

RESOLUTION NO. 105 -2013

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

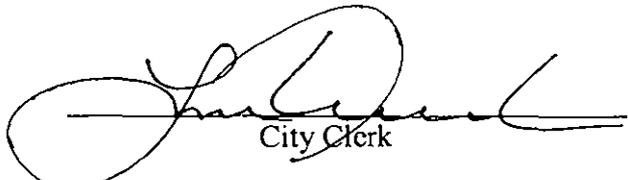
That the Mayor is authorized to execute the General Reimbursement Agreement for Federal-Aid Highway Projects (copy attached hereto) on behalf of the City of Reading. Said Agreement is for the River Road Extension Project.

Adopted by Council Dec 9 2013



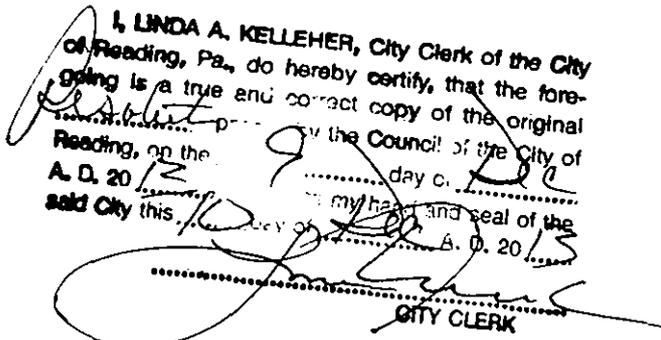
President of Council

Attest:



City Clerk

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 by the Council of the City of Reading, on the day of A. D. 20 12 my hand and seal of the said City this 10 day of A. D. 20 13


.....
CITY CLERK

EFFECTIVE DATE _____
(Department will insert)

COUNTY BERKS
MUNICIPALITY CITY OF READING

AGREEMENT NO. 057342

FID NO. 23-6001907
SAP VENDOR NO. 138883
MPMS NO. 70274

GENERAL REIMBURSEMENT AGREEMENT
FOR FEDERAL-AID HIGHWAY PROJECTS

THIS AGREEMENT is made by and between the Commonwealth of Pennsylvania, acting through the Department of Transportation ("DEPARTMENT"),

and

the City of Reading, 503 North Sixth Street, Reading, PA 19601, a political subdivision in the County of Berks, of the Commonwealth of Pennsylvania, acting through its proper officials ("MUNICIPALITY").

RECITALS:

WHEREAS, the Congress of the United States has found it to be in the national interest to promote through the states a continuing federal-aid highway program ("Program") to improve public roads both on and off federal-aid systems within the states for the purpose of enhancing the safety and traffic flow on these roads, and has provided funds to be administered in accordance with the provisions of the various federal-aid highway acts, as amended, by the United States Department of Transportation, Federal Highway Administration ("FHWA"); and,

WHEREAS, the DEPARTMENT has adopted policies and procedures for the initiation and conduct of improvements by political subdivisions of the Commonwealth within such a

Program for those public roads, pursuant to the requirements set forth in FHWA regulations implementing the provisions of the federal-aid highway acts and amendments to them, as set forth in the applicable provisions of Title 23 of the United States Code; and,

WHEREAS, the MUNICIPALITY has signified its willingness to participate in the Program by undertaking the improvements described in Paragraph 2(a) in accordance with the terms, conditions and provisions contained in this Agreement.

NOW, THEREFORE, the parties, intending to be legally bound, agree to the following:

1. INCORPORATION BY REFERENCE

The recitals set forth above are incorporated by reference as a material part of this Agreement.

2. GENERAL PROVISIONS

- a) The MUNICIPALITY shall participate in the preliminary engineering, including environmental studies, final design, utility relocation, right-of-way acquisition and construction of improvements (collectively, "Project") at the following locations in accordance with policies, procedures and specifications prepared or approved by the DEPARTMENT and the FHWA, where applicable:

- (i) Redesign of intersection at Schuylkill Avenue (SR 183) and Windsor Street to a four-way intersection eliminating current access from Bridge Street and Eberhart Street.
 - (ii) Construction of a new street designed to collector standards between Windsor Street and Spring Street generally in alignment with Lincoln Street.
 - (iii) Upgrade existing Spring Street between new collector connecting Windsor and Spring Streets and Clinton Street to collector standards.
 - (iv) Investigate the need for new traffic signals at the redesigned Schuylkill Avenue and Windsor Street intersection and the Windsor Street, New Collector intersection.
 - (v) Provide accommodations throughout the project area for sidewalk and bicycle access (particularly between the Schuylkill River trail and the Schuylkill Avenue bridge crossing of the Schuylkill River).
- b) The MUNICIPALITY shall participate in the administration of the Project in accordance with the provisions of this Agreement and more specifically with the most current version of DEPARTMENT Publication No. 39, *Procedures for the Administration of Municipal Projects*, incorporated into this Agreement as though physically attached to it.

- c) The Project cost estimate, attached to and made a part of this Agreement as Exhibit "A," sets forth the phases being reimbursed, the estimated costs and the reimbursement percentages.

- d) If the cost for any phase listed in Exhibit "A" is blank, or the cost of any phase increases, causing the overall Agreement cost to increase, the parties must execute a letter of amendment that will include a revised Exhibit "A." The DEPARTMENT cannot reimburse the MUNICIPALITY for the costs of these phases until the parties execute the letter of amendment. Adequate federal funds must be available before the parties may execute a letter of amendment, with a revised Exhibit "A" attached. A letter of amendment is not effective until duly authorized representatives of the DEPARTMENT, the MUNICIPALITY, the Office of Chief Counsel and the Office of Comptroller Operations sign and date the letter of amendment. A sample letter of amendment is attached as Exhibit "P" and made a part of this Agreement.

- e) If the DEPARTMENT determines that the cost for any phase listed in Exhibit "A" should be redistributed, and the redistribution does not result in an increase or decrease in the total Project costs, the parties must execute a letter of adjustment that will include a revised Exhibit "A." The DEPARTMENT cannot reimburse the MUNICIPALITY for the costs of these phases until the parties execute the letter of adjustment. A letter of adjustment is not effective until duly authorized representatives of the DEPARTMENT, the MUNICIPALITY and the Office of

Comptroller Operations sign and date the letter of adjustment. A sample letter of adjustment is attached as Exhibit "Q" and made a part of this Agreement.

- f) All other changes to terms and conditions of this Agreement must be in the form of a fully executed supplemental agreement signed by the same entities that executed the original agreement.

3. DESIGN

- a) The MUNICIPALITY, with its own forces or by contract, shall design the Project. The design shall be in accordance with policies, procedures and specifications prepared or approved by the DEPARTMENT and the FHWA, including, but not limited to, the most current versions of the following:
 - (i) DEPARTMENT Publication No. 70M, *Guidelines for Design of Local Roads and Streets*;
 - (ii) DEPARTMENT Publication No. 39;
 - (iii) DEPARTMENT Design Manuals (Publication Nos. 10, 10A, 13M, 14M, 15M, 16M and 24);
 - (iv) DEPARTMENT Policy Letters;

(v) DEPARTMENT Form No. 442, *Bureau of Design Specifications for Consultant Agreements*, Division I; and

(vi) DEPARTMENT Publication No. 408, *Specifications*, its supplements and amendments.

b) The MUNICIPALITY shall secure all necessary approvals, permits and licenses from all other governmental agencies as may be required to complete the Project. This obligation includes preparing or revising environmental reports or other documents such as environmental impact statements, environmental assessments or categorical exclusions required by law, environmental litigation or both; and the defense of environmental litigation resulting from the planning, design or construction of the Project. At the DEPARTMENT's request, the MUNICIPALITY, prior to advertising and letting the Project, shall furnish the DEPARTMENT with evidence of the approvals, permits, licenses and approved environmental documents.

4. UTILITY CONSIDERATIONS (ON STATE HIGHWAYS)

a) The DEPARTMENT, in liaison with the MUNICIPALITY, shall coordinate the relocation or adjustment of any existing utility facilities as required by the Project.

(i) This coordination shall include:

- (1) Obtaining written relocation agreements with all utilities located on the Project;
 - (2) Furnishing the MUNICIPALITY with a Project Utility Relocation Estimate, Form 4171-B, on which is shown:
 - (A) The total estimated utility relocation costs to be incurred by each utility; and
 - (B) Estimated amounts, if any, eligible for reimbursement by the MUNICIPALITY to each affected utility.
- (ii) All utility relocation activities shall be in accordance with:
- (1) The DEPARTMENT's established procedures as defined in the most current version of DEPARTMENT Publication No. 16M, *Design Manual Part 5—Utility Relocation*; and
 - (2) All applicable Federal-Aid Policy Guide guidelines relating to the relocation and accommodation of utilities on federal-aid highway projects.

- b) The costs incurred by a utility or the MUNICIPALITY in relocating or adjusting existing facilities affected by the Project shall be eligible for reimbursement only under the following conditions:
- (i) If the utility documents that it has a real property interest compensable in eminent domain, in which case reimbursements shall be made pursuant to Section 412 of the State Highway Law, as amended (36 P.S. § 670-412);
 - (ii) If the Public Utility Commission allocates utility relocation costs on rail-highway crossing projects pursuant to Section 2704 of the Public Utility Code, as amended (66 Pa. C.S. § 2704);
 - (iii) The existing facilities affected are owned or operated by the MUNICIPALITY or a municipal authority that requests cost sharing pursuant to Section 412.1 of the State Highway Law, as amended (36 P.S. § 670-412.1); or
 - (iv) If a municipal authority owns or operates the affected existing facilities, and the MUNICIPALITY attests that it normally pays for or assumes the costs of adjusting the facilities on projects undertaken by the MUNICIPALITY.

- c) The reimbursement of eligible utility relocation costs shall be made in accordance with the following:
- (i) If reimbursing a utility under subparagraphs (b)(i) or (b)(ii), the DEPARTMENT and the utility shall enter into the DEPARTMENT's standard reimbursement agreement. The DEPARTMENT will provide the MUNICIPALITY with a copy of the agreement and Form 4181-A, *Preliminary Estimate for Utility Relocation* to reimburse the DEPARTMENT, upon completion of the utility's work, for that portion of the actual utility relocation cost, as verified in Form 4181-B, *Summary of Billing for Utility Relocation*, not reimbursed to the DEPARTMENT by the FHWA, that portion being the percentage cited in both Paragraph 12 and Exhibit "A" of this Agreement.
 - (ii) If the utility relocation costs incurred fall under subparagraph (b)(iii) or (b)(iv), and the MUNICIPALITY wishes to incorporate the utility relocation work into the Project's construction contract to be performed by the prime contractor or its subcontractor, the MUNICIPALITY shall prepare and submit to the DEPARTMENT the agreement addressing the incorporation of work, provided by the DEPARTMENT for this purpose, along with the required supplementing documentation in accordance with the most current version of DEPARTMENT Publication No. 16M. The MUNICIPALITY, upon completion of the utility work, shall reimburse the DEPARTMENT for that portion of the actual utility relocation cost paid to

the contractor and not reimbursed to the DEPARTMENT by the FHWA, that portion being the percentage cited in Paragraph 12(b) of this Agreement.

- (iii) If the utility relocation cost incurred falls under subparagraph (b)(iii) or (b)(iv) and the relocation work is not incorporated into the Project's construction contract, the MUNICIPALITY shall furnish the DEPARTMENT a detailed cost estimate package complying with the requirements of the most current version of DEPARTMENT Publication No. 16M together with the standard document provided by the DEPARTMENT, plus the required supplementing documentation in accordance with current procedures. The MUNICIPALITY agrees to accept, as its payment in full, the portion of the actual utility relocation cost eligible for federal-aid participation, that amount being the percentage set forth in Exhibit "A."

- d) If the MUNICIPALITY exercises its option under Paragraph 14 of this Agreement and abandons the Project after any utility has been authorized to proceed with its utility relocation work, the MUNICIPALITY, at its sole cost and expense, shall reimburse the utility for its actual and related indirect costs of work completed at the time of notification of the abandonment, plus any additional expenses incurred by the utility in restoring its system to normal operating conditions.

