

UTILITY REHABILITATION NEGOTIATIONS

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1. **Purpose:** To provide policy for negotiating the relocation and adjustment of utility facilities concerning the basis of payment to the utility and for requesting federal participation in the non-betterment costs. The office of primary responsibility for this DOT-OI is the Roadway Design Division. This DOT-OI supersedes DOT-OI 45-01 dated February 15, 2000.
 2. Highway construction projects frequently require the revision and relocation of utilities. Reimbursable costs represent the eligible non-betterment expenditures of the utility required to accomplish these revisions and relocations. These expenditures may be paid on a lump sum or actual cost basis and with state funds only or, under certain conditions, federal participation may be requested. See Federal-Aid Policy Guides 23 CFR 645A, "Utility Relocations, Adjustments, and Reimbursement, and 23 CFR 645B, "Accommodation of Utilities."
 3. Federal participation in utility agreements normally will be requested only under the following conditions, where:
 - A. Federal funds available to Nebraska would increase substantially. Generally, this would be the case if the federal appropriations type is one of the following: Interstate, Emergency Relief, Discretionary Bridge Replacement, Demonstration, or Defense Access.
 - B. Federal funds available to Nebraska are in danger of lapsing if not obligated.
 - C. A need exists to accelerate the obligation of federal funds to utilize obligation authority by administratively imposed deadlines.
 - D. Local contributors specifically request federal participation and would be required to provide a greater share of project costs if federal participation was not approved.
 4. Subject to the approval of the Project Development Division Engineer, or the Roadway Design Division Engineer, the Utilities Engineer or Assistant Roadway Design Division Engineer may recommend the following actions:
 - A. Designation of various utility items as non-participating for federal funds on any project, regardless of appropriation type, when technical engineering and administrative difficulties indicate it would be impractical and uneconomical to request approval of federal participation, except when the use of state or local funds is illegal.
 - B. Negotiation of lump-sum agreements with utility companies when the non-betterment portion of the utility rehabilitation estimate is \$25,000 or less and federal participation is not to be requested.

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Operating Instruction 45-01
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- C. Negotiation of lump-sum agreements with utility companies in accordance with Federal-Aid Policy Guide 23 CFR 645.113 when the non-betterment portion of the utility rehabilitation estimate is \$25,000 or less and federal participation is to be requested.
- D. Processing actual cost agreement final billings of \$25,000 or less as lump-sum payments when federal participation is not to be requested (not requiring a contract audit).

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UTILITY AND RAILROAD PAYMENTS

SECTION 1: UTILITY PAYMENTS – Roadway Design Division

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1. **Purpose:** To provide policy for expediting payments to utility and railroad companies. The office of primary responsibility for SECTION 1 is the Roadway Design Division. The office of primary responsibility for SECTION 2 is the Intermodal Planning Division. This DOT-OI supersedes DOT-OI 45-02 dated July 5, 2005.
 2. Highway construction projects frequently require the installation, revision, and relocation of utility facilities. Costs incurred are borne entirely by the companies until reimbursed by the state or other governmental subdivisions. This instruction is intended to minimize the time that company funds are tied-up in work related to department activities. Prompt partial and progress payments to utility companies will be made upon receipt of detailed company billings. Retained amounts due on final billings will be paid promptly upon a completion of applicable department or FHWA audit procedures.
 3. **The Controller Division will:**
 - *** A. Make up to a 95 percent partial payment to utility companies upon receipt of progress or final billing and a written request from the Roadway Design Division Engineer or the Utilities Engineer.
 - *** B. Make immediate and full payment to utility companies of "lump sum" type billings that are submitted in accordance with previously executed agreements or as recommended for payment by the Roadway Design Division Engineer or the Utilities Engineer.
 - *** 4. **The Roadway Design Division will:**
 - A. Advise the utility companies of their option of submitting periodic progress billings to avoid unnecessary tie-up of their funds pending submission of one final and complete detailed bill to include any applicable cost shares.
 - *** B. Municipal utility facility reimbursement policy is set forth in DOT-OI 60-11, Municipal Cost Sharing, 3, F, (1)(2)(3).

