

RESOLUTION NO. 150 2011

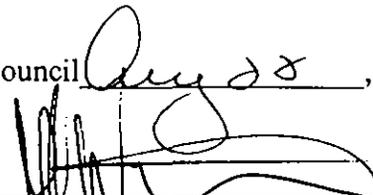
WHEREAS, the City of Reading intends to proceed with three Public Works' projects, i.e. North Sixth Street paving, Penn Street crosswalk and Penn Street lighting; and

WHEREAS, the City of Reading desires to follow certain regulations for the selection of consultants for project construction inspections.

THE COUNCIL OF THE CITY OF READING HEREBY RESOLVES AS FOLLOWS:

That the appropriate members of the City of Reading's administration follow PENN DOT regulations (see attached Exhibit A) re the selection of consultants for project construction inspections.

Adopted by Council July 28, 2011

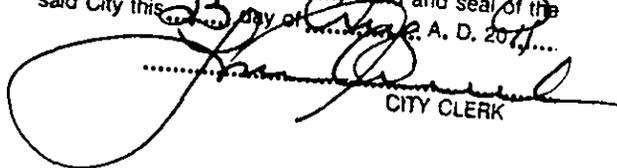

VICE President of Council

Attest:


City Clerk

(Law)

I, LINDA A. KELLEHER, City Clerk of the City of Reading, Pa., do hereby certify, that the foregoing is a true and correct copy of the original Resolution passed by the Council of the City of Reading, on the 28 day of July A. D. 20 11. Witness my hand and seal of the said City this 28 day of July, A. D. 20 11.


CITY CLERK

Chapter 7 – Third Party Federal Aid Agreements

7.1 – Introduction

A Third Party Agreement for the purpose of this Publication is a Consultant Agreement between a Consultant and a Municipality or private sponsor receiving federal funds through a Reimbursement Agreement with PennDOT. This chapter outlines the procedures to be followed by PennDOT personnel and Municipalities for selecting Consultants and the administering and monitoring of Third Party Agreements.

Costs incurred by a Consultant who is not procured in accordance with approved procedures for federal-aid highway projects will not be eligible for federal-aid participation. Therefore, it is recommended that these procedures are followed for agreements that do not include any federal funds. Any future use of Federal Funds may be jeopardized if this process is not followed.

For the purpose of this discussion "Municipality" will mean Municipality or private sponsor.

Municipal projects are classified into two different categories,

- Small Projects - where the total cost, as estimated by PennDOT or the Municipality, of the work and services to be provided under the Consultant Agreement is \$100,000 or less.

NOTE: Federal policy states:

"The full amount of any contract modification or amendment that would cause the total contract amount to exceed the federal small purchase threshold would be ineligible for Federal-aid. The FHWA reserves the right to withdraw all Federal-aid from a contract if it is modified or amended above the federal threshold."

For this reason, municipalities may elect to use the procedures for Large Projects, if desired.

- Large Projects - where the total cost, as estimated by PennDOT or the Municipality, of the work and services to be provided under the Consultant Agreement is more than \$100,000.

Engineering Involvement Restrictions Guidelines, as defined in Section 1.5, will also be applied to all Third Party Agreements. The only exception to the application of these guidelines are Agreements using a Municipality's designated Municipal Engineer as the prime Consultant, provided the Consulting team is capable of performing the anticipated work and services.

7.2 – General Requirements

7.2.1 – Documentation

The Municipality must maintain documentation of their efforts in following the outlined procedures.

7.2.2 – Publication 93 Policy and Procedures

It is the responsibility of the IO Project Manager to assure that the Municipality has a copy of these procedures prior to the selection of a Consultant and continuing involvement with a Consultant is anticipated.

7.3 – Municipal Selection Process Procedures

7.3.1 – Municipal Selection Process

The Municipality must determine the method of procurement to be used for the project. Procurement of consulting services will be made by one of the three following methods:

Noncompetitive Negotiations - Procurement is made through solicitation of a proposal from only one source.

Noncompetitive negotiations may be permitted when the work and services can only be provided by a single Consultant; when

- due to an emergency there is insufficient time to comply with the competitive negotiation procedures; or,
- after solicitation of a number of sources, competition is determined inadequate.

