

MDOT SHA Control No.
FEDERAL-AID PROJECT GUIDELINES AND WORKING
SUPPLEMENTAL AGREEMENT

and

MARYLAND DEPARTMENT OF TRANSPORTATION
STATE HIGHWAY ADMINISTRATION

This **SUPPLEMENTAL AGREEMENT (“SA”)**, executed on the _____ day of _____, _____, is in accordance with the terms of a Master Memorandum of Understanding “MOU” made effective February 1, 2018 by and between the Maryland Department of Transportation State Highway Administration, acting for and on behalf of, the State of Maryland, hereinafter referred to as “MDOT SHA”, and _____, Maryland, a body corporate and politic, hereinafter referred to as the “Local Public Agency” or “LPA”.

WHEREAS, The MDOT SHA agrees to assist in administering and partnering with the LPA as outlined in the Master Agreement and in this SA developed for the selected project

; and

WHEREAS, The PROJECT activities and reimbursement of expenses are subject to State and Federal requirements; and

WHEREAS, The LPA and MDOT SHA acknowledge the need to define the responsibilities and obligations of each party for the PROJECT.

I. Project Information

A. The PROJECT shall consist of the following

- B. The LPA shall be staffed and equipped to perform work satisfactorily and cost effectively, and adequate staffing and supervision exists to manage this federal project. The LPA has identified _____,

_____, a fulltime employee, to be the "responsible charge" of the project as defined on MDOT SHA Development Guide for Local Public Agencies and other Sub-recipients of federal funds. If the responsible charge changes, the LPA is responsible for notifying MDOT SHA Program Manager.

II. Project Time Period

- A. All PROJECT activities shall not begin until the execution date of SA and federal authorization from the Program Manager has been provided to the LPA.
- B. The PROJECT Closeout Date and PROJECT Agreement End Date (Period of Performance 2 CFR Part 200.309) will be established at the time of federal authorization. The PROJECT Closeout Date is the date by which the LPA must complete all related project closeout activities and reviews. The Project Closeout Date and Project Agreement End Date will be determined using the established MDOT SHA project end date procedures.
- C. The LPA will comply with MDOT SHA's monitoring requirements, including quarterly progress reports due with the billing invoice, which shall be submitted to the District Engineer within MDOT SHA until the Project has been closed out.
- D. The MDOT SHA and LPA shall retain all documents and records relating to the use of federal funds and subject to audit for a minimum of three (3) years from the last expenditure report payment. If any litigation, claim, negotiation, audit or other action involving the documents or records started before the expiration of the 3-year period, the records shall be retained until completion of the action and resolution of all issues or the end of the three-year period, whichever is later in accordance with the requirements of 49 CFR Part 18, Section 18.42 Retention and Access Requirements for Records.

III. Project Funding and Payment

- A. The Maryland Department of Transportation will reimburse the LPA up to an amount not to exceed the percentage stated in the cost sharing agreement for the eligible expenses of the project.
- B. The LPA shall submit to the District Engineer a copy of paid invoices to show costs incurred in constructing the PROJECT on a quarterly basis. For design costs for projects utilizing a MDOT SHA open end consultant, MDOT SHA will bill the LPA up to an amount not exceeding the percentage stated in the cost sharing agreement for the monthly incurred costs.

