

Dated: May 13, 2010

MDOT Local Agency Programs

Policy Statement
Regarding

Traffic Operations Centers (TOC's)
Federally Funded
Annual Operation and Maintenance

In order to stay consistent in the handling of these projects, a process for establishing the annual funding and approving the expenditures will be defined as follows:

1. The funding for each operations center will be programmed in the year prior to the anticipated expenditure and will appear on Statewide Transportation Improvement Plan (STIP and TIP) in the year the funds are to be obligated.
2. A program application will be completed by the local agency and submitted to the Urban Staff Engineer, the scope of work will show which fundable activities are included (ie... utilities, payroll, supplies, etc.).
3. A job number will be established for each fiscal year.
4. An operations plan will be reviewed which outlines the anticipated expenditures and identifies the eligible items of work (salaries, fringe benefits, utilities, building rental, telephone expenses, high speed internet, etc.) and the desired frequency of reimbursement billing (ie.. monthly, quarterly, or annually).
5. A request for obligation of the Job Number will be processed by the Urban Project Development Engineer upon satisfactory review of the work plan by the Urban Staff Engineer and at his request.
6. Once the project is obligated, an e802P authorization will be generated by the Urban Staff Engineer which will start at the beginning of the upcoming fiscal year and expire on the last day of the fiscal year. Any unexpended funds will lapse and they are not to be carried over into the next fiscal year.
 - a. The Staff Engineer, when creating the electronic Authorization for Force Account Work, will add a condition to the Authorization Terms which will limit the costs eligible for reimbursement to within a specific Fiscal Year. (Ie: "Reimbursement for costs incurred in 2010 Fiscal Year (Oct 1, 2009 through Sept 30, 2010.)")

7. The Urban staff engineer will review the invoices submitted for payment and may ask for justification for any unusual expenses. Cost to upgrade or remodel the facility will not be eligible for funding unless the Statewide Transportation Improvement Plan specifically includes upgrades to the facility in the description of the annual expenditure. Federal aid cannot currently be used for the actual construction of a TOC building or structure.
8. No reimbursement will be made for any costs incurred prior to the date of obligation of funds by FHWA for these projects.
9. Any modifications to increase the available funding for any Traffic Operations Center, must be processed by the Bureau of Transportation Planning and those modifications must occur prior to incurring costs in excess of the original budget. Any major changes in the scope of services must be approved prior to implementation.
10. The local agency will operate the centers with their own employees unless MDOT gives the local agency written permission to use alternative resources. FHWA allows the use of contracted personnel to staff the TOC, if the Local Agency secures and executes a 3rd Party Agreement, which is obtained by a Request for Proposal (RFP), utilizing either Quality Based Selection (QBS) or by best price selection, as stated in the RFP.