Authorization to use this method must be obtained from the CAS and the FHWA prior to requesting a proposal from the Consultant. For guidance on justification and procedures refer to the applicable portions of Section 3.3.2 and Section 3.3.3 of this Publication. For municipal, emergency selections, an Emergency Declaration must be signed by an appropriate person.

Use Municipal Engineer - Third Party Agreements for consultant engineering services (preliminary engineering, final design, construction services, and construction inspection) that are directly related to a construction project may be completed by a qualified Municipal Engineer. The Municipal Engineer must have been selected utilizing a qualification based selection process in accordance with PennDOT policy and procedures. See policy and procedures concerning Municipal engineer in this chapter.

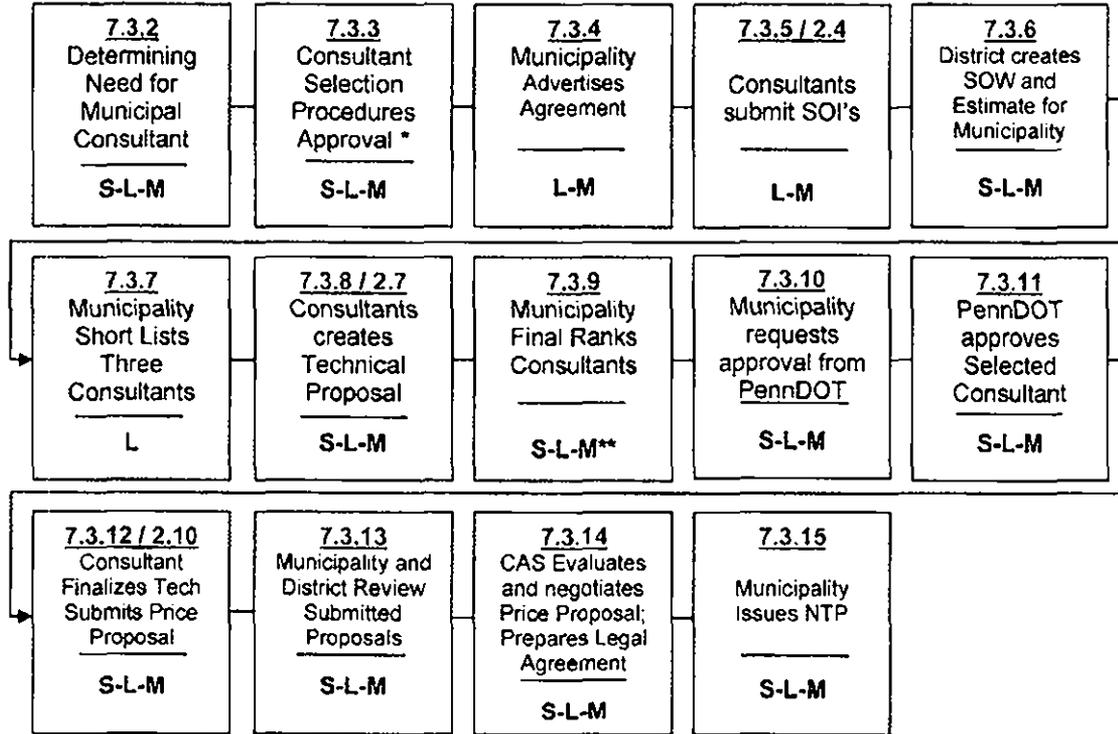
Competitive Negotiations - Competitors' qualifications are evaluated and the most qualified Consultant is selected, subject to negotiation of fair and reasonable compensation.

Competitive negotiations require solicitation of qualifications from the Consultant community through a public advertisement. The Municipality can evaluate the qualifications of the Consultants submitted in response to the advertisement using one of the following procedures:

- **Modified Selection Procedures** - For construction inspection, bridge inspection services, and non-complex or selected moderately complex projects as defined in DM1A, the most qualified Consultant is selected based on the letters of interest and request Technical and Price proposals from this Consultant for the purpose of negotiating a Consultant Agreement
- **Normal Selection Procedures** - For all other services, three or more Consultants are shortlisted based on the letters of interest. Technical proposals are requested from each of these Consultants. After an evaluation of these technical proposals, a Consultant is selected for the purpose of negotiating a Consultant contract.