5. APPLICATION TO PENNSYLVANIA PUBLIC UTILITY COMMISSION

The MUNICIPALITY, as necessary, shall make such applications to the Pennsylvania Public Utility Commission ("PUC") as are required for the construction and completion of the Project. If the Project contains a rail-highway crossing under the jurisdiction of the PUC, the DEPARTMENT and the MUNICIPALITY agree to the following:

- a) The DEPARTMENT shall apply any costs contributed voluntarily by a railroad to help defray the cost of the Project to the MUNICIPALITY's share of the Project cost. If the railroad share exceeds the MUNICIPALITY's share, the excess shall be applied to the DEPARTMENT's share.
- b) If the PUC allocates costs to a railroad, and the railroad does not voluntarily agree to contribute the costs allocated to it by the PUC, these costs shall be shared as specified in Paragraph 12 of this Agreement.
- c) If the PUC allocates costs to the DEPARTMENT in excess of the DEPARTMENT's share provided for in Paragraph 12 of this Agreement, the MUNICIPALITY agrees to pay these excess costs.

6. RIGHT-OF-WAY ACQUISITION

The DEPARTMENT shall ensure that all right-of-way necessary to construct this Project is acquired in accordance with all of the applicable federal and state laws, policies and procedures pertinent to right-of-way acquisition; the most current version of DEPARTMENT Publication No. 98, *Guide for Local Public Agency Acquisition of Right-of-Way*; and *Procedures for Right-of-Way Acquisition by Department--Federal-Aid Highway Projects*, the latter of which is attached to and made a part of this Agreement as Exhibit "B"

7. AVAILABILITY OF MUNICIPAL FUNDS

The MUNICIPALITY, by executing this Agreement, certifies that it has on hand sufficient funds to meet all of its obligations under the terms of this Agreement. Further, the MUNICIPALITY, and not the DEPARTMENT, shall bear and provide for all costs incurred in excess of those costs eligible for federal-aid participation.

8. CONTRACT DEVELOPMENT

- (a) The MUNICIPALITY, by contract or with its own forces, shall be responsible for all work involved with contract development, including preparation of all plans, specifications, estimates ("PS&E") and bid proposal documents required to bid the Project. The essential documents to be prepared are listed in Exhibit "C," which is attached to and made part of this Agreement. All work shall conform to applicable federal and state laws and requirements including, but not limited to, those outlined in the most current version of the *Federal-Aid Policy Guide*, Chapter I, Subchapter G, Part 633, Subpart C, entitled "Direct Federal

Construction Contracts,” and the current version of the *Stewardship and Oversight Agreement Between the FHWA and the DEPARTMENT*.

- (b) The MUNICIPALITY, upon completion, shall submit all required bid documents to the DEPARTMENT for review and approval. The DEPARTMENT shall be responsible for letting and award of the contract for construction of the Project, as provided below in Paragraph 10, Letting and Award, and, after satisfaction of the conditions set forth in subparagraph (c) below, shall populate the Engineering and Construction Management System (ECMS) with all required bid documents.

- (c) The DEPARTMENT shall advertise for bids through ECMS upon:
 - (i) FHWA authorization of the Project;

 - (ii) Approval of a right-of-way certification (if applicable);

 - (iii) Approval of a Utility Clearance Assurance Statement;

 - (iv) Completion of the PS&E review; and

 - (v) Satisfactory resolution of any comments.

(d) The DEPARTMENT must review and approve any addenda to the approved bid documents prior to their issuance to prospective bidders. Issuance of addenda shall occur no later than seven (7) calendar days before the proposed bid opening.

(e) All bid documents shall require that the contractor be prequalified by the DEPARTMENT pursuant to 67 Pa. Code Chapter 457, *Prequalification of Bidders*, unless the DEPARTMENT, in writing, waives prequalification.

(f) All bid documents shall require the prospective bidders to name the DEPARTMENT and the MUNICIPALITY as additional insureds under the policies providing public liability insurance for bodily injury, including death, and property damage. The amount of such coverage shall be equivalent to the amount of coverage that the DEPARTMENT requires contractors to maintain on the DEPARTMENT's own construction projects.

9. LETTING AND AWARD

The DEPARTMENT shall advertise for bids, open bids and with the concurrence of the MUNICIPALITY (which will indicate its concurrence electronically) award the construction contract in the name of the MUNICIPALITY, all in accordance with DEPARTMENT Publication No. 526, *ECMS Municipal/Sponsor Guidance*. The MUNICIPALITY shall enter into and execute the contract with the successful bidder electronically through ECMS. Following coordination with the MUNICIPALITY, the DEPARTMENT shall issue the notice to proceed through ECMS to the contractor.

10. CONSTRUCTION INSPECTION

- a) The MUNICIPALITY, with its own forces or by contract, shall provide staff to inspect and supervise adequately all construction work in accordance with the approved plans and specifications, including, but not limited to, the most current version of DEPARTMENT Publication No. 408, and its supplements and amendments. The MUNICIPALITY shall provide the proper supervision and construction inspection to ensure that all work is in accordance with the most current versions of the Federal-Aid Policy Guide, Chapter I, Subchapter G, Parts 633, 635, and 637, *Required Contract Provisions, Construction and Maintenance, and Construction Inspection and Approval*; and DEPARTMENT Publication No. 9, *Policies and Procedures for the Administration of the County Liquid Fuels Tax Act of 1931 and the Liquid Fuels Tax Act 655 Dated 1956 and as Amended*. The DEPARTMENT, based on requirements of the most current version of DEPARTMENT Publication No. 39, will determine the level of inspection and the number of inspectors required for the Project, as well as the qualifications required for the MUNICIPALITY's inspectors. Normally at least one full-time inspector is required for each project. The DEPARTMENT will oversee the Project but will not provide inspection services.
- b) Allowable construction engineering costs may include such work items as inspection, certification, and test of materials and surveys in accordance with the

Federal-Aid Policy Guide, Chapter I, Subchapter B, Part 140, and 23 C.F.R. §

1.11. Such costs are eligible for federal participation only to the extent that they are directly attributable and properly allocable to the Project.

11. PAYMENT PROCEDURES AND RESPONSIBILITIES

- a) The MUNICIPALITY, within seven (7) days of the established estimate dates, shall submit to the DEPARTMENT certified periodic (maximum of two (2) per month) invoices for the following items:
 - (i) Allowable costs for work performed by the MUNICIPALITY's forces on the Project;
 - (ii) The MUNICIPALITY's payments made on current estimates of the construction or design work performed on the Project by the MUNICIPALITY or the MUNICIPALITY's consultant(s) or contractor(s). At its discretion, the MUNICIPALITY may withhold a percentage of the amount invoiced by the design consultant as retainage, pending completion and acceptance by the DEPARTMENT and the FHWA of the Project; provided, however, that the MUNICIPALITY shall not request federal-aid participation for any amounts under retainage until such amounts are released; and

- (iii) Allowable costs incurred in the acquisition of right-of-way and utility relocations.

The DEPARTMENT shall submit these certified invoices to the FHWA for payment. As FHWA funds are made available, the DEPARTMENT shall pay the MUNICIPALITY for the proportionate share of the approved charges.

- b) Subject to the terms of this Agreement, the DEPARTMENT, from funds allocated for this purpose by the FHWA, shall pay the MUNICIPALITY for Eighty percent (80%) of the total allowable Project costs, as detailed in Exhibit "A." The MUNICIPALITY shall be responsible for the remaining 20% of the total Projects costs. This subparagraph shall not preclude the MUNICIPALITY from reducing the scope of the Project, with the approval of the DEPARTMENT, if the costs exceed the available funds. The MUNICIPALITY shall also be responsible for all costs incurred in excess of those eligible for federal-aid participation including, but not limited to, the following:

- (i) Any and all costs relating to or resulting from changes made to the approved plans or specifications;
- (ii) Time delays and extensions of time or termination of construction work;

- (iii) Interest for late payments;
 - (iv) Interest incurred by borrowing money;
 - (v) Unforeseen right-of-way and other property damages and costs resulting from the acquisition or condemnation, or both, of lands for the Project or the construction of the improvements;
 - (vi) Unforeseen utility relocations costs;
 - (vii) Unforeseen costs for environmental litigation and reports; and
 - (viii) All other unforeseen costs and expenses not included in the estimates of preliminary engineering, final design, utility relocation, right-of-way acquisition and construction costs, but which are directly related to or caused by the planning, design or construction of the Project.
- c) The MUNICIPALITY is obligated to submit to the DEPARTMENT invoices from its consultant(s) and contractor(s) as it receives them, in accordance with the periodic schedule set forth above, to assure prompt payment of the consultant(s) and contractor(s) for work performed to date.
- d) Unless otherwise specified in this Agreement, the MUNICIPALITY shall pay the federal and the MUNICIPALITY shares to its consultant(s) or contractor(s)

within ten (10) calendar days of the date of the DEPARTMENT's payment. The MUNICIPALITY, as part of its record-keeping obligation, shall maintain records of receipt and payment of such funds. If the MUNICIPALITY fails to comply with this subparagraph or with the requirements of subparagraph (c) relating to submission of invoices, the MUNICIPALITY shall be in default pursuant to Paragraph 18; and the DEPARTMENT shall have the further right to change payment procedures unilaterally to a reimbursement basis.

- e) If the DEPARTMENT changes payment procedures unilaterally to a reimbursement basis, as provided in subparagraph (d), the following procedures shall apply:
 - (i) The MUNICIPALITY, within seven (7) days of the established estimate dates, shall submit to the DEPARTMENT certified periodic (maximum of two (2) per month) invoices for reimbursement.
 - (ii) The MUNICIPALITY shall include with the invoices verification of payment of the consultant(s) or contractor(s) by means of a copy of the cancelled check or a certified letter from the consultant(s) or contractor(s) acknowledging payment.

- (iii) After reviewing the verification concerning payment of the consultant(s) or contractor(s) and material certifications and determining them to be satisfactory, the DEPARTMENT shall approve the invoices for payment.
 - (iv) Upon approval of the invoices, the DEPARTMENT shall forward to the Office of Comptroller Operations a cover letter containing the agreement number, federal project number, federal percentage, and invoice amount, together with a copy of the payment estimate.
 - (v) The DEPARTMENT shall submit these certified invoices to the FHWA for payment of the federal share. As FHWA funds are made available, the DEPARTMENT shall reimburse the MUNICIPALITY for the proportionate share of the approved charges.
- f) The DEPARTMENT shall not reimburse the MUNICIPALITY for additional or extra work done or materials furnished that are not specifically provided for in the approved plans and specifications unless the DEPARTMENT has issued prior written approval of the additional or extra work or materials. If the MUNICIPALITY performs any work or furnishes any materials without the DEPARTMENT's prior written approval, the MUNICIPALITY does so at its own risk, cost and expense. The MUNICIPALITY shall not interpret the DEPARTMENT's approval as authority to increase the maximum amount of reimbursement as specified in subparagraph (b) above.

- g) For services performed by the DEPARTMENT, including, but not limited to, all required contract development, liaison and supervisory services, the MUNICIPALITY shall directly reimburse the DEPARTMENT for 20% of the DEPARTMENT's incurred costs. The DEPARTMENT will submit invoices to the FHWA for reimbursement of the federal share of such costs. The estimated cost of these services is set forth in Exhibit "A."

- h) The DEPARTMENT shall invoice the MUNICIPALITY on a monthly basis for those costs set forth in subparagraph (g). If the MUNICIPALITY fails to reimburse the DEPARTMENT within forty-five (45) days, the MUNICIPALITY shall be in default of payment; and the DEPARTMENT shall take necessary action in accordance with Paragraph 18 of this Agreement.

- i) The MUNICIPALITY shall submit its final invoices for payment or reimbursement, as the case may be, of the items set forth in subparagraph (a) to the DEPARTMENT within one (1) year of the acceptance of the Project. If the MUNICIPALITY fails to submit its final invoices within this one- (1-) year period, it may forfeit all remaining federal financial participation in the Project.

12. RECORDS

The MUNICIPALITY shall maintain, and shall require its consultant(s) and contractor(s) to maintain, all books, documents, papers, records, supporting cost proposals, accounting records, employees' time cards, payroll records and other evidence pertaining to costs incurred in the Project and shall make these materials available at all reasonable times during the contract period and for three (3) years from the date of submission of the final voucher to the FHWA , for inspection or audit by the DEPARTMENT, the FHWA, or any other authorized representatives of the federal or state government; and copies thereof shall be furnished, if requested. Time records for personnel performing any work shall account for direct labor performed on the Project as well as the time of any personnel included in the computation of overhead costs. In addition, the MUNICIPALITY shall keep, and shall require its consultant(s) or contractor(s), as applicable, to keep, a complete record of time for personnel assigned part-time to the Project. A record of time limited to only their work on this Project will not be acceptable.

