



# Illinois Department of Transportation

2300 South Dirksen Parkway / Springfield, Illinois / 62764

February 25, 1998

Federal-aid Day Labor Procedures

COUNTY ENGINEERS/SUPERINTENDENT OF HIGHWAYS

#98-2

Attached is a copy of the revised Federal-aid Day Labor Procedures. These procedures are effective immediately for use on federally funded local agency day labor projects. These procedures reflect several new, expanded, and/or simplified requirements.

Significant changes include a revised method of evaluating an agency's capability to perform work with their own forces. This resulted in the replacement of the "Questionnaire" by specific requirements for a local agency assessment which cover all projects in a program year. A cost-effective analysis will not apply to projects estimated to cost less than \$30,000.

If you have any questions concerning the enclosed procedures, please contact your district office.

Sincerely,

A handwritten signature in cursive script that reads "Jay W. Miller".

Jay W. Miller  
Deputy Director of Project Implementation

## FEDERAL-AID DAY LABOR PROCEDURES

Part 635B of 23 CFR provides that local agencies may do federally funded construction work either by contract or by day labor. If the local agency (LA) elects to do the work by day labor using its officers, agents, and employees, it shall show that:

- A. Past work performance indicates that the agency can do the work in accordance with the Standard Specifications.
- B. Resident Engineer/Resident Technician assigned to the project by the local agency must have successfully completed the department's documentation class, or the agency must provide documentation of satisfactory past performance of assigned personnel. The completion of appropriate Specific Task Training Program courses is desirable.
- C. Sufficient agency-owned or leased equipment and forces are available to do the work required, and the equipment conforms to the requirements prescribed in the Standard Specifications for Road and Bridge Construction.
- D. The use of day labor procedures is cost effective (contract construction versus day labor construction).

The intent of the following day labor procedures is to assure: compliance with legal requirements, the timely execution of project documents, and completion of the proposed work. Projects shall follow the "Federal-Aid Procedures for Local Highway Improvements" manual (FAPLHI) in all areas not covered by these procedures. Proposals which do not adhere to the FAPLHI and the following procedures will be considered on a project-by-project basis.

1. Day labor projects are included in the Illinois Department of Transportation's annual program for the fiscal year that the construction is anticipated. This annual program is initiated by statewide solicitation of projects during the first quarter of the calendar year for the fiscal year beginning July 1. Individual program substitutions are permitted (with justification) and handled on a project-by-project basis.
2. The "Local Agency Assessment to Perform Federal-Aid Work by Day Labor Forces" (Exhibit A) shall be submitted to the district engineer by the LA. Based upon the district's review of the LA's capability, the district engineer will forward the assessment with an appropriate recommendation to the Central BLR&S office. In the case of counties, day labor projects will only be approved when with a fully qualified county engineer is in place.
3. The assessment should include all day labor projects proposed for a program year.
4. The Central BLR&S, once satisfied with the recommendation, will forward it to the Deputy Director of Highways for approval for projects estimated to cost greater than \$100,000. All other projects will be approved by Central BLR&S. Formal concurrence will be provided to the district.
5. The LA shall address the appropriate environmental, public involvement, and design issues in accordance with the FAPLHI. (See Chapter 5, Section 2, Section 3 and Section 4).