**MUNICIPAL PROCESS FLOW DIAGRAMS
NORMAL SELECTION PROCEDURES**

S – Small Project Selection Process
L – Large Project Selection Process
M – Municipal Engineer Selection Process

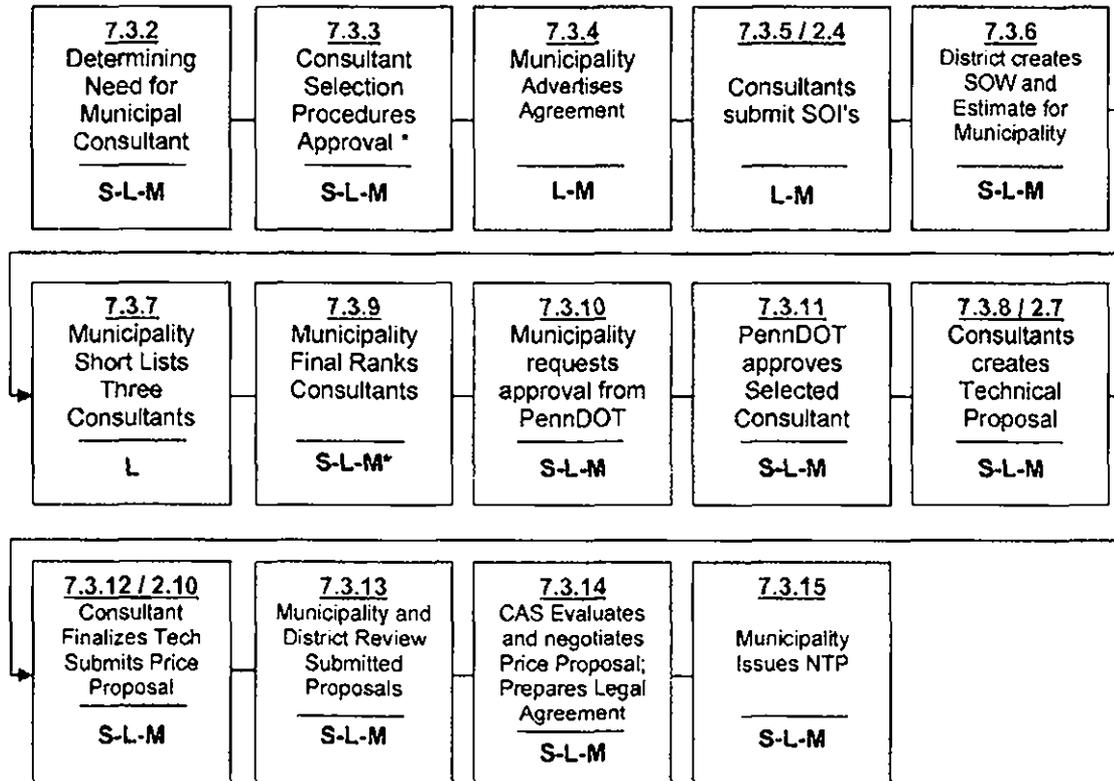


* It is recommended that municipalities have their Consultant Selection Procedures approved prior to advertisement. They must be approved prior to PennDOT approving the selected consultant

** This ends the process for the *Selection* of a Municipal Engineer. The following steps concerning the Municipal Engineer are used when a Municipal Engineer is to be used for a specific Federal Aid agreement.

MUNICIPAL PROCESS FLOW DIAGRAMS MODIFIED SELECTION PROCEDURES

S – Small Project Selection Process
L – Large Project Selection Process
M – Municipal Engineer Selection Process



* It is recommended that municipalities have their Consultant Selection Procedures approved prior to advertisement. They must be approved prior to PennDOT approving the selected consultant.

** This ends the process for the *Selection* of a Municipal Engineer. The following steps concerning the Municipal Engineer are used when a Municipal Engineer is to be used for a specific Federal Aid agreement.

7.3.2 – Determining Need for Municipal Consultant

Small Project
Large Project

The Municipality will determine the need for Consultant services and document this need based on in-house capabilities and staff available.

If the Municipality has a full-time engineering staff, their workload is to be evaluated and the need for the use of a Consultant justified. The Municipality must document the conclusion that the work and services *cannot* be done in-house by attaching an analysis that compares the available work-hours of personnel with the required skills against the total work-hours required to accomplish the mission of those personnel with the required skills.

In situations where it is evident the municipality does not have a engineering staff, the District Project Manager may place a memorandum stating such in the project file, and include that statement in the transmittal memorandum to the CAS.