SECTION 2: RAILROAD PAYMENTS – Intermodal Planning Division

1. Highway construction projects frequently require the installation, revision, and relocation of railroad facilities. Costs incurred are borne entirely by the companies until reimbursed by the state or other governmental subdivisions. This instruction is intended to minimize the time that company funds are tied-up in work related to department activities. Prompt partial and progress payments to railroad companies will be made upon receipt of detailed company billings. Retained amounts due on final billings will be paid promptly upon completion of applicable department or FHWA audit procedures.

2. The Controller Division will:

- A. Make 100 percent partial payment to railroad companies upon receipt of progress or final billing and a request from the Railroad Liaison Manager.
- B. Make immediate and full payment to railroad companies of "lump sum" type billings that are submitted in accordance with previously executed agreements or as recommended for payment by the Railroad Liaison Manager.
- *** C. Forward a copy of each railroad payment accounting coding document to the Intermodal Planning Division.

*** **3. The Intermodal Planning Division will:**

- A. Advise the railroad companies, but not necessarily as part of agreements, of their option of submitting progress bills to avoid unnecessary tie-up of their funds pending submission of final billings.

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PROJECT COMPLETION AND ACCEPTANCE

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1. **Purpose:** To provide policy for reporting the completion and acceptance of all projects, whether state or federally-funded. This includes projects involving only preliminary engineering, right-of-way, planning, research, railroad, utilities, or any combination of these. The office of primary responsibility for this DOT-OI is the Controller Division. This DOT-OI supersedes DOT-OI 45-04 dated December 8, 2017.
 2. The closing of federally-funded projects through the submission of final vouchers to the Federal Highway Administration (FHWA) is dependent upon both project completion and FHWA acceptance. The Controller Division exercises control over the review of required documentation to determine that all documentation has been received prior to submitting the final vouchers to the FHWA. The closing of state-funded projects does not involve the FHWA.
 3. Divisions that are responsible for projects that contain **only** the following as project agreement items will maintain a current list of those projects: preliminary engineering, right-of-way, planning, research, railroad, utilities, or a combination of these. Divisions will review their list each quarter and determine when work has been completed on each project.
 4. Subject projects are programmed either as a single or multiple division responsibility. Accordingly, prior to project acceptance by the FHWA, a separate NDOT Form 91, "Notification of Project Completion," is required for each work phase set forth in the detailed estimate. The preparation and submittal of these forms will be accomplished promptly upon work completion. On federally-funded projects, the original NDOT Form 91 will be sent to the FHWA and a copy to the Controller Division. On state-funded projects, the original NDOT Form 91 will be sent to the Controller Division.
 5. The **Roadway Design Division** will conduct a review of preliminary engineering projects and determine which projects may be closed. After this determination, notification will be sent to all divisions within the Office of Engineering, indicating the intent to close a specific project on a certain date. Each of these divisions will have the opportunity to concur in this action or specify why the closing of the project cannot be accomplished on the date specified. It is important to note that once the project is closed, no further preliminary engineering charges will be accepted. On federally-funded projects, the Roadway Design Division will send the original NDOT Form 91 to the FHWA and a copy to the Controller Division. On state-funded projects, the original NDOT Form 91 will be sent to the Controller Division.
 6. On federally-funded projects, the **Transportation Planning Division** will send the original NDOT Form 91 for planning, research, and railroad projects to the FHWA and a copy to the Controller Division. On state-funded projects, the original NDOT Form 91 will be sent to the Controller Division.

7. The **Bridge Division** will review bridge inspection projects and determine which projects may be closed. On federally-funded projects, the Bridge Division will send the original NDOT Form 91 to the FHWA and a copy to the Controller Division. On state-funded projects, the original NDOT Form 91 will be sent to the Controller Division.
8. On federally-funded projects, the **Project Development Division** will send the original NDOT Form 91 for utilities to the FHWA and a copy to the Controller Division. On state-funded projects, the original NDOT Form 91 will be sent to the Controller Division.
9. The **Right-of-Way Division** will:
 - A. Be responsible for the final determination that all tracts have been acquired and payment completed.
 - B. Coordinate with the Legal Counsel (Transportation Section, Office of the Attorney General) to determine if any tracts have been appealed to the district court. When applicable, these tract numbers will be included on the NDOT Form 91.
 - C. On federally-funded projects, send the original NDOT Form 91 to the FHWA and a copy to the Controller Division. On state-funded projects, the original NDOT Form 91 will be sent to the Controller Division.
10. Upon request, the **Legal Counsel** will provide the current status of all cases that have not been settled.
11. The **Controller Division** will:
 - A. Upon receipt from the applicable divisions, file the originals (state-funded) or copies (federally-funded) of the NDOT Forms 91 in the appropriate project folders.
 - B. Begin a review of the subject projects for the preparation and processing of the final vouchers upon the receipt of FHWA acceptance and closure of state projects.

