management System (FSCM) Application*

- Through TxDOT's internal application request (AR) process, TxDOT implemented enhancements to the FSCM through a total of 32 ARs during 2016.

Module	Number of ARs
Accounts Payable	13
Purchasing	7
Inventory	4
Project Costing	2
Asset Management	2
Contracts	1
Accounts Receivable	1
miscellaneous	2
<b>Total</b>	<b>32</b>

### *Enhancements to Federal Authorization Funding Obligation System (FAFOS)*

FAFOS is an internal TxDOT application that serves as platform to facilitate electronic data sharing (EDS) efforts between TxDOT and FHWA's Financial Management Information System (FMIS) 5.0. Enhancements to FAFOS during 2016 have increased system effectiveness and increased communication capabilities with FMIS 5.0.

Via TxDOT's internal application request (AR) process a total of 16 application requests aimed at improving FAFOS were completed during 2016.

Through these ARs, the EDS system has been greatly enhanced in three primary areas:

- improved reconciliation in EDS of project transactions which are input directly into FMIS 5.0;
- improvements to EDS to maximize data integrity; and
- improvements to internal work-flow and preparation process to insure accurate transactions can be sent quickly and accurately from EDS to FMIS 5.0.

### *Enhancements to TxDOT Project Close-Outs*

The Financial Management Division's Accounting Section has increased the resources dedicated to project close-out efforts, and improved internal processes through increased automation and refinements of the business process.

### *Responding to Quarterly Audits of Inactive Projects*

TxDOT has made the following changes/enhancements to the process for responding to the quarterly audits of inactive projects:

- included staff from the Financial Management Division’s (FMD) Ledgers Group in meetings on the inactive projects;
- created standardized text to be used in the justifications for actions taken on those projects;
- provided additional information and detail in the lists sent to the responsible offices, so that interested parties can more easily identify and research specific projects;
- provided the responsible offices with their previous responses for use in researching and updating their justifications for prior actions taken on those projects;
- added earlier and more thorough review by FMD of the justifications submitted by responsible offices (This has helped the responsible offices understand what information is needed for a complete and valid justification); and
- revised the criteria for assigning separate project numbers to subordinate projects to be let as a single contract—with the goal being to reduce the number of federal project numbers, the dollar amount of inactive projects, and the percentage of inactive federal funds.

## Key Findings Related to Delivery of the FAHP from Internal, State, or Federal Audits and Any Related Action Plans to Ensure Compliance

The following audit reports and related action plans relevant to the delivery of the FAHP are available online at the locations listed below.

### Texas State Auditor’s Office Audits

**Report 16-037, An Audit Report on Selected Design-Build Contracts at the Department of Transportation** <https://www.sao.texas.gov/Reports/Main/16-037.pdf>

**Report 16-317, State of Texas Federal Portion of the Statewide Single Audit Report for the Fiscal Year Ended August 31, 2015** <http://www.sao.texas.gov/Reports/Main/16-317.pdf>

### TxDOT Internal Audits Completed in Fiscal Year 2016

**Toll Facilities Compliance with FHWA Reporting – Issued August 2016**

[http://ftp.dot.state.tx.us/pub/txdot-info/aud/reports/toll\\_facilities\\_compliance\\_with\\_fhwa\\_reporting\\_final\\_report.pdf](http://ftp.dot.state.tx.us/pub/txdot-info/aud/reports/toll_facilities_compliance_with_fhwa_reporting_final_report.pdf)

**Routine Maintenance Facilities – Issued August 2016**

(Note: This report is not yet available online, but TxDOT submitted the audit report to FHWA-Texas Division on 9/14/16.)

**Performance Based Contracts – Issued May 2016**

<http://ftp.dot.state.tx.us/pub/txdot-info/aud/reports/q3-16-performance-based-maintenance-contracts-report.pdf>

**Change Order Process** – Issued December 2015

[http://ftp.dot.state.tx.us/pub/txdot-info/aud/reports/q4\\_fy15\\_change\\_order\\_process\\_final\\_report.pdf](http://ftp.dot.state.tx.us/pub/txdot-info/aud/reports/q4_fy15_change_order_process_final_report.pdf)

**Right of Way Acquisition – Appraisal Oversight** – Issued August 2016

(Note: This report is not yet available online, but TxDOT submitted the audit report to FHWA-Texas Division on 9/14/16.)

**Materials Testing** – Issued December 2015

[http://ftp.dot.state.tx.us/pub/txdot-info/aud/reports/q3\\_fy15\\_materials\\_testing\\_final\\_report\\_.pdf](http://ftp.dot.state.tx.us/pub/txdot-info/aud/reports/q3_fy15_materials_testing_final_report_.pdf)

**Contract Administration** – December 2015

[http://ftp.dot.state.tx.us/pub/txdot-info/aud/reports/q3\\_q4\\_fy15\\_contract\\_administration\\_final\\_report.pdf](http://ftp.dot.state.tx.us/pub/txdot-info/aud/reports/q3_q4_fy15_contract_administration_final_report.pdf)

**Maintenance Operations** – Issued November 2015

[http://ftp.dot.state.tx.us/pub/txdot-info/aud/reports/q3\\_fy15\\_maintenance\\_operations\\_final%20report.pdf](http://ftp.dot.state.tx.us/pub/txdot-info/aud/reports/q3_fy15_maintenance_operations_final%20report.pdf)

## Stewardship and Oversight Indicators

This section provides performance indicator information as it pertains to the Stewardship and Oversight Agreement between the Texas Department of Transportation and the Federal Highway Administration. In coordination with FHWA Texas Division, TxDOT will review these performance indicators on an annual basis both to ensure that this annual report provides the appropriate indicators and that TxDOT is delivering FAHP projects in an effective manner.

### *Bridge Program Performance Indicators*

Indicators* for FY2016	Value
Number and % of deck area of structurally deficient NHS bridges	60 / 0.86%
Number and % of deck area of structurally deficient non-NHS bridges	805 / 1.46%
Number of load posted NHS bridges	34

\*Explanatory Notes:

1. These numbers do not include railroad, pedestrian, or utility bridges, federally-owned bridges, or bridges that have not yet been placed in service.
2. The percentage of deck area of structurally deficient NHS bridges is based on the total deck area of all NHS bridges.
3. The percentage of deck area of structurally deficient non-NHS bridges is based on the total deck area of all non-NHS bridges.

### *Civil Rights Performance Indicators*

Indicators for FY2016	Value
Fiscal Year Disadvantaged Business Enterprise (DBE) participation rate	\$221 M; \$2,904 M
Percent of Disadvantaged Business Enterprise (DBE) goal achieved	7.61% achieved; 11.70% goal

***Construction Contract Administration Performance Indicators***

<b>Indicators for FY2016</b>	<b>Value</b>
Total number of active construction projects	1,634
Percent of projects with low bid within +/- 10% of engineer's estimate	45.00%
Percent of construction projects completed on budget (on or under awarded amount)	83.40%
Percent of construction projects completed on time (within +/- 10% of the total construction project estimated time)	63.30%
Number of projects with ROW/utility delay over 30 Days (Data used is from April 2016 to August 2016)	ROW Only - 11; Utility Only - 45; Both - 15
Average number of bidders per small, medium, and large projects (Small - Below \$1M; Medium - In Between; Large - \$10M and Above)	Small - 4.94; Medium - 4.17; Large - 4.63

***Consultant Services Performance Indicators***

<b>Indicators for FY2016</b>	<b>Value</b>
% of Design Program outsourced	79.74%
Percentage of Construction Management Program outsourced	49.31%

***Design Performance Indicators***

<b>Indicators for FY2016</b>	<b>Value</b>
Percent of design projects delivered on time	87.23%
Design cost as a percent of construction cost	6.00%
Total costs of change orders due to design errors	\$33.6M

### *Emergency Relief Performance Indicators*

Indicators for FY2016	Value
Projects eligible for ER funding	52
Federal funds obligated for ER projects	\$20.4M
Federal funds reimbursed on ER projects	\$0

### *Environmental Program Performance Indicators*

Indicator as of October 19, 2016	Value
Number of projects in active litigation on the basis of NEPA determination	2

### *Right-of-Way Program Performance Indicators*

Indicator for Period (April 2016 – November 2016)	Value
Number of projects with conditional ROW certifications	93 out of 470 (20.00%)

**Background:** There are five separate right-of-way certifications required for each project letting with each certification being executed by the district engineer and in some cases additionally by the district design engineer. The five right-of-way certifications consist of:

- Right of Way Certification – Certifies that all right-of way has been acquired in accordance with the current FHWA directive(s) covering the acquisition of real property, except those listed parcels and that those listed parcels will be acquired in accordance with the current FHWA directive(s).
- Right of Way Encroachment Certification – Certifies that no right-of-way encroachments existed within the limits of the project or that all removal of encroachments have been completed.
- Relocation Assistance Program Certification – Certifies that this project did not cause any displacements and the steps relative to relocation advisory assistance and payments under the current FHWA directive(s) covering the administration of the Highway Relocation Assistance Program were not required.
- Utility Adjustment Certification – Certifies that utility adjustments were not required or have been completed for this project.
- Railroad Certification – Certifies that this project required no railroad work.

TxDOT's ultimate goal as a department has always been to deliver and complete transportation improvements for the people of Texas in the most efficient and expeditious

manner possible. TxDOT has put into place processes and procedures such as the portfolio funnel, dashboards, and other tools utilized by all district offices. Through communication among districts, divisions and the Administration, TxDOT has improved the ability to gauge and better understand this new project development process and subsequently improved the letting process.

Through this process TxDOT has managed to be better informed on the status of projects to help TxDOT identify project needs such as right-of-way acquisition, utility adjustments, PS&E, schematic design, environmental and railroad coordination. TxDOT has begun to make better informed decisions in scheduling projects for letting that meet the ‘Ready to Let’ definition:

- ENV cleared and ENV mitigation complete (cleared sufficiently to proceed into construction without delays)
- ENV permits secured (cleared sufficiently to proceed into construction without delays)
- ROW cleared (cleared sufficiently to proceed into construction without delays)
  - 100% PS&E (includes completed and approved schematic)
- Project agreements in place (includes local funding being received or an amount sufficiently received to proceed into construction without delays)
- Railroad coordination complete and agreement in place
- Utility agreements in place and relocations in progress (cleared sufficiently to proceed into construction without delays)
  - The above and any other remaining issues to be cleared in <3 months

Even though we are still letting projects with unclear ROW and utilities the process we have developed and implemented allows us to minimize the risk of these unclear ROW and Utility negatively affecting contractor operations and thus claims. We will continue to work on these issues and improving our project delivery.