13. AUDIT REQUIREMENTS

As specified by the Federal Office of Management and Budget, the MUNICIPALITY agrees to satisfy the audit requirements contained in the Single Audit Act of 1984, 31 U.S.C. § 7501 *et seq.*, and, for this purpose, to comply with the current version of the *Audit Clause to Be Used in Agreements with Entities Receiving Federal Awards from the Commonwealth*, which is attached as Exhibit "D" and made a part of this Agreement. As used in the Audit Clause, the term "Subrecipient" means the MUNICIPALITY.

14. ABANDONMENT OR POSTPONEMENT OF PROJECT

- a) If the MUNICIPALITY abandons or indefinitely postpones the Project, the MUNICIPALITY may terminate this Agreement by sending to the DEPARTMENT a thirty- (30-) day written notice of termination. By sending the written notice of termination, the MUNICIPALITY acknowledges that the FHWA will not participate in any costs of a project that is not completed and that the MUNICIPALITY must reimburse the DEPARTMENT for all costs incurred by the DEPARTMENT for the Project, with the exception of state-funded design costs. The MUNICIPALITY shall reimburse the DEPARTMENT, within forty-five (45) days of receipt of a statement from the DEPARTMENT, in an amount equal to the sum of the following:
- (i) All FHWA funds received by the MUNICIPALITY for return to the FHWA;
 - (ii) All FHWA funds paid to the DEPARTMENT for work performed under this Agreement for return to the FHWA; and
 - (iii) All costs incurred by the DEPARTMENT under this Agreement prior to receipt of notice of termination that the FHWA or the MUNICIPALITY has not reimbursed.

- b) If the MUNICIPALITY fails to reimburse the DEPARTMENT or the FHWA within the time period set forth in subparagraph (a) above, the MUNICIPALITY shall be in default pursuant to Paragraph 18 of this Agreement.

15. MAINTENANCE AND OPERATION OF THE FACILITY

- a) Upon completion of the Project, the DEPARTMENT shall operate and maintain all of the completed improvements financed under this Agreement and situated within state highway rights-of-way as part of the state highway system, in accordance with applicable statutes, regulations and DEPARTMENT policies. As detailed below, the MUNICIPALITY shall operate and maintain all completed improvements financed under this Agreement that are situated within local rights-of-way and shall exercise and perform traffic engineering responsibilities with respect to the completed improvements within both state and local rights-of-way.
- b) The MUNICIPALITY certifies that it shall make available sufficient funds to provide for the traffic engineering and maintenance program described in Exhibit "E," attached to and made a part of this Agreement, which lists the minimum traffic engineering functions and maintenance requirements that the MUNICIPALITY must perform.

- c) The DEPARTMENT, in concurrence with the FHWA, when applicable, shall determine the existence of acceptable methods of traffic operation and maintenance. These operation and maintenance services shall include, but not be limited to, the following:
- (i) Periodic inspections;
 - (ii) Functional review of traffic operations;
 - (iii) Appropriate preventative maintenance, which shall include cleaning, lubrication and refurbishing of all electrical equipment;
 - (iv) A systematic record-keeping system; and
 - (v) A means to handle the notification and implementation of emergency repairs.
- d) The existence of functioning traffic maintenance and operation services shall not exempt the MUNICIPALITY from complying with the provisions of the Vehicle Code (75 Pa. C.S. § 101 *et seq.*), as amended, pertaining to traffic control devices, or with applicable provisions of the State Highway Law (36 P.S. § 670-101 *et seq.*), as amended.

- c) The MUNICIPALITY and the DEPARTMENT agree that each party shall administer, enforce and maintain any statutes, regulations or ordinances within its jurisdiction necessary for the operation of the improvements. The parties further agree that the enforcement obligations relating to the regulations are governed by the statutes of the Commonwealth of Pennsylvania, and more particularly by those statutes relating to municipalities; the Vehicle Code, as amended; and the State Highway Law, as amended; as well as those ordinances, rules and regulations issued by appropriate governmental agencies in implementation of these statutes.

- f) The MUNICIPALITY acknowledges that the traffic controls and parking regulations necessary to be maintained on these improvements are shown on Exhibit "F," attached to and made a part of this Agreement.

- g) The MUNICIPALITY acknowledges that the DEPARTMENT may disqualify the MUNICIPALITY from future federal-aid or state participation on MUNICIPALITY-maintained projects if the MUNICIPALITY fails to:
 - (i) Provide for the performance of its traffic engineering and maintenance responsibilities; or

 - (ii) Maintain and enforce compliance with any statutes, regulations or ordinances under its jurisdiction necessary for the performance of its responsibilities.

- h) The MUNICIPALITY agrees that the DEPARTMENT shall withhold federal-aid or state funds, or both, until one or both of the following (as applicable) have taken place:
 - (i) The MUNICIPALITY has corrected the traffic engineering and maintenance services.
 - (ii) The MUNICIPALITY has brought traffic operations on the improvements, including enforcement of statutes, regulations or ordinances, up to a level satisfactory to the DEPARTMENT.
- i) This Agreement is without prejudice to the right of the MUNICIPALITY to receive reimbursement for maintenance costs from any railroad or party other than the DEPARTMENT, if so ordered by the PUC, where a rail-highway crossing is under the jurisdiction of the PUC.

16. SAVE HARMLESS

The MUNICIPALITY shall indemnify, save harmless and defend (if requested) the FHWA (if applicable), the Commonwealth of Pennsylvania, the DEPARTMENT, and all of their officers, agents and employees, from all suits, actions or claims of any character, name or description, relating to personal injury, including death, or property damage, arising out of the

preliminary engineering, final design, right-of-way acquisition, utility relocation, construction, operation or maintenance of the Project improvements, by the MUNICIPALITY, its consultant(s) or contractor(s), their officers, agents and employees, whether the same be due to the use of defective materials, defective workmanship, neglect in safeguarding the work, or by or on account of any act, omission, neglect or misconduct of the MUNICIPALITY, its consultant(s) or contractor(s), their officers, agents and employees, during the performance of said work or thereafter, or to any other cause whatever.

17. DEFAULT CLAUSE

If the MUNICIPALITY fails to perform any of the terms, conditions or provisions of this Agreement, including, but not limited to, any default of payment for a period of forty-five (45) days, the MUNICIPALITY authorizes the DEPARTMENT to withhold so much of the MUNICIPALITY's Liquid Fuels Tax Fund allocation as may be necessary to complete the Project or reimburse the DEPARTMENT in full for all costs due under this Agreement; and the MUNICIPALITY authorizes the DEPARTMENT to withhold such amount and to apply such funds, or portion thereof, to remedy such default.

18. FHWA APPROVAL

The parties agree that their responsibilities under this Agreement shall be made contingent upon the approval, prior to commencement of work, of the Project's eligibility for participation in federal funds to the extent of the proportionate share detailed in Exhibit "A,"

limited to the maximum dollar amount shown there; and, if this approval is not obtained, neither of the parties shall be further obligated by the terms of this Agreement.

19. REQUIRED CONTRACT PROVISIONS

The parties agree, and the MUNICIPALITY shall also provide in its contracts for the Project, that all designs, plans, specifications, estimates of cost, construction, utility relocation work, right-of-way acquisition procedures, acceptance of the work and procedures in general shall at all times conform to all applicable federal and state laws, rules, regulations, orders and approvals, including specifically the procedures and requirements relating to labor standards, equal employment opportunity, nondiscrimination, antisolicitation, information, auditing and reporting provisions. The MUNICIPALITY shall comply, and shall cause its consultant(s) and contractor(s) to comply, with the conditions set forth in the current version of the *Federal Nondiscrimination and Equal Employment Opportunity Clauses*, which are attached as Exhibit "G" and made a part of this Agreement. As used in this clause, the term "Contractor" means the MUNICIPALITY.

20. CONTRACTOR INTEGRITY PROVISIONS

The MUNICIPALITY shall comply, and shall cause its consultant(s) and contractor(s) to comply, with the current version of the *Contractor Integrity Provisions*, which are attached as

Exhibit "H" and made a part of this Agreement. As used in these provisions, the term "Contractor" means the MUNICIPALITY.

21. OFFSET PROVISION

The MUNICIPALITY agrees that the Commonwealth of Pennsylvania ("Commonwealth") may set off the amount of any state tax liability or other obligation of the MUNICIPALITY or its subsidiaries to the Commonwealth against any payments due the MUNICIPALITY under any contract with the Commonwealth.

22. TERMINATION OF AGREEMENT FOR LACK OF FUNDS

The DEPARTMENT may terminate this Agreement if the DEPARTMENT does not receive the necessary federal or state funds allocated for the purpose stated in this Agreement. Termination shall become effective as of the termination date specified in the DEPARTMENT's written notice of termination to the MUNICIPALITY specifying the reason for termination. The DEPARTMENT shall reimburse the MUNICIPALITY for all eligible work performed under this Agreement up to the date of the notice of termination, or such other date that the notice of termination shall specify.

23. DISADVANTAGED BUSINESS ENTERPRISE REGULATORY COMPLIANCE REQUIREMENTS

The MUNICIPALITY shall take the following steps, where applicable, in order to comply with the Disadvantaged Business Enterprise ("DBE") requirements of current federal highway funding authorizations and regulations adopted pursuant thereto:

- a) For federally-assisted transportation-related projects, the DEPARTMENT may establish a percentage participation goal. The MUNICIPALITY shall work with the DEPARTMENT's District Office concerning the necessity of establishing a goal for this Project. If a DBE goal is not applicable, the MUNICIPALITY shall comply with the *Disadvantaged Business Enterprise and Small Business Concern Involvement* provision, which is attached as Exhibit "I" and made a part of this Agreement. If a goal is established, this goal must be attained by the MUNICIPALITY's contractor or, in the alternative, a showing of good faith effort must be made. Determination of good faith effort shall be made by the MUNICIPALITY and is subject to the concurrence of the DEPARTMENT. The MUNICIPALITY shall comply with the following provisions, as applicable:
- (i) If the Project requires prequalification, the MUNICIPALITY shall comply with *Designated Special Provision 7* of the Publication 408 Specifications, current edition, which is attached as Exhibit "J" and made a part of this Agreement.
 - (ii) If the Project is prequalification exempt, the MUNICIPALITY shall comply with the *Disadvantaged Business Enterprise Requirements—Prequalification Exempt*, which are attached as Exhibit "K" and made a part of this Agreement.

(iii) If the Project includes a design component, the MUNICIPALITY shall comply with the *DBE Special Requirements—Engineering*, which are attached as Exhibit “L” and made a part of this Agreement.

b) All DBE’s must be certified by the Pennsylvania Unified Certification Program (“PA UCP”) before the bid submission date.

24. REQUIRED DISADVANTAGED BUSINESS ENTERPRISE ASSURANCE PROVISION

(a) The MUNICIPALITY shall not discriminate on the basis of race, color, national origin or sex in the performance of this Agreement. The MUNICIPALITY shall carry out applicable requirements of 49 C.F.R. Part 26 in the award and administration of United States Department of Transportation-assisted contracts. Failure by the MUNICIPALITY to carry out these requirements is a material breach of this Agreement, which may result in either the termination of this Agreement or such other remedy the DEPARTMENT deems appropriate.

(b) As a recipient of funds from the DEPARTMENT, the MUNICIPALITY must include the assurance set forth in subparagraph (a) in each contract into which it enters to carry out the Project or activities being funded by this Agreement.

25. LOBBYING CERTIFICATION DISCLOSURE

Public Law 101-121, Section 319, 31 U.S. Code Section 1352, prohibits the recipient or any lower tier subrecipients of a federal contract, grant, loan or cooperative agreement from expending federal funds to pay any person for influencing or attempting to influence a federal agency or Congress in connection with the awarding of any federal contract, the making of any federal grant or loan or the entering into of any cooperative agreement. The MUNICIPALITY agrees to comply with the *Lobbying Certification Form* attached to and made part of this Agreement as Exhibit "M," which an authorized official of the MUNICIPALITY has executed.