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AGREEMENTS

1. **Purpose:** To provide policy for the preparation, distribution, and disposition of agreements between the department and an outside party. The office of primary responsibility is the Project Development Division. This DOT-OI supersedes DOT-OI 45-05 dated January 17, 2001.
2. Due to the extensive number of agreements, the variable nature of technical performance, and the governmental requirements originating in many different areas, the Project Development Division (PDD) will prepare, coordinate, distribute, monitor, and maintain departmental agreements, excluding those agreements associated with bid lettings, right-of-way acquisition, purchasing, and the contracts and bonds for highway construction. Those divisions which normally prepare their own agreements, or use a standard form of agreement, will submit prepared agreements to the PDD for review prior to execution by outside parties.
3. When necessary, managers will request that agreements be prepared by the PDD and will submit a NDOT Form 65, "Request for Agreement."
4. Agreements will be reviewed "in-house" by the Controller Division and PDD prior to execution by any party.
5. Except for standard agreements which have had prior review, all agreements prepared outside the PDD should be submitted to the PDD for review before negotiations are begun. When a standard agreement is revised, it should also be submitted for review.
6. The originating office is responsible for obtaining the signatures of parties outside the department. Following execution by an outside party, agreements will be **hand-carried** to the PDD for internal coordination.
7. Internal coordination will be accomplished by using a RDP Form 656-A, "Agreement Monitoring System - Agreement File Update." The originating office will complete the description and coordination portion of the form. The computer portion will be completed by the PDD.
8. Individuals to whom agreements are routed for coordination will promptly coordinate and have the agreement hand-carried to the next office indicated on the coordination sheet and immediately advise the PDD, via telephone, if he/she disagrees with the contents of the agreement or believes that further coordination with other offices is required.
9. Signatory responsibility for agreements is defined by DOT-OI 45-06.
10. Following execution by the department and approval (when necessary) of the FHWA, the PDD will coordinate with the originating office for the distribution of the agreements. The department's original, or a copy if the department is not a party to the agreement, will be retained in the PDD files. The PDD will then enter the basic data into the computerized agreement monitoring system.

11. Agreements retained in the PDD files will be microfilmed after ten years from the execution date. At that time, most originals will be destroyed. Agreement microfilm cards and a reader are available in the PDD for use by others.
12. The agreement number, which is a descriptive number indicating the originating office, agreement type, year, and sequence will be used by the PDD for filing purposes. Cross reference listing by the agreement number, control number, and project number will be available in the PDD.
13. **Requirements for Agreement Preparation and Review:**
 - A. **Offer, acceptance, and a "meeting of the minds":**
 - (1) The preliminary definition of performance specifications is normally established through personal contact and written proposals.
 - (2) Where federal financing is involved, it is imperative to caution against beginning work before receiving notice to proceed, since work performed before federal authorization is ineligible for federal reimbursement.
 - (3) Failure of the contracting parties to interpret and understand all contract provisions identically tends to generate misunderstandings, disagreements, and legal problems. Accordingly, check each contract or agreement carefully for clarity and complete coverage of performance requirements as it affects each party to the contract.
 - (4) A "closing conference" with all parties is highly recommended on agreements containing complex performance details to assure complete understanding before contract execution.
 - B. **Cost Principles:** Managers will establish cost principles for use in determining the allowability of individual items of cost. These cost principles will be appropriately identified or referenced in each contractual document. If federal-aid is involved, cost principles will be those established by the applicable provisions of the governing Federal-Aid Highway Program Manual, grant agreement, Office of Management & Budget circular, other directives, and the contract cost principles and procedures set forth in the Federal Acquisition Regulations System (48 CFR, 1.31), as appropriate.
 - C. **Consideration:**
 - (1) Check each agreement to see if the following are clearly answered. What are the pay items? When will payment be made? How will the amount to be paid be determined? Who is to be paid and who pays? Form of payment, i.e., cash, offset against cost sharing, etc.?

