CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. 14-128

RESOLUTION

AUTHORIZING THE MAYOR OR MAYOR'S DESIGNEE TO APPLY FOR FUNDS FROM THE STATE OF HAWAII RELATING TO FEDERAL-AID HIGHWAY PROGRAMS FOR CITY PROJECTS AND PROGRAMS BETWEEN THE CITY AND COUNTY OF HONOLULU (CITY) AND THE STATE OF HAWAII, DEPARTMENT OF TRANSPORTATION (STATE) AND TO ENTER INTO THE STATE-COUNTY MEMORANDUM OF AGREEMENT WITH THE STATE.

WHEREAS, Chapter 1, Article 8, Revised Ordinances of Honolulu 1990, as amended, requires that any intergovernmental agreement or any amendments thereto which places an obligation upon the City or any department or agency thereof shall require prior City Council consent and approval; and

WHEREAS, Chapter 1, Article 8, Revised Ordinances of Honolulu 1990, as amended, also requires that, when carrying out the provisions of any intergovernmental agreement, all applications and/or other official communications which support the application and which are required to be provided by the City or its component departments to any other governmental or quasi-governmental agency shall first be presented to the City Council for its review and approval prior to their transmittal; and

WHEREAS, Title 23, United States Code and other related federal laws authorize federal funds to carry out federal-aid highway programs for City projects; and

WHEREAS, the State, as the grantee of federal highway transportation funds is responsible for ensuring that all such federal transportation funds are expended in accordance with applicable laws and regulations; and

WHEREAS, when the State provides federal highway transportation funds to the City to carry out federal-aid road projects, it is the responsibility of the State to ensure that the City is aware of all federal and state laws and regulations that apply to the project and that the City complies with them in order not to jeopardize federal and/or local funding; and

WHEREAS, the City recognizes that to be eligible to receive such federal transportation funds from the State, it must comply with all federal and state laws and is subject to complying with such conditions and requirements that may be placed upon it by the State; and

WHEREAS, this Agreement will involve certain obligations upon the City, and may require the City to provide local share of costs; and

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WHEREAS, this Agreement replaces and updates the 1973 State-County Memorandum of Agreement Implementation of Secondary Road Plan Projects; and

WHEREAS, this Agreement mutually benefits the State and City by providing consistent guidelines, procedures, and processes; identification of requirements; and defines the roles and responsibilities of the State and City; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City and County of Honolulu that the Mayor or his designated representative is hereby authorized to:

1. Execute the State-County Memorandum of Agreement for Implementation of County Federal-Aid Highway Projects and Programs Between the City and County of Honolulu and the State of Hawaii, Department of Transportation attached hereto and incorporated herein as Exhibit 1; and
2. Execute any incidental or related agreements and documents in furtherance of the project agreement so long as such agreements and documents do not incur additional obligations on the part of the City; and
3. Make minor or editing changes, provided that no substantive additions or deletions are made; and

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BE IT FINALLY RESOLVED that the Clerk is directed to transmit certified copies of this resolution to the Mayor and the DTS Director and Director of Transportation, State of Hawaii, Department of Transportation, 869 Punchbowl Street, Room 509, Honolulu, Hawaii 96813.

INTRODUCED BY:

(br)

DATE OF INTRODUCTION:

JUN 04 2014
Honolulu, Hawaii

Councilmembers

DTS STATE-COUNTY MOA 2014

STATE-COUNTY MEMORANDUM OF AGREEMENT
IMPLEMENTATION OF COUNTY FEDERAL-AID HIGHWAY PROJECTS AND PROGRAMS

This AGREEMENT, made and entered into this ____ day of _____, 20___, by and between the State of Hawaii by its Governor, hereinafter referred to as the "STATE", and the City and County of Honolulu, County of Hawaii, the County of Maui, and the County of Kauai, individually hereinafter referred to as the "COUNTY", hereinafter collectively referred to as the "PARTIES."

W I T N E S S E T H T H A T:

WHEREAS, Title 23, United States Code ("Title 23") and other related federal laws authorize federal funds to carry out Federal-aid highway programs for COUNTY Federal-aid roads; and

WHEREAS, the STATE, as the grantee of federal transportation funds for the State of Hawaii ("SOH"), is responsible for ensuring that all such federal transportation funds are expended in accordance with applicable laws and regulations; and

WHEREAS, when the STATE passes federal transportation funds through to a subgrantee COUNTY to carry out a federal-aid road project, it is the responsibility of the STATE to ensure that the subgrantee is aware of all federal and state laws and regulations that apply to the project and that the subgrantee complies with them in order not to jeopardize federal and/or local funding; and

WHEREAS, the PARTIES to this AGREEMENT deem it desirable to use such funds to undertake improvements on such COUNTY roads; and

WHEREAS, the COUNTY recognizes the benefits that the Federal-aid highway programs will provide; and

WHEREAS, the COUNTY recognizes that to be eligible to receive such federal transportation funds from the STATE as a subgrantee, it must comply with all federal and state laws and is subject to complying with such conditions and requirements that may be placed upon it by the STATE; and

WHEREAS, the PARTIES recognize the benefits of this AGREEMENT which provides: consistent guidelines, procedures, and processes; identification of requirements; and defines the roles and responsibilities of each party.

NOW, THEREFORE, in consideration of the benefits to be obtained from the various Federal-aid highway programs, the PARTIES do hereby mutually agree as follows:

SECTION 1 - AGREEMENT. The PARTIES agree to enter into this AGREEMENT to proceed in full accord with its provisions in the implementation of COUNTY Federal-aid projects for eligible roads and activities. The provisions of this AGREEMENT shall apply to eligible COUNTY projects or activities financed with Federal-aid funds under Title 23, or non-Title 23 projects financed with federal discretionary (earmarked) funds.

SECTION 2 – COUNTY'S RESPONSIBILITY. The COUNTY is responsible to provide administrative personnel and technical supervision to insure that the initiation, development, implementation, and performance reporting of all eligible activities financed by federal transportation funds under this AGREEMENT are done in conformance with: all applicable federal laws, regulations, policies, circulars and standards prescribed by the Federal Highway Administration ("FHWA") or the United States government; all applicable SOH laws, rules, policies and standards; all applicable COUNTY ordinances and regulations; and all procedures, specifications or other documents approved by the STATE and/or FHWA. Eligible activities include, but are not limited to the following activities of COUNTY federal-aid projects: planning, environmental, design, rights-of-way ("ROW"), utility adjustments and accommodations, equal employment opportunity, labor provisions, accounting procedures, public hearings, and construction administration.