***Finance Program Performance Indicators***

Indicators for FY2016	Value
Percentage of inactive projects based on dollar amount	Q1 - 1.45% Q2 - 0.90% Q3 - 3.95% Q4 - 1.30%
Number of inactive projects for the local program	Q1 - 168 Q2 - 117 Q3 - 171 Q4 - 92
Number of inactive projects	Q1 - 333 Q2 - 285 Q3 - 312 Q4 - 268
Average number of days between project final acceptance by state DOT and project close out in FMIS	180 calendar days

### ***Pavement Program Performance Indicators***

<b>Indicators for FY2016</b>	<b>Value</b>
Percentage of pavements on the Interstate System in good condition ( IRI < 95)	71.00%
Percentage of pavements on the Interstate System in poor condition	2.00%
Percentage of pavements on the NHS (excluding the Interstate System) in good condition; and Percentage of pavements on the NHS (excluding the Interstate System) in poor condition	85.14% / 5.75%

### ***Safety Program Performance Indicators***

<b>Indicators for Calendar Year 2015*</b>	<b>Value</b>
Number of fatalities (5-year average)	3,392
Number of serious injuries (5-year average)	16,387
Fatality rate (per HVMVT)(5-year average)	1.4
Serious injury rate (per HVMVT)(5-year average)	6.77
Total number of crashes	520,974
Percent of crash reports filed electronically	83.69%
Percent of run-off the road fatal crashes	36.36%
Percent intersection fatal crashes	23.23%
Percent of pedestrian fatal crashes (5-year average)	14.00%
Percent of bicycle fatal crashes (5-year average)	2.00%
Percent of work zone fatal crashes (5-year average)	4.00%
Percent of rail-highway grade crossing fatal crashes	0.51%
Percent of fatal wrong-way crashes on freeways	1.69%

*\*Traffic safety program information is reported on a Calendar Year basis; CY 2015 represents the most recent available data.*

### *Traffic Operations Performance Indicators*

Indicator for Calendar Year 2015*	Value
Average per person annual hours of delay for the NHS	29 hrs

*\*Traffic operations performance information is reported on a Calendar Year basis; CY 2015 represents the most recent available data.*

### *Proposed Commission (CMM) Level Dashboard*

TxDOT has undertaken an extensive effort over the past year to develop more meaningful performance measures and metrics for use by the Commission and TxDOT Administration to guide, lead, and manage the department. While these measures and metrics may differ from the information provided to the FHWA (at both the Texas Division level and nationally), TxDOT anticipates that this information will lead to a more effective stewardship of the state's transportation system, which is of interest to FHWA.

TxDOT staff is working to develop and populate a Commission-level Dashboard. The data is displayed in Tableau, a software visualization tool recently acquired by TxDOT. The Strategic Planning Division (STR) developed the CMM Dashboard to provide the Commissioners with performance insights to assist in policy making decisions. These metrics support TxDOT's Values, Vision, Mission, Goals, and Objectives (VVMGO) adopted by the Texas Transportation Commission in February 2016, and address requirements of House Bill 20 (HB20) from the 84<sup>th</sup> Texas Legislature, which calls for a performance-based planning and programming process towards attainment of goals and objectives.

The dashboard includes:

- 1) Key Performance Measures (KPMs):
  - a) Agency-level performance measures and metrics
  - b) Tied to the specific goals and objectives of the agency
- 2) System Performance Measures:
  - a) Transportation system performance measures and targets
  - b) Align with National Transportation Performance Management Program of the USDOT
  - c) Considered by the Commission in setting funding levels of categories of projects in the Unified Transportation Plan (UTP)
  - d) Considered by planning organizations in making local funding decisions

### *Integration into the Planning Process*

The CMM Dashboard is designed to be an integral part of the agency planning process in all facets from Strategic Direction to Evaluation. The Strategic Direction begins with the VVMGO, and each proposed KPM directly ties back to one of the seven individual goals for the agency. The KPMs are represented in the CMM Dashboard and provide indications of the agency's progress toward our goals, creating opportunities for the Commission to discuss what policies, priorities, and decisions they can make to improve progress. Based upon the Commission's actions, the agency can develop and execute corresponding plans and activities to achieve new targets for each KPM. The process is cyclical, where KPM results

are regularly compared to those targets and subsequent Commission analyses and decisions will direct new plans and activities.

### *Reporting Cadence*

At this time, the CMM Dashboard and its associated KPMs are proposals. TxDOT anticipates a formal acceptance by the end of the calendar year 2016, and then TxDOT will begin official performance reporting.

STR recommends a semi-annual CMM Dashboard, reported in October (to include data and/or reported results from March – August) and in April (to include data and/or reported results from September – February). STR also recommends an Annual Report that would include the CMM Dashboard results and additional qualitative information that highlights programs, initiatives, explanations, and concerns around each of the reported KPMs. The timing for this Annual Report would be the end of October with the first report in calendar year 2017. Furthermore, STR recommends that each CMM Dashboard and Annual Report be posted electronically to txdot.gov for public viewing in PDF format.

### *Proposed KPMs*

STR has proposed KPM(s) for each of the seven TxDOT goals. The KPM(s) may change over time, as TxDOT becomes better able to collect information and analyze it. At the Commission level, the KPMs are purposefully at a higher level (typically state wide) to provide insights into the overall performance toward addressing the agency goals and subsequently objectives within those goals. The intent is to provide the Commission with measures that will assist policy decisions. The TxDOT Administration will regularly review the CMM Dashboard and will examine deeper layers of data that inform those KPMs, to see the further context, drivers, and issues behind the higher level measures. The Commission may also periodically want to examine those deeper layers on certain issues.

#### **Deliver the Right Projects**

- Percentage of Construction Projects On-Time and On-Budget

#### **Focus on the Customer / Value Our Employees**

- Employee Satisfaction

#### **Foster Stewardship**

- Direct Transportation vs. Indirect Administration Funding
- HUB and DBE Attainment

#### **Optimize System Performance**

- Urban Congestion
- Urban / Rural and Truck Reliability
- Average Delay Per Person

#### **Preserve Our Assets**

- Bridge Condition Score
- Pavement Condition Score

#### **Promote Safety**

- Total Fatalities and Fatality Rate
- Total Serious Injuries and Serious Injury Rate
- Primary Fatalities by Type

List of Projects of Division Interest (PoDI)						PY 2016 Stewardship and Oversight Plan (02-05-2016) (Specific activities that will be conducted in response to the project risk during FHWA's Performance Year)																								
PoDI Criteria : Major Projects, TIGER, Other Federal Agency Commitment, and Projects >\$100 million and on the NHS and/or Design - Build Projects						Major Projects				Design					Design-Build					Construction					Other Approvals					
Number	District	County	Federal Project #	State CSJ	Project Name/Route	Cost Estimate Review	Project Management Plan	Initial Financial Plan	Financial Plan Annual Update	Interstate Access Justification	Design Exceptions	60% Plans, Specifications, and Estimate	ROW, Utility, and Railroad Certifications	100% Plans, Specifications, and Estimate	Authorize Advertising for Bids and Addendums	Request for Proposals (RFP)	Quality Management Plan (QMP)/Quality Assurance Plan (QAP)	Statistical Validation Reports	Alternative Technical Concepts (ATCs) when applicable	RFP Addendums	Concurrence in Award	Bid Analysis and Concurrence in Award	Initial Inspection	Intermediate Inspections	Final Inspection	Change Orders	Final Acceptance	Other (Environmental Approvals, SEP-15, Public Interest Finding etc.)	Project Type (LPA, TIGER, ARRA, ER, D-B, Major, PoCI)	FHWA Point of Contact
1	AUSTIN	Travis	2012492	0151-09-036, 0151-09-127, 0265-01-080	US 183 - Bergstrom Expressway (From US 290 to SH 71)		1	1				1	1					X				1				1		1	Major (P3)/LPA	Jackson
2	AUSTIN	Travis		0113-08-060, 0700-03-077	The Oakhill Parkway	X	X	X																					Major	Jackson
3	AUSTIN	Travis		0265-01-110	SH 71 Toll Lanes				X									2						X				D-B	Larsen	
4	AUSTIN	Travis	1102558	3136-01-107	Loop 1 - Mopac Improvement				X									X						X				D-B/LPA	Larsen	
5	AUSTIN	Travis	1102012	0114-02-053	US 290 - Manor Expressway				X																X	X		D-B/LPA	Ham	
6	AUSTIN	Travis		0151-05-100, 0151-05-101, 0151-05-102	US 183 North Express Lanes	1										X	X		X	X	X							Major/D-B/LPA	Ham	
7	AUSTIN	Travis		0015-13-382	US 183 Direct Connectors								X	X	X							X							Larsen	
8	BEAUMONT	Jefferson		0739-01-039, 0739-02-160, 0739-02-161	IH 10 Widening					X	X		X	X	X							X		X					Krejci	
9	CORPUS	Nueces	X597001	0101-06-095	Harbor Bridge (US 181 and SH 286)		1		1	1	2										X		X	X	X		1	Major/PoCI	Hinojosa	
10	CORPUS	Nueces		0102-03-081, 0102-04-096	US 77 Upgrade to I-69													2						X				D-B	Hinojosa	
11	DALLAS	Dallas	2005994, 2009750, 6353373	2374-01-068, 2374-01-032, 0196-03-137	IH 635 - LBJ Freeway				1																1	2	X	Major (P3)	Jackson	
12	DALLAS	Tarrant, Dallas		0094-03-065, 0364-05-025, 0094-02-077, 0094-03-116, 0094-07-015, 0094-07-020, 0581-02-281, 0353-06-054, 0353-06-025, 0353-04-056	SH 183/LP12/SH 114 Reconstruction of Interchanges and Managed Lanes				1		X												X	X		1		Major/D-B	Wilson	
13	DALLAS	Dallas		0261-02-044, 0261-03-030	US 67/IH 35E - The Southern Gateway Ultimate (US 67: From FM 1382 to IH 35E; IH 35E: From IH 20 to Eight Street)					X	X																	Major/D-B	Wilson	
14	DALLAS	Dallas, Denton	356438, 2013303, 203491, 2013293	0196-03-138, 0916-02-068, 0196-03-180, 0196-03-240, 0196-01-096, 0196-02-073, 0196-02-114, 0196-03-245, 0195-03-050, 0195-03-071, 0196-01-056 & 0196-01-074	Interim IH 35E - Managed Lanes (From IH 635 to US 380)				1															1	X			Major/D-B/PoCI	Spohrer	

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Number	District	County	Federal Project #	State CSJ	Project Name/Route	Cost Estimate Review	Project Management Plan	Initial Financial Plan	Financial Plan Annual Update	Interstate Access Justification	Design Exceptions	60% Plans, Specifications, and Estimate	ROW, Utility, and Railroad Certifications	100% Plans, Specifications, and Estimate	Authorize Advertising for Bids and Addendums	Request for Proposals (RFP)	Quality Management Plan (QMP)/Quality Assurance Plan (QAP)	Statistical Validation Reports	Alternative Technical Concepts (ATCs) when applicable	RFP Addendums	Concurrence in Award	Bid Analysis and Concurrence in Award	Initial Inspection	Intermediate Inspections	Final Inspection	Change Orders	Final Acceptance	Other (Environmental Approvals, SEP-15, Public Interest Finding etc.)	Project Type (LPA, TIGER, ARRA, ER, D-B, Major, PoCI)	FHWA Point of Contact
15	DALLAS	Dallas	2002040, 2003038, 2004426, 0305083, 2013306, 2013307, 2013308, 2013309, 2013353	1068-04-048, 1068-04-049, 1068-04-119, 1068-04-023, 1068-04-116, 0442-02-132, 0442-02-118, 0009-11-226, 0196-03-205, 1068-04-157, 1068-04-158, 1068-04-159, 1068-04-160, 1068-04-099	IH 30/IH 35E - Project Horseshoe				1	1	1							2						X	5		1	Major	Wilson	
16	DALLAS	Dallas		0918-45-121	Trinity Parkway (From IH 35E/SH 83 to US 175/SH 310)		X	X																				X	Major/PoCI	Wilson
17	DALLAS	Dallas		0581-02-124, 0094-03-060	LP 12/IH 35E Corridor - Reconstruction and Toll Managed Lanes				1																				Major	Jackson
18	DALLAS	Dallas		2964-01-038	SH 161 Toll Facility																					X		Major/LPA	Patel	
19	DALLAS	Dallas		0442-02-088	The Southern Gateway Managed Lanes Project	X	X	X		X	X					X			X	X	X								Major/D-B	Wilson
20	DALLAS	Dallas		2374-01-137, 2374-02-053	LBJ East	X	X	X		X	X																		Major	Wilson
21	DALLAS	Dallas		0196-03-268	IH 35E Lowest Stemmons					X	X																		D-B	Wilson
22	DALLAS	Ellis		0048-04-079	IH 35E Widening (From US 77 to Waxahachie)																			X						Patel
23	DALLAS	Navarro		0092-06-101, 0093-01-096, 0093-01-098, 0166-01-049	IH 45 (From IH 45 to FM 246)					X	X													X						Patel
24	DALLAS	Navarro		0093-01-093, 0162-11-001	IH 45 @ SH 31 Phase 1																			X						Patel
25	DALLAS	Dallas		0092-14-080, 0092-14-087	IH 345 Rehabilitation									1	1	1						X								Patel
26	DALLAS	Dallas	1402025	0197-02-108, 0092-14-081	US 175 - SM Wright Phase 1 (From IH 45 to east of Bexar Street)									1	1	1						X		X						Patel
27	DALLAS/FORT WORTH	Multiple	DTFH6115G00005	0902-00-915	Land Use-Transportation Connections to Sustainable Schools																							3		Maley
28	EL PASO	El Paso	2015220	2121-02-137	IH 10 Interchange and Collector Distributor																			X						Paulk
29	FORT WORTH	Tarrant	2009753, 2009513	0353-03-059, 0353-03-079	DFW Connector - SH 121/SH 114 Reconstruction and Toll Managed Lanes				1															X	X	1	X		Major	Patel