- (2) In some cases, the requirement of consideration may be satisfied without monetary payment for work performance. An example of this would be obtaining covenants from counties, cities, and other political subdivisions to cause certain restrictions and to perform certain acts in consideration of the department making certain highway revisions either on its own behalf, or as an agent for the FHWA.

D. Performance:

- (1) Extra care and attention in defining and describing the detailed work to be done will do much toward eliminating misunderstanding, extra correspondence, and the need for supplemental agreements. Check each agreement carefully to see if the following are clearly answered. What is to be done? When will it be done? Where will it be done? Who will do it? How will it be done?
- (2) Attention should be directed to provisions in event of nonperformance.
- (3) Where applicable, attention should be directed to provisions concerning the handling of credits for materials recovered.

E. Authority: Contracts and agreements should be thoroughly checked for accurate inclusion, reference, and compliance with applicable laws, rules, and regulations.

F. Cost Sharing: Contracts and agreements should be reviewed for clear definition of the participants, sharing formula, when participants contribute, and how participants contribute.

G. Covenants: Contracts and agreements should be reviewed for clear definition of stewardship, liability, inspection, audit permission, retention of records, Disadvantaged Business Enterprises, and nondiscrimination.

H. Guidelines for Requesting Contract and Agreement Reviews from the Legal Counsel:

- (1) Agreements covering simple work performance and nominal amounts of consideration -- no review necessary.
- (2) Standard agreements and contracts -- request a review once for form and legal sufficiency unless changed and after each state legislative session or issue/revision of applicable FHWA publications.
- (3) Agreements and contracts involving complex provisions -- review regardless of consideration amount.
- (4) Formulation of policy is not a responsibility of the Legal Counsel. Questions involving policy will be taken to the applicable deputy director.

I. **Guidelines for Requesting Contract and Agreement Reviews by the Operational Analysis & Audit Division (OAAD):**

- (1) Contracts exceeding \$50,000 must be sent to the OAAD for a pre-award audit.
- (2) Contracts not based on a firm, fixed price must go to the OAAD for a post-audit to determine the total allowable contract costs.

J. **General Guidelines:**

- (1) Avoid indefinite or ambiguous language and be explicit. The terms "and/or" should never be used.
- (2) Insure that each agreement includes all of the proper parties, but not more parties than necessary to perform the subject of the agreement.
- (3) Do not automatically make the state a party to every agreement -- only when necessary.
- (4) FHWA publications will be included by reference, as applicable.

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DELEGATION OF AUTHORITY

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1. **Purpose:** To provide policy, delegate authority, and establish accountability for selected financial obligations and activities. The office of primary responsibility is the Controller Division. This DOT-OI supersedes DOT-OI 45-06 dated December 8, 2017.
 2. **Annual Operating Budget:**
 - A. Division Heads and District Engineers, or their designee, are responsible for the preparation and management of their annual operating budget.
 - B. Deputy Directors are responsible for reviewing and approving the annual operating budgets for their respective areas of responsibility.
 - C. The Director will review and approve the Department's annual operating budget.
 - D. Any adjustments to Division/District operating budgets must be approved by the Division Head/District Engineer and will be submitted to the Controller Division on an Allotment Change form BF-9. The Controller Division will request the approval of the Resource Manager, Deputy or Director for any adjustments deemed necessary.
 3. **Six-Year Plan for Highway Construction:**
 - A. The Deputy Director – Engineering, in consultation with the State Highway Commissioners, District Engineers, and appropriate Division Heads, is responsible for annually updating the Nebraska Surface Transportation Program.
 - B. The Nebraska Surface Transportation Program and changes thereto must be submitted to the Director for approval.
 4. **Computer Development Projects:**

Computer technology project ideas and proposals must be submitted to the Business Technology Support Division (BTSD) Project Management Officer (PMO) using the Business Technology Project Proposal form provided by BTSD. The PMO will assign a Project Manager and they will work with the submitter to fully understand the desired outcome of the project and develop preliminary estimates of time, cost, and resources to complete the project. The project proposal will be forwarded to the Information Technology Management Team (ITMT) for their approval. The project sponsor(s) may be invited to a meeting to review the project proposal with the ITMT. The ITMT will then decide to either approve or reject the project proposal.