SECTION 3 – STATE'S RESPONSIBILITY. The STATE is responsible to the federal government for the administration of Federal-aid projects and programs and will review, advise, approve, and assist the COUNTY with conformance to STATE and FHWA procedures. The STATE may provide technical support to the COUNTY in the form of training, reviews and procedures, and will process approval requests in a reasonably timely manner as to not unreasonably delay COUNTY projects as required on behalf of the COUNTY.

Delegation of certain Title 23 approval actions to the STATE are specified in the LETTER OF AGREEMENT AND STEWARDSHIP PLAN (STEWARDSHIP AGREEMENT) between the STATE and FHWA attached in APPENDIX J for reference. COUNTY projects or activities may fall under the oversight of the STATE and/or FHWA, depending on the scope, size, financing method, contracting method, risk, or unusual circumstances and will be subject to the appropriate approval actions by the STATE and/or FHWA.

Interim procedures to implement this AGREEMENT are provided in the attached appendices to this AGREEMENT during the interim period when the Local Public

Agency Manual ("LPA Manual") is being developed by the STATE. [1] Such interim procedures shall apply until replaced by written agreement of the PARTIES to replace the same by the LPA Manual.

SECTION 4 – POINTS OF CONTACT. The COUNTY shall designate a qualified full-time public employee to be responsible and serve as the overall Point of Contact ("POC") for federal undertakings conducted under this AGREEMENT. The designated COUNTY POC shall coordinate project development and implementation activities with the appropriate STATE POCs listed in APPENDIX A. The POC list in APPENDIX A shall be updated periodically as required due to changes in personnel or functions as required.

SECTION 5 – FEDERAL FUNDING LEVELS. The STATE, based upon anticipated annual apportionment of federal funds to the SOH and based on prevailing federal laws or regulations as applicable, shall establish a multi-year budgetary estimate of federal funds to be made available to the COUNTY. Federal funding levels will also consider historical amounts provided to the COUNTY; the COUNTY's past performance, current capacity, and ability to effectively deliver projects; and the COUNTY's priorities and needs. Based on the estimated federal funding levels and the COUNTY's ability to provide the local matching funds, the COUNTY will develop and submit a multi-year prioritized program of its needs. The PARTIES shall work collaboratively to develop a program that includes the COUNTY's prioritized projects into the fiscally constrained Statewide Transportation Improvement Program ("STIP") and/or Transportation Improvement Plan ("TIP") as described in SECTION 6 below.

To avoid lapsing of obligation authority and to provide the STATE adequate time to plan for and utilize such funds, the COUNTY shall strive to submit all projects for obligation no later than May 31st of any given Federal fiscal year. In the event the COUNTY is unable to submit all 100% plans, specifications or estimates ("PS&Es") by May 31st to fully obligate its share of funds for that Federal fiscal year, the STATE may reallocate such anticipated unobligated amounts after consultation with the COUNTY to other projects. The COUNTY shall endeavor to notify the STATE as early as possible regarding the possibility or certainty that the COUNTY will be unable to obligate its share of Federal funds.

SECTION 6 – PLANNING AND PROGRAMMING OF PROJECTS. With the exception of SOH planning and research[2] activities or emergency relief

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[1] The LPA Manual developed by the STATE will provide detailed: instructions, procedures, samples and timelines for COUNTY to use and follow in implementing Federal-aid projects and ensuring that federal requirements are fulfilled.

projects[3], all projects and/or programs must be listed on the STIP and/or TIP to be eligible to receive federal funds and before federal funds can be obligated.

In response to the STATE's call for projects in preparing the STIP, the COUNTY shall submit a multi-year prioritized program to the STATE identifying the proposed project(s) and/or programs being requested to be placed into the STIP. For the island of Oahu, appropriate coordination shall be made through the Oahu Metropolitan Planning Organization ("OMPO"). Prior to requesting inclusion of a project and/or program onto the STIP and/or TIP, the COUNTY shall ensure that the project and/or program is consistent with appropriate planning documents and that roadways are functionally classified as appropriate to be eligible for federal funds.[4] Requests to include projects on roadways not yet functionally classified, but with active ongoing classification activities will be reviewed individually by the STATE and FHWA on a case-by-case basis.

Requests to include a new or modify, amend, delete or replace an existing project or program on the STIP and/or TIP shall be submitted to the STATE within the deadlines and format specified by the STATE (and to be specified in the LPA Manual). In addition, appropriate coordination for Oahu projects shall be made through OMPO.

For the development, update, or modifications to the STIP and/or TIP, the COUNTY shall work within federal funding levels provided for its program as described in SECTION 5 to maintain financial constraint. The COUNTY may elect to utilize Advance Construction described in APPENDIX B to maximize the use of funds, with the understanding of associated risks.

SECTION 7 – OBLIGATION OF FEDERAL FUNDS. Upon inclusion of applicable projects or programs in the STIP/TIP, the COUNTY will submit a request to the STATE to obligate federal funds. Obligation requests shall be submitted by the COUNTY, then received and processed by the STATE in accordance with APPENDIX C. The obligation amount represents FHWA's estimated share of eligible cost for the project (or program) and will be reflected in a Federal Project Agreement between the STATE and FHWA. To provide

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[2] SOH planning and research ("SPR") activities is a program to research new knowledge areas; adapt findings to practical applications by developing new technologies; and transfer these technologies, including the process of dissemination, demonstration, training, and adoption of innovations by users. The use of SPR funds by States and subrecipients is regulated by Title 23 Code of Federal Regulations, Part 420.

[3] Emergency relief projects are unplanned projects typically caused by natural disasters or sometimes man-made causes requiring immediate response, clean-up and restoration of affected roadways and highways. Some typical causes for emergency relief projects are: flooding events, earthquakes, rockfalls, or overpass damage by overheight freight movements.

[4] Federal earmarking for projects by the U.S. Senate Appropriations Committee may sometimes waive certain Title 23 eligibility requirements such as functional classification. The STATE may assist the COUNTY in determining eligibility requirements.

flexibility and to maximize the use of federal funds, if permitted by County ordinances or policies, the COUNTY may request the use of advance construction as described in APPENDIX B.

All COUNTY Federal-aid projects must be authorized by FHWA by means of a signed project agreement before any costs incurred can become eligible federal participating activities. Costs incurred before authorization to proceed are not eligible for federal reimbursement.