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30	FORT WORTH	Tarrant	2009919	0008-14-058, 0008-14-059, 0014-16-194	IH 820 & SH 183 - North Tarrant Express Segments 1&2				1								1											X		Major (P3)	Jackson
31	FORT WORTH	Tarrant	355152	0014-16-179, 0014-16-255, 0081-12-041, 0081-12-047	IH 35W - North Tarrant Express Segments 3A				2								2								1		X			Major (P3)	Jackson
32	FORT WORTH	Tarrant	355151	0014-16-255, 0081-12-045,	IH 35W - North Tarrant Express Segments 3B				X															1		1				Major	Jackson
33	FORT WORTH	Fort Worth	2009485	0504-02-008, 0504-02-013, 0504-02-022	SH 121 Chisolm Trail (Southwest Parkway)				1															X		X	X			Major/LPA	Yilma
34	FORT WORTH	Tarrant, Denton		3559-02-007	SH 170 Toll Facility								X	X	X								X								Yilma
35	FORT WORTH	Tarrant	2016183	1068-02-127, 1068-04-903 & 2266-02-054 (PH 1/2 1068-02-076 & 1068-04-104)	SH360 & IH30 Reconstruction and Widening					X			1	1	4								1	X	X						Yilma
36	FORT WORTH	Tarrant		0081-12-047, 0081-12-041	IH 35W-North Tarrant Express Segments 3C			X																						Major	Jackson
37	HOUSTON	Harris, Montgomery		0912-00-471	SH 99 - The Grand Parkway (Segments F-1, F-2, and G)				1															X		1				Major/D-B/PoCI	Mott
38	HOUSTON	Harris	2013983, 2013991, 2013737, 2013740, 2013741, 2011998, 2013136, 2013082	0050-06-079, 0271-14-213, 0271-14-217, 0271-14-228, 0050-09-069, 0050-09-071, 0050-06-080, 0050-08-087, 0050-09-070, 0050-90-086, 0114-12-007	US 290 Reconstruction (From IH 610 to FM 2920). 13 Construction contracts.				X															7		112				Major	Krejci/Mott
39	HOUSTON	Harris, Brazoria		0598-01-090, 0598-01-092, 0598-01-096, 0598-02-092, 0598-01-901, 0598-01-902, 0598-01-905, 0958-01-906, 0598-01-907, 0598-02-900, 0598-02-093	SH 288 Reconstruction (From US 59 and CR 60) and Interchange Improvements		1	X								X	X	X	X	X	X		X	X		X				Major (P3)/LPA	Mott
40	HOUSTON	Montgomery, Harris, Liberty and Chambers		3510-07-003, 3510-08-001, 3510-09-001, 3510-09-002, 3510-10-001	SH 99 - Grand Parkway (Segment H and I-1)		X		X							X					X	X								Major (P3)	Mott
41	HOUSTON	Harris, Montgomery		0720-02-073	SH 249 (Tomball Parkway)	X	X	X								3			X	X	X									Major	Mott
42	HOUSTON	Harris	DTFH61-13-G-00004	F-TIGER4-0001-4	White Oak Path Trail																			X	X	X	X			TIGER	Paulk
43	HOUSTON	Harris	DTFH61-13-G-00004	F-TIGER4-0002-4	White Oak Path Trail																			X	X					TIGER	Paulk

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Number	District	County	Federal Project #	State CSJ	Project Name/Route	Cost Estimate Review	Project Management Plan	Initial Financial Plan	Financial Plan Annual Update	Interstate Access Justification	Design Exceptions	60% Plans, Specifications, and Estimate	ROW, Utility, and Railroad Certifications	100% Plans, Specifications, and Estimate	Authorize Advertising for Bids and Addendums	Request for Proposals (RFP)	Quality Management Plan (QMP)/Quality Assurance Plan (QAP)	Statistical Validation Reports	Alternative Technical Concepts (ATCs) when applicable	RFP Addendums	Concurrence in Award	Bid Analysis and Concurrence in Award	Initial Inspection	Intermediate Inspections	Final Inspection	Change Orders	Final Acceptance	Other (Environmental Approvals, SEP-15, Public Interest Finding etc.)	Project Type (LPA, TIGER, ARRA, ER, D-B, Major, PoCI)	FHWA Point of Contact
44	HOUSTON	Harris	DTFH61-13-G-00004	F-TIGER4-0003-4	White Oak Path Trail									X	X								X	X		X			TIGER	Paulk
45	HOUSTON	Harris	DTFH61-13-G-00004	F-TIGER4-0004-4	Buffalo Bayou Path																			X		X			TIGER	Paulk
46	HOUSTON	Harris	DTFH61-13-G-00004	F-TIGER4-0005-4	East Downtown Trail and Bike Routes																			X		X			TIGER	Paulk
47	HOUSTON	Harris	DTFH61-13-G-00004	F-TIGER4-0006-4	Brays Bayou Trail									X	X								X	X		X			TIGER	Paulk
48	HOUSTON	Harris	TBA	TBA	TIGER VI City of Houston ITS											1			X	X	X		X	X		X		X	TIGER	Ratke
49	HOUSTON	Fort Bend	20142011	0027-12-105	US 59 Widening																			1						Krejci
50	HOUSTON	Fort Bend	1402081	0027-12-097	IH 69 Widening																			1						Krejci
51	PARIS	Grayson	2016253	0705-01-027	SH 91 at Shawnee Creek								1	1	1							1			X		X	X	ER	Patel
52	PHARR	Cameron		0921-06-163	South Padre Island, 2nd Access Project	X										X			X	X	X							1	Major	Mott
53	PHARR	Hidalgo	2013420	3627-01-001	SH 365 Toll Facility								X	X	X							X							LPA	Hinojosa
54	SAN ANTONIO	Bexar		0016-07-113	IH 35 NEX (From IH37 to Schertz Parkway)		X	X																					Major	Jackson
55	SAN ANTONIO	Bexar		0253-04-138, 0253-04-146	US 281 (From LP 1604 to Borgfeld Road)	X	X	X																					Major	Mott
56	SAN ANTONIO	Bexar	0352342	0017-10-261, 0017-10-264	IH 35 Expansion (From IH 410 N to IH 410 S)																			X		X			Other Federal Agency (DOD)	Guerra
57	SAN ANTONIO	Bexar		0072-07-041, 0072-08-089, 2452-02-087, 2451-02-087	IH 10/SL 1604 Expansion											X			X	X	X								D/B	Ham
58	WACO	Bell	2009531	0015-06-071	IH 35 (Segment 1C)																			X					ARRA	Spohrer
59	WACO	McLennan	354234	0015-01-186	IH 35 (Segment 3B)																			X						Spohrer
60	WACO	McLennan	354235	0015-02-048	IH 35 (Segment 3A-2)																			X						Spohrer
61	WACO	Bell	2012691	0015-14-091	IH 35 (Segment 2)																			X						Spohrer

**List of Projects of Corporate Interest (PoCI)**

**PY 2016 Stewardship and Oversight Plan (02-05-2016)**

(Specific activities that will be conducted in response to the project risk during FHWA's Performance Year)

PoDI Criteria : Major Projects, TIGER, Other Federal Agency Commitment, and Projects >\$100 million and on the NHS and/or Design - Build Projects						Major Projects				Design				Design-Build				Construction					Other Approvals								
Number	District	County	Federal Project #	State CSJ	Project Name/Route	Cost Estimate Review	Project Management Plan	Initial Financial Plan	Financial Plan Annual Update	Interstate Access Justification	Design Exceptions	60% Plans, Specifications, and Estimate	ROW, Utility, and Railroad Certifications	100% Plans, Specifications, and Estimate	Authorize Advertising for Bids and Addendums	Request for Proposals (RFP)	Quality Management Plan (QMP)/Quality Assurance Plan (QAP)	Statistical Validation Reports	Alternative Technical Concepts (ATCs) when applicable	RFP Addendums	Concurrence in Award	Bid Analysis and Concurrence in Award	Initial Inspection	Intermediate Inspections	Final Inspection	Change Orders	Final Acceptance	Other (Environmental Approvals, SEP-15, Public Interest Finding etc.)	Project Type (LPA, TIGER, ARRA, ER, D-B, Major, PoCI)	FHWA Point of Contact	
1	CORPUS	Nueces	X597001	0101-06-095	Harbor Bridge (US 181 and SH 286)		1		1	1	2											X		X	X		X		1	Major/PoCI	Hinojosa
2	DALLAS	Dallas, Denton	356438, 2013303, 203491, 2013293	0196-03-138, 0916-02-068, 0196-03-180, 0196-03-240, 0196-01-096, 0196-02-073, 0196-02-114, 0196-03-245, 0195-03-050, 0195-03-071, 0196-01-056 & 0196-01-074	Interim IH 35E - Managed Lanes (From IH 635 to US 380)				1									X							1		X			Major/D-B/PoCI	Spohrer
3	DALLAS	Dallas		0918-45-121	Trinity Parkway (From IH 35E/SH 83 to US 175/SH 310)		X	X																				X		Major/PoCI	Wilson
4	HOUSTON	Harris, Montgomery		0912-00-471	SH 99 - The Grand Parkway (Segments F-1, F-2, and G)				1															X		1				Major/D-B/PoCI	Mott



# MEMORANDUM

**TO:** Tracy Cain, P.E.

**DATE:** November 3, 2016

**FROM:** Joe Graff, P.E.

A handwritten signature in blue ink, reading "Joe A. Graff", enclosed in a blue oval.

**SUBJECT:** Federal Project Oversight Process Review

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## GENERAL INFORMATION

The TxDOT Office of Internal Audit submitted a Management Action Plan (MAP) addressing the District's current interim and final review procedures. The MAP requires Construction Division/Field Engineering Branch to visit all 25 districts to determine if interim and final reviews are being conducted on federally funded projects.

## CONSTRUCTION DIVISION REVIEW

Construction Section personnel Mark Maloy, Steven Ruge and Rick Doria traveled to all districts from May 18, 2016 to October 19, 2016 and met with construction engineers, directors of construction, and district record keepers to discuss district review procedures. Overall, the majority of districts were found to be conducting interim and final reviews in compliance with the Suggested State Oversight Project Review Plan. Some districts have policies in place designating interim reviews as mandatory. Construction Support's findings are included in Attachment A.