If the project proposal is approved, a BTSD Project Manager will begin working with the submitter to establish the project team, develop the project charter and begin collecting business requirements. Once the project charter has been completed, it must be approved by the project sponsor(s). If the project charter includes a major change or addition to the project scope as determined by the BTSD Management Team, it will be forwarded to the ITMT for their approval. The project sponsor(s) may be invited to a meeting to review the project charter with the ITMT. The ITMT will then decide to continue with the project, or go back to the original project scope or reject the project.

The ITMT consists of the Deputies, Director and BTSD Manager.

The BTSD Management Team consists of the BTSD Manager, Project Management Officer and Technical Services Officer.

The BTSD Project Manager will be the person to manage the project based off of the BTSD Project Management Methodology and will be assigned by the BTSD Management Team.

5. Contracts and Agreements:

- A. Agreements related to state highway projects with cities, counties, utilities, and irrigation districts shall be executed by the Division Head responsible for administering the agreement. District Engineers shall provide their concurrence for these agreements. Unusual or complicated agreements may be referred to the appropriate Deputy for signing. Relinquishment agreements will be executed by a Deputy Director in accordance with DOT-OI 60-13.
- B. Agreements related to state highway projects with federal agencies, state agencies, and other states must be submitted to the Director, or appropriate Deputy Director in the Director's absence, for execution. **Exception:** A Deputy Director or the appropriate Division Head, responsible for administering the agreement, may execute routine agreements.
- C. Other agreements (such as service, research, registered land surveying, underground fuel leak investigations, and consultant agreements) will be executed by the Division Head or District Engineer responsible for administering the agreement.
- D. Construction contracts awarded through the letting process will be executed by the Deputy Director – Engineering, Construction Engineer or Contract Lettings Engineer.
- E. Construction contract progress estimates, final payments, tentative acceptance, and as-built plans shall be approved by the District Engineer, the District Construction Engineer or Assistant District Construction Engineer in the absence of the District Engineer.

- F. The below individuals shall have approval to execute construction project change orders and supplemental agreements for the following limited amounts:
- (1) District Engineer or District Construction Engineer: \$0.00 - \$100,000
 - (2) Construction Engineer: \$100,000 - \$250,000
 - (3) Deputy Director – Operations or Deputy Director – Engineering: over \$250,000
- G. District Engineers, District Construction Engineers or District Operations and Maintenance Managers shall approve all NDOT let capital facilities project pay estimates, change orders and supplemental agreements.
- H. The Local Projects Engineer shall approve the following requests, agreements, and supplemental agreements:
- (1) All Local Public Agency (LPA) Project Programming Requests, NDOT Form 530.
 - (2) All LPA project program agreements and supplemental project program agreements.
 - (3) Consultant agreements and supplemental agreements as to form, for preliminary engineering and NEPA services for LPA Federal-aid projects and for Recreation Road projects. Local Projects Section Sections Heads may approve these agreements in lieu of the Division Head.
 - (4) All NE-LTAP agreements with NDOT and FHWA. Design exceptions for LPA's and public interest letters (ROW conditional certifications, force account work, sole course purchases) for LPA's shall have final approval by the Deputy Director – Engineering.
- I. The Construction Division Head or designee shall approve as to form consultant professional services agreement and supplemental agreements for construction engineering and design services during construction for LPA Federal-aid projects and for Recreation Road projects.
- J. State Highway Improvement Programming Requests, NDOT Form 73, shall be approved by the Deputy Director – Engineering and the Program Management Engineer. Approval by the Deputy Director – Engineering may be delegated to specific Division Heads, as shown below, when the improvement request involves their functional areas.
- (1) Resurfacing, Restoration and Rehabilitation (3R), new and reconstruction – Roadway Design Engineer.
 - (2) Maintenance – Materials and Research Engineer.