Federal project agreement modification requests to obligate additional funds or deobligate (decrease) federal funds will be submitted by the COUNTY, then received and processed by the STATE in accordance with APPENDIX D.

SECTION 8 – PROJECT MANAGEMENT, CONSTRUCTION ADMINISTRATION, AND QUALITY ASSURANCE. For each project undertaken under this AGREEMENT, the COUNTY shall assign a qualified full-time COUNTY employee serving as project POC and responsible for the project overall on behalf of the County. The project POC shall be responsible for managing and monitoring the project to completion and closeout. The project POC shall report on the status of each phase of work to the STATE on a periodic basis as identified in accordance with APPENDIX E.

The COUNTY shall provide adequate resources to provide supervision, inspection, and materials sampling and testing for all construction projects under this AGREEMENT. Such activities may be performed by COUNTY forces or consultant services and shall be in accordance with APPENDIX J.

SECTION 9 – FEDERAL REIMBURSEMENTS. In an effort to ensure the expenditure of federal funds in a timely manner, the COUNTY shall endeavor to submit requests for reimbursements in accordance with APPENDIX F.

SECTION 10 – PROJECT CANCELLATIONS, WITHDRAWALS, "10-YEAR RULE". If the COUNTY, during the course of implementing a project, elects to withdraw or cancel the project, the COUNTY shall reimburse all federal funds expended on that project. COUNTY reimbursements for cancelled or withdrawn projects shall be made in accordance with the process outlined in APPENDIX F. If the COUNTY elects to withdraw from further federal participation, but the County intends to complete the project using non-federal funds, a meeting shall be held between the COUNTY, STATE and FHWA in a timely manner to determine COUNTY reimbursement requirements.

In accordance with 23 Code of Federal Regulations ("CFR") 630.112(c)(2), in the event that right-of-way acquisition or actual construction of the project has not

started by the close of the tenth (10th) fiscal year from which a project has been authorized for preliminary engineering, the COUNTY may be required to repay FHWA any reimbursed funds.

SECTION 11 – STATE's REVIEW COSTS. The cost of services rendered by the STATE for the review of the COUNTY's construction plans, specifications, estimates, environmental documentation, or other preconstruction work shall be reimbursed to the STATE by the COUNTY within 45 days upon receipt of invoice from the STATE. In addition to preconstruction work, the COUNTY shall reimburse the STATE for review and oversight administration of construction projects. Such reimbursements from the COUNTY will be processed in accordance with APPENDIX F.

SECTION 12 – DESIGN, CONSTRUCTION ADVERTISEMENT, AWARD AND NOTICE TO PROCEED. The COUNTY shall expeditiously undertake all design activities to meet schedules and goals in accordance with APPENDIX G.

Upon completion of design, obligation of federal funds, and authorization to advertise and receive bids, the COUNTY shall expeditiously advertise, receive bids, evaluate bids and award the construction projects. These activities shall occur as soon as possible and within timelines specified in any FHWA imposed conditions for obligation of funds. The COUNTY shall submit bid, bid evaluation and related documents to the STATE for review and concurrence. Upon receiving the STATE's concurrence, the COUNTY shall expeditiously award and issue notice to proceed to the contractor. See APPENDIX J for interim procedures.

SECTION 13 – UTILITIES AND RIGHT OF WAY ("ROW"). Utility relocations and accommodations shall be in accordance with Hawaii Revised Statutes 264-33 and 264-33.5, and with Title 19, Subtitle 4, Chapter 105 - Accommodation and Installation of Utilities on State Highways and Federal-Aid County Highways, State of Hawaii dated May 30, 1981. Utility agreements, memorandum of agreements, memorandum of understanding, or letter of agreement, or other similar instruments as appropriate, shall be executed with the respective utility owners during the course of constructing, relocating, or removing utilities within the right-of-way and shall specify the terms of construction, use, occupancy and cost sharing.

ROW acquisitions, management, disposals and transfers shall be performed in accordance with 23 CFR Part 710 and 49 CFR Part 24 as outlined in APPENDIX I.

SECTION 14 – MAINTENANCE OF FEDERAL AID ROADWAYS. Projects constructed with Federal-aid funds shall be maintained by the COUNTY in accordance with Section 116 of Title 23 and 23 CFR Section 1.27. Preservation and use of these highway rights-of-way, including new utility installations, shall be in accordance with 23 CFR Section 1.23, and with the Accommodation and Installation of Utilities on State Highways and Federal-Aid County Highways described above. Such roadways shall meet standards and performance targets established under the new authorization act, Moving Ahead for Progress in the 21st Century ("MAP-21").

SECTION 15 – RECONCILIATION OF EXPENDITURES AND REIMBURSEMENTS. Upon completion of all programmed phases of a project using Federal-aid funds and final acceptance of work issued by the COUNTY, the COUNTY shall render a final financial statement to the STATE showing the final cost of planning, design, right-of-way acquisition, construction, and other incidental costs incurred and paid by the COUNTY and federal funds reimbursed to the COUNTY. The final financial statement shall clearly show the total cost, federal share, COUNTY's share, and any other's share of funds.

SECTION 16 – AUDITS, INDIRECT COST AND RECORDS RETAINAGE. The COUNTY shall ensure that the single audit requirement for each fiscal year is met under the Office of Management and Budget ("OMB") Circular A-133. A copy of the audit report and associated Management Letter[5] comments (auditor to the COUNTY) shall be provided to the STATE. The COUNTY shall issue a management plan of action to address each Federal audit finding which requires corrective action or other response within six months after receipt of the audit report and ensure that appropriate and timely corrective action is taken. See APPENDIX F for interim procedures.

SECTION 17 – COMPLIANCE WITH LAWS. All PARTIES shall observe and comply with all laws, ordinances, rules, and regulations now or hereafter made by the federal, state, and local governments with respect to actions performed in connection with this AGREEMENT. The PARTIES may voluntarily agree to more stringent requirements than those set by laws, however it is understood that such voluntary agreement may not be legally binding or enforceable.

SECTION 18– INDEMNIFICATION. The STATE shall be responsible to the extent permitted by law, for damages or injury caused by the STATE'S officers and employees in the course of their employment related to this

[5] A Management Letter is a letter from the auditor to the auditee that highlights observations, findings and may provide recommendations. This letter typically accompanies the audit report.