## INTERIM REVIEWS

Construction Support found 21 of 25 districts have a formal interim review process in place. The four districts without a formal interim review process are aware of its importance and track their projects with monthly progress checks, deficiency reports, and Area Office interim reviews. High personnel turnover is affecting the ability of some districts to perform their interim review procedures. Two of the 21 districts with formal interim review processes in place conduct interim reviews if possible.

## FINAL REVIEWS

All TxDOT Districts are in compliance with Final Review requirements. High personnel turnover has not prevented the districts from being in compliance with federal and state requirements. One district was not submitting Form 2235, but the District has since taken corrective action.

**ADDITIONAL COMMENTS**

Some districts are withholding the Letter of Acceptance until all documents required for close out are received. CST has no guidance preventing this practice, and accepts the practice as beneficial to TxDOT. The majority of districts would like CST to develop some type of record keeper training to address the high personnel turnover. Bryan, Amarillo, Lufkin, and Waco Districts were found to be performing exceptionally well.

**RECOMMENDATION**

Construction Support's findings do not justify developing a process to perform random reviews of interim and final reviews. Nonetheless, Construction Support would like to visit individual districts in need of further guidance. If a record keeper class were to be created, Construct Support would suggest soliciting the help of experienced district personnel.

Attachments

cc:

<b>District</b> Abilene	<b>Meeting Date:</b>	
	1 Has the District seen the Suggested State Oversight Project Review Plan?	Yes.
	2 What is District Policy for conducting Interim Project Reviews?	Interim done at 30% work completion. TxDOT does CEI contract interims.
<b>DoC</b> Glenn Allbritton	3 Does the District have an additional form or process designated for Project Reviews?	The District used the DCO Auditing Checklist.
	4 Are you aware Final Project Reviews are required	Yes, needed for project closeout.
	5 Does the District have a form or process for Final Project Reviews? i.e. Form 2235.	Yes, the District uses the Final Audit for Prjects spreadsheet.
<b>Point of Contact</b>	6 What is typically executed for Project Reviews?	The District looks for compliance with all federal, state, and district requirements.
	7 Does the District have recent new hires?	Yes, new AEs and new record keepers.
	8 Is training needed or requested? Specifically, regarding project oversight reviews.	Yes, area engineer training, and record keeping/auditor training. Inspector training currently being done.CEI's need training.
	9 What does the District recommend for Interim review procedures?	They feel their current process is working well for them.
	10 Is there something CST could do to help the District overall?	District request that CEI's have access to projectwise.

**Additional Questions, Notes**

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<b>District</b> Amarillo	<b>Meeting Date:</b>	
	1 Has the District seen the Suggested State Oversight Project Review Plan?	Yes.
	2 What is District Policy for conducting Interim Project Reviews?	Quarterly Review on every project. 599, SW3P, Check sitemanager, bulleting boards. Review before major phase change or start of paving. Traffic control, DWRS, major items.
<b>DoC</b> Kit Black	3 Does the District have an additional form or process designated for Project Reviews?	Yes, the District has checklists they have developed to track a projects progress.
	4 Are you aware Final Project Reviews are required	Yes.
	5 Does the District have a form or process for Final Project Reviews? i.e. Form 2235.	The District has checklists they use to help closeout a project including Form 2235.
<b>Point of Contact</b> Kelli Navarrette	6 What is typically executed for Project Reviews?	The District looks for compliance with all Federal, State, and district requirements.
	7 Does the District have recent new hires?	No.
	8 Is training needed or requested? Specifically, regarding project oversight reviews.	Schedule Review Training, and partnering training for both TxDOT and Contractors.
	9 What does the District recommend for Interim review procedures?	Content with current district structure.
	10 Is there something CST could do to help the District overall?	Help with Projectwise and let districts know when there is a letting delay.

**Additional Questions, Notes**

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<b>District</b> Atlanta	6/16/2016
	1 Has the District seen the Suggested State Oversight Project Review Plan? Nope. Never have.
<b>DoC</b> Buddy Williams	2 What is District Policy for conducting Interim Project Reviews? Used to use a checklist for Interims. Now have a form created for Interim and Final reviews. Audits are conducted using this form at 50% for projects over \$1M. Audit at 33/66% for larger projects
	3 Does the District have an additional form or process designated for Project Reviews? Yes. One adjusted for Interim and final, and another for federal final. Each requires a response memo from the Area office giving responses and reasoning to each audit finding.
	4 Are you aware Final Project Reviews are required Yes.
<b>Point of Contact</b> Rickie Shields	5 Does the District have a form or process for Final Project Reviews? i.e. Form 2235. Yes, using a district for finals and federal finals.
	6 What is typically executed for Project Reviews? Generally on top of reviews.
	7 Does the District have recent new hires? Few. Not many. Haven't seen the turnover that the rest of the state has. Just a new DE and a few lesser experienced inspectors. Younger inspectors can still learn from veterans that are still around.
	8 Is training needed or requested? Specifically, regarding project oversight reviews. no
	9 What does the District recommend for Interim review procedures? -
10 Is there something CST could do to help the District overall? If something changes like a new report form or sitemanager changes, they aren't getting informed, and they would just like to be formally informed of changes when they happen. Maybe pass to DoC and DE, not just DE.	

#### Additional Questions, Notes

District reviews a lot of things through SiteManager and create pdfs of the files and forms. Those get saved digitally when possible for the final reviews and a flash drive gets placed in the project box with all the digital records, for the sake of reducing paper.

LFK, TYL, ATL, PAR all like to keep in touch and resolve what they can in-region before contacting Austin if they can.

Sometimes helpful information is hard to find without necessarily knowing where to look. Auditors here usually have a variety of things to keep track of and don't necessarily know where to find everything useful for any one given item or type of work, etc.

Working on getting used to CEIs. Had a small test project to use CEIs on as a test run and found the expenses were more than expected, wasn't exactly worthwhile having a CEI on a smaller project. Working on setting up other projects more suited for CEI use. Heard no one district uses them the same.

They're doing pretty well with getting all of the necessary schedule updates from contractors, even if the schedules themselves aren't always quality schedules. Some smaller projects, or simpler projects, they set up at Precon to have schedules submitted only quarterly and officially set up a letter declaring as much. still having pretty good luck getting the necessary schedules in both cases.

Monthly checks are in place for DBE and Prompt Payment all before allowing authorization of estimates. They check to make sure SWPPP is filed weekly, incident reports are filed as necessary, TCP is entered twice/month, and schedules per the contract's set up updates.

CO's are all sent through the DO. All COs either go through Rickie or Buddy for approval, and they are now sending all relevant COs to Bridge and Traffic for approval when the funding applies.

<b>District</b> Austin	5/18/2016	
	1 Has the District seen the Suggested State Oversight Project Review Plan?	-
	2 What is District Policy for conducting Interim Project Reviews?	Set up for every 6 mo, size dependent. Full check of records. And on site?
<b>DoC</b> Ben Engelhardt	3 Does the District have an additional form or process designated for Project Reviews?	Yes. Forms and processes are written out and will be emailed. Also Sitemanager procedures, barricade review, and bulletin board reviews.
	4 Are you aware Final Project Reviews are required	-
	5 Does the District have a form or process for Final Project Reviews? i.e. Form 2235.	Yes
<b>Point of Contact</b> Jesse Valdez	6 What is typically executed for Project Reviews?	Interim - still working on following procedure, but not quite keeping up yet. Finals plus intended 6 mo when able. Closeout procedure. Jesse/Tracy drive through projects. Check safety, dropoffs, some random select pay items
	7 Does the District have recent new hires?	Several. High turnover last year.
	8 Is training needed or requested? Specifically, regarding project oversight reviews.	Not necessarily.
	9 What does the District recommend for Interim review procedures?	6 mo reviews works well for Austin.
	10 Is there something CST could do to help the District overall?	

**Additional Questions, Notes**

Austin has their own Interim Audit form. For the finals, they review the site on final audit, use form 2235 then make notes of what needs addressed. "Actual closeout procedures"

Project data from Dec 2015, all data being placed in Projectwise, may be able to document reviews from a distance when that is enacted.

System of 6 mo reviews: reviews projects per area office ver per project. Easier to see everyone and everything in a much more manageable manner. Likely above and beyond a 30/60/90 interim system for several of AUS's projects.

TCP/barricades dedicated person reviews bulletin boards while on site for TCP review.

Once per month, AUS checks area office and 1 project general review plus two pay item in-depth checks. Maybe check no more than the previous 5 month's records for those pay items. (Item history report?)

Make use of checklist events in sitemanager, use some District specific checklists. [Jay: these help show there is review and management going on.]

Review for schedules: may enter receipt date in DWRs. Intend quarterly check, and note adjustments toward final dates. Material testing is checked monthly and reports are sent to the area offices.

<b>District</b> Beaumont	Meeting Date: 7/16/2016	
	1 Has the District seen the Suggested State Oversight Project Review Plan?	Yes, when it was sent out on May 17, 2016.
	2 What is District Policy for conducting Interim Project Reviews?	Every six months.
<b>DoC</b> Patrick Ryan	3 Does the District have an additional form or process designated for Project Reviews?	Yes, the District has developed an interim project review checklist to track various things during interim reviews and the District also uses Site Manager Report.
	4 Are you aware Final Project Reviews are required	Yes.
	5 Does the District have a form or process for Final Project Reviews? i.e. Form 2235.	The District uses a Final Estimate Package list to track items required for closeout.
<b>Point of Contact</b> Michael Skiles	6 What is typically executed for Project Reviews?	Interims every six months and a final.
	7 Does the District have recent new hires?	Employees from other parts of the district have taken over record keeper roles.
	8 Is training needed or requested? Specifically, regarding project oversight reviews.	Change Order and Record Keeping training.
	9 What does the District recommend for Interim review procedures?	
	10 Is there something CST could do to help the District overall?	Better communications and support when changes are implemented.

**Additional Questions, Notes**

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<b>District</b> Brownwood	Meeting Date:	
	1 Has the District seen the Suggested State Oversight Project Review Plan?	Yes.
	2 What is District Policy for conducting Interim Project Reviews?	25% and 75% on all projects.
<b>DoC</b> Eric Lykins	3 Does the District have an additional form or process designated for Project Reviews?	Doing 4 audits per month, check everytihng.
	4 Are you aware Final Project Reviews are required	Yes. Needed for project closeout.
	5 Does the District have a form or process for Final Project Reviews? i.e. Form 2235.	The District has an electronic checklist they have developed.
<b>Point of Contact</b> Tonya Shaw	6 What is typically executed for Project Reviews?	The District looks for compliance with all federal, state, and district requirements.
	7 Does the District have recent new hires?	Yes.
	8 Is training needed or requested? Specifically, regarding project oversight reviews.	CON 500 - Inspector Training - DWR and Federal Area Engineer Training
	9 What does the District recommend for Interim review procedures?	They feel their process is working very well for their district.
	10 Is there something CST could do to help the District overall?	Nothing at the moment. Everything going well other than requested training.