Municipal Engineer

The Municipal Engineer may be retained for various consultant engineering services, *provided that they are qualified to complete that specific type of work (example – Design, Construction Inspection, NBIS) as documented during the selection process, and were selection using an approved, competitive selection procedure.*

The Municipality must designate a Consultant as their Municipal Engineer by an Act of the Mayor, Council, Board of Supervisors, etc. This designation **cannot** be done for the purpose of a particular agreement, but must be done as a matter of normal course of business for the reorganization of the Municipality's assignments.

The policy and procedures in this Chapter for preparing, negotiating and executing Third Party Agreements applies to Third Party Agreements with the Municipal Engineer.

Documentation showing the selection process used for the Municipal Engineer and the Resolution that indicates the designation or minutes of the meeting showing the designation of the Municipal Engineer must be kept on file for each Municipal Agreement in which the Municipal Engineer will be utilized.

The designation of the Municipal Engineer is valid for a period of not more than five years from the date of the Act designating the Municipal Engineer. If the Municipality's procedures for reorganization require annual designation of the Municipal Engineer, then the first Act after selection is complete will be considered as the start of the five year period. Third Party Agreements with the Municipal Engineer must be executed prior to expiration of the five year period. However, the time of completion for these executed agreements may go beyond the end of the five year period.

A new qualification based selection process should be initiated prior to the end of the five year period to prevent a lapse.

If a Consultant that has been previously designated as the Municipal Engineer is being proposed for a specific agreement, a copy of the Resolution that indicates the designation, or meeting minutes in lieu of the Resolution, will need to be furnished. A designated Municipal Engineer must have the capability of providing the requested services.

For cause, and at any time, PennDOT reserves the right to revoke approval and use of the designated Municipal Engineer for any Third Party Agreement. Examples of cause include, but are not limited to: poor performance, fraud, and/or the project being cancelled.

This policy is effective for any project authorization, Form D4232, approved on or after October 1, 2007. For an agreement with the funding for the construction phase of a project was issued prior to October 1, 2007, and that includes design and construction inspection, the consultant would be able to complete the existing agreement.

A municipal engineer cannot submit a SOI or be proposed for a Third Party Agreement on a project in which the municipal engineer assisted the municipality in the process of obtaining federal monies. A municipal engineer is may serve as a technical advisor on a municipal Selection Committee. A municipal engineer may NOT serve as a voting member of the Selection Committee.

7.3.3 – Municipal Selection Process

The Municipality must use the selection procedures found in Appendix 7A – Policy and Procedures for Consultant Selection. These procedures have been approved by the FHWA and comply with the FHWA Federal Aid Policy Guide (FAPG) and PennDOT's policy and procedures.

Code of Conduct - The Municipality must include a written code or standards of conduct in a resolution which will govern the performance of their employees engaged in the award and administration of contracts, stating that they neither solicit nor accept gratuities, favors, or anything of monetary value from Consultants or contractors or potential Consultants or contractors. To the extent permissible by state and local laws, rules, or regulations, such standards will provide for penalties, sanctions, or other disciplinary actions to be applied for violation of such standards.

If this process is not followed, federal funding may be in jeopardy.

7.3.4 – Municipality Advertises Need for Consultant Service

Large Project

The municipality will prepare a detailed Scope of Work (SOW), describing the project, its location, and services required,

The request for letters of interest from consulting firms interested in performing the required engineering services must appear in at least two newspapers, of wide local circulation, for one advertisement cycle. Municipality may substitute for one of these advertisements by forwarding their advertisement information to either:

Paper copy

American Council of Engineering Companies of PA
2040 Linglestown Road, Suite 200
Harrisburg, Pennsylvania 17110

or

Electronically

<http://www.acecpa.org/>

The advertisement will include the following information:

- A. Location and brief description of the required engineering services;
- B. Will indicate the method of procurement as competitive negotiations;
- C. A statement that the municipality encourages responses from small firms, minority firms, and firms who have not previously performed work for the municipality;
- D. The Disadvantaged Business Enterprise (DBE) Goal if any (see below);
- E. A statement that indicates whether the modified or standard selection method will be used;
- F. A list, in order of importance, of the selection criteria against which the letters of interest will be reviewed; and
- G. A request for special requirements U.S. General Services Administration (GSA) Form 330. A copy of this form can be found on the GSA Forms Library.

A minimum of two weeks must be given from the date of advertisement to SOI due date.