26. PROVISIONS CONCERNING THE AMERICANS WITH DISABILITIES ACT

The MUNICIPALITY shall comply, and shall cause its consultant(s) and contractor(s) to comply, with the current version of the *Provisions Concerning the Americans with Disabilities Act*, which are attached as Exhibit "N" and made a part of this Agreement. As used in these provisions, the term "Contractor" means the MUNICIPALITY.

27. CONTRACTOR RESPONSIBILITY PROVISIONS

The MUNICIPALITY shall comply, and shall cause its consultant(s) and contractor(s) to comply, with the current version of the *Contractor Responsibility Provisions*, which are attached as Exhibit "O" and made a part of this Agreement. As used in these provisions, the term "Contractor" means the MUNICIPALITY.

28. ELECTRONIC ACCESS TO ENGINEERING AND CONSTRUCTION MANAGEMENT SYSTEM

The DEPARTMENT, in furtherance of the powers and duties conferred on it by Section 2002 of the Administrative Code of 1929, as amended, 71 P.S. Section 512, to design and construct state highways and other transportation facilities and to enter into contracts for this purpose, has established a program whereby political subdivisions and other entities, both public and private, are permitted to register as DEPARTMENT business partners in order to access the DEPARTMENT's Engineering and Construction Management System ("System") for the purpose of electronically submitting technical proposals, invoices, engineering plans, designs and other documents necessary to design and construct transportation projects. If the MUNICIPALITY has not already executed a Business Partner Agreement and registered with the DEPARTMENT as a business partner, to be authorized electronic access to the System for the purposes of entering information into and exchanging data with the System, the MUNICIPALITY, by executing this Agreement, authorizes the DEPARTMENT to enter electronically the data necessary to register the MUNICIPALITY as a DEPARTMENT business partner. The MUNICIPALITY understands and acknowledges that registration as a business partner is necessary for it to receive payment for the Project. Furthermore, by becoming registered as a business partner, the MUNICIPALITY agrees to the following conditions:

- (a) The MUNICIPALITY is responsible for furnishing and assuming the total costs of all software and hardware necessary to connect to the System. Such software shall include an operating system, an Internet browser and any software needed to

operate a modem. The MUNICIPALITY is responsible for the procurement and cost of any data communications lines required to connect to the System. The MUNICIPALITY is responsible for the cost of telephone lines and usage.

- (b) The MUNICIPALITY will be permitted access to the System as the DEPARTMENT shall direct.

- (c) The MUNICIPALITY shall implement appropriate security measures to insure that only authorized employees of the MUNICIPALITY will have access to and enter data into the System. The MUNICIPALITY agrees to assign only its current employees User Identification Internet System access codes ("User ID codes") provided to the MUNICIPALITY by the DEPARTMENT. The MUNICIPALITY agrees to assign a separate and distinct User ID code to each current employee who will concur in awards, sign contracts and approve payments. The MUNICIPALITY agrees to accept full responsibility for controlling the User ID codes that the MUNICIPALITY assigns to the employees of the MUNICIPALITY. The MUNICIPALITY agrees to deactivate an employee's User ID code immediately upon the employee's separation and/or dismissal from the employ of or association with the MUNICIPALITY. The MUNICIPALITY agrees that the MUNICIPALITY'S employees may not share User ID codes. The MUNICIPALITY agrees to be responsible for the items submitted under one of its assigned User ID codes.

- (d) The DEPARTMENT shall make provisions for the MUNICIPALITY to obtain initial training for the System. This training may not include any non-System program topics, nor may it include training on any other computer hardware or software, including, but not limited to, operation of a personal computer.

- (e) The DEPARTMENT will make reasonable attempts (barring unforeseen interruptions due to calamity, natural disaster or technical impossibility) to make the System available for on-line access 24 hours per day, seven days per week, except for ten hours each workday when the System databases are updated. The DEPARTMENT will provide support only during the normal business hours of the DEPARTMENT offices.

29. AUTOMATED CLEARING HOUSE PROVISIONS

Because the DEPARTMENT will be making payments under this Agreement through the Automated Clearing House ("ACH") Network, the MUNICIPALITY shall comply with the following provisions governing payments through ACH:

- (a) The DEPARTMENT will make payments to the MUNICIPALITY through ACH. Within 10 days of the execution of this Agreement, the MUNICIPALITY must submit or must have already submitted its ACH information on an ACH enrollment form (obtained at www.vendorregistration.state.pa.us/cvmu/paper/Forms/ACH-

EFTenrollmentform.pdf) and electronic addenda information, if desired, to the Commonwealth of Pennsylvania's, Payable Service Center, Vendor Data Management Unit at 717-214-0140 (FAX) or by mail to the Office of Comptroller Operations, Bureau of Payable Services, Payable Service Center, Vendor Data Management Unit, 555 Walnut Street – 9th Floor, Harrisburg, PA 17101.

- (b) The MUNICIPALITY must submit a unique invoice number with each invoice submitted. The unique invoice number will be listed on the Commonwealth of Pennsylvania's ACH remittance advice to enable the MUNICIPALITY to properly apply the state agency's payment to the respective invoice or program.
- (c) It is the responsibility of the MUNICIPALITY to ensure that the ACH information contained in the Commonwealth's Central Vendor Master File is accurate and complete. Failure to maintain accurate and complete information may result in delays in payments.

30. RIGHT-TO-KNOW LAW

The Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101—3104, applies to this Agreement. Therefore, this Agreement is subject to, and the MUNICIPALITY shall comply with, the clause entitled *Contract Provisions – Right to Know Law 8-K-1532*, attached as Exhibit “R” and made a part of this Agreement. As used in this exhibit, the term “Contractor” refers to

the MUNICIPALITY.

31. FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT OF 2006

As a subrecipient of federal funding, the MUNICIPALITY shall provide to the Commonwealth the information specified in the document entitled *Federal Funding Accountability and Transparency Act of 2006—Grantee Information*, attached as Exhibit “S” and made a part of this Agreement, to ensure that the Commonwealth meets the reporting requirements imposed on it by the Federal Funding Accountability and Transparency Act of 2006. As used in this exhibit, the term “Grantee” refers to the MUNICIPALITY.

32. EFFECTIVE DATE

This Agreement will not be effective until it has been executed by all necessary Commonwealth officials as required by law. Following full execution, the DEPARTMENT will insert the effective date at the top of Page 1. This Agreement shall remain in effect until the Project is abandoned or completed, whichever occurs first.

IN WITNESS WHEREOF, the parties have executed this Agreement the date first above written.

ATTEST:

MUNICIPALITY*

Title: _____ Date _____ BY _____ Title _____ Date _____

DO NOT WRITE BELOW THIS LINE – FOR COMMONWEALTH USE ONLY

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF TRANSPORTATION

BY _____
District Executive Date _____

APPROVED AS TO LEGALITY
AND FORM

FUNDS COMMITMENT DOC. NO. _____
CERTIFIED FUNDS AVAILABLE UNDER
SAP NO. _____
SAP COST CENTER _____
GL ACCOUNT _____
AMOUNT _____

BY _____
for Chief Counsel Date _____

BY _____
for Comptroller Operations Date _____

BY _____
Deputy General Counsel Date _____

BY _____
Deputy Attorney General Date _____

Contract No. _____, is split _____%, expenditure amount of _____ for federal funds and _____%, expenditure amount of _____ for state funds. The related federal assistance program name and number is _____. The state assistance program name and SAP fund is _____; _____.

***MUNICIPALITY's resolution authorizing execution and attestation must accompany this Agreement; please indicate the signers' titles in the blanks provided and date all signatures.**

PROJECT ESTIMATED COSTS

| | Municipality- Incurred Costs | Commonwealth- Incurred Costs | Phase Totals |
|------------------|---------------------------------|---------------------------------|------------------------------|
| Preliminary | | | |
| Engineering | \$ <u>125,000.00</u> | \$ <u>500,000.00</u> | \$ <u>625,000.00</u> |
| Final Design | \$ <u>112,943.00</u> | \$ <u>451,770.00</u> | \$ <u>564,713.00</u> |
| Utilities | \$ <u>62,500.00</u> | \$ <u>250,000.00</u> | \$ <u>312,500.00</u> |
| Right-of-Way | \$0 | \$ <u>625,000.00</u> | \$ <u>625,000.00</u> |
| Construction | \$0 | \$ <u>6,302,801.00</u> | \$ <u>6,302,801.00</u> |
| SUBTOTALS | \$<u>300,443.00</u> | \$<u>8,129,571.00</u> | \$<u>8,430,014.00</u> |

COST SHARING (Municipality-Incurred Costs)

| | Federal (0%) | State (0%) | Municipality (20%) | State Act 26 (0%)(If Applicable) | Phase Subtotals |
|---------------|-----------------|---------------|----------------------------|--|----------------------------|
| Preliminary | | | | | |
| Engineering | \$0 | \$0 | \$ <u>125,000.00</u> | \$0 | \$ <u>125,000.00</u> |
| Final Design | \$0 | \$0 | \$ <u>112,943.00</u> | \$0 | \$ <u>112,943.00</u> |
| Utilities | \$0 | \$0 | \$ <u>62,500.00</u> | \$0 | \$ <u>62,500.00</u> |
| Right-of-Way | \$0 | \$0 | \$0 | \$0 | \$0 |
| Construction | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTALS | \$0 | \$0 | \$<u>300,443.00</u> | \$0 | \$<u>300,443.00</u> |

COST SHARING (Commonwealth-Incurred Cost)

| | Federal (80%) | State (0%) | Municipality (0%) | State Act 26 (0%)(If Applicable) | Phase Subtotals |
|---------------|------------------------------|---------------|----------------------|--|------------------------------|
| Preliminary | | | | | |
| Engineering | \$ <u>500,000.00</u> | \$0 | \$0 | \$0 | \$ <u>500,000.00</u> |
| Final Design | \$ <u>451,770.00</u> | \$0 | \$0 | \$0 | \$ <u>451,770.00</u> |
| Utilities | \$ <u>250,000.00</u> | \$0 | \$0 | \$0 | \$ <u>250,000.00</u> |
| Right-of-Way | \$ <u>625,000.00</u> | \$0 | \$0 | \$0 | \$ <u>625,000.00</u> |
| Construction | \$ <u>6,302,801.00</u> | \$0 | \$0 | \$0 | \$ <u>6,302,801.00</u> |
| TOTALS | \$<u>8,129,571.00</u> | \$0 | \$0 | \$0 | \$<u>8,129,571.00</u> |

TOTAL COST

| Federal | State | Municipality | Total |
|------------------------------|--------------|----------------------------|------------------------------|
| \$<u>8,129,571.00</u> | (\$0) | \$<u>300,443.00</u> | \$<u>8,430,014.00</u> |

COUNTY: BERKS
MUNICIPALITY: "CITY OF READING
PROJECT NAME: SR 183 River Road Extension

PROCEDURES FOR
RIGHT-OF-WAY ACQUISITION BY DEPARTMENT—FEDERAL-AID HIGHWAY PROJECTS

- a. The DEPARTMENT, for the MUNICIPALITY and in the MUNICIPALITY's name, and subject to the terms set forth in this Exhibit, shall acquire all necessary right-of-way for this Project by gift, agreement, purchase or any combination of these methods.
- b. The MUNICIPALITY shall acquire all necessary right-of-way that can be obtained only by condemnation. The MUNICIPALITY shall strictly comply with all applicable right-of-way acquisition procedures set forth in the applicable federal and state right-of-way acquisition laws and policies, including but not limited to, the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and the most current version of DEPARTMENT Publication No. 98, *Guide for Local Public Agency Acquisition of Right-of-Way*.
- c. The DEPARTMENT, for all right-of-way acquisitions for this Project that are subject to MUNICIPALITY reimbursement at intervals determined by the DEPARTMENT, shall perform the following tasks:
 - (1) Prepare title reports;
 - (2) Prepare initial appraisals;
 - (3) Review appraisals—to be conducted by District Office and Central Office, if necessary;
 - (4) Secure MUNICIPALITY approval of appraisals and offers based on appraisals;
 - (5) Conduct negotiations with affected property owners; and
 - (6) Prepare declaration of taking at the MUNICIPALITY's request.
- d. The MUNICIPALITY, except as otherwise provided in this Exhibit, shall be responsible for the initial payment of all right-of-way costs and other property damages for all claims, whether the right-of-way was obtained by an amicable acquisition; by the DEPARTMENT in the name of the MUNICIPALITY; or by settlement or litigation. The DEPARTMENT shall not be responsible for payment of any claims or acquisitions.
- e. The MUNICIPALITY shall be responsible for the conduct of, and all costs incidental to, any litigation that may result from the acquisition of right-of-way or challenge to the acquisition. The DEPARTMENT, upon request, may render advice to the MUNICIPALITY's legal counsel on questions pertaining to litigation at the viewers, trial, appellate level or any combination of these levels. These costs shall include, but are not limited to:
 - (1) Payment of claims of the affected property owners;
 - (2) Photographic, appraisal and engineering services;
 - (3) Title reports;
 - (4) Reasonable counsel fees and reasonable expert witness fees required for the adjudication of all property damage claims;