**Additional Questions, Notes**

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<b>District</b> Bryan	Meeting Date: 7/14/2016	
	1 Has the District seen the Suggested State Oversight Project Review Plan?	Yes, when it was sent out on May 17, 2016.
	2 What is District Policy for conducting Interim Project Reviews?	The District performs interim reviews at 30%, 60% and 90% completion.
<b>DoC</b> Chris Cowen	3 Does the District have an additional form or process designated for Project Reviews?	Yes, the district has developed the Interim Project Review Checklist and Final Estimate Progress Report.
	4 Are you aware Final Project Reviews are required	Yes.
	5 Does the District have a form or process for Final Project Reviews? i.e. Form 2235.	Yes, the District uses Form 2235 and the Final Estimate Progress Report. The District Construction Records Auditor completes a Final memo. The memo details any findings and is forwarded to the RK for corrections.
<b>Point of Contact</b> Andy Berlan	6 What is typically executed for Project Reviews?	The A/O RK reviews DWR's, records, and payments on a weekly basis. The District Construction RK reviews DWR's records and payments on a montly basis.
	7 Does the District have recent new hires?	One new Record Keeper and a few inspectors.
	8 Is training needed or requested? Specifically, regarding project oversight reviews.	More CON 500, 501, and 503 courses.
	9 What does the District recommend for Interim review procedures?	The District would like knowledge of project review procedures used statewide in order to streamline current district procedures.
	10 Is there something CST could do to help the District overall?	Not at this time.

**Additional Questions, Notes**

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<b>District</b> Childress	Meeting Date:
	1 Has the District seen the Suggested State Oversight Project Review Plan? Yes.
	2 What is District Policy for conducting Interim Project Reviews? No policy/schedule. No formal interims. Area offices check deficiencies monthly.
<b>DoC</b> Chris Reed	3 Does the District have an additional form or process designated for Project Reviews? No interim review forms.
	4 Are you aware Final Project Reviews are required? Yes, needed to close out projects.
	5 Does the District have a form or process for Final Project Reviews? i.e. Form 2235. The District uses their Final Audit on Projects in Site Manager checklist and SiteManager Project Box Checklist. Cv
<b>Point of Contact</b>	6 What is typically executed for Project Reviews? The District runs SiteManager Reports, reviews Cos, Material Test Records, Civil Rights, ETC.
	7 Does the District have recent new hires? Yes.
	8 Is training needed or requested? Specifically, regarding project oversight reviews. Auditor Training
	9 What does the District recommend for Interim review procedures? Not sure, DOC is new and still trying to get a feel of what would work best.
	10 Is there something CST could do to help the District overall? Need help/direction with ProjectWise and they have not had any CEI projects.

**Additional Questions, Notes**

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<b>District</b> Corpus Christi	Meeting Date: 5/24/2016	
	1 Has the District seen the Suggested State Oversight Project Review Plan?	Yes, when it was sent out on May 17, 2016.
<b>DoC</b> Ernesto De La Garza	2 What is District Policy for conducting Interim Project Reviews?	The District Categorizes project as large or small based on money. Large projects require interim reviews at 30%, 60% and 90% completion. Small projects require interims at 50% completion.
	3 Does the District have an additional form or process designated for Project Reviews?	The District has a Interim Review Checklist.
<b>Point of Contact</b> David Chapa	4 Are you aware Final Project Reviews are required	Yes.
	5 Does the District have a form or process for Final Project Reviews? i.e. Form 2235.	The District uses their Final Audit Checklist along with the Form 2235.
<b>Point of Contact</b> David Chapa	6 What is typically executed for Project Reviews?	Site Manager Reports are reviewed, Buy America Requirements, Storm Water Pollution Prevention Plan, Payroll, Labor Interview, ETC.
	7 Does the District have recent new hires?	No.
	8 Is training needed or requested? Specifically, regarding project oversight reviews.	Not at this time.
	9 What does the District recommend for Interim review procedures?	More uniformity.
	10 Is there something CST could do to help the District overall?	Improve communications and support.

**Additional Questions, Notes**

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<b>District</b> Dallas	7/13/2016
	1 Has the District seen the Suggested State Oversight Project Review Plan? No
<b>DoC</b> Duane Milligan	2 What is District Policy for conducting Interim Project Reviews? DAL DCO is typically unable to complete the interims. Interim is left to the discretion of the AO. AO's generally do a monthly review of each project with their estimates.
	3 Does the District have an additional form or process designated for Project Reviews? Interim audits are left to the AO. DCO runs final audit, not interims. Which does, admittedly, take longer with no interims done at the DCO.
	4 Are you aware Final Project Reviews are required? Yes
<b>Point of Contact</b> Terry Bruce	5 Does the District have a form or process for Final Project Reviews? i.e. Form 2235. There is a general checklist followed by each auditor plus an additional check of personal preferences. i.e.: one looks for DBE, one looks for materials, one looks for CO accuracies, etc.
	6 What is typically executed for Project Reviews? AO interim, DCO final.i.e.: DAL AO meets monthly to discuss materials, COs, LDs, etc. SOPs are in place so estimates are being both checked and authorized at different levels.
	7 Does the District have recent new hires? Lots of retirements recently. Struggling to hire new people. As they move people up, there generally isnt someone to train them, or the replacements. Expecting more huge turnover in the next 2 years. Using CEIs a lot to fill the gaps.
	8 Is training needed or requested? Specifically, regarding project oversight reviews.
	9 What does the District recommend for Interim review procedures?
10 Is there something CST could do to help the District overall? DAL needs people hired to train before everyone retires in the next two years. No specific requests, not much that can necessarily be changed. Seeing delays on Award and executions. OCR typically, or RR agreements.	

#### Additional Questions, Notes

\* Can expect a claim from JD Abrams down the road. Another from Texas Sterling about a delayed start calculation based on extended wait on RR agreement?

Prompt pay requests are increasing. Seeing a lot of RR insurance delays. And need to have language checked on prompt pay spec regarding 10 days. Is it working days or calendar days? **Already looked into these. Spec unclear, but CCAM suggests calendar days. RR insurance delays not within our control.**

Use a checklist on CST? [Forget what that means or where it is...] DCO does a quarterly check on deficiencies, lingering COs. If there are any deficiencies, the Assistant DoC addresses each AO individually, respectively.

Typically conduct random desk audits. They will each select a specific project, and conduct a specific in depth line item review. Typically either Trena, Terry, or Nora.

Bob Boyken does all 2235s. Trena sends in all the COs on a monthly basis. Anu Patel, FHWA guy, has a list of forms typically requested of what the FHWA wants to look at or review, and generally keeps DAL posted on what the needs are of he FHWA.

DAL has in-house IDP program, essentially inspired by the CST IDP. Good for mentoring, assistance, and hands-on training. Generally use 2 guys at the DCO, call on some AO's that have specific training. Trena has been coordinating with Frank in the IDP for OTJ SiteManager training, and he has been greatly helpful in that regard. Frank also provided record keeper training for two of their AO's.

SOP: Once a project has been granted final acceptance, the AO has 30 days to get the records in for review. The DCO has an ongoing status report maintained to keep track of projects on a whiteboard. This board also keeps track of when records will be due in for final review, and when the records were received.

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\*\*DCO holds quarterly meetings with auditors. Do what they can to pass on information regarding policies, changes, SOPs, processes. Auditors can send in requests to the DCO for subjects to discuss during the meeting. The office generally has been able to bring in specialists to discuss specific subjects for the requested topics.

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\*\* Every other month the DCO sends out a memo newsletter, "The Memo You Never Got". Helps with more auditor guidance, and written guidelines. It's on their Sharepoint and is emailed to some of the other Districts that have requested it. This helps relay information from the DCO to inspectors, project managers, auditors, etc. because it comes directly from the DCO.

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Have a person on staff dedicated to the analysis of schedules. Often will also use contracted consultants to help with the CPM schedule analysis workload.

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Bob Boyken, their FHWA guy (?), does a quarterly review on any projects over \$5M. He conducts the interim review and sends it to the AO's. Essentially conducts random checks on the interim reviews.

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All reports used are set up on EDMS. Reports, checklists, and SOPs will be sent by email after this meeting.

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<b>District</b> El Paso	<b>Meeting Date:</b>	
	1 Has the District seen the Suggested State Oversight Project Review Plan?	Yes
<b>DoC</b> Ken Barnett	2 What is District Policy for conducting Interim Project Reviews?	Field review 2 projects per month using IDP forms, and auditors are conducting 30%, 60%, and 90% interim reviews on all projects.
	3 Does the District have an additional form or process designated for Project Reviews?	Yes, the District uses the Project Records Audit Review Report.
	4 Are you aware Final Project Reviews are required	Yes, needed for project closeout.
<b>Point of Contact</b> Frank Guzman	5 Does the District have a form or process for Final Project Reviews? i.e. Form 2235.	Yes, the District uses checklists and Form 2235.
	6 What is typically executed for Project Reviews?	The project reviews check for compliance with all federal, state, and district requirements.
	7 Does the District have recent new hires?	Yes, record keepers and inspectors.
	8 Is training needed or requested? Specifically, regarding project oversight reviews.	Record Keeper Training, inspector training, and finalizing a project training.
	9 What does the District recommend for Interim review procedures?	Content with current structure.
	10 Is there something CST could do to help the District overall?	Bring back yearly D.O.C. meetings, and need more people.

**Additional Questions, Notes**

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<b>District</b> Ft. Worth	6/23/2016
	1 Has the District seen the Suggested State Oversight Project Review Plan? Yes. Have seen it online. Found it both in CCAM and in FTW Sharepoint memo archive.
	2 What is District Policy for conducting Interim Project Reviews? DBE auditor checks at the start and at 50% of each job. Checks bulletin board, cuf, prompt pay. 2 auditors check monthly estimates: check the pay items, mat'l deficiencies, MOH, ot/ob, over/under. Designated TCP, SWPPP guy.
<b>DoC</b> Michael Bostic	3 Does the District have an additional form or process designated for Project Reviews? Auditors intend to go to 2 projects per month to formally inspect project records. Check for invoices, documentation, verify pay item histories, etc. No formal sheet for interim reviews
	4 Are you aware Final Project Reviews are required -
	5 Does the District have a form or process for Final Project Reviews? i.e. Form 2235. Yes, checklists included, use 2235 on all federal projects.
<b>Point of Contact</b> Jackie Broussard	6 What is typically executed for Project Reviews? Monthly checks per each estimate as they come in. DBE at start at 50%. SW3P /weather or /mo. Plus checks doen by AO daily. DO-CST does quarterly "surprise inspections."
	7 Does the District have recent new hires? Lots of turnover at the AO level, inspectors and auditors. Tarrant Co: auditor experience ranges from 2.5 yrs or less. Jackie leaves the DO in 30 days from mtg, Glynis leaves in about 3 years.
	8 Is training needed or requested? Specifically, regarding project oversight reviews. DO sends out auditor newsletter borrowed from Dallas auditor newsletter. Also has monthly gatherings for auditors to learn from each other. Has been greatly beneficial.
	9 What does the District recommend for Interim review procedures? -
	10 Is there something CST could do to help the District overall? -

#### Additional Questions, Notes

\*\*\*DO frustrated with delay in project work authorizations. Often the holdup is with finance, but their finance office sends their papers and approval in two months prior, regularly. Authorizations are delayed on average by 4 months. Some 6 mo, 1 or 2 have been worse. Can't have these delays on projects including seasonal work. They have already been in touch with Darin Korbut.

Change orders are reviewed as they are sent in, then reviewed again at the final review in case something came up over the course of the job.