Municipal Engineer

The Municipality advertises its need for work and services of a Municipal Engineer following the criteria listed for **Large Projects**.

Advertisements must also document the qualifications needed for the Municipal Engineer position. The request for SOI's must contain the following information:

- Professional qualifications necessary for satisfactory performance of potentially required services;
- Any specialized experience and technical competence in the type of work that may be required;
- The firm's capacity, or availability of technical staff, to accomplish work in required time frames;

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- Location in the general geographic area of the Municipality and knowledge of the Municipality; and
- Specific experience and/or qualifications related to any other appropriate evaluation criteria.

DBE Goal

Large Projects – For all large projects the Municipality will be required to maintain a minimum DBE goal of 10% of the total contract amount. Lower goal percentages will need to be justified.

See Section 5.4 for policy and procedures in obtaining and meeting DBE goal participation.

Small Projects – PennDOT has no requirements for DBE goals for Small Projects.

However, a DBE Goal may be required based on the municipality's requirements.

Municipal Engineer – The selection of a Municipal Engineer does not require a DBE goal. However, the Municipal Engineer may have the opportunity to be assigned a Large Project agreement. In this event, a DBE goal may be required.

7.3.5 – Consultants Submit SOI's

Large Project
Municipal Engineer

Consultants submit SOI's in accordance with Section 2.4.

7.3.6 – District Creates Scope of Work and Estimate for Municipality

Small Project
Large Project
Municipal Engineer

Municipal Scope of Work

The District, with input from the Municipality, should generate the SOW based on the WBS found in ECMS. The SOW is created by the District's Project Manager with input from Agreement team members, as outlined in Section 2.5.1.

Construction Inspection - For *Consultant Construction Inspection Agreements*, PennDOT's latest version of "Scope of Work for Municipal Projects" Municipal Scope of Work should be used on all local agreements. Project Managers should fill out the anticipated number of inspectors and work-hours for each classification under the staffing requirements. Special requirements are also to be completed by the Project Manager. No other changes are allowed to be made to the SOW without approval by the BOCM Director.

An electronic copy of the latest "Scope of Work for Municipal Scope of Work Projects" is located in the ECMS File Cabinet.

Small Project
Large Project
Municipal Engineer

Municipal Independent Estimate

The Engineering District, with input from the Municipality, should generate the Independent/Department Estimate using the Forms found in Appendix 7B - District Estimate Summary for Municipal Agreements.

7.3.7 – Municipality Short Lists Three Consultants

Large Project

The municipality will select the three most qualified consultants who submit SOIs. A qualification committee shall review the qualifications of consultants who submit SOIs as well as their responsiveness to the requirements of the advertisement. Documentation of consultants considered and the committee's recommendation shall be maintained in the project file. The committee shall document the reasons for their recommendation.

It is important to note that ethical considerations mandate that any individual at the Municipality who has a potential conflict of interest with *any* of the Consultants submitting an SOI should not participate in this review. A fair and impartial evaluation of the SOI is a basic requirement of the qualification based selection process.

The following paragraphs must be added to each selection committee member's signed selection documentation:

In accordance to Publication 93 - "A fair and impartial evaluation of the Statements of Interest is a basic requirement of the qualification based selection process."

By signing this form I am certifying that neither I nor any members of my immediate family have a potential conflict of interest with any of the submitted firms.

The Municipality shall conduct discussions with the shortlisted firms to consider anticipated concepts and compare alternative methods for furnishing services.

7.3.8 – Consultants Create Technical Proposal

Small Project

Large Project

Municipal Engineer

Consultants submit Technical Proposal in accordance with Section 2.7.

7.3.9 – Municipality Final Ranks Consultant

Note: If less than three firms submit a SOI, the District must discuss viable options with the CAS Chief, who will co-ordinate a solution with the FHWA.

Small Project

The Municipality should evaluate the qualifications (not price proposal) of a minimum of three prospective Consultants that are qualified to provide the required services. The Municipality can review the ECMS Consultant qualifications packages if they are available and desire to do so. For firms where the ECMS Consultant qualification packages were not reviewed, a GSA Form 330 must be completed.

The list of Consultants contacted or considered and the qualification of those Consultants will be maintained by the Municipality as part of the project file.

The qualification committee shall review the qualification packages and make a recommendation for the ranking of the short listed consultants for the purpose of negotiating an engineering agreement. The committee shall document the reasons for their recommendation.

