

APPENDIX A

Federal Highway Administration Oversight of the Preparation of the Cost-to-Complete Estimate



U.S. Department
of Transportation

**Federal Highway
Administration**

Office of the Administrator

October 3, 2012

1200 New Jersey Ave., SE
Washington, D.C. 20590

In Reply Refer To:
HIPA-10

Mr. Earl F. Gohl
Federal Co-Chairman
Appalachian Regional Commission
1666 Connecticut Avenue, NW.
Washington, DC 20009

Dear Mr. Gohl:

I am pleased to let you know that the 2012 estimate of the cost to complete the Appalachian Development Highway System (ADHS) is finished.

The 13 State departments of transportation (DOT), the Appalachian Regional Commission (ARC), and the Federal Highway Administration (FHWA) devoted significant effort to ensure the estimate is accurate and completed on schedule. The estimate involved extensive cooperation among the State DOTs, the Nick J. Rahall Appalachian Transportation Institute (RTI), ARC, and FHWA. Critical decisions that went into producing the cost estimate were made jointly. Each party played a strong role to ensure that the estimate was fair and accurate. Using a Web-based system developed by RTI and building on experience from previous estimates improved the efficiency of all involved.

We began working with our partners many months ago by creating an advisory group to craft the cost estimate manual and establish milestone dates for developing the final product. Early on, FHWA partnered with ARC to train FHWA field staff and State DOT personnel on the process for developing the cost estimate. The FHWA acted independently from the State DOT's to ensure all aspects of estimate preparation were conducted properly. The FHWA field offices and Washington Headquarters provided oversight to make certain the estimate reflected the status of completion and contained only eligible work and accurate costs.

In summary, the 2012 estimate accurately reflects the remaining work and resources needed to complete the ADHS, a system which has made significant economic improvements to the Appalachian region. We will continue to work with ARC staff to address any questions about

the cost estimate and to help our ARC and State DOT partners complete the ADHS. If you have any questions about the cost estimate or the final report, please contact Mr. Peter Kleskovic in the Office of Program Administration at 202-366-4652 or Ms. Claretta Duren at 202-366-4636.

Sincerely,

A handwritten signature in blue ink, appearing to read "Victor M. Mendez". The signature is fluid and cursive, with a long, sweeping tail on the final letter.

Victor M. Mendez
Administrator