AO auditors have checklists to follow for filing and sending estimates. Quarterly, the District hosts an auditor gathering session for mentoring and training of auditors. Has been greatly helpful. They also share information from the Dallas District monthly auditor newsletter: "the memo you never got"

FTW Sharepoint, has links for bookkeeper guides. The links at FTW should be available statewide and are directly available within the district. Jackie has been approving all access requests sent in. Cedillo/Tarrant AE recommends the forms that SAT uses. AMA used to have links to equipment lists and project mgr forms, not sure if those are still up. FTW has a collection of plicy memos, listed alphabetically as they are known. "i.e. lime memo"

Cedillo has been rec'ving prelim schedules regularly. He does not allow work to start until the office has a prelim schedule. Schedules are being sent and checked monthly. The schedule is checked against the estimate to verify the quality of the schedule. If a schedule is bad or not submitted, pay is withheld and a "nastygram memo" stating the need for the schedule and suspension of pay.

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District having mixed results with CEIs. Some have been really good, some not so much. They just fired one two days prior to the meeting. Overall has been helpful though. \$21M active contract with CEI ... agent. \$25M in contracts waiting to be signed and sent. Have a lot of indefinite contracts, but there seems to be more of a push to change to specific deliverable contracts more often. Bostic's preference would be to have more In-house inspectors again, but realizes the current push is for CEIs.

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Companies are setting up to create CEI offices, and bidding on work without having people yet. Several are running into not having enough TxDOT retirees available to either guide the company or fill the spaces as inspectors.

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Ridiculous amount of turnover for inspectors at the area level. Can't keep inspectors anywhere. Not enough record keepers either, District-wide to keep up with the need. Hiring out people to look for auditors to fill the spaces, but the consultants can't find anyone sufficient enough. DO? did allow one person to shadow a mentor for a month+ until they were confident he could be hired full-time and function sufficiently enough to be paid. Doing whatever they can to fill the need.

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<b>District</b> Houston	Meeting Date: 7/17/2016	
	1 Has the District seen the Suggested State Oversight Project Review Plan?	Yes, when it was sent out on May 17, 2016.
<b>DoC</b> Lucio Ortiz	2 What is District Policy for conducting Interim Project Reviews?	Quarterly Interim Review.
	3 Does the District have an additional form or process designated for Project Reviews?	The District's interim reviews investigate compliance on the job site, and area office record keeping practices. The District provides Area Engineers with a report documenting all findings from the interim review.
	4 Are you aware Final Project Reviews are required	Yes.
<b>Point of Contact</b> Frank Leong	5 Does the District have a form or process for Final Project Reviews? i.e. Form 2235.	The District conducts dual final reviews similar to the interims. The Request for Final Inspection checklist is used as a guide and Form 2235 is completed.
	6 What is typically executed for Project Reviews?	All federal, state, and district requirements are audited to determine compliance. A report is submitted to address any needed corrective action.
	7 Does the District have recent new hires?	7 new hires. Most have less than 2 years of experience.
	8 Is training needed or requested? Specifically, regarding project oversight reviews.	Inspection Boot Camp
	9 What does the District recommend for Interim review procedures?	Content with current structure.
	10 Is there something CST could do to help the District overall?	Content with current structure.

**Additional Questions, Notes**

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<b>District</b> Laredo	Meeting Date: 5/26/2016	
	1 Has the District seen the Suggested State Oversight Project Review Plan?	Yes, when it was sent out on May 17, 2016.
<b>DoC</b> Eduardo Deleon	2 What is District Policy for conducting Interim Project Reviews?	The District conducts interim reviews at 25%, 50%, and 75% work completion for projects over \$6,000,000. For projects under \$6,000,000 interim reviews are conducted at 35% and 70% work completion.
	3 Does the District have an additional form or process designated for Project Reviews?	The District provides a report with findings from the interim review to the Area Engineer for corrective action.
	4 Are you aware Final Project Reviews are required	Yes.
<b>Point of Contact</b> Sergio Reyna	5 Does the District have a form or process for Final Project Reviews? i.e. Form 2235.	The District uses their Final Project Records Review Report along with the Form 2235.
	6 What is typically executed for Project Reviews?	A check of Contract time, payrolls, SW3P, DWRs, CO, ETC.
	7 Does the District have recent new hires?	None at this time.
	8 Is training needed or requested? Specifically, regarding project oversight reviews.	Project wise training and CON 500.
	9 What does the District recommend for Interim review procedures?	More guidance from CST.
	10 Is there something CST could do to help the District overall?	Oversight of plans online to ensure plans are updated when revised.

**Additional Questions, Notes**

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<b>District</b> Lubbock	<b>Meeting Date:</b>	
	1 Has the District seen the Suggested State Oversight Project Review Plan?	Yes.
	2 What is District Policy for conducting Interim Project Reviews?	No formal policy in place, check DBE monthly, do bulletin board, 599, prompt pay, payrolls, and check deficiency reports.
<b>DoC</b> Ron Baker	3 Does the District have an additional form or process designated for Project Reviews?	No.
	4 Are you aware Final Project Reviews are required	Yes.
	5 Does the District have a form or process for Final Project Reviews? i.e. Form 2235.	The District uses the Final Audit Report and a checklist for finalizing construction projects.
<b>Point of Contact</b> Linda King	6 What is typically executed for Project Reviews?	The District looks for compliance with federal, state, and district requirements.
	7 Does the District have recent new hires?	Yes, some inspectors.
	8 Is training needed or requested? Specifically, regarding project oversight reviews.	Training for inspectors: sitemanager and CON500
	9 What does the District recommend for Interim review procedures?	The District would like suggestions and guidance.
	10 Is there something CST could do to help the District overall?	Requested a file plan for projectwise with standardized file names. CEI's need to be self sufficient and trained.

**Additional Questions, Notes**

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<b>District</b> Lufkin	6/14/2016	
	1 Has the District seen the Suggested State Oversight Project Review Plan?	Not Previously. As it's from a memo in the '90s and only probably went out to higher level people in the District, Doug never saw it and it predates Kevin.
	2 What is District Policy for conducting Interim Project Reviews?	50% Interim, plus Final
<b>DoC</b> Kevin Buranakitipinyo	3 Does the District have an additional form or process designated for Project Reviews?	Periodical additional reviews. SW3P, TCP and DBE all get reviewed monthly when the records are printed each month. LFK also has a Microsoft Access record of on-time/on-budget data entered regularly by Phyllis.
	4 Are you aware Final Project Reviews are required	
	5 Does the District have a form or process for Final Project Reviews? i.e. Form 2235.	Yes. Also we complete a 2235 for good practice on every project. If a project really doesn't need a 2235, then we can always pitch it later.
<b>Point of Contact</b> Doug Y'Barbo	6 What is typically executed for Project Reviews?	Doug regularly does the 50% and the final. Rarely misses it.
	7 Does the District have recent new hires?	Less in the District, a lot in Area offices. One office is practically new and will be in the next year.
	8 Is training needed or requested? Specifically, regarding project oversight reviews.	Not necessarily. Two new hires from last month are the only two to not be formally SM trained. Doug is pretty on top of keeping everyone trained as best as possible.
	9 What does the District recommend for Interim review procedures?	50 + Final works for LFK. No recommendations.
	10 Is there something CST could do to help the District overall?	Addressed in comments...

#### Additional Questions, Notes

Track DBE Reports monthly, SW3P monthly, TCP monthly..... All reports are sent in for review and approval. LFK places a big emphasis on DBE.

If 30/60/90 was ever required, LFK just wouldn't have the personnel to be capable of conducting 30/60/90. 50+Final still catches a lot as is and works well for LFK. Most projects in LFK aren't big enough to truly warrant having additional interim reviews.

Lots of new people in the Area offices. For example, 1 fairly new AE in Lufkin and the Livingston Area Office is practically new entirely.

GRIPES: \*\* What's the purpose of Sharepoint, if documents are only limited to access by the home District? Used to be able to access the different forms and documents of different districts. Example, Laredo led the way at one point by having all their forms posted online, and he could go and look and see what Laredo had, and if they had a few good forms, they would update what LFK does to follow what LRD does. He did that before. Can't do it now without having to ask for electronic permissions from each district.

\*\*\* Very frustrated that the links in the CCAM do not work. This has always been a great go-to for pulling forms and information needed in the field, but it's not very useful if the links don't work. [I think he just wants to have the links repaired to reflect their new URLs.]

\* Wants a standard agenda to use for Precon. They currently use a precon agenda list from Dallas, but it's several pages long, and there's no point in covering half of it in most of their jobs. Could they just have two precon standards, one for the rare full length needed and for use with new contractors to the area, and a shorter one that suits their needs better. I mentioned I don't think the State could necessarily post one as a standard, but I don't see why LFK couldn't recreate a shorter precon list like what they were using prior to the DAL precon list.

<b>District</b> Odessa	Meeting Date:	
	1 Has the District seen the Suggested State Oversight Project Review Plan?	Yes. Provided Copies.
<b>DoC</b> Chad Windham	2 What is District Policy for conducting Interim Project Reviews?	No formal interims are done. However, everything is checked for every project on a monthly basis.
	3 Does the District have an additional form or process designated for Project Reviews?	Monthly checks on all projects.
	4 Are you aware Final Project Reviews are required	Yes, needed for project close out.
<b>Point of Contact</b> Donnie McNatt	5 Does the District have a form or process for Final Project Reviews? i.e. Form 2235.	The District uses the Final Project Records Review Report.
	6 What is typically executed for Project Reviews?	The District verifies compliance with federal, state, and district requirements.
	7 Does the District have recent new hires?	No, but Kathy is retiring at the end of August.
	8 Is training needed or requested? Specifically, regarding project oversight reviews.	Yes, CON500 for Inspectors (TxDOT & CEI) and Auditor training for Kathy's Replacement.
	9 What does the District recommend for Interim review procedures?	They feel their current monthly checks are working better than an interim review.
	10 Is there something CST could do to help the District overall?	SiteManager be updated with new forms.

**Additional Questions, Notes**

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<b>District</b> Paris	7/12/2016
	1 Has the District seen the Suggested State Oversight Project Review Plan? No.
<b>DoC</b> Chad Ingram	2 What is District Policy for conducting Interim Project Reviews? 1 interim audit conducted for 1 area office each month. [Note: may be deficient... but if they're hitting all of the contracts in the end, maybe not?]
	3 Does the District have an additional form or process designated for Project Reviews? Yes
	4 Are you aware Final Project Reviews are required? After final pay estimates, the final review is conducted and filed.
<b>Point of Contact</b> Ricky Daniels	5 Does the District have a form or process for Final Project Reviews? i.e. Form 2235. Yes
	6 What is typically executed for Project Reviews? Interim and a Final.
	7 Does the District have recent new hires? One good Area Office with +10 years experience across the board. Two of the other Area Engineers have been there less than 2 years, with mostly green inspectors. Capable, just less experienced. Another AO, their best experience is 3 years.
	8 Is training needed or requested? Specifically, regarding project oversight reviews. Mentoring help with inspectors.
	9 What does the District recommend for Interim review procedures?
10 Is there something CST could do to help the District overall? Would like something to help retain inspectors, like being able to hire engr class vs tech class. They havent called IDP lately. Don't seem to think it would be helpful. Havent been able to build an in-house mentoring program.	

**Additional Questions, Notes**

\*\* Let some projects in January, and those projects are just now getting work authorizations. But the Contractor got the authorization in April. Dates on the letter and in SiteMgr don't match at all. Not sure what's going on.

\*\* Not always receiving the award letters. And the work authorizations have been coming in 6-8 weeks later. Why the delay?

DCO conducts monthly random checks of pay items to verify quantities. DBEs, 599s are checked monthly as well. Area Office checks the DBE Authorizations and 599s, then they are sent to the DCO.

Xcite report and material deficiencies are checked in the Interim checklist, plus in random checks. The District goal is to have less than 10 deficiencies per project, per month.