- (5) Transcripts of testimony before a board of view, court of common pleas, or both; and
 - (6) All recording costs, including printing costs, in case of appeal to an appellate court.
- f. The DEPARTMENT, with funds allocated to it by the FHWA, shall reimburse the MUNICIPALITY for the federal share of the incurred right-of-way costs as provided in Paragraph 11 of this Agreement.
- g. The DEPARTMENT shall not reimburse the MUNICIPALITY for:
- (1) Right-of-way administrative costs; or
 - (2) Any items that are not compensable:
 - (i) Under the Eminent Domain Code of 1964, Act of June 22, 1964, P.L. 84, as amended; or
 - (ii) Pursuant to appellate court order or agreement between the DEPARTMENT and the MUNICIPALITY.
- h. The MUNICIPALITY shall reimburse the DEPARTMENT for all DEPARTMENT-incurred costs pursuant to performance of its obligations under Section c.
- i. The following terms apply for determining an acquisition price for the property to be acquired
- (1) If any parcel or property is to be acquired prior to a court of common pleas verdict, an acquisition agreement shall be executed only after the MUNICIPALITY and the DEPARTMENT have agreed, in writing, on the acquisition price, including all damage items.
 - (2) If time constraints dictate (i.e., at a pretrial conference or at trial), the MUNICIPALITY and the DEPARTMENT may agree orally, provided that such agreement be confirmed in writing immediately thereafter.
 - (3) The acquisition price shall not exceed the amount of the court verdict, plus applicable detention damages and other items of special damages, unless the DEPARTMENT and the MUNICIPALITY, in writing, have first agreed otherwise.
 - (4) The MUNICIPALITY agrees to notify promptly the DEPARTMENT of all board of view awards and verdicts of the court of common pleas. The DEPARTMENT and the MUNICIPALITY agree that appeal will be taken from any award of judgment whenever the DEPARTMENT or the MUNICIPALITY deems it necessary or advisable.
- j. The terms, "right-of-way costs" and "other property damages," as used in this Agreement, shall include, but are not limited to:
- (1) Consequential damages;
 - (2) Damages from de facto or inverse takings;

- (3) Special damages for displacement;
 - (4) Damages for the preemption, destruction, alteration, blocking and diversion of drainage facilities; and
 - (5) Any other damages that may be claimed or awarded under the applicable federal and state laws and policies referenced in Section b. above.
- k. Prior to advertisement for the receipt of bids, the MUNICIPALITY shall certify to the DEPARTMENT that all right-of-way acquired by the MUNICIPALITY for the Project was acquired in accordance with all applicable federal and state laws and policies, including, but not limited to, the most current version of DEPARTMENT Publication No. 98.

PLANS, SPECIFICATIONS, ESTIMATES AND BID PROPOSAL PACKAGE

A. Plans and Estimates

Title Sheet Mylar or Vellum (for signatures)
All Original Plan Sheets
Engincer's Estimate (D-407)
Federal Estimate
Trainee Calculation

B. Bid Proposal and Specifications (to prospective bidders) Standard Proposal/Contract Documents

Proposal Cover Sheet
Bidder's Understanding of Conditions Applicable to Proposal
Bid Proposal Guaranty Bond
Bidder Certification of Prequalification, Classification and Work Capacity
List of Subcontractors
Statement of Joint Venture Participation
Affirmative Action Certification
Signatures (Three (3) Pages)

C. Special Provisions

Pre-Bid Conference
Award of Contract
Anticipated Notice to Proceed Date
Minority Business Enterprise Program
Equal Employment Opportunity Reporting Requirements
Affirmative Action Requirements Equal Employment Opportunity
Sworn Affidavit
Act 287
Act 247
Air Pollution Control
Trainees
Utilities
Specifications
General Contract Conditions

D. Attachments

D-476—Distribution of Contract Time
Notice
Prevailing Minimum Wage
PR-47 (only required for projects over \$500,000)
F.A.R.—C.A. Required Contract Provisions Federal-Aid Construction Contracts
Notice to Prospective Federal-Aid Construction Contractor
Special Supplement—Anti-Pollution Measures
Commonwealth Nondiscrimination/Sexual Harassment Clause

December 3, 2003

**AUDIT CLAUSE TO BE USED IN AGREEMENTS WITH SUBRECIPIENTS
RECEIVING FEDERAL AWARDS FROM THE COMMONWEALTH AUDIT REQUIREMENTS.**

The [NAME OF SUBRECIPIENT] must comply with all federal and state audit requirements including: the *Single Audit Act, as amended, 31 U. S. C. 7501 et. seq.*; Office of Management and Budget (OMB) *Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, as amended*; and any other applicable law or regulation and any amendment to such other applicable law or regulation which may be enacted or promulgated by the federal government.

If the [NAME OF SUBRECIPIENT] is a local government or non-profit organization and expends total federal awards of \$500,000 or more during its fiscal year, received either directly from the federal government or indirectly from a recipient of federal funds, the [NAME OF SUBRECIPIENT] is required to have an audit made in accordance with the provisions of OMB *Circular A-133*.

If the [NAME OF SUBRECIPIENT] expends total federal awards of less than \$500,000 during its fiscal year, it is exempt from these audit requirements, but is required to maintain auditable records of federal awards and any state funds which supplement such awards, and to provide access to such records by federal and state agencies or their designees.

SUBMISSION OF AUDIT INFORMATION TO THE COMMONWEALTH.

The [NAME OF SUBRECIPIENT] must submit copies of the audit report package to the Commonwealth, which shall include:

1. Data Collection Form.
2. Financial statements and schedule of expenditures of federal awards.
3. Auditor's reports on the financial statements and schedule of expenditures of federal awards, internal control and compliance as well as a schedule of findings and questioned costs.
4. Summary schedule of prior audit findings.
5. Corrective action plan.
6. Management letter comments.

The number of copies to be submitted shall equal one for the Bureau of Audits (archival copy) plus one for each Commonwealth agency which provided federal pass-through awards to the entity, as reflected in the entity's Schedule of Expenditures of Federal Awards. The audit report package should be submitted to the:

Office of the Budget/Bureau of Audits
Division of Subrecipient Audit Review
Verizon Tower – 6th Floor
303 Walnut Street
Harrisburg, PA 17101
Phone: (717) 783-9120
Fax: (717) 783-0361

In instances where a federal program-specific audit guide is available, the audit report package for a program-specific audit may be different and should be prepared in accordance with the audit guide and OMB *Circular A-133*.

GENERAL AUDIT PROVISIONS.

The [NAME OF SUBRECIPIENT] is responsible for obtaining the necessary audit and securing the services of a certified public accountant or other independent governmental auditor. Federal regulations preclude public accountants licensed in the Commonwealth of Pennsylvania from performing audits of federal awards.

The Commonwealth reserves the right for federal and state agencies or their authorized representatives to perform additional audits of a financial or performance nature, if deemed necessary by Commonwealth or federal agencies. Any such additional audit work will rely on work already performed by the [NAME OF SUBRECIPIENT]'s auditor, and the costs for any additional work performed by the federal or state agencies will be borne by those agencies at no additional expense to the [NAME OF SUBRECIPIENT].

Audit working papers and audit reports must be retained by the [NAME OF SUBRECIPIENT]'s auditor for a minimum of three years from the date of issuance of the audit report, unless the [NAME OF SUBRECIPIENT]'s auditor is notified in writing by the Commonwealth or the cognizant or oversight federal agency to extend the retention period. Audit working papers will be made available upon request to authorized representatives of the Commonwealth, the cognizant or oversight agency, the federal funding agency, or the General Accounting Office.

**GUIDELINES TO PREPARING
MUNICIPAL METHOD OF
MAINTENANCE OPERATION AND SERVICES**

1. The MUNICIPALITY must provide for the proper maintenance of all completed projects under its jurisdiction. To comply with this federal requirement, the MUNICIPALITY shall establish or maintain a functional traffic engineering unit throughout the design life of all projects.
2. A functional traffic engineering unit consists of, at a minimum:
 - (a) A competent and qualified traffic engineer; and
 - (b) A maintenance staff with at least one licensed electrician skilled in the operation and repair of traffic signal equipment.
3. To be considered capable of effectively maintaining completed projects, the municipal maintenance staff must be provided with the proper equipment and materials necessary, at a minimum, to:
 - (a) Repair and replace worn out or damaged signal equipment;
 - (b) Install new and replace damaged or obsolete traffic signs; and
 - (c) Install or replace paint and thermoplastic pavement markings.
4. The MUNICIPALITY should evaluate its present and proposed organizational charts to determine if the MUNICIPALITY is capable of providing a functional traffic engineering unit within its government. Guidelines for considering the inclusion of a functional traffic engineering unit have been published by the Institute of Traffic Engineers ("ITE"), and should be reviewed by MUNICIPALITY in evaluating their organizational chart. The ITE guidelines make reference to the Model Traffic Ordinance (*Uniform Vehicle Code and Model Traffic Ordinance*, published by the National Committee on Uniform Traffic Laws and Ordinances) as being the best method of providing the legal basis for establishing a traffic engineering function.
5. If the MUNICIPALITY is unwilling or unable to provide the traffic engineering function from within its organization, the MUNICIPALITY has the option of contracting with an outside agent or agency for the required traffic engineering expertise and maintenance.

6. Functional Traffic Engineering Unit Method.

(a) In preparing to comply with this Exhibit, the MUNICIPALITY must select one of the following methods for providing a functional traffic engineering unit:

- (i) Municipal Traffic Engineer and Municipal Maintenance Staff;
- (ii) Contractual Traffic Engineer and Municipal Maintenance Staff;
- (iii) Contractual Traffic Engineer and Contractual Maintenance Staff; and
- (iv) Municipal Traffic Engineer and Contractual Maintenance Staff.

(b) Depending on which method is chosen, the guidelines for the functional traffic engineering unit shall include, but not be limited to, the following:

(i) **Municipal Traffic Engineer:**

- (1) A brief description of educational background and work experience, including length of employment as Municipal Traffic Engineer;
- (2) A description of duties assigned and powers delegated to the Municipal Traffic Engineer under municipal ordinance; and
- (3) A municipal organizational chart showing the Traffic Engineer's position in the hierarchy of municipal government.

(ii) **Municipal Maintenance Staff:**

- (1) The number of employees permanently assigned to this function and the number which may be assigned on a temporary basis;
- (2) A brief description of the organization of the staff, including the length of time that it has been in existence; and
- (1) A clear demonstration of the maintenance staff's ability to properly maintain and repair traffic signal equipment.

(iii) **Contractual Traffic Engineer.**

- (1) The MUNICIPALITY's assurance that the Contractual Traffic Engineer hired is qualified and competent in all aspects of traffic engineering; and
- (2) It will not be necessary to include the name and professional background of the individual or organization.

(iv) **Contractual Maintenance Staff:**

- (1) A brief description of the organization to be hired, including a history of its experience in this field;
- (2) The MUNICIPALITY's assurance that the organization is capable of properly maintaining and repairing traffic signal equipment and that it has adequate staff available in case of emergency.