The Mayor, Council, Board of Supervisors, etc. shall review the recommendation of the rankings by the qualification committee and approve or reject the rankings.

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It is important to note that ethical considerations mandate that any individual at the Municipality who has a potential conflict of interest with *any* of the Consultants being considered should not participate in this evaluation. A fair and impartial evaluation of consultant qualification is a basic requirement of the qualification based selection process.

The following paragraphs must be added to each selection committee member's signed selection documentation:

In accordance to Publication 93 - "A fair and impartial evaluation of the Statements of Interest is a basic requirement of the qualification based selection process."

By signing this form I am certifying that neither I nor any members of my immediate family have a potential conflict of interest with any of the submitted firms.

The Municipality shall conduct discussions with the shortlisted firms to consider anticipated concepts and compare alternative methods for furnishing services.

Large Project

Upon receipt of the technical proposals from the consultants, the qualification committee shall review the technical proposals and oral presentations, if applicable, and make a recommendation for the ranking of the short listed consultants for the purpose of negotiating an engineering agreement. The committee shall document the reasons for their recommendation.

The Mayor, Council, Board of Supervisors, etc. shall review the recommendation of the rankings by the qualification committee and approve or reject the rankings.

Municipal Engineer

The SOIs and corresponding qualifications packages are reviewed.

It is important to note that ethical considerations mandate that any individual at the Municipality who has a potential conflict of interest with *any* of the Consultants submitting an SOI should not participate in this review. A fair and impartial evaluation of the SOI is a basic requirement of the qualification based selection process. The Municipality shall conduct discussions with the shortlisted firms to consider anticipated concepts and compare alternative methods for furnishing services.

The Municipality develops a Final Ranking of the shortlisted firms. The Municipality then designates the most qualified Consultant as their Municipal Engineer by an Act of the Mayor, Council, Board of Supervisors, etc.

The following paragraphs must be added to each selection committee member's signed selection documentation:

In accordance to Publication 93 - "A fair and impartial evaluation of the Statements of Interest is a basic requirement of the qualification based selection process."

By signing this form I am certifying that neither I nor any members of my immediate family have a potential conflict of interest with any of the submitted firms.

NOTE: This ends the Municipal Engineer Selection Process. However, the following steps relating to Municipal Engineer must be followed if a municipality wishes to create a third party Agreement, using Federal Funds, and use the selected Municipal Engineer.

7.3.10 – Municipality Requests Consultant Approval from PennDOT

Small Project
Large Project
Municipal Engineer

The ranking will be recommended to PennDOT for approval. Documentation supporting the ranking of the consultants shall be forwarded to PennDOT when requesting approval of the consultant's ranking.

Submission of the consultant's qualifications and documentation of the Municipal Selection Process utilized are to be included in the Municipality's request for PennDOT approval. If the Engineering District is unfamiliar with the Municipality's selected consultant, they may request a GSA Form 330 be provided.

7.3.11 – PennDOT Approves Selected Consultant

Small Project
Large Project
Municipal Engineer

The District will review the documentation and, if appropriate, forward their concurrence to the CAS for review and approval. PennDOT will document approval of the selection procedures and selected consultant via letter to the Municipality.

PennDOT approval of the selection procedures and selected Consultant is required prior to submission of a Third Party Agreement.

Upon approval of the Consultant by the CAS the Municipality should notify the Consultant that they have been selected and request a Price Proposal.

7.3.12 – Consultant Finalizes Technical and Submits Price Proposal

Small Project
Large Project
Municipal Engineer

Consultants submit Technical in accordance with Section 2.10.

Consultants should refer to Sections 3.6.3 through 3.6.10 for policy concerning development of a Price Proposal.

Price Proposals for Design and Construction Inspection Agreements should be submitted following the format shown in Worksheet 7A Paper Price Proposal Submission Design and Construction Inspection. Price Proposals for bridge inspection agreements should be submitted following the format shown in Worksheet 7B Paper Price Proposal Submission NBIS. Electronic spreadsheets for these worksheets are located in ECMS File Cabinet and on the ACEC Website. These spreadsheets are also available on the P drive. Consultants may obtain a copy of these by contacting the District or CAS.

Note:

These forms can be modified as necessary. Green highlighted fields are for edits. Blue highlighted fields contain calculations. Unnecessary row or columns should be 'hidden' NOT DELETED.