DCO is receiving most of the schedules. Ricky stays on top of this the majority of the time. He is working on a manpower vs inspection needs chart to track where he needs inspectors and when. [I expect project schedules help to project when and where people are needed most.]

DCO holds quarterly auditor meetings to discuss current issues and best practices. Generally keep it to the auditors, and prefer to not have the engineers present. Helps the auditors to speak more freely in case some of the issues are certain people. Then the DCO can help back up the AO in a more tactful manner.

Currently planning on 3 CEI projects coming up. PAR DCO is not impressed with PEPS. PEPS used to be responsible for signing people on and negotiating deals, but this has since been handed down to the DoC. Ricky admits he's not an engineer and he doesn't feel best equipped/educated to fill this role. He did say there has been someone good to talk to at PEPS. Good contact: Chris Henry

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Ricky questions the logic of the expense of CEIs vs the expense of in-house employees. We're not paying just a salary and retirement, we're paying a premium for these people too. Plus, out of system people are getting paid, but not contributing into the pool for the retirement system. Wouldn't it be more beneficial to have people in-house?

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Greenville AO has 5 inspectors. A more east AO [I forget the name] has only 3.

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DCO feels there is better quality control on the quality of plan sheets created by the TxDOT design versus sending the plans out to be created by consultants. More communication between divisions and the district office to allow for more thorough review of the plans prior to final print.

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\*\*\* Wants to know if there are ways to make sure some amount of the Prop 7 money reaches the more rural districts. Ricky's expectation is that a lot of that extra funding is likely to get channeled into FtW, Houston, Austin, Dallas.

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Losing a lot of inspectors and others to Tyler, Dallas, the metro areas, and to the oil fields. Just haven't been able to put up the money to retain the people to get work complete.

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\*\*\* How are work authorizations getting sent? Why is the contractor receiving an authorization before the DCO, or the contractor receives it and the DCO does not?? Sometimes not having dates registered in Sitemanager. The award and execution aren't coming in a timely manner, or directly to the DCO.

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Ricky questions the need for the 1295. His example being that if you add a change order to extend a culvert pipe, one does not re-add the spec for culvert pipe with the change order. **Talked to Melissa, understand that the Ethics commission won't give us anything to substantiate that. So, until then OGC? advises we have 1295 submitted for every change to the contract as the CO/supplement, because each change/supplement is a mini-contract agreement not initially part of the original contract. the 1295 is still needed to verify conflict of interest/interested parties is still not an issue with the (typically) newly added work.**

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\*\*\* Question on a change order. Major pay item used to create a detour. The pay item was not used, and essentially reduces the contract by \$200k. The CO net value is over the \$50k threshold for DoC approval. Should a new change order be created, or should the lack of signature be noted on the memorandum? The CO has already been signed by the contractor and uploaded to SiteManager, but not formally sent out. **I believe I advised to not create another Change Order, as that feels unnecessary. It may be worth noting the approval and lack of signature on the memorandum. Yes, it is not a CO spending \$50k, but the net value is over \$50k.**

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<b>District</b> Pharr	Meeting Date: 5/25/2016	
	1 Has the District seen the Suggested State Oversight Project Review Plan?	Yes, when it was sent out on May 17, 2016.
	2 What is District Policy for conducting Interim Project Reviews?	The District performs interim reviews at 30%, 60% and 90% completion.
<b>DoC</b> Hector Gonzales	3 Does the District have an additional form or process designated for Project Reviews?	Yes, the District uses a checklist they have developed.
	4 Are you aware Final Project Reviews are required	Yes.
	5 Does the District have a form or process for Final Project Reviews? i.e. Form 2235.	Yes, the District uses a checklist they have developed along with Form 2235.
<b>Point of Contact</b> Jesus Limon	6 What is typically executed for Project Reviews?	All of the federal, state, and district requirements.
	7 Does the District have recent new hires?	1 new hire with 8 months experience.
	8 Is training needed or requested? Specifically, regarding project oversight reviews.	Construction familiarity training for people with no background in construction.
	9 What does the District recommend for Interim review procedures?	Content with current structure.
	10 Is there something CST could do to help the District overall?	Better communication and support for new requirements.

**Additional Questions, Notes**

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<b>District</b> San Angelo	<b>Meeting Date:</b>	
	1 Has the District seen the Suggested State Oversight Project Review Plan?	Yes, provided copies.
<b>DoC</b> Ricky Moore	2 What is District Policy for conducting Interim Project Reviews?	Not done for projects less than 6 months long like seal coat jobs. Check project status at 6 months depending on progress will do either 30% or 50% review. For longer jobs will do 30% and 60% interim reviews.
	3 Does the District have an additional form or process designated for Project Reviews?	Yes, the District uses the San Angelo District Interim Project Record Review.
	4 Are you aware Final Project Reviews are required	Yes, cannot close out project without doing them.
<b>Point of Contact</b> Tom Johnston	5 Does the District have a form or process for Final Project Reviews? i.e. Form 2235.	The District uses their Final Audit Report along with Form 2235.
	6 What is typically executed for Project Reviews?	The District looks for compliance with all federal, state, and district requirements.
	7 Does the District have recent new hires?	Ricky Moore retiring mid-August and will need to be replaced.
	8 Is training needed or requested? Specifically, regarding project oversight reviews.	Auditor training.
	9 What does the District recommend for Interim review procedures?	The District feels their current process is working very effectively for their district.
	10 Is there something CST could do to help the District overall?	Need more people, especially with Ricky Moore leaving.

**Additional Questions, Notes**

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<b>District</b> San Antonio	Meeting Date: 6/09/2016	
	1 Has the District seen the Suggested State Oversight Project Review Plan?	Yes, when it was sent out on May 17, 2016.
<b>DoC</b> Gina Gallegos	2 What is District Policy for conducting Interim Project Reviews?	The District requires the A/O to conduct interim reviews at 30%, 60%, and 90% work completion. The district conducts interim reviews at 45% and 75% work completion.
	3 Does the District have an additional form or process designated for Project Reviews?	The district uses their Project Review Checklist for Federal Projects. They tailor the checklist for each project, so that unapplicable items are not addressed.
<b>DoC</b> Gina Gallegos	4 Are you aware Final Project Reviews are required	Yes.
	5 Does the District have a form or process for Final Project Reviews? i.e. Form 2235.	Yes, the District uses their Project Final Estimate Checklist along with Form 2235.
<b>Point of Contact</b> David Henke	6 What is typically executed for Project Reviews?	All federal, state, and district requirements and items specific to the job determined by the auditor.
	7 Does the District have recent new hires?	2 new hires.
	8 Is training needed or requested? Specifically, regarding project oversight reviews.	Formal Site Manager Training, Bookkeeping Training, and Materials Training.
	9 What does the District recommend for Interim review procedures?	Content with current structure.
	10 Is there something CST could do to help the District overall?	Increase communication and support when introducing new requirements.

**Additional Questions, Notes**

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<b>District</b> Tyler	6/15/2016	
	1 Has the District seen the Suggested State Oversight Project Review Plan?	No.
	2 What is District Policy for conducting Interim Project Reviews?	Formerly a 60/90 field review. Current procedure is on a sheet that's included. Might be getting 1 interim review per project at the moment. Don't currently have the construction admin staff to maintain more.
<b>DoC</b> Jeffrey Harmon	3 Does the District have an additional form or process designated for Project Reviews?	In-house forms developed by stacy's predecessor.
	4 Are you aware Final Project Reviews are required	
	5 Does the District have a form or process for Final Project Reviews? i.e. Form 2235.	use the 2235 and a Tyler-specific for for interim and final reviews
<b>Point of Contact</b> Stacie Holcomb	6 What is typically executed for Project Reviews?	finals, plus possible 1 per project. Current average.
	7 Does the District have recent new hires?	Yes. Several new records keepers with less than 5 yrs experience. Tough considering what all record keepers have to track and most learning is OTJ, not much available to help that.
	8 Is training needed or requested? Specifically, regarding project oversight reviews.	Preferably some sort of training that could be taken online at inspectors could take at their own pace and when they are available. Thought IDP tried developing Youtube inspection tips a few yrs ago. TxDOT Construction Tips have been greatly helpful.
	9 What does the District recommend for Interim review procedures?	-
	10 Is there something CST could do to help the District overall?	More help, guidance for all the green people. They understand a lot of discretion is left to the District, but when everyone is new, they need some black and white guidance to get started.

#### Additional Questions, Notes

Only have 1 record keeper in each AO, and there are 2 in the DO. Hiring freeze hurts them a bit.

Jeff has developed checklists for newer inspectors to work off of, looking for District-wide consistency to assist the inspectors, AOs, and the Contractors. Regularly keeps in touch with LFK, PAR, ATL to make sure everyone is using a similar process to make things a bit easier on contractors that way too. There is a checklist in place for newer inspectors to use for COs. Helps ensure COs are getting properly filled without instructions and corrections having to be constantly repeated.

\*\*\*Running into the same seal coat problem that LFK is seeing where they paid for a significant amount of rock, but do not have enough tickets to prove was paid by a wide margin.

\*What is the status of the current records retention plan? Tyler has a lot that could be discarded, but has not as they were told last fall to hold off on destroying records while the retention plan was adjusted.

Question on Item requirements: are they asking for too much? I advised check with their materials people for what is needed, and what materials already checks for. I do think they were asking a little much. I should have their form too.

They are getting most schedules as required, while not always quality schedules. More or less on top of that. Getting better at getting preliminary schedules too. Taking a harder stance that there will be no precon and work cannot start until they have the prelim and time to review. Contractors may grumble, but Dist is still starting to get prelims more often.

Sending monthly check results to the area offices on material deficiencies and results of the Creep report. Jeff says biggest issue at times is getting required documentation for the materials to pay, or the tests will not be met until after the pay estimate is sent. they are managing zeroes on finals, but thinks zeroes should not be possible on estimates "unless you're cooking the books."

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Are we involved with local government audits at all, they do some work with local government, and generally have to be heavily involved at times on those projects as locals sometimes have no idea of state procedure.

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<b>District</b> Waco	Meeting Date: 6/20/16	
	1 Has the District seen the Suggested State Oversight Project Review Plan?	Possibly. Not entirely sure, but may have at least seen something similar.
	2 What is District Policy for conducting Interim Project Reviews?	Any projects larger/longer than 1 year: 25/60/90(pre-final). Less than 1 year durations: 60. Rendy does monthly checks to see what projects require reviews each month. Larger projects may have additional full or partial audits added.
<b>DoC</b> Darren Poe	3 Does the District have an additional form or process designated for Project Reviews?	Yes, forms are included.
	4 Are you aware Final Project Reviews are required	Yes.
	5 Does the District have a form or process for Final Project Reviews? i.e. Form 2235.	Yes, included. 2235 is filed.
<b>Point of Contact</b> Rendy Drews	6 What is typically executed for Project Reviews?	Keeping up with interims and final reviews. Rendy completes 2235 and final closeout procedures. 4 Auditors in the DO: 1 designated for CO reviews, and the other 3 handle interims and finals. +10 years experience each.
	7 Does the District have recent new hires?	Not a lot at the District, some at the two newer AEs, and plenty of newer Inspectors. But most offices have enough experience to mentor.
	8 Is training needed or requested? Specifically, regarding project oversight reviews.	Waco DO is setting up a record keeping class for new auditors throughout the District in July. Working on all adding attachments into SMgr versus EDMS. Veterans are more resistant to the change vs newer auditors.
	9 What does the District recommend for Interim review procedures?	
	10 Is there something CST could do to help the District overall?	No special issues or anything extra, really. Everything seems fairly under control.