Required Traffic Controls and Parking Regulations

1. The traffic controls and parking regulations necessary to be maintained on each project must be clearly outlined by the DEPARTMENT and agreed upon by MUNICIPALITY prior to physical construction.
2. The MUNICIPALITY agrees to maintain and enforce the traffic controls and parking regulations set forth below and to adopt any resolutions necessary for the accomplishment of the same. If MUNICIPALITY fails to provide a functional traffic engineering unit within its own organization, it is understood that prior COMMONWEALTH or FHWA approval will be required for changes to the controls and regulations listed. Prior approval will not be required for the following:
 - (a) Expansion of the time restriction for "No Parking" beyond that which is specified; and
 - (b) Erection of warning sign, painted crosswalks and other traffic control devices not specified below as long as they conform to the requirements in the 1971 edition of the Manual on Uniform Traffic Control Devices and do not require the Secretary's approval as specified in the Vehicle Code.
3. The traffic controls and parking regulations that must be maintained by the MUNICIPALITY are as follows:

(See attached for format)

| PROJECT LIMITS | PARKING RESTRICTIONS (use station numbers if feasible) | LOADING RESTRICTIONS | BUS STOP LOCATIONS | TURN PROHIBITION | Signalized Intersection (specify #. of phases and of operation) |
|----------------|---|----------------------|--------------------|------------------|--|
|----------------|---|----------------------|--------------------|------------------|--|

**FEDERAL NONDISCRIMINATION AND
EQUAL EMPLOYMENT OPPORTUNITY CLAUSES
(All Federal Aid Contracts)* (1-76)**

1. **Selection of Labor:** During the performance of this contract, the contractor shall not discriminate against labor from any other State, possession or territory of the United States.
2. **Employment Practices:** During the performance of this contract, the contractor agrees as follows:
 - a. The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoffs or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notice to be provided by the State highway department setting forth the provisions of this nondiscrimination clause.
 - b. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
 - c. The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the State highway department advising the said labor union or workers' representative of the contractor's commitments under section 2 and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
 - d. The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations (41 CFR, Part 60) and relevant orders of the Secretary of Labor.
 - e. The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records and accounts by the Federal Highway Administration and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.
 - f. In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations or orders, this contract may be canceled, terminated or suspended in whole or part and the contractor may be declared ineligible for further Government contracts or Federally-assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.
 - g. The contractor will include the provisions of Section 2 in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the State highway department or the Federal Highway Administration may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event a contractor becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the Federal Highway Administration, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

3. **Selection of Subcontractors, Procurement of Materials, and Leasing of Equipment:** During the performance of this contract, the contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:
- a. **Compliance with Regulations:** The contractor shall comply with the Regulations relative to nondiscrimination in federally-assisted programs of the Department of Transportation, Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the Regulations) which are herein incorporated by reference and made a part of this contract.
 - b. **Nondiscrimination:** The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, sex or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in the Regulations.
 - c. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontract or supplier shall be notified by the contract of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, sex or national origin.
 - d. **Information and Reports:** The contractor shall provide all information and reports required by the Regulations, or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the State highway department or the Federal Highway Administration to be pertinent to ascertain compliance with such Regulations or directives. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information, the contractor shall so certify to the State highway department, or the Federal Highway Administration as appropriate, and shall set forth what efforts it has made to obtain the information.
 - e. **Sanctions for Noncompliance:** In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the State highway department shall impose such contract sanctions as it or the Federal Highway Administration may determine to be appropriate, including, but not limited to:
 - (1) withholding of payments to the contractor under the contract until the contractor complies, and/or
 - (2) cancellation, termination or suspension of the contract, in whole or in part.
 - f. **Incorporation of Provisions:** The contractor shall include the provisions of this paragraph 3 in every subcontract, including procurements of materials and leases of equipment, unless except by the Regulations, or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontractor or procurement as the State highway department or the Federal Highway Administration may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that, in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the State highway department or enter into such litigation to protect the interest of the State, and , in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

Wherever hereinabove the word "contractor" is used, it shall also include the word engineer, consultant, researcher, or other entity (governmental, corporate, or otherwise), its successors and assigns as may be appropriate.

*Not to be used if otherwise included in Construction or Appalachian Contract Provisions.

June 17, 2010
(Revised March 4, 2011)

CONTRACTOR INTEGRITY PROVISIONS

It is essential that those who seek to contract with the Commonwealth of Pennsylvania ("Commonwealth") observe high standards of honesty and integrity. They must conduct themselves in a manner that fosters public confidence in the integrity of the Commonwealth procurement process.

In furtherance of this policy, Contractor agrees to the following:

1. Contractor shall maintain the highest standards of honesty and integrity during the performance of this contract and shall take no action in violation of state or federal laws or regulations or any other applicable laws or regulations, or other requirements applicable to Contractor or that govern contracting with the Commonwealth.
2. Contractor shall establish and implement a written business integrity policy, which includes, at a minimum, the requirements of these provisions as they relate to Contractor employee activity with the Commonwealth and Commonwealth employees, and which is distributed and made known to all Contractor employees.
3. Contractor, its affiliates, agents and employees shall not influence, or attempt to influence, any Commonwealth employee to breach the standards of ethical conduct for Commonwealth employees set forth in the *Public Official and Employees Ethics Act, 65 Pa.C.S. §§1101 et seq.*; the *State Adverse Interest Act, 71 P.S. §776.1 et seq.*; and the *Governor's Code of Conduct, Executive Order 1980-18, 4 Pa. Code §7.151 et seq.*, or to breach any other state or federal law or regulation.
4. Contractor, its affiliates, agents and employees shall not offer, give, or agree or promise to give any gratuity to a Commonwealth official or employee or to any other person at the direction or request of any Commonwealth official or employee.
5. Contractor, its affiliates, agents and employees shall not offer, give, or agree or promise to give any gratuity to a Commonwealth official or employee or to any other person, the acceptance of which would violate the *Governor's Code of Conduct, Executive Order 1980-18, 4 Pa. Code §7.151 et seq.* or any statute, regulation, statement of policy, management directive or any other published standard of the Commonwealth.
6. Contractor, its affiliates, agents and employees shall not, directly or indirectly, offer, confer, or agree to confer any pecuniary benefit on anyone as consideration for the decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty by any Commonwealth official or employee.
7. Contractor, its affiliates, agents, employees, or anyone in privity with him or her shall not accept or agree to accept from any person, any gratuity in connection with the

performance of work under the contract, except as provided in the contract.

8. Contractor shall not have a financial interest in any other contractor, subcontractor, or supplier providing services, labor, or material on this project, unless the financial interest is disclosed to the Commonwealth in writing and the Commonwealth consents to Contractor's financial interest prior to Commonwealth execution of the contract. Contractor shall disclose the financial interest to the Commonwealth at the time of bid or proposal submission, or if no bids or proposals are solicited, no later than Contractor's submission of the contract signed by Contractor.
9. Contractor, its affiliates, agents and employees shall not disclose to others any information, documents, reports, data, or records provided to, or prepared by, Contractor under this contract without the prior written approval of the Commonwealth, except as required by the *Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104*, or other applicable law or as otherwise provided in this contract. Any information, documents, reports, data, or records secured by Contractor from the Commonwealth or a third party in connection with the performance of this contract shall be kept confidential unless disclosure of such information is:
 - a. Approved in writing by the Commonwealth prior to its disclosure; or
 - b. Directed by a court or other tribunal of competent jurisdiction unless the contract requires prior Commonwealth approval; or
 - c. Required for compliance with federal or state securities laws or the requirements of national securities exchanges; or
 - d. Necessary for purposes of Contractor's internal assessment and review; or
 - e. Deemed necessary by Contractor in any action to enforce the provisions of this contract or to defend or prosecute claims by or against parties other than the Commonwealth; or
 - f. Permitted by the valid authorization of a third party to whom the information, documents, reports, data, or records pertain; or
 - g. Otherwise required by law.
10. Contractor certifies that neither it nor any of its officers, directors, associates, partners, limited partners or individual owners has been officially notified of, charged with, or convicted of any of the following and agrees to immediately notify the Commonwealth agency contracting officer in writing if and when it or any officer, director, associate, partner, limited partner or individual owner has been officially notified of, charged with, convicted of, or officially notified of a governmental determination of any of the following:

- a. Commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property.
- b. Commission of fraud or a criminal offense or other improper conduct or knowledge of, approval of or acquiescence in such activities by Contractor or any affiliate, officer, director, associate, partner, limited partner, individual owner, or employee or other individual or entity associated with:
 - (1) obtaining;
 - (2) attempting to obtain; or
 - (3) performing a public contract or subcontract.

Contractor's acceptance of the benefits derived from the conduct shall be deemed evidence of such knowledge, approval or acquiescence.

- c. Violation of federal or state antitrust statutes.
- d. Violation of any federal or state law regulating campaign contributions.
- e. Violation of any federal or state environmental law.
- f. Violation of any federal or state law regulating hours of labor, minimum wage standards or prevailing wage standards; discrimination in wages; or child labor violations.
- g. Violation of the *Act of June 2, 1915 (P.L. 736, No. 338)*, known as the *Workers' Compensation Act, 77 P.S. 1 et seq.*
- h. Violation of any federal or state law prohibiting discrimination in employment.
- i. Debarment by any agency or department of the federal government or by any other state.
- j. Any other crime involving moral turpitude or business honesty or integrity.

Contractor acknowledges that the Commonwealth may, in its sole discretion, terminate the contract for cause upon such notification or when the Commonwealth otherwise learns that Contractor has been officially notified, charged, or convicted.

- 11. If this contract was awarded to Contractor on a non-bid basis, Contractor must, (as required by *Section 1641 of the Pennsylvania Election Code*) file a report of political contributions with the Secretary of the Commonwealth on or before February 15 of the next calendar year. The report must include an itemized list of all political contributions known to Contractor by virtue of the knowledge possessed by every officer, director,

associate, partner, limited partner, or individual owner that has been made by:

- a. Any officer, director, associate, partner, limited partner, individual owner or members of the immediate family when the contributions exceed an aggregate of one thousand dollars (\$1,000) by any individual during the preceding year; or
- b. Any employee or members of his immediate family whose political contribution exceeded one thousand dollars (\$1,000) during the preceding year.

To obtain a copy of the reporting form, Contractor shall contact the Bureau of Commissions, Elections and Legislation, Division of Campaign Finance and Lobbying Disclosure, Room 210, North Office Building, Harrisburg, PA 17120.

12. Contractor shall comply with requirements of the *Lobbying Disclosure Act, 65 Pa.C.S. § 13A01 et seq.*, and the regulations promulgated pursuant to that law. Contractor employee activities prior to or outside of formal Commonwealth procurement communication protocol are considered lobbying and subjects the Contractor employees to the registration and reporting requirements of the law. Actions by outside lobbyists on Contractor's behalf, no matter the procurement stage, are not exempt and must be reported.
13. When Contractor has reason to believe that any breach of ethical standards as set forth in law, the Governor's Code of Conduct, or in these provisions has occurred or may occur, including but not limited to contact by a Commonwealth officer or employee which, if acted upon, would violate such ethical standards, Contractor shall immediately notify the Commonwealth contracting officer or Commonwealth Inspector General in writing.
14. Contractor, by submission of its bid or proposal and/or execution of this contract and by the submission of any bills, invoices or requests for payment pursuant to the contract, certifies and represents that it has not violated any of these contractor integrity provisions in connection with the submission of the bid or proposal, during any contract negotiations or during the term of the contract.
15. Contractor shall cooperate with the Office of Inspector General in its investigation of any alleged Commonwealth employee breach of ethical standards and any alleged Contractor non-compliance with these provisions. Contractor agrees to make identified Contractor employees available for interviews at reasonable times and places. Contractor, upon the inquiry or request of the Office of Inspector General, shall provide, or if appropriate, make promptly available for inspection or copying, any information of any type or form deemed relevant by the Inspector General to Contractor's integrity and compliance with these provisions. Such information may include, but shall not be limited to, Contractor's business or financial records, documents or files of any type or form that refers to or concern this contract.
16. For violation of any of these Contractor Integrity Provisions, the Commonwealth may terminate this and any other contract with Contractor, claim liquidated damages in an amount equal to the value of anything received in breach of these provisions, claim

damages for all additional costs and expenses incurred in obtaining another contractor to complete performance under this contract, and debar and suspend Contractor from doing business with the Commonwealth. These rights and remedies are cumulative, and the use or non-use of any one shall not preclude the use of all or any other. These rights and remedies are in addition to those the Commonwealth may have under law, statute, regulation, or otherwise.

17. For purposes of these Contractor Integrity Provisions, the following terms shall have the meanings found in this Paragraph 17.