AGREEMENT to the extent that the STATE'S liability for such damage or injury has been determined by a court or otherwise agreed to by the STATE, and the STATE shall pay for such damage and injury to the extent permitted by law, provided that funds are appropriated and allotted for that purpose.

The COUNTY shall cause its contractor and/or consultant to indemnify, defend, and hold harmless the STATE and its officers, employees, and agents from and against actions, liabilities, claims, suits, damages, liens, judgments, attorney fees and costs arising out of or resulting from the acts or omissions of the COUNTY's contractor and/or consultant occurring during or in connection with the performance of services and obligations under this AGREEMENT provided that the COUNTY's contractor and/or consultant shall not be required to indemnify, defend, or hold harmless, the STATE, its officers, employees, and agents, from any actions, liabilities, claims, suits, damages, liens, judgments, attorney fees and costs when such arises out of the action or omission of the STATE and/or its officers, employees, and agents in conjunction with this AGREEMENT.

For activities not performed by the COUNTY's contractor and/or consultant, the COUNTY shall indemnify, defend, and hold harmless the STATE and its officers, employees, and agents from and against actions, liabilities, claims, suits, damages, liens, judgments, attorney fees and costs arising out of or resulting from the acts or omissions of the COUNTY, its officers, employees, or agents occurring during or in connection with the performance of services and obligations under this AGREEMENT provided that the COUNTY shall not be required to indemnify, defend, or hold harmless, the STATE, its officers, employees, and agents, from any actions, liabilities, claims, suits, damages, liens, judgments, attorney fees and costs when such arises out of the action or omission of the STATE and/or its officers, employees, and agents in conjunction with this AGREEMENT.

SECTION 19 – SEVERABILITY. If any provision of this AGREEMENT is judged by a court of competent jurisdiction to be void, invalid, illegal or unenforceable for any reason, the same shall in no way affect, to the maximum extent permissible by law, other provisions of this AGREEMENT, or the application of such provision under circumstances different from those adjudicated by the court, or the validity or enforceability of this AGREEMENT as a whole; and to the extent necessary, this AGREEMENT shall be construed as if the void, invalid, illegal or unenforceable provision had never been contained herein.

SECTION 20 – WAIVERS AND REVISIONS. Any waiver of the terms, conditions, or provisions of this AGREEMENT, or a party's right or remedies under this AGREEMENT, must be in writing to be effective. Waiver requests

shall be by letter from the COUNTY's Transportation Director (or equivalent) to the STATE's Director of Transportation.

Failure, neglect, or delay by a party to enforce the terms, conditions or provisions of this AGREEMENT or such party's rights or remedies at any time will not be construed as a waiver of such party's rights under this AGREEMENT and will not in any way affect the validity of the whole or any part of this AGREEMENT or prejudice such party's right to any subsequent action. No exercise or enforcement by any party of that party's rights or remedies under this AGREEMENT will preclude the enforcement by such party of any of its other rights or remedies available under this AGREEMENT or by law.

PARTIES may request proposed changes or updates to the various provisions contained in this AGREEMENT in writing. The STATE will review and consult with all other COUNTY as required, and if all PARTIES support and agree that such changes will result in mutual benefits to everyone, the PARTIES will amend this AGREEMENT to reflect such changes.

SECTION 21 – DISPUTE RESOLUTION. In the event any dispute arises between the COUNTY and the STATE concerning any aspect of this AGREEMENT, the COUNTY and the STATE will use their best efforts to address and resolve such disputes and the parties in dispute agree to negotiate within twenty-eight (28) calendar days of receipt of a letter describing the nature of the dispute and referencing the applicable paragraph of this AGREEMENT. The meeting will be held at a mutually agreed location, or if desired, by videoconference between the applicable program managers with the COUNTY and the STATE. In the event the matter is not resolved by such negotiations within twenty-eight (28) calendar days of this initial meeting, the parties in dispute agree to escalate the matter to the COUNTY's Chief Engineer and the State Highways Administrator. If the matter is not resolvable within twenty-eight (28) days from submittal, the parties in dispute further agree to submit the matter to the COUNTY's Director of Public Works (or Director of Transportation Services, as applicable) and the STATE's Director of Transportation for resolution.

To the extent permitted by law, the parties in dispute may elect to use a mutually agreed third party mediator. Each party will pay for its own attorney and witness fees. Fees and costs of the mediation service will be awarded by the mediator as the mediator determines appropriate. To the extent permitted by law, if no award is made, fees and costs of the mediator shall be shared equally by the parties in dispute.

SECTION 22 – TERM OF AGREEMENT. Unless otherwise terminated in writing by the PARTIES, this AGREEMENT shall be effective for a period of ten

(10) calendar years from the date of this AGREEMENT. The PARTIES may agree to extend the term of this AGREEMENT by written amendment of this AGREEMENT.

CITY & COUNTY OF HONOLULU

By _____
Kirk Caldwell
Mayor

RECOMMEND APPROVAL:

_____
Michael D. Formby, Director
Department of Transportation Services

Date: _____

Approved as to form and legality:

_____
Corporation Counsel
City and County of Honolulu

Date: _____

STATE OF HAWAII

Recommended by:

_____
Ford Fuchigami
Interim Director of Transportation

Approved:

_____
Neil Abercrombie
Governor

Approved as to form:

_____
Deputy Attorney General

Date: _____

Feb. 5, 2014

APPENDIX A – STATE & COUNTY POINT OF CONTACTS (POCS)

STATE OF HAWAII

Type of Activity	Contact	Phone Number and email address
Overall Local Public Agency Agreement LPA Manual	**Robert Miyasaki**, HWY-A (Project Coord & Tech Services Branch Head) **Mike Medeiros**, HWY-AP (Section Head)	(808) 587-2347 Robert.Miyasaki@hawaii.gov (808)587-2336 Mike.Medeiros@hawaii.gov
Statewide Transportation Improvement. Program (TIP/STIP)	**Patrick Tom**, HWY-PA (STIP Manager)	(808)587-6355 Patrick.Tom@hawaii.gov
Obligation of Federal Funds City & County of Honolulu Kauai, Maui, Hawaii Submission of Single Audit & Related Documents	**Kam Kin Sin**, HWY-SM **Scot Urada**, HWY-SM (Federal Program Engineers) **Renee Lin**, HWY-SF (Federal Aid Accountant)	(808)587-2226 Kam.Kin.Sim@hawaii.gov (808)587-2222 Scot.T.Urada@hawaii.gov (808)587-2196 Renee.T.Lin@hawaii.gov
Design Procedures and Project Reviews Consultant Procurement	**Marshall Ando**, HWY-D (Design Branch Head)	(808)692-7559 Marshall.Ando@hawaii.gov
Right of Way	**Dean Yogi**, HWY-R (Rights of Way Manager)	(808)692-7325 Dean.Yogi@hawaii.gov
Roadway Jurisdiction and Maintenance	**Jamie Ho**, HWY-C (Construction & Maintenance Branch Head)	(808)587-2185 Jamie.Ho@hawaii.gov
Construction Administration Hawaii Maui Kauai Oahu	**Sal Panem**, HWY-H (Hawaii District Engineer) **Ferdinand Cajigal**, HWY-M (Maui District Engineer) **Ray McCormick**, HWY-K (Kauai District Engineer) **Pratt Kinimaka**, HWY-O (Oahu District Engineer)	(808)933-8620 Sal.Panem@hawaii.gov (808)873-3535 Ferdinand.Cajigal@hawaii.gov (808)241-3006 Raymond.J.McCormick@hawaii.gov (808)831-6703 Pratt.Kinimaka@hawaii.gov

Construction Procedures	**Blaine Kawamura**,HWY-CC (Construction Engineer)	(808)587-2630
Materials Testing & Certification	**Casey Abe**, HWY-L (Materials Testing Branch Head)	(808)483-2515

COUNTY MAIN POINT OF CONTACT	**Contact**	**Phone Number and email address**
County of Hawaii	**Ben Ishii** (Division Chief Engineer)	(808)961-8423 bishii@co.hawaii.hi.us
County of Maui	**Cary Yamashita** (Division Chief Engineer	(808)270-7430 Cary.Yamashita@co.maui.hi.us
City & County of Honolulu	Deputy Director	(808)768-8304
County of Kauai	**Larry Dill** (County Engineer)	(808)241-4996 ldill@kauai.gov

APPENDIX B –ADVANCE CONSTRUCTION

To maximize the use of funds and to maintain financial constraint in the STIP and/or TIP, the COUNTY may consider using the benefits of advance construction, with the understanding of the associated risks. Attention is directed to 23 CFR Part 630.106(c).

Unless otherwise specified by the COUNTY, the STATE may convert advance construction balances to regular obligation and give this a higher priority over other new or unfunded projects shown in the COUNTY's program during the current working fiscal year.

APPENDIX C – INTERIM PROCEDURES FOR OBLIGATION OF FEDERAL FUNDS

Upon receipt of the COUNTY's request, the STATE will prepare and process REQUEST FOR PROJECT AUTHORIZATION, AGREEMENT, AND/OR MODIFICATION ("PR-1240") for FHWA's approval and authorization for the obligation of federal funds for the project or program. Upon authorization and approval by FHWA, the STATE will transmit an advance copy of the authorized and approved PR-1240 by email to the applicable contacts listed below, followed by the final hard copy through the mail.

Receipt of an advance copy of the approved PR-1240 for construction obligation of federal funds does not automatically imply or represent an approval to advertise the project. In addition to the satisfactory completion of PS&E, the COUNTY may advertise the project for bids only after receipt of the original hard copy of the STATE's transmittal of the FHWA approved PR-1240 with a cover letter containing and listing any applicable conditions that must be satisfied prior to project advertisement.

With the exception of advance construction or other items stated in 23 CFR 630.106 (c)(1) – (4), the execution of a PR-1240 with FHWA's authorization to proceed as evidenced by appropriate FHWA signatures on the PR-1240 shall be considered as contractual obligation of the Federal government under Title 23 Section 106 for federal funding and reimbursements. For exceptions listed in 23 CFR 630.106 (c)(1) – (4), the federal authorization to proceed is not a commitment or obligation to provide federal funds for that portion of the undertaking not fully funded in accordance with 23 CFR 630.106(d).

The COUNTY may request consideration of (flexible) soft matching of previously purchased or donated lands, consultant services, materials or funds in accordance with 23 U.S.C. Section 120 and Section 323. Such requests shall be substantiated by proper appraisal and accounting documentation and will be reviewed by the STATE and approved by FHWA. All approvals of soft (flexible) match shall be provided by letter. Refer to APPENDIX H for additional information on consultant service fees and soft matching.

For the obligation of project *planning* funds, aside from the project phase shown in the approved TIP or the STIP, there is no prerequisite for the COUNTY to complete prior project phases or project activities that are approved by the STATE or FHWA. Requests to obligate project planning funds shall be submitted to the STATE's Federal Program Engineer at the Highways Division Staff Services Office ("HWY-SM") along with the necessary documents specified by the STATE.

For the obligation of design funds where the design work scope includes; preliminary engineering, environmental coordination and consultation, preparing environmental clearance documents, and performing final design, the obligation of such project activities requires the project design phase to be shown in the approved TIP or the STIP. Typical projects are those with anticipated federal categorical exclusion environmental clearance.

For typically larger or more complex projects where a planning phase resulting in an environmental impact statement or a 'major' environmental assessment is performed, the obligation of *final* project *design* funds will occur upon the completion of the federal environmental requirements such as the National Environmental Protection Act ("NEPA") in accordance with 23 CFR Part 771, Section 106 of the National Historic Preservation Act, Section 4(f) of the Department of Transportation Act, Section 6(f) of the Land and Water Conservation Act, Section 7 of the Endangered Species Act, and Hawaii Revised Statutes (HRS) Chapter 343 and 6E, as applicable, and the design phase of the project must be on the approved TIP and/or STIP.

Requests to obligate project design funds shall be submitted to the STATE's Federal Program Engineer at HWY-SM along with the documents specified by the STATE.

Obligation of Right of Way ("ROW") funds may occur in 2 phases: pre-ROW and final acquisition.

- Federal funds for pre-ROW may be used for any ROW acquisition activities with the exception of negotiating and making offers to property owners or negotiating and making offers for relocations. Obligation of Pre-ROW funds is not contingent upon completion of NEPA.
- Federal funds for final acquisition may be used for the purchase of property interest (easement, license, title, access), or for the payment of relocations. Obligation of funds to be used for final acquisition will occur upon completion of NEPA.

Additionally, the pre-ROW and/or ROW phase of the project must be shown in an approved TIP and/or STIP. Requests to obligate ROW funds shall be submitted to the STATE's Federal Program Engineer at HWY-SM along with the documents specified by the STATE.

Obligation of construction funds for design-bid-build or design-build projects may be requested upon completion of the following items:

- Listing the project phase on the approved TIP and/or STIP,
- Appropriate environmental clearances for the project in accordance with 23 CFR Part 771 and HRS 343, and written approval by FHWA,
- ROW certification prepared in accordance with 23 CFR 710.311 for acquisitions as required by 23 CFR 636.309. For design-build projects (23 CFR 710.313) a ROW certification in accordance with 23 CFR 309(p),

- PS&E, design exceptions, project checklists, reports, Request for Proposals ("RFP"), and other applicable documents have been reviewed and approved by the STATE and/or FHWA.

Obligation of design and/or construction funds for Emergency Relief ("ER") projects may be requested upon completion of the following items:

- Preparation of Detailed Damage Inspection Reports ("DDIR") by the COUNTY and submitted to the STATE and FHWA,
- Completion of site visit with STATE and FHWA,
- FHWA acknowledgement of emergency event,
- FHWA approval of submitted DDIRs,
- Agreement and understanding of 100% immediate work items and 80% permanent work items appropriately documented in the DDIR.
- ER construction projects competitively bid (in most cases for permanent repairs) shall be subject to the same requirements described in the preceding paragraph for appropriate environmental clearances, ROW certification, and approved PS&Es.

Requests to obligate construction funds shall be submitted to the STATE's Federal Program Engineer at HWY-SM along with the documents specified by the STATE.

DISTRIBUTION OF PR-1240s (ADVANCE COPIES)

County	Contact	Email address
City & County of Honolulu	Primary: Deputy Director Secondary: **Merle Loui-Sakamoto**	mgarrity@honolulu.gov mloui@honolulu.gov
County of Hawaii	Primary: **Ben Ishii** Secondary: **Alan Simeon**	bishii@co.hawaii.hi.us asimeon@co.hawaii.hi.us
County of Maui	Primary: **Cary Yamashita** Secondary: **Rodrigo Rabara**	Cary.Yamashita@co.maui.hi.us Rodrigo.Rabara@co.maui.hi.us
County of Kauai	Primary: **Larry Dill** Secondary: **Lyle Tabata**	ldill@kauai.gov ltabata@kauai.gov

APPENDIX D – INTERIM PROCEDURES FOR PROJECT AGREEMENT MODIFICATIONS

For agreement modifications involving the obligation of additional or the reduction of Federal funds, the COUNTY shall provide the following to the STATE in writing:

- Requested amount,
- Reason for the cost change,
- For project cost increases, confirmation that the increase is for the original project purpose and need. For project cost decreases, reason(s) for decrease along with a revised project estimate,
- For modification to a construction project, a revised Detail Estimate Summary Sheet,
- Schedule when adjustments to funds must be completed,
- Confirmation that any cost increase will not be applied to any previously completed work already paid for by the FHWA and thus considered as double payment,
- STATE's District Construction Engineer's approval (for construction change orders), and
- FHWA's approval, when required.

For COUNTY design project requests will be submitted to the STATE's Project Manager overseeing the COUNTY's Federal Aid project. For COUNTY construction projects, requests will be submitted to the STATE's construction engineer overseeing the COUNTY's construction program.

For cost increases to previously obligated and ongoing projects, the funds to be added to the project do not need to be shown on the STIP if the project scope is not expanded beyond the original purpose and need, and the amount is within established thresholds for administrative STIP amendments. Provided that funds are for eligible purposes, the obligation of funds under these circumstances does not require any prior STIP amendments.

If the additional funds expands the project beyond the original purpose and need (example: adding ¼ mile of paving beyond the original limits, or adding a traffic signal for safety or operational improvements that was not part of the original scope), or if the amount of funds to be added exceeds established thresholds for administrative STIP amendments, the STIP shall be amended to show the additional funds to be added. A non-administrative STIP amendment shall be completed and approved by FHWA and Federal Transit Administration ("FTA") before additional funds can be obligated for the project.

Upon determination by the STATE that the COUNTY's request is justified, the STATE will process a modification to the project agreement for FHWA's

authorization and obligation of the requested funds. The STATE may request additional justification of documentation as required to support the COUNTY's request.

For project agreement modifications involving the deobligation of excess funds related to low bid opening, less than anticipated project needs, or closing of projects, such deobligations will occur within the timelines specified in 23 CFR 630.106, or within ninety (90) calendar days after a determination of funding needs have been made by the COUNTY. If the COUNTY desires to use deobligated funds for another eligible and ready Federal-aid project shown on the TIP or STIP, the obligation of released funds must occur within the same federal fiscal year when the deobligations take place. If the COUNTY does not have an eligible project that is ready to use all or a portion of the deobligated funds, to avoid the possible lapsing of formula obligation authority, the STATE may use those released funds for the STATE's own projects.

APPENDIX E –INTERIM PROCEDURES FOR PROJECT MONITORING AND TRACKING

The COUNTY shall monitor all projects with federal obligations and track the implementation of the project to its completion. Monitoring shall include but not be limited to:

- Maintaining a system to set and track project milestone dates. This may include developing and maintaining a project schedule with sufficient details that shows all major activities and milestones, and clearly show all activities occurring concurrently or sequentially.
- Reviewing fiscal activity on a monthly basis. If no expenditure of funds have occurred, the appropriate COUNTY personnel shall provide documentation explaining the reasons for the inactivity from the Project Manager,
- Participating in the STATE's project status meetings and quarterly "over the shoulder" meetings.
- If requested by the STATE with reasonable notice, meeting with the STATE to discuss progress of specific Federal-aid projects on an as-needed basis.
- The STATE may request monthly status updates in the event there are no project status meetings or "over the shoulder" meetings scheduled. Typically information for such project status requests will be submitted to the STATE on the last working day of the month.
- In addition to project level monitoring, the COUNTY shall maintain a list of all ongoing Federal-aid projects with a summary of project status. The STATE may request for an updated list on a monthly basis.

The STATE will monitor the COUNTY reimbursement activity and if no activity has been noted for a pre-determined period established by the STATE, the STATE will notify the COUNTY. The COUNTY will investigate the reasons for inactivity and will provide a remediation plan to the STATE within one week, or other mutually agreed timeframe, if required.

In accordance with 23 CFR Section 630.106(a)(5), all projects will be monitored for inactivity (no claims for reimbursements). FHWA is anticipated to initiate the formal rulemaking process to revise this section of 23 CFR to define inactive tiers as follows:

- unexpended balances $150,000 or more and inactive for 12 months or more, and
- new project obligations inactive for 12 months or more since project authorization, regardless of amount

During this interim period where the formal rulemaking process to modify this section of the CFR is being conducted by FHWA, the STATE and the COUNTY will comply with the above proposed tiers of inactivity.

It should be noted that a project may initially reside in a lower tier based on the initial amount of funds obligated. However when additional funds are obligated (example: an obligation adding construction funds to a project that had only design funds previously obligated) to a project, this activity may move the project beyond the $150,000 threshold for inactivity.

If the COUNTY is unable to provide reasonable justification for inactivity to the STATE, or the COUNTY does not take timely action to resolve inactivity, the STATE or FHWA may deobligate funds from the inactive project. To avoid inactivity, for any time spent on the project, the COUNTY shall bill to and claim Federal reimbursements on a timely basis as described in APPENDIX F.

APPENDIX F –INTERIM PROCEDURES FOR FINANCIAL MANAGEMENT, REIMBURSEMENTS AND RECORDS RETAINAGE

Indirect Cost: The COUNTY shall provide documentation of its fringe and indirect cost rates computation and approval for use in accordance with 2 CFR 225 – Cost Principles for State, Local, and Indian Tribal Government to the STATE.

Records Retention: All project documents shall be kept for a minimum of 3 years from the date the final voucher is submitted to FHWA. When requested by the STATE or FHWA, such records shall be made available for review or audits.

Federal Reimbursement Claims: If anticipated claim(s) for reimbursement by the COUNTY is expected to exceed $50,000.00, or if the project or activity is funded by any economic stimulus related funds, the COUNTY shall submit semi-monthly requests for reimbursements. If processing of semi-monthly federal reimbursement requests will create severe hardship to the COUNTY, the STATE, FHWA and the COUNTY shall meet to discuss the circumstances and agree on a mutually determined billing frequency.

The COUNTY shall prepare monthly requests for federal reimbursements for amounts from $10,000.00 to $50,000.00.

For amounts less than $10,000.00, the COUNTY will be provided the option to accumulate such amounts from one month to the next. A reimbursement request shall be submitted to the STATE upon reaching this $10,000.00 threshold, or within a time period of three consecutive months has elapsed from the last billing, whichever is first.

In the event there are no reimbursement requests from the COUNTY for a period of three consecutive months, the COUNTY shall provide to the STATE the reason(s) for not claiming any federal reimbursements.

COUNTY reimbursement requests will be reviewed and processed by the STATE and will be submitted to FHWA for approval and reimbursement. Request for reimbursements shall not exceed the amounts and participation rates shown in the original PR-1240 and subsequent approved modifications. All reimbursement requests shall clearly show the total funds expended by the COUNTY during the reimbursement period and the amount of federal funds requested, the amount paid and reimbursed to date, and all documents to support the reimbursement request. Supporting documents may include: paid invoices, receipts, copies of agreements, timesheets, certified payrolls, and other documents as necessary. The STATE may specify a standard reimbursement format to increase efficiency in the processing of federal reimbursements to the COUNTY.

Return of funds to FHWA: All costs and expenditures properly recorded to a project but ruled ineligible for financing with federal funds shall be borne by the COUNTY. For retroactive adjustments of reimbursed federal funds, such ineligible amounts may be deducted from future COUNTY reimbursement requests for the project in question, or from other COUNTY Federal-aid projects if necessary. If deduction(s) from future COUNTY reimbursements is not feasible, the COUNTY shall provide cash reimbursement to the STATE within sixty (60) days. In the event such payment(s) from the COUNTY creates severe financial hardship, the COUNTY may request an extension to the repayment period, subject to approval by FHWA and the STATE.

Cancelled or withdrawn projects with federal reimbursements may require a return of funds to FHWA. If it is determined that a reimbursement from the COUNTY to FHWA is due, such COUNTY reimbursement shall be processed as described in the preceding paragraph.

STATE review costs: If programmed for federal-aid, preconstruction and construction costs furnished by the STATE may be considered a part of the normal project cost and included in the COUNTY's project estimate and budget. If these costs are not programmed for federal-aid, such services rendered by the STATE on COUNTY projects shall be reimbursed by the COUNTY using non-federal funds.

An accounts receivable will be established by the STATE that will describe the services furnished by the STATE to the COUNTY, and whether such services are federal participating or not. The COUNTY shall provide a purchase order to the STATE, when requested by the STATE, within thirty (30) calendar days. In the event a purchase order is not received from the COUNTY and the STATE begins to incur review or other support costs, the STATE will notify the COUNTY of its intent to stop supporting services until a purchase order is received by the STATE. The STATE's direct labor charges will be based on the STATE's personnel providing such services to the COUNTY and the STATE's prevailing indirect cost rate. The STATE will maintain timesheets and accounting to support review or administrative costs billed to the COUNTY.

APPENDIX G –INTERIM PROCEDURES FOR DESIGN

In accordance with 23 CFR 625.3, project design shall comply with all applicable federal laws, regulations, policies, standards and guidelines applicable to Title 23, American Association of State Highway and Transportation Officials ("AASHTO"); adopted STATE standards and policies, and COUNTY design standards, ordinances, and policies.

Construction PS&Es shall be submitted to the STATE at the 60%, 90% and 100% design stages for review. For low risk projects with routine and straightforward work scope, the COUNTY may request the STATE to require submittals at the 90% and 100% design stages for review. Such requests shall be made in writing by the COUNTY at the time a request is made to place the proposed project on the TIP or the STIP. The written request shall be accompanied by a detailed description of the proposed work scope, a map identifying the project location, and the project schedule. The STATE will have sole discretion to approve or disapprove the request.

In addition to PS&Es, the COUNTY shall provide copies of all correspondence, consultation letters or other documents to support NEPA environmental clearances, ROW, and a completed PS&E checklist for review.

For design-build projects or other competitive sealed proposals [such as Request for Proposals ("RFP")], the following shall be submitted to the STATE: a clear description of the project scope, scoring and award process incorporated into the initial draft document; an intermediate submittal that addresses any STATE or FHWA comments received on the initial submittal; and a final submittal (100%) for review. Similar to design-bid-build construction PS&E, the COUNTY shall provide copies of all correspondence, consultation letters or other documents to support NEPA environmental clearances, ROW certification, and a completed PS&E checklist.

Submittal of 100% PS&Es and/or RFPs along with supporting documents from the COUNTY will be made to the STATE no later than May 31st of any given year to ensure review and processing by the STATE personnel in time for federal obligation of funds that same federal fiscal year. In the event the COUNTY submits incomplete PS&Es and/or documentation that requires resubmittals after May 31st, or submits 100% PS&E's to the STATE after May 31st, it is understood that the STATE will work to review and process such COUNTY PS&Es but may give such projects a lower priority in review and processing due to the STATE's own workload requirements.

For planning studies, master planning documents, or other similar undertakings that will not directly result into a construction project(s), the COUNTY shall submit all deliverables specified in the consultant contract for STATE review.

APPENDIX H –INTERIM PROCEDURES FOR CONSULTANT PROCUREMENT

To be eligible for Federal-aid funds, all consultant procurements shall be made in accordance with 23 CFR Part 172 and the Brooks Act (23 U.S.C. §112 (b)(2)(A)). The COUNTY may elect to adopt the STATE's consultant procurement procedures or develop its own consultant procurement procedures that shall be approved by the STATE and FHWA in accordance with 23 CFR 172.9(a).

Alternatively, the COUNTY may elect to procure consultant services using non-FHWA approved procedures and utilize all COUNTY funds. This route eliminates the option of utilizing such expended COUNTY funds for soft-matching in future project phases.

COUNTY's submittals for consultant selection and approvals will be processed and approved by the FHWA and/or the STATE (if such authority is delegated in accordance with 23 CFR 172.9).

In the event the STATE becomes aware of changes to federal consultant procurement requirements, the STATE will notify the COUNTY of such changed requirements.

APPENDIX I –INTERIM PROCEDURES FOR RIGHTS-OF-WAY ACQUISITIONS, MANAGEMENT, DISPOSALS, AND TRANSFERS

The COUNTY shall acquire, manage, relocate, or dispose of ROW in accordance with 23 CFR Part 710 and 49 CFR Part 24. Alternatively the COUNTY may elect to utilize ROW procedures developed and used by the STATE.

In addition to purchasing ROW, the COUNTY may receive land donations in accordance with 23 CFR 710.505 that may be used as credits for the COUNTY's matching share based on fair market value. Eligibility and application of soft matching for donated land shall be in accordance with 23 U.S.C. Section 120. The STATE will give the COUNTY authorization to proceed with ROW activities when federal funds are used in the acquisition of ROW.

The COUNTY may request the STATE's assistance in the appraisal or acquisition of ROW by STATE personnel. The STATE will notify the COUNTY of its ability to assist given the current circumstances at the time of request and if such assistance by the STATE is provided, the COUNTY agrees to reimburse such costs incurred by the STATE. Reimbursement of such costs to the STATE will be processed in accordance with accounts receivable provisions contained in APPENDIX F.

In the event the COUNTY and the STATE agrees that jurisdiction and/or ownership of a particular route should be transferred to either party, the COUNTY shall coordinate such transfer activities with the STATE Highways' Construction and Maintenance Branch ("HWY-C"). The transferring party shall be responsible and bear all costs to prepare all land transaction documents, including any legal costs, notification costs, escrow, filing fees, or any other costs related to transfer of property. All record plans, property descriptions, ROW maps, easement documents, licenses or other documents that describe title, encumbrances, ownership and/or jurisdiction shall be provided to the receiving party in paper (2 copies) and electronic format.

APPENDIX J –INTERIM PROCEDURES FOR CONSTRUCTION ADVERTISEMENT, AWARD, NOTICE-TO-PROCEED, AND CONSTRUCTION ADMINISTRATION

Upon completion of design, obligation of federal funds, and authorization to advertise and receive bids by FHWA as shown on the approved PR-1240, the COUNTY shall expeditiously advertise, receive bids, evaluate bids and award the construction projects. These activities shall occur as soon as possible and within timelines specified in any FHWA imposed conditions for obligation of funds. The COUNTY shall submit bid, bid evaluation and related documents to the STATE for review and concurrence.

When required, the PR-1240 will be modified to reflect award amount by the STATE for FHWA approval. Upon FHWA approval, the STATE will furnish a copy of the modified PR-1240 to the COUNTY, and the COUNTY will expeditiously award and execute the construction contract. The COUNTY shall provide to the STATE the date when the project was advertised and a copy of the award letter to the contractor. Construction Notice to Proceed ("NTP") shall be issued by the COUNTY to its contractor within the timeframes specified in the construction specifications. The COUNTY will provide a copy of the NTP letter to the STATE for its records. Copies of each letter shall be submitted to the STATE in accordance with the STATE's Construction Procedures Manual - Volume 10.

All Federal-aid projects are subject to the goals of: awarding the project within 120 calendar days, and issuing NTP within 180 calendar days from the time construction funds are obligated.

Construction administration shall comply with the STATE's Construction Procedures Manual - Volume 10, STATE/SOH's Quality Assurance Manual, and the STATE/SOH Highways Testing Laboratory's guidelines and procedures for the Quality Assurance for Materials. Alternatively, the COUNTY may develop its own construction administration procedures in compliance with 23 CFR 635 that is submitted to and approved by the STATE and FHWA. Similarly the COUNTY may develop its own Quality Assurance Program in accordance with 23 CFR 637 that is submitted to and approved by the STATE and FHWA.

The STATE's District Engineer or assigned representative may participate in preconstruction meetings, field inspections, reviews, or final inspections as specified in the STATE's Construction Procedures Manual - Volume 10.

All construction and material records shall be made available for inspection by STATE or FHWA personnel. The STATE or FHWA may perform periodic process reviews or audits of ongoing COUNTY construction projects to verify

conformance with approved construction administration procedures and contract requirements.

Upon completion of construction work, the COUNTY shall endeavor to settle all costs with the contractor, the STATE, utility companies and other parties as required in a timely manner, and proceed to close out the project so that the project does not appear on any inactive list described in SECTION 9 and unused federal funds can be released for use in other Federal-aid projects in a timely fashion. Actual release (deobligation) of federal funds will be coordinated with the STATE Federal Program Engineer. Final project close-out shall be in accordance with the STATE's Construction Procedures Manual - Volume 10, Section 10-2-22.

APPENDIX K –LETTER OF AGREEMENT AND STEWARDSHIP PLAN ("STEWARDSHIP AGREEMENT")

The STEWARDSHIP AGREEMENT contained in this appendix is provided for reference only.