- (3) Traffic Signals/Sign Projects – Traffic Engineer.
 - (4) Bridge Only Projects – Bridge Engineer.
 - (5) Railroad Upgrade/Circuitry/Warning Devices – Intermodal Planning Engineer.
 - (6) Right-of-Way Only Projects – Right of Way Manager.
 - (7) Intermodal Transportation System Projects – Operations Manager.
- K. All State Transportation Improvement Program requests (STIP) shall be approved by the Program Management Engineer or the Highway Projects Funds Manager.
- L. The following documents shall be approved by the Right-of-Way Manager or to a specific Section Head in the Right-of-Way Division such as the Right-of-Way Design Engineer, Chief Appraiser, Chief Negotiator/Relocation Supervisor, Highway Beautification Supervisor or Property Management Supervisor.
- (1) Consultant Service Contracts
 - [a] Right-of-Way Design
 - [b] Title Search
 - [c] Appraisal and/or Appraisal Review
 - [d] Relocation Assistance
 - (2) Acquisition contracts for the purchase of right of way.
 - (3) Demolition contracts for the demolition of buildings/improvements in the right of way.
 - (4) Clearing/grubbing contracts let through the Right-of-Way Division for tree removal.
 - (5) Agreements for state services. (*Right-of-Way Division only*)
 - (6) Right-of-Way certificates.
- M. Approval authority for various Local Public Agency documentation shall be delegated to section heads in the Right-of-Way Division as follows, with one exception. Local Public Agency Right-of-Way certificates shall be approved by the Right-of-Way Division Manager.
- (1) Right-of-Way Plan approval delegated to the Right-of-Way Design Engineer.

- (2) Preliminary Right-of-Way Estimate approval delegated to the Chief Appraiser.
 - (3) Appraisal/Appraisal Review approval delegated to the Chief Appraiser.
 - (4) Relocation Assistance delegated to the Chief Appraiser/Relocation Supervisor.
 - (5) Acquisition approval delegated to the Chief Negotiator/Relocation Supervisor.
 - (6) Project Review delegated to the Right-of-Way Local Public Agency Coordinator.
6. **Miscellaneous:** The Project Concept Review (engineering review) for each state highway construction project must be approved by the District Engineer, the Roadway Design Engineer, and the Deputy Director – Engineering.

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AUDIT REPORTS

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1. **Purpose:** To provide policy for processing audit reports, internal reviews, or advisory memorandums which were issued by the Department of Transportation, State Auditor, or Controller Division. The office of primary responsibility for this DOT-OI is the Controller Division. This DOT-OI supersedes DOT-OI 45-07 dated December 15, 2017.
 2. When an audit report is received, the department will respond to the audit agency within a time frame established by the Director. If no action is deemed necessary, the reasons for such decision will be stated in the reply.
 3. The reply will normally be issued within 60 days from the time that the audit report is received. The director may establish a different time-period for replying to individual reports or items. In some instances, the audit report could request a reply by a certain date. This will override the 60-day period.
 4. All audit reports will be routed to the director for action. The director will decide what part of the audit should be forwarded to the deputy/deputies with a request for reply and due date. The deputy/deputies will decide what part of the audit report to forward to their division heads and/or district engineers with a request for reply and due date. The director's secretary will maintain a file of due dates which will be used to monitor the status of the reply. A copy of the audit will be furnished to the Controller Division Manager.
 5. Actions taken or planned, together with a timetable for their implementation, or "non-actions" for each of the findings and recommendations, will be documented by the appropriate division head, district engineer, and/or deputy and routed to the director who will have the secretary record completion or status, forward the reply to the audit agency, and provide a copy to the Controller Division Manager.

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INTEREST ON DELAYED CONTRACTOR PAYMENTS