6. The LA will execute and submit to the district the "Local Agency Agreement for Federal Participation" (Form BLR 4251). The agreement attests to the LA's appropriation of funds by reference to a resolution/ordinance passed by the LA. This is required to provide all of the initial funding for the work, labor, material and services necessary to construct the complete project. This agreement will be forwarded to the Central BLR&S for department execution.
7. The plans, specifications, material proposal, and estimates with support documentation shall be submitted to the district. The total estimate must be broken down into an estimate for proposed material costs and an estimate for proposed labor & equipment costs. If the LA proposes to utilize existing stockpiled material or material from approved quotations, documentation of costs established through competitive bidding will be required. Subject to the assessment review, the cost effective analysis will not apply for projects estimated to cost less than \$30,000.
8. The total estimate, accompanied by the material cost estimate, the labor & equipment cost estimate, and the supporting documentation are reviewed by IDOT's estimating engineer. A comparison will be made to like pay items included in state-let contracts which have been awarded in the area of the proposed work. If the proposed unit prices are not acceptable, the LA will be notified and a conference will be held between the estimating engineer and the LA to resolve all differences and establish mutually acceptable pay item costs. A copy of the revised estimate will be sent to the district and LA when applicable.
9. Central BLR&S will request authorization to proceed with the project from FHWA upon completion of Steps 3 through 8 above.
10. After FHWA authorization is received, the Central BLR&S will, by letter, authorize the LA to advertise for bids on the items contained in the material proposal. The LA will also be permitted to advertise for quotations in those cases where quotations have not been established. All material lettings shall be advertised for letting in the IDOT's BLR&S "Notice to Contractors Bulletin". Notice of advertisement and/or readvertisement must appear in the bulletin not less than 21 days before the date on which bids are to be received.
11. The district engineer may proceed with the approval of Form BLR 6103, Acceptance of Proposal to Furnish Materials and Approval of Award, and written notice to proceed with construction if the total project cost does not exceed the approved estimate by more than 5 percent. Any adjustment of quotations should also be considered in this 5 percent limit. All others will be submitted to the Central BLR&S for review and approval prior to district approval of the Form BLR 6103 and notice to proceed with construction. The district must submit a copy of their notice to proceed, bid tabs, documentation to support quotations and/or stockpile materials, and a copy of completed "Schedule of Prices" (when applicable) to the Central BLR&S for all projects.
12. The acceptable labor & equipment costs determined in Step 8, and the acceptable low bid material prices are combined to establish a unit price for each pay item. The Central BLR&S will issue a letter instructing the LA to adopt at their next board/council meeting the "Unit Prices Agreement" (Form BLR 6151). The agreement establishes the unit prices with extensions and the total cost. These unit prices remain fixed for the duration of the project.

13. The "Unit Prices Agreement" (Form BLR 6151) shall be submitted to the Central BLR&S through the district for department execution. The project is entered in the Bureau of Construction's pay system at this point generating the Engineer's Pay Estimate. Projects costing less than \$30,000 will not be entered in the Bureau of Construction's pay system. Thus, an engineer's pay estimate will not be issued through the Bureau of Construction. Invoices for these projects will be paid by Central BLR&S.
14. The Central BLR&S prepares the detailed estimate, project agreement, and award report and transmits them through the Bureau of Accounts and Administrative Services to the FHWA for execution.
15. Construction Procedures.
  - a) A preconstruction conference with the district shall be held prior to starting work.
  - b) Department documentation and material testing procedures shall be followed and resident engineer weekly reports will be required as well as all other reports required for a similar construction contract.
  - c) A department representative will visit the jobsite in accordance with a schedule (based on the number of working days) established at the preconstruction conference. All visits shall be documented.
  - d) All pay estimates will be reviewed by the department representative who has visited the jobsite to assure that they reasonably reflect the work completed.
  - e) Changes to plans and plan quantities must be approved by the district in accordance with standard Authorization of Contract Changes procedures prior to starting the revised work.

02/06/98

**Local Agency Assessment  
To Perform Federal-Aid Work By Day Labor Forces**

A local agency desiring to perform federal-aid work with its own forces shall prepare an assessment of its capabilities. The assessment should include all projects proposed for a program year. The assessment should identify the applicable local agency (LA) section number(s), project number(s), and include the following information:

1. Description of work to be performed for section(s). (Termini, length, scope, estimated costs, estimated working days, and major construction pay items.)
2. Description of work of this type which the agency has previously performed with its own forces. (Section number [if applicable], length, scope, working days.)
3. List of key personnel and their related experience which qualifies them to carry on all phases of this work properly and economically. Identify the resident engineer/resident technician to be in charge of construction, along with any other inspectors, and their documentation training as well as other pertinent training, or provide documentation of the resident's experience and past performance.
4. List the equipment needed to perform the work and to perform necessary testing, and indicate if it is owned or leased by the agency. All the equipment must meet the requirements of the Standard Specifications. Identify any agencies that will be used to perform special testing.

Include any other information which will assist the department in its decision to approve this work to be performed by day labor forces.