- a. "Confidential information" means information that a) is not already in the public domain; b) is not available to the public upon request; c) is not or does not become generally known to Contractor from a third party without an obligation to maintain its confidentiality; d) has not become generally known to the public through a act or omission of Contractor; or e) has not been independently developed by Contractor without the use of confidential information of the Commonwealth.
- b. "Consent" means written permission signed by a duly authorized officer or employee of the Commonwealth, provided that where the material facts have been disclosed, in writing, by pre-qualification, bid, proposal, or contractual terms, the Commonwealth shall be deemed to have consented by virtue of execution of this contract.
- c. "Contractor" means the individual or entity that has entered into this contract with the Commonwealth, including those directors, officers, partners, managers, and owners having more than a five percent interest in Contractor.
- d. "Financial interest" means:
 - (1) Ownership of more than a five percent interest in any business; or
 - (2) Holding a position as an officer, director, trustee, partner, employee, or holding any position of management.
- e. "Gratuity" means tendering, giving or providing anything of more than nominal monetary value including, but not limited to, cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, advances, deposits of money, services, employment, or contracts of any kind. The exceptions set forth in the Governor's Code of Conduct, Executive Order 1980-18, the 4 Pa. Code §7.153(b), shall apply.
- f. "Immediate family" means a spouse and any unemancipated child.
- g. "Non-bid basis" means a contract awarded or executed by the Commonwealth with Contractor without seeking bids or proposals from any other potential bidder

or offeror.

- h. "Political contribution" means any payment, gift, subscription, assessment, contract, payment for services, dues, loan, forbearance, advance or deposit of money or any valuable thing, to a candidate for public office or to a political committee, including but not limited to a political action committee, made for the purpose of influencing any election in the Commonwealth of Pennsylvania or for paying debts incurred by or for a candidate or committee before or after any election.

January 29, 2001

Disadvantaged Business Enterprise & Small Business Concern Involvement

The Commonwealth of Pennsylvania is committed to providing opportunities for Disadvantaged Business Enterprises and small business concerns to compete for work. Small business concerns are those entities seeking to participate in Commonwealth contracts that meet the definition of a small business concern set forth in Section 3 of the Small Business Act and Small Business regulations implementing it at 13 C.F.R. Part 21. Contractors are encouraged to involve Disadvantaged Business Enterprises and small business concerns in the required work and to submit documentation of any such involvement in the proposal/project.

**APPENDIX C
DESIGNATED SPECIAL PROVISION 7 (DSP7)
DISADVANTAGED BUSINESS ENTERPRISE REQUIREMENTS**

NOTE: Use on Federal aid projects only. Requires merge-line document for participation goal percentage.

I. DBE GOAL -

- (a) To create a level playing field on which DBE's can compete fairly for U.S. Department of Transportation assisted contracts, the Pennsylvania Department of Transportation has established, in connection with this contract, a goal of _____% of the original contract amount for the utilization of firms owned and controlled by socially and economically disadvantaged individuals certified as DBEs by the Department at the time submission of Attachment A documents are due. This goal remains in effect throughout the life of the contract. When the award of the contract is made with a DBE participation less than the contract goal, continue Good Faith Effort throughout the life of the contract to increase the DBE participation to meet the contract goal.

Include the following provisions in every subcontract, so that such provisions will be binding upon each subcontractor, regular dealer, manufacturer, consultant, or service agency.

- (a) **Policy.** It is the policy of the U.S. Department of Transportation and the Pennsylvania Department of Transportation that Disadvantaged Business Enterprises (DBE), as defined in 49 CFR Part 26, as amended, and this provision, be given the opportunity to participate in the performance of contracts financed in whole or in part with Federal funds under this contract. Consequently, the DBE requirements of 49 CFR Part 26, as amended, apply to this contract. The term DBE as used throughout also applies to Women Business Enterprises and all requirements herein are applicable.
- (b) **DBE Obligation.** Take all necessary and reasonable steps, in accordance with 49 CFR Part 26, as amended, to ensure that DBEs have the opportunity to compete for and perform contracts. Do not discriminate on the basis of race, color, national origin, or sex in the award and performance of Pennsylvania Department of Transportation and U.S. Department of Transportation assisted contracts.
- (c) **Failure to Comply with DBE Requirements.** All contractors and subcontractors are hereby advised that failure to carry out the requirements specified hereinabove constitutes a breach of contract and, after notification to the U.S. Department of Transportation, may result in termination of the contract, being barred from bidding on Department contracts for up to three (3) years, or any other remedy that the Pennsylvania Department of Transportation deems appropriate. Failure to comply with DBE requirements includes, but is not limited to, failure to submit Attachment A within the time period specified, failure to exert a reasonable Good Faith Effort to meet the established goal, or failure to realize the DBE participation set forth on the approved Attachment A. Failure to submit Attachment A within the specified time requirements may result in forfeiture of the bid guaranty. Failure to exert reasonable Good Faith Effort may result in forfeiture of the bid guaranty.

II. DEFINITIONS -

Consistent with the federal regulations, the following definitions apply for terms used in this specification:

- (a) Disadvantaged business enterprise or DBE means a for-profit small business concern -
- (1) That is a least 51 percent owned by one or more individuals who are both socially and economically disadvantaged or, in the case of a corporation, in which 51 percent of the stock is owned by one or more such individuals; and

- (2) Whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it.
- (b) Small business concern means, with respect to firms seeking to participate as DBE's in DOT-assisted contracts, a small business concern as defined pursuant to section 3 of the Small Business Act and Small Business Administration regulations implementing it (13 CFR Part 121) that also does not exceed the cap on average annual gross receipts specified in subsection 26.65(b).
- (c) Socially and economically disadvantaged individual means any individual who is a citizen (or lawfully admitted permanent resident) of the United States and who is --

Any individual who the Department finds to be a socially and economically disadvantaged individual on a case-by-case basis.

Any individual in the following groups, members of which are rebuttably presumed to be socially and economically disadvantaged:

1. "Black Americans," which includes persons having origins in any of the Black racial groups of Africa;
 2. "Hispanic Americans," which includes persons of Mexican, Puerto Rican, Cuban, Dominican, Central or South American, or other Spanish or Portuguese culture or origin, regardless of race;
 3. "Native Americans," which includes persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians.
 4. "Asian-Pacific Americans," which includes persons whose origins are from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands (Republic of Palau), the Commonwealth of the Northern Mariana Islands, Macao, Fiji, Tonga, Kiribati, Tuvalu, Nauru, Federated States of Micronesia, or Hong Kong;
 5. "Subcontinent Asian Americans," which includes persons whose origins are from India, Pakistan, and Bangladesh, Bhutan, the Maldives Islands, Nepal or Sri Lanka;
 6. Women;
 7. Any additional groups whose members are designated as socially and economically disadvantaged by the SBA, at such time as the SBA designation becomes effective.
- (d) Committee. The Good Faith Effort Review Committee.
 - (e) Director. Director, Bureau of Equal Opportunity.
 - (f) Attachment A. Pennsylvania Department of Transportation Form EO-3 80, Schedule of DBE Participation.
 - (g) Revised Attachment A. Form EO-3 80, Schedule of DBE Participation, which includes new DBE firm(s) as well as those not affected by the revision.

III. COUNTING DBE PARTICIPATION TOWARD THE DBE GOAL -

Utilization of Department certified DBEs is in addition to all other equal opportunity requirements of the contract.

Count DBE participation toward meeting the DBE goal as follows:

- (a) **DBE Firms.** If a firm is certified by the Department as an eligible DBE at the time submission of Attachment A documents are due, the total dollar value of the contract awarded to the DBE is counted toward the applicable DBE goal except as provided below.

When a DBE participates in a contract, count only the value of the work actually performed by the DBE toward DBE goals.

The Department requires that all prime contractors including DBE prime contractors perform at least fifty percent (50%) of the work on a Department project. A DBE bidder on a prime contract will receive credit toward any DBE goal for all work performed with its own forces. The Department strongly encourages DBE prime contractors to make additional outreach efforts to solicit DBEs to perform subcontracting work on the project.

Count the entire amount of that portion of a construction contract that is performed by the DBE's own forces. Include the cost of supplies and materials obtained by the DBE for the work of the contract, including supplies purchased or equipment leased by the DBE.

Count the entire amount of fees or commissions charged by a DBE firm for providing a bona fide service, such as professional, technical, consultant, or managerial services, or for providing bonds or insurance specifically required for the performance of a DOT-assisted contract, toward DBE goals, provided the fee to be reasonable and not excessive as compared with fees customarily allowed for similar services.

When a DBE subcontracts part of the work of its contract to another firm, the value of the subcontracted work may be counted toward DBE goals only if the DBE's subcontractor is itself a DBE. Work that a DBE subcontracts to a non-DBE firm does not count toward DBE goals.

Count expenditures to a DBE contractor toward DBE goals only if the DBE is performing a commercially useful function on that contract.

A DBE performs a commercially useful function when it is responsible for execution of the work of the contract and is carrying out its responsibilities by actually performing, managing, and supervising the work involved. To perform a commercially useful function, the DBE must also be responsible, with respect to materials and supplies used on the contract, for negotiating price, determining quality and quantity, ordering the material, and installing (where applicable) and paying for the material itself.

(b) **Materials and Supplies.**

1. **DBE Manufacturer.** If the materials or supplies are obtained from a DBE manufacturer, count 100 percent of the cost of the materials or supplies toward DBE goals.

A manufacturer is a firm that operates or maintains a factory or establishment that produces, on the premises, the materials, supplies, articles, or equipment required under the contract and of the general character described by the specifications.

2. **DBE Regular Dealer.** If the materials or supplies are purchased from a DBE regular dealer, count 60 percent of the cost of the materials or supplies toward DBE goals.

A regular dealer is a firm that owns, operates, or maintains a store, warehouse, or other establishment in which the materials, supplies, articles or equipment of the general character described by the specifications and required under the contract are bought, kept in stock, and regularly sold or leased to the public in the usual course of business.

To be a regular dealer, the firm must be an established, regular business that engages, as its principal business and under its own name, in the purchase and sale or lease of the products in question.

A person may be a regular dealer in such bulk items as petroleum products, steel, cement, gravel, stone, or asphalt without owning, operating, or maintaining a place of business as provided above if the person both owns and operates distribution equipment for the products. Any supplementing of regular dealers' own distribution equipment shall be by a long-term lease agreement and not on an ad hoc or contract-by-contract basis.

Packagers, brokers, manufacturers' representatives, or other persons who arrange or expedite transactions are not regular dealers.

- (c) **Services.** With respect to materials or supplies purchased from a DBE which is neither a manufacturer nor a regular dealer, count, the entire amount of fees or commissions charged for assistance in the procurement of the materials and supplies, or fees or transportation charges for the delivery of materials or supplies required on a job site, toward DBE goals, provided you determine the fees to be reasonable and not excessive as compared with fees customarily allowed for similar services. Do not count any portion of the cost of the materials and supplies themselves toward DBE goals.
- (d) **Trucking Firms.** The following factors are used in determining DBE credit:
- (1) The DBE must be responsible for the management and supervision of the entire trucking operation for which it is responsible on a particular contract, and there cannot be a contrived arrangement for the purpose of meeting DBE goals.
 - (2) The DBE must itself own and operate at least one fully licensed, insured, and operational truck used on the contract.
 - (3) The DBE receives credit for the total value of the transportation services it provides on the contract using trucks it owns, insures, and operates using drivers it employs.
 - (4) The DBE may lease trucks from another DBE firm, including an owner-operator who is certified as a DBE. The DBE who leases trucks from another DBE receives credit for the total value of the transportation services the lessee DBE provides on the contract.
 - (5) The DBE may also lease trucks from a non-DBE firm, including an owner-operator. The DBE who leases trucks from a non-DBE is entitled to credit only for the fee or commission it receives as a result of the lease arrangement. The DBE does not receive credit for the total value of the transportation services provided by the lessee, since these services are not provided by a DBE.
 - (6) For purposes above, a lease must indicate that the DBE has exclusive use of and control over the truck. This does not preclude the leased truck from working for others during the term of the lease with the consent of the DBE, so long as the lease gives the DBE absolute priority for use of the leased truck. Leased trucks must display the name and identification number of the DBE.

Any services to be performed by a DBE agency are required to be readily identifiable to the project.

- (e) **Specialty Items.** In cases where specialty items and DBE involvement overlap, follow the requirements in Section 108.0 1(c).