- C. Reimbursement requests received after the PROJECT Closeout Date will be considered for payment on a case-by-case basis with prior written justification explaining the expected delay submitted by the LPA. All costs must have been incurred prior to the project agreement end date.
- D. Invoices shall contain sufficient documentation and proof of payment, in MDOT SHA's sole discretion, to evidence actual expenses of items eligible for reimbursement. Upon receipt, the District Engineer will forward invoice to the Federal Aid Billing Office for approval.
- E. The MDOT SHA shall remit payment to the LPA within thirty (30) days following receipt of each invoice, provided:
 - a. The invoice contains all necessary information for processing, in MDOT SHA's discretion,
 - b. No charges are disputed by MDOT SHA,
 - c. The invoice does not exceed the percentage of the project costs stated in the cost sharing agreement.
- F. The MDOT SHA shall deduct from each invoice the amount of the non-eligible portion of the expenses any costs deemed not eligible for reimbursement by law. All such non-eligible costs shall be borne solely by the LPA.
- G. Identify the option for construction-related services (i.e. construction inspection, materials testing, etc.) that is applicable to this agreement:
 - a. MDOT SHA Construction Services are not applicable to this agreement;
 - b. The LPA will use their internal staff to complete construction-related services;
 - c. The LPA will hire staff to complete construction-related services;
 - d. MDOT SHA will complete construction-related services for the PROJECT and bill for our services at the percentage stated in the cost sharing agreement.
- H. The LPA will not be reimbursed for maintenance activities, maintenance equipment and other non-essential PROJECT activities and they cannot be used towards the LPAs non-federal project cost match.
- I. The LPA must submit separate invoices to MDOT SHA for PROJECT costs to be reimbursed through any other funds, grants, or activities by MDOT SHA, the Maryland Department of Transportation, or the United States Department of Transportation.
- J. The LPA will forward the completed closeout package to the MDOT SHA Program Manager and the Assistant District Engineer - Construction. The completed package will include a certification of PROJECT materials used and of PROJECT workmanship, which must be signed and stamped by the contractor and the LPA. The completed package shall also include a request for the final reimbursement of the remaining eligible costs.

IV. Additional Project Conditions

- A. Upon request by MDOT SHA, the LPA shall submit for MDOT SHA review and written comment, design plans, specifications and estimates at major design milestones, including:
- a. Preliminary Design Review thirty percent (30%),
 - b. Semifinal Review sixty-five percent (65%),
 - c. Final Review ninety-five percent (95%), and
 - d. Plans, Specifications, and Estimates (PS&E) one hundred percent (100%).
- B. Project documentation must show the environmental review of the project, per 23 CFR part 771, was completed prior to the final design authorization and/or the construction authorization, and that a determination was made before construction authorization that the project's NEPA document(s) remained valid for the authorization decision, or that supplemental NEPA documentation was completed before the construction authorization. The LPA
- C. The LPA has agreed to provide all necessary rights-of-way in compliance with the conditions governing acquisition of rights-of-way, set forth in the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970, Public Law 91-646, 42 U.S. Code SS4601-4655 and any supplemental amendments and in the Federal Aid Policy Guide, as amended, at no expense to MDOT SHA or Federal Highway Administration.
- D. The LPA shall require its contractor(s) to provide a surety performance bond in the amount of the most responsive and responsible bid to ensure that the PROJECT will be constructed if the contractor defaults. The LPA or Sub-recipient shall also require a surety payment bond in the amount of the estimated construction cost to ensure that the contractor pays its subcontractors and suppliers, as required by the most current MDOT SHA Standard Specifications for Construction and Materials and addendums, located at <http://www.roads.maryland.gov/ohd/part1.pdf>, page 20, section GP-3.03.
- E. The LPA shall hold a pre-construction meeting with the contractor, to which the MDOT SHA Assistant District Engineer of Construction from the respective District, Area Materials Engineer from the respective District, Equal Opportunity Officer(s) from the respective District and the Program Manager shall be invited.
- F. Only steel, iron and manufactured items produced in the United States shall be used in carrying out this PROJECT, in accordance with the provisions of the Buy America (23 USC 313 and 23 CFR 635.410), unless a waiver request has been submitted to and approved by the U.S. Secretary of Transportation.

G. The LPA shall not make any award or permit any award (sub-grant or contract) at any tier to any party which is **debarred or suspended** or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549 – Debarment and Suspension.

H. All notices and/or invoices, if to the LPA, shall be addressed to:

County :
Agency: Department of Public Works

Address:

Phone:
E-mail:

All invoices from LPA to MDOT SHA sent for processing to:

Maryland Department of Transportation
State Highway Administration
Mail Stop:
Address

Phone:
Fax:
E-mail:

APPROVED ON BEHALF OF _____, Maryland

By: _____
Name, Title
Agency

Date: _____

**PROPOSAL ACCEPTED ON BEHALF OF THE MDOT STATE HIGHWAY
ADMINISTRATION**

By: _____
Director, Office of Finance

Date: _____