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1. **Purpose:** To provide supplementary policy for determining interest payments due contractors in accordance with Section 39-1349, Nebraska Statutes. The office of primary responsibility for this DOT-OI is the Controller Division. This DOT-OI supersedes DOT-OI 45-09 dated January 5, 2018.
 2. Definitions:
 - A. **Original interest beginning date:** The sixty-first day after the completion date as set forth in the department's letter of tentative acceptance.
 - B. **Revised interest beginning date:** The day after the date upon which all required records and reports have been furnished, provided such date of compliance is after the original interest beginning date.
 - C. **Required records and reports:** The following is a list of the most common records and reports which, if not received by the original interest beginning date, dictate a revised interest beginning date.
 - (1) Certification of the materials incorporated into the project.
 - (2) UI Form 16, "Certification As To Contribution Status" (secured from the Department of Labor for the most recently completed calendar quarter).
 - (3) Form FHWA-47 "Statement of Materials and Labor Used by Contractors on Highway Construction Involving Federal Funds" (federally funded projects for which the contract is over \$1,000,000).
 - (4) Contractor's weekly payroll reports with Form WH-348, "Statement of Compliance"(federally funded projects only).
 - (5) When applicable, a NDOT Form 441, "Identification of DBE Goal Achievement," and a NDOT Form 442, "Identification of Work Performed."
 - D. **Records and reports-date received:** The date on which records, and reports are received by the first departmental receiving office.
 - E. **Final payment date:** The date that the warrant is mailed (rendered) to the contractor.
 - F. **Interest rate:** As provided in Section 39-1349, Nebraska Statutes.
 - G. **Interest period:** The time-period from the interest beginning date through the final payment date.

- H. **Deductions to interest period:** The following are commonly occurring situations which may constitute a reduction to the interest period.
- (1) The contractor is allowed eight calendar days to reply to a project manager's written notification of optioned pit material quantities and costs involved in a project, such reply being directed to the Right-of-Way Division. If more than eight calendar days transpire from the date of the project manager's letter to the date that the Right-of-Way Division receives the contractor's reply, the interest period is reduced by the number of days in excess of eight. If the contractor has taken exception to a certain date or amount as presented in the project manager's optioned pit material letter or in the final voucher, the eight calendar day limitation may be waived and additional consideration given to the contractor for the days involved in rectifying any disagreement.
 - (2) The eight-calendar day allowance can be applied to other appropriate situations if the contractor causes a delay by not submitting requested information. This would be especially pertinent if the delay affected the department's processing of a final estimate.
3. If the contractor has furnished the department with all required records and reports, the department will pay interest to the contractor at the rate provided by law on the amount retained and on the final payment due the contractor for the period beginning on the sixty-first day after completion of work as evidenced by the department's letter of tentative acceptance, and running until the date when final payment is tendered to the contractor, less any appropriate deductions to this interest period as defined in paragraph two. If the contractor has not furnished the department with all required records and reports by the original interest beginning date, the interest beginning date will be revised to the day after the department is in receipt of all required records and reports.
 4. If a revised final estimate is initiated due to a department error in the preparation of the final estimate, the interest beginning date for the revised final estimate will be the same as it was for the final estimate with identical deductions, if any, made to the interest period. However, if a revised final estimate is initiated due to contractor error in regards to the final estimate, the revised final estimate will have interest computed as though it were a final estimate with an original interest beginning date on the sixty-first day following the preparation date of the revised final estimate.
 5. No interest will be computed on freight escalations.
 6. The **project manager** will furnish the Controller Division - Disbursements Unit with a copy of the optioned pit material letter which is sent to the contractor.
 7. The **Right-of-Way Division** will, when applicable, furnish the Disbursements Unit with written notification that all parties have agreed upon optioned pit material and final voucher processing can then proceed.

8. The **Construction Division** will, at the time that it releases a final estimate for future processing, submit to the Disbursements Unit a completed NDOT Form 330, "Project Completion Information," which provides the dates needed for calculating interest due. In addition, the **Program Management Division – Minority Business Office** will verify to the Disbursements Unit, the date that the necessary EEO requirements were fulfilled. These requirements, if applicable, are the NDOT Forms 441 and 442.
9. When applicable, the **Materials & Tests Division** will, at the time that it releases a final estimate for further processing, submit to the Disbursements Unit a completed NDOT Form 437, "Project Data (Pertinent Dates Concerning Interest)," which provides the dates needed for calculating interest due.
10. The **Disbursements Unit** will maintain appropriate records of all pertinent information regarding contractor interest due and will be responsible for accurate computation and timely payment of interest due the contractor.
11. **All divisions and districts** are responsible for notifying the Disbursements Unit of delays by the contractor or the department, not mentioned herein, which may require adjustments to interest calculations.

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