IV. ACTIONS REQUIRED BY THE BIDDER AT THE BIDDING STAGE AND PRIOR TO AWARD -

When the goal established by the Department is met or exceeded, the apparent low bidder is required to:

- (a) deposit Attachment A documents signed by the apparent low bidder and DBE in Contract Awards Office, 7th Floor, Forum Place, 555 Walnut Street, Harrisburg, PA 17101-1900, by 3:00 P.M. Prevailing Local Time of the seventh (7th) calendar day after the bid opening.

- (b) or send them to the Pennsylvania Department of Transportation, P.O. Box 2827, Harrisburg, PA 17105 via FIRST CLASS MAIL by the fifth (5th) calendar day after the bid opening. Provide U.S. Postal Service Form 3817 (Certificate of Mailing), executed, as required, by an authorized postal official, as proof of timely mailing. Include the 6-digit CMS Number for the project on the executed Form 3817. Attach the original executed Form 3817 to the submission prior to sealing the envelope, or firmly affix it to the sealed envelope, and retain a copy as proof of mailing in the event of nonreceipt by the Department.
- (c) or send them to Contract Awards Office by facsimile (FAX) 717-705-1504 by 3:00 P.M. Prevailing Local Time of the seventh (7th) calendar day after the bid opening. Contractor shall assume all risk for the receipt of the Attachment A by the required time. The fax line is a dedicated line to be used exclusively for submission of the Attachment A and not for other communication with the Department.

When the goal established by the Department is not met, demonstrate a Good Faith Effort to meet the DBE contract goal. Demonstrate that the efforts made were those that a bidder seeking to meet the goal established by the Department would make, given all relevant circumstances. Deposit original Attachment A documents and the Good Faith Effort documentation so that they are received by the time specified above.

When the above-required documentation is not provided by the apparent low bidder within the time specified, the bid will be rejected and the apparent next lowest bidder will be notified by telephone to:

- (a) deposit Attachment A documents signed by the apparent low bidder and DBE in Contract Awards Office, 7th Floor, Forum Place, 555 Walnut Street, Harrisburg, PA 17101-1900, by 3:00 P.M. Prevailing Local Time of the seventh (7th) calendar day after the notification.
- (b) or send them to the Pennsylvania Department of Transportation, P.O. Box 2827, Harrisburg, PA 17105 via FIRST CLASS MAIL by the fifth (5th) calendar day after the notification. Provide U.S. Postal Service Form 3817 (Certificate of Mailing), executed, as required, by an authorized postal official, as proof of timely mailing. Include the 6-digit CMS Number for the project on the executed Form 3817. Attach the original executed Form 3817 to the submission prior to sealing the envelope, or firmly affix it to the sealed envelope, and retain a copy as proof of mailing in the event of nonreceipt by the Department.
- (c) or send them to Contract Awards Office by facsimile (FAX) 717-705-1504 by 3:00 P.M. Prevailing Local Time of the seventh (7th) calendar day after the notification. Contractor shall assume all risk for the receipt of the Attachment A by the required time. The fax line is a dedicated line to be used exclusively for submission of the Attachment A and not for other communication with the Department.

The demonstration of "Good Faith Effort" is accomplished by seeking out DBE participation in the project given all relevant circumstances. A list of general work classifications is listed in the proposal under "Items Subcontractible to DBE firms." The following are the kinds of efforts that may be taken, but they are not deemed to be exclusive or exhaustive. The Director and/or Committee will consider other factors and types of efforts that may be relevant:

Efforts made to solicit through all reasonable and available means (e.g. use of the DBE Directory, attendance at pre-bid meetings, advertising and/or written notices) the interest of all certified DBEs who have the capability to perform the work of the contract. The bidder must provide written notification, at least 15 calendar days prior to the bid opening, to allow the DBEs to respond to the solicitation. The bidder must determine with certainty if the DBEs are interested by taking appropriate steps to follow up initial solicitations.

Efforts made to select portions of the work to be performed by DBEs in order to increase the likelihood that the DBE goal will be achieved. This includes, where appropriate, breaking out contract work items into economically feasible units to facilitate DBE participation, even when the prime contractor might otherwise prefer to perform these work items with its own forces.

Efforts made to provide interested DBEs with adequate information about the plans, specifications, and requirements of the contract in a timely manner to assist them in responding to a solicitation.

Efforts made to negotiate in good faith with interested DBEs. It is the bidder's responsibility to make a portion of the work available to DBE subcontractors and suppliers and to select those portions of the work or material needs consistent with the available DBE subcontractors and suppliers, so as to facilitate DBE participation. Evidence of such negotiation includes the names, addresses, and telephone numbers of DBEs that were considered; a description of the information provided regarding the plans and specifications for the work selected for subcontracting; and evidence as to why additional agreements could not be reached for DBEs to perform the work. A bidder using good business judgment would consider a number of factors in negotiating with subcontractors, including DBE subcontractors, and would take a firm's price and capabilities as well as contract goals into consideration. However, the fact that there may be some additional costs involved in finding and using DBEs is not in itself sufficient reason for a bidder's failure to meet the contract DBE goal, as long as such costs are reasonable. Also, the ability or desire of a bidder to perform the work of a contract with its own work force does not relieve the bidder of the responsibility to make Good Faith Effort. Bidders are not, however, required to accept higher quotes from DBEs if the price difference is excessive or unreasonable.

Failure to accept a DBE as being unqualified without sound reasons based on a thorough investigation of their capabilities. The contractor's standing within its industry, membership in specific groups, organizations, or associations and political or social affiliations (for example union vs. non-union employee status) are not legitimate causes for the rejection or non-solicitation of bids in the contractor's efforts to meet the DBE contract goal.

Efforts to assist interested DBEs in obtaining bonding, lines of credit, or insurance.

Efforts to assist interested DBEs in obtaining necessary equipment, supplies, materials, or related assistance or services.

Efforts to effectively use the Department's DBE Supportive Services Contractors, services of available minority/women community organizations; minority/women contractors' groups; local, state, and Federal minority/women business assistance offices; and other organizations as allowed on a case-by-case basis to provide assistance in the recruitment and placement of DBEs.

If the goal has not been met at the time of bid submission, the Bidder is expected to make a concerted effort between that time and the time that Attachment A documents are due.

V. ACTIONS TO BE TAKEN BY THE DEPARTMENT BEFORE AWARD.

If the apparent low bidder meets the DBE contract goal and all other contract requirements, the Department will approve the submission.

NOTE: If any DBE listed on the Attachment A is not prequalified, if required, at the time the Department desires to award the contract, the Department will issue a conditional approval of the Attachment A to the apparent low bidder.

If the apparent low bidder fails to meet the DBE contract goal, the Director and/or Committee will review the apparent low bidder's DBE data and Good Faith Effort to meet the DBE contract goal. If the Good Faith Effort is deemed satisfactory, the Director and/or Committee will recommend award.

If the Committee determines that the apparent low bidder has failed to make a Good Faith Effort, the bid will be rejected and the apparent low bidder will be notified of the rejection. The Department will then notify, by telephone, the apparent next lowest bidder on the project to:

- (a) deposit Attachment A documents signed by the apparent low bidder and DBE in Contract Awards Office, 7th Floor, Forum Place, 555 Walnut Street, Harrisburg, PA 17 101-1900, by 3:00 P.M. Prevailing Local Time of the seventh (7th) calendar day after the notification.

- (b) or send them to the Pennsylvania Department of Transportation, P.O. Box 2827, Harrisburg, PA 17105 via FIRST CLASS MAIL by the fifth (5th) calendar day after the notification. Provide U.S. Postal Service Form 3817 (Certificate of Mailing), executed, as required, by an authorized postal official, as proof of timely mailing. Include the 6-digit CMS Number for the project on the executed Form 3817. Attach the original executed Form 3817 to the submission prior to sealing the envelope, or firmly affix it to the sealed envelope, and retain a copy as proof of mailing in the event of nonreceipt by the Department.
- (c) or send them to Contract Awards Office by facsimile (FAX) 717-705-1504 by 3:00 P.M. Prevailing Local Time of the seventh (7th) calendar day after the notification. Contractor shall assume all risk for the receipt of the Attachment A by the required time. The fax line is a dedicated line to be used exclusively for submission of the Attachment A and not for other communication with the Department.

The bidder's proposal and all appropriate DBE data will be submitted to the Director and/or Committee for evaluation. If, during the review of the bidder's DBE data and Good Faith Effort information, the Director and/or Committee has questions, the bidder may be contacted for clarification.

VI. ACTION TO BE TAKEN BY THE DEPARTMENT AFTER AWARD -

To ensure that all obligations awarded to DBEs under this contract are met, the Department will review the Contractor's DBE involvement efforts during the performance of the contract.

- (a) **Sanctions.** Upon completion of the work the Department will review the actual DBE participation realized and make a determination regarding the Contractor's compliance with the applicable requirements specified herein.

In the event the Contractor is found to be in noncompliance the Prequalification Officer, acting under the direction of the Committee, may impose sanctions that the Committee deems appropriate.

Sanctions may be imposed for unwarranted shortfalls in the approved goal.

VII. ACTION REQUIRED BY THE CONTRACTOR AFTER AWARD -

- (a) **DBE Participation Goal.** When Attachment A is approved with a DBE participation less than the contract goal, continue efforts toward meeting the contract goal.
- (b) **Prequalification or Approval.** Firms listed on Attachment A are not to commence work until they are prequalified or approved, if required.

When submitting Form 4339R, Request for Subcontractor Approval, to the District for approval of a DBE named on Attachment A, in accordance with this Special Provision, attach the following when electing not to attach a copy of the DBE subcontract or agreement:

- A copy of the executed signature page,
 - A copy of the description of the scope of work, and
 - A copy of the unit prices as they appear in the DBE's subcontract or agreement.
- (c) **Substitution.** The contractor shall immediately notify the District Engineer and the Bureau of Equal Opportunity, in writing, before substituting a DBE or making any change to the DBE participation listed on the approved Attachment A. The notification from the contractor must include documentation supporting the substitution. Requests to substitute DBEs will be scrutinized closely. Contractors should demonstrate that a DBE is unwilling or unable to successfully perform and that every effort has been made to allow the DBE to perform.

1. If the arrangement to be replaced is agreeable between the Contractor and the DBE, the following procedures are required:

- The contractor must make a Good Faith Effort to recontract the work with another DBE, or subcontract other work items to DBE firms, to make up the DBE shortfall.
- Contact available qualified DBEs and DBE referral sources in an effort to recontract the work or subcontract other work items with DBEs, if a DBE contract shortfall exists.
- Provide the District Engineer with a Revised Attachment A and additional Good Faith Effort information, when the approved Attachment A amount is not met, within seven (7) calendar days after written notification to the District Engineer. If the DBE performed on the project, the Revised Attachment A should include the total amount paid to the DBE prior to the DBE substitution.

The Contractor's Good Faith Effort information will be forwarded to the Director and/or Committee for evaluation. If, during the review of the Contractor's Good Faith Effort information, the Director and/or Committee has questions, the Contractor may be contacted for clarification.

During the seven (7) calendar day period specified above and the additional period required for Department processing of the Revised Attachment A, the Contractor may continue the substituted work with their own forces to maintain the scheduled progress of the work, with the written approval of the District Engineer.

If the projected DBE participation on an approved Attachment A exceeds the goal amount for the contract without counting the amount committed to a substituted DBE, then no contract shortfall exists and the Contractor is not required to replace the DBE. A revised Attachment A must be submitted to reflect the decreased dollar amount.

2. If the arrangement to be replaced is not agreeable between the Contractor and the DBE, the following procedures are required:

The contractor or the affected DBE must immediately request a mediation meeting with the Department by contacting the District Office.

The contractor or any other subcontractor may not perform the DBE work until the completion of the mediation meeting.

Upon completion of the mediation meeting, if a Revised Attachment A is required, the contractor must submit a Revised Attachment A in accordance with VII.(c) 1. above.

Failure to make Good Faith Effort as determined by the Committee, or failure to comply with the provisions of this Section for substitution of a DBE, will constitute a breach of contract and, after notification to the U.S. Department of Transportation, may result in termination of the contract, being barred from bidding on Department contracts for up to three (3) years, or any other remedy that the Pennsylvania Department of Transportation deems appropriate.