#### Additional Questions, Notes

The AEs here report to the DE, not the DoC. Sometimes creates issues, but when it becomes a real problem, so far the DO can go to the DE and he will enforce what the DoC needs enforced.

monthly checks of estimates and items through audit schedule excel sheet. (requested sent, and has been rec'd)

Schedules are "hit and miss". Note in SMgr when they are rec'd. Having some issues with schedules on the I35 jobs, not always getting turned in, or they aren't quality. Leaving it to the project engineers to determine sufficient quality of schedules. No current procedure on requiring responses to the schedules. But will be implementing soon, as it came up recently.

Check for materials on interim reviews. Make sure that material certs are being rec'd. (For MOH as well, I imagine.) DO mat'ls lab pulls the CREEP report monthly and sends the reports out to the correponding area offices.

Have monthly estimate checklist. Closeout spreadsheet, for reference. They also keep up with 10% for on time on budget.

Making certain to have projects closed within 60 days. Take pride in being one of the top Districts for this.

<b>District</b> Wichita Falls	Meeting Date: 6/21/16	
	1 Has the District seen the Suggested State Oversight Project Review Plan?	Yes. Have had this on file from the thesis written by Paul.
	2 What is District Policy for conducting Interim Project Reviews?	District policy is based off of SSORP. Checklist was created for Interim audits.. They use key dates, which are checked on the interim and on the final. The District aims to have one interim per project btwn 30-70%.
<b>DoC</b> Allan Moore	3 Does the District have an additional form or process designated for Project Reviews?	Yes, I have the form.
	4 Are you aware Final Project Reviews are required	Yes.
	5 Does the District have a form or process for Final Project Reviews? i.e. Form 2235.	Yes, form plus 2235, and checklist created by Paul. All intended for final reviews.
<b>Point of Contact</b> Donna Porter	6 What is typically executed for Project Reviews?	1 interim plus finals. Keeping up with minimum requirements well enough. Realize more may be ideal for larger projects, but the larger projects are less common in this District.
	7 Does the District have recent new hires?	DO shrank in 2008, but CEIs do make things easier. Facing a "revolving door" for inspectors.
	8 Is training needed or requested? Specifically, regarding project oversight reviews.	Inquired about IDP class/program. Have 2 auditors in DO-CST. Hard for any one auditor to be out for a week of training. Fall so far behind. Webinars help with training. Appreciate any training with some timing flexibility.
	9 What does the District recommend for Interim review procedures?	Recommend the checklists from WFS, they developed straight for the SSORP.
	10 Is there something CST could do to help the District overall?	Local gov't projects take a lot of time away from primary/priority work. Pre-letting for these projects has issues. Would also like CCAM purged of out of date data. Hard to make it a serious doc to enforce when much is broken or out of date.

#### **Additional Questions, Notes**

On interim reviews, DO always checks for the MOH invoices. Xcite report is pulled, and verified for the interim review. DO also checks the Xcite report monthly and sends the report to any deficient AOs.

When checking estimates: DO checks DBE reports, schedules - AOs are contacted when schedules are missing.

Paul Wenzel(?) cted several checklists based on the SSORP, and used the SSOPRP as the basis for a thesis. May have shared the thesis or checklists with other Districts in the past. WFS likes having their checklists. The District tweaks the forms as necessary for each project or as standards change to make the checklists work best. There is also a DWR report that gathers a wealth of information.

Microsoft Access program written for DWR reports. Helps to track projects and training(?). Letter templates were created that pull data from the Access database, and with the CSJ, populates all of the necessary data for the letter.

CEIs have been greatly helpful in the DCO, and have helped with auditing/contract admin. Not as helpful in the AO.

DO "gripe" of CEIs: Needs to be back in the District, not centralized. PEPS is pulling engineers from Dallas, and the engineers don't stay long. Lots of inspector turnover. Selection process isnt always providing locals for engineers. The support is "out of kilter" with the needs. PEPS: Professional Engineer Procurement Selection(?) - Consultant contract selection.

<b>District</b> Yoakum	Meeting Date: 7/15/2016	
	1 Has the District seen the Suggested State Oversight Project Review Plan?	Yes, when it was sent out on May 17, 2016.
<b>DoC</b> David Stephens	2 What is District Policy for conducting Interim Project Reviews?	The District conducts interim reviews the first month, and then quarterly after that.
	3 Does the District have an additional form or process designated for Project Reviews?	The District uses multiple checklists to review record keeping and project site conditions. With this information the District submits a report the Area Engineer with any findings from the interim review.
	4 Are you aware Final Project Reviews are required	Yes.
<b>Point of Contact</b>	5 Does the District have a form or process for Final Project Reviews? i.e. Form 2235.	The District uses their Final Project Review Summary List and Checklist and Form 2235.
	6 What is typically executed for Project Reviews?	Yes, the District checks for compliance with all federal, state, and district regulations.
	7 Does the District have recent new hires?	No recent new hires, but staff has been asked to pick up additional duties left by recent departures.
	8 Is training needed or requested? Specifically, regarding project oversight reviews.	Training on removing deficiencies, a record keeping training.
	9 What does the District recommend for Interim review procedures?	More uniformity and guidance.
	10 Is there something CST could do to help the District overall?	Better communication and support for new requirements.

**Additional Questions, Notes**

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Have you seen the Oversight Project Review Plan?

What is District Policy for conducting Interim Project Reviews

Do you have a form you use for Interim Project Reviews

Are you aware Final Project Reviews are required

Do you have a form / checklist for Final Project Reviews

Contacted

DOC

Is there anything regarding reviews where you need assistance?

Is there anything regarding reviews where you would like some assistance?

Is there something CST could do to help the district with project reviews overall?

Contract Administrative Review

On-Site Field Review

Final Review Checklist

Quarterly Reports (Field and Administrative)

Yes, filed

Yes

Yes, filed

Kelli Navarrette

Kit Black

Kelli Navarrette

Andrew Tubb

Kit Black

Form Quarterly (District Goal)

Form Quarterly (District Goal)

Form Final



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July 8, 2016

Mr. Al Alonzi  
 Division Administrator  
 Federal Highway Administration  
 300 East 8<sup>th</sup> St., Room 826  
 Austin, Texas 78701

RE: Annual Report on Independent Assurance Program Results – CY 2015

Dear Mr. Alonzi:

In accordance with the requirements set forth in 23 CFR 637 Part B and the Texas Department of Transportation's (TxDOT) Quality Assurance Program for Construction, the information below summarizes the results of TxDOT's independent assurance (IA) activities under the system approach to IA testing for calendar year 2015.

TxDOT Independent Assurance Program Results – 2015			
IA Activities	TxDOT	Commercial Laboratory	Contractor
Number of personnel evaluated under system approach	1717	916	304
Number of IA evaluations completed	12,776	10,574	5,838
Number of IA evaluations meeting tolerance	11,830	10,035	5,499
Number of IA evaluations not meeting tolerance	946	539	339
<p><u>Corrective actions:</u> Engineering reviews of procedures, equipment, and proper sampling were performed to determine the reason(s) for tests not meeting acceptable tolerance limits. A combination of procedural errors, equipment problems, and sampling issues were found to be the causes of tests not meeting specified tolerance limits. Personnel who offered no satisfactory explanation of subpar results were required to be re-qualified through observation, analysis, and instruction as needed. For procedural discrepancies, test procedures were reviewed and technicians were given guidance on problems encountered. Further, suspect equipment found was allowed to be recalibrated or repaired and new tests performed. In cases of possible misrepresentative sample problems, technicians were allowed to retest using additional samples and each met the acceptable tolerance. Any technicians who did not participate in required proficiency testing had their certification revoked or put into an inactive state until their split/proficiencies were satisfied.</p>			

The data above represent a 92.6%, 94.9%, and 94.2% success rate, respectively, for TxDOT, commercial laboratory, and contractor personnel.

**OUR GOALS**

MAINTAIN A SAFE SYSTEM • ADDRESS CONGESTION • CONNECT TEXAS COMMUNITIES • BEST IN CLASS STATE AGENCY

*An Equal Opportunity Employer*

This program evaluated TxDOT, commercial laboratory, and contractor personnel (where applicable) performing testing on traditional, design-build, and concession projects. In general, TxDOT uses a tiered approach to administering the IA program, whereby the Construction Division's (CST) central laboratory conducts IA evaluations on qualified district laboratory personnel, who in turn evaluate area office and commercial laboratory personnel within their respective districts. For design-build and concession projects, IA activities are administered by the designated project IA laboratories and reported to TxDOT.

IA testing in hot mix asphalt (HMA) is covered by a statewide proficiency sample testing program administered by the central laboratory to all HMA Level 1A certified technicians, to include TxDOT, commercial laboratory, and contractor personnel. For concrete and aggregate testing, IA testing was performed using split or proficiency samples administered at the project level.

For soils/base testing, CST has a soils/base (SB) certification program, which is administered by the Texas Asphalt Pavement Association (TXAPA) and consists of five certification levels (SB 101, SB 102, SB 103, SB 201, and SB 202). A statewide soils/base proficiency program covering all SB 101 certified technicians in the state is conducted. Soils/base technicians not certified by TXAPA under SB 101, but rather through TxDOT's internal program, were addressed using the tiered approach discussed above.

There were thirteen alternate delivery projects in 2015 on which IA split or proficiency testing was conducted - nine design-build projects and three concession projects and one PTF project. For these projects, IA activities were administered by either a TxDOT district laboratory or AASHTO accredited and TxDOT certified consultant laboratories. The table below identifies the projects and the designated IA laboratory for each. The results of the IA activities conducted by these laboratories are included in the statewide results reported above.

Project	Project Type	Designated Project IA Laboratory
NTTA Chisolm Trail, Sec. 1-6	Concession	Kleinfelder
North Tarrant Express - 3A	Concession	Kleinfelder
LBJ Managed Lanes-IH 635	Concession	Kleinfelder
US 77	Design Build	Corpus Christi District Laboratory
Pass Thru (Spur 557 and SH 34)	Pass Thru	TxDOT Dallas District Laboratory
Horseshoe Project	Design-Build	TxDOT Dallas District Laboratory
IH-35E	Design-Build	TxDOT Dallas District Laboratory
SH 183	Design Build	TxDOT Dallas District Laboratory
DFW Connector/SH 360	Design Build	TxDOT Fort Worth District Laboratory
SH 71	Design Build	HVJ
Loop 1604	Design Build	HVJ
SH 99 - Grand Parkway	Design-Build	Aviles Engineering
MoPac Improvement Project	Design-Build	TxDOT Austin District Laboratory

#### OUR GOALS

MAINTAIN A SAFE SYSTEM • ADDRESS CONGESTION • CONNECT TEXAS COMMUNITIES • BEST IN CLASS STATE AGENCY

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Overall, IA tests were conducted using the split sample and/or proficiency sample methods, with acceptable tolerances applied accordingly. In nearly all cases, each technician was administered a split or proficiency test on multiple test procedures. For this report, each test procedure was considered a separate evaluation, resulting in multiple evaluations per technician. Our statewide HMA proficiency program, for example, included two samples (A & B) sent to each HMA Level 1A certified technician (1000+ personnel). These factors contributed to the large number of evaluations represented in this report.

Through IA testing and our technician and laboratory qualification programs, we will continue to ensure quality sampling and testing practices and maintenance of equipment.

Please contact me at (512) 506-5808 or Thomas Smith at (512) 506-5802 should you have any questions regarding the information contained in this report.

Sincerely,



Caroline A. Heinen, P.E.  
Director, Materials & Pavements  
Construction Division

cc: Thomas L. Smith, Program Manager, Materials & Pavements, Construction Division, TxDOT