Any consultant using this form is responsible to verify all input and calculations.

NOTE: Using these electronic spreadsheets does not eliminate the consultant of any obligation to verify the information that they submit.

All pages of the Technical and Price Proposals MUST be submitted hard copy on 8 1/2" x 11", single sided paper. Failure to meet these requirements will cause the Proposal to be returned for revision.

7.3.13 – Municipality and District Review Submitted Proposals

Small Project
Large Project
Municipal Engineer

The District, in conjunction with the Municipality, will perform the technical reviews of the selected Consultant's technical and price proposals and document these reviews using the Review of Technical Proposal form found in Appendix 2G Review of Technical Proposal.

The Municipality will review the Consultant's proposal and either reject it or recommend that it be accepted by PennDOT. This recommendation should be forwarded to the District along with:

- Approved Selection Procedures
- Any limitations on profit or salaries that the municipality has.
 - If the Municipality has no limitations, a statement to that effect should be included.
 - If the municipality's limitations are not as stringent as those listed in Section 3.6, federal funds may be jeopardized.
- Evidence of the opportunity provided DBE firms
- The extent of solicitation of Consultants or evaluation of Consultant qualifications.
- Reference to past submissions may be made where the Municipality utilized the same Consultant on a past Federal-aid project successfully.

The District will prepare and submit the following to the CAS:

- 1) Cover letter transmitting the Municipal Agreement request including recommendations concerning the request,
- 2) Request for Consultant Services – Municipal Agreements or Supplemental Agreement Request – Municipal Agreements, -
 - Appendix 7C– Request for Consultant Services – Municipal Project Specific Agreements (Other than Construction Inspection);
 - Appendix 7D – Request for Consultant Services – Municipal Agreements (Construction Inspection); or
 - Appendix 7E – Request for Supplemental Agreement
- 3) the Engineering District's independent estimate,
 - Appendix 7B – District Estimate Summary for Municipal Agreements
- 4) the appropriate Review of Technical Proposals forms,
 - Appendix 2G – Review of Technical Proposal
- 5) two copies of the Consultant's proposals [one unbound]. For agreements where the estimate is over \$250,000, include another copy of the price proposal for the Pre-Award audit.

The appropriate forms must be included as they contain information necessary in writing the Municipal Agreement

Negotiation of work-hours between the Engineering District and the Consultant is not permitted.

7.3.14 – CAS Evaluates and Negotiates the Price Proposal, Prepares Legal Agreement

Small Project
Large Project

Municipal Engineer

If desired by the Municipality, the CAS will review the price proposal and hold negotiations as necessary.

The Price Proposal should be evaluated as outlined in Section 3.6 with the following exceptions:

- **Profit Limitations** – PennDOT's limitations on profit will not be forced on the Municipality. However, PennDOT will limit its contribution to these guidelines. If the Municipality's limitations are more stringent than PennDOT's, then those limitations will be honored by PennDOT.
- **Overhead**
 - For the computation of the engineer's Indirect Payroll Cost and for partial payment purposes, a provisional FAR overhead rate will initially be used. The consultant shall have a FAR Audit performed and furnished to the Municipality, at no direct cost to the Municipality, within six calendar months of the end of each fiscal year during which work is performed under this Agreement.
 - If the Consultant is unable to generate a FAR Overhead Rate because the firm has not been in business for a complete fiscal year, the Consultant shall generate a Pro-Forma Overhead Rate based on the best available accounting information. This Pro-Forma Overhead rate will be used as a provisional rate in the Consultant's price proposal.
 - **Small Project** – an internally prepared FAR overhead rate, accepted by PennDOT, may be used by the Prime or any sub-consultant under a municipal agreement. A firm may submit an audited FAR rate if one is available.
 - **Municipal Engineer** – an internally prepared FAR overhead rate, accepted by PennDOT, may be used by the municipal engineer or any sub-consultants. A firm may submit an audited FAR rate if one is available.

The CAS will prepare the Consultant Agreement, and provide three copies of the prepared Consultant Agreement to the Municipality for review and execution by the Municipality and the Consultant.

7.3.15 – Municipality Executes Agreement and Issues NTP

Small Project
Large Project
Municipal Engineer

The District will initiate a request for FHWA authorization of funds (Form D-4232, *Authorization of Funds*), with adequate time to secure this authorization in advance of finalizing the Engineering Agreement.

The Municipality and PennDOT will enter into a general Reimbursement Agreement setting forth the methods for reimbursing the federal and/or State funds. This Agreement will be prepared by the District, and forwards to the Comptroller. This Reimbursement Agreement must be fully executed prior to issuing the NTP. Any costs incurred prior to a fully executed Reimbursement Agreement cannot be reimbursed.

The IO Project Manager will advise the Municipality that they can issue the Consultant a written notice to proceed when

- a) the Reimbursement Agreement is fully executed,
- b) the engineering Consultant Agreement with the Municipality is fully executed, and
- c) FHWA has authorized the D-4232.

When all three are signed by both parties, one copy each is to be retained by the Consultant and the Municipality. The Municipality will forward one copy to CAS.

The Consultant cannot begin work and services until issued a written notice to proceed. The Notice to Proceed will reference all Parts included in the Supplemental Agreement. Refer to Appendix 7F Notice to Proceed Sample Letter.

7.4 – Managing the Consultant

PennDOT will designate a Project Manager and the Municipality will designate a Project Manager (a public employee) to serve as single points of contact during the term of the Consultant Agreement. The Municipality will conduct monthly (or other appropriate time period) meetings with the Consultant to review the status of the project. The IO Project Manager will be informed of these meetings and may attend. These meetings will be arranged by the Municipality, with notification to the IO Project Manager and the Consultant. At these meetings, the Consultant will present a status report indicating the percent of work and services completed in each project phase and any problems encountered. The Consultant will be responsible for documenting the results of these meetings by submitting an official record of minutes for concurrence by the Municipality and PennDOT. The Consultant will also document any follow-up or corrective action taken.

7.5 – Supplementing the Agreement

Supplements to the Municipal Agreement should be processed in accordance with the following Sections:

- Section 4.4 – Supplementing Consultant Agreements
- Section 7.3.6 – District Creates SOW and Estimate for Municipality
- Section 7.3.12 – Consultant Finalizes Tech, Submits Price Proposal
- Section 7.3.13 – Municipality and District Review Submitted Proposals
- Section 7.3.14 – CAS Evaluates and Negotiates Price Proposal; Prepares Legal Agreement
- Section 7.3.15 – Municipality Issues NTP

Note: reference to 'Agreement' in these sections should be considered "Supplement".

7.6 – Invoicing

The Municipality should establish invoice procedures (i.e. who the invoice should be sent to, how many copies, etc. The recommended interval is four weeks and a minimum amount of \$1,000 except for final invoices).

The invoice format will be in sufficient detail to monitor progress. For consistency sake and to facilitate review, the Engineering District may encourage the Municipality to use one of PennDOT's standard Invoice Templates. The Municipality will review the appropriate portions of the invoice, document its acceptance.

The Consultant sends invoice to Department of Revenue. The Department of Revenue scans the invoice into SAP. If there are problems with the invoice, it is sent to the Comptroller's Quality Control Office to resolve the issues. If the problems are not resolved, the invoice is returned to the Consultant for revisions.

When the problems are resolved, the invoice is returned to the Department of Revenue, and entered into SAP. The IO Project Manager reviews the invoice. If there are problems with the invoice, the invoice is returned to the Consultant for revisions. If there are no problems with the invoice, the IO Project Manager approves the invoice in SAP.

The Comptroller's Office audits the invoice. If there are problems with the invoice, the invoice is returned to the Consultant for revisions. If there are no problems with the invoice, the Comptroller's Offices approves the invoice in SAP.

The Treasury receives the invoice and sends payment to the Consultant.

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For the occasional three-party Consultant Agreement (PennDOT, Municipality, and Consultant), Consultant invoices will be reviewed by the Central Office Bureau administering the program.

The Municipality is responsible for monitoring the Consultant's performance and conducting audits.

7.7 – Closing out the Agreement

Before the Consultant Agreement is terminated, the Municipality, in conjunction with PennDOT, will ensure that there is adequate documentation regarding the propriety of claims and that all terms and conditions of the contract have been satisfied.

The Municipality and the IO Project Manager will complete a Past Performance Report (Appendix 7G D-429 Past Performance Report (Non-Construction Inspection) or Appendix 7H D429 Past Performance Report – Construction Inspection).

For federally funded projects, a Certificate of Completion, see Appendix 7I Certificate of Completion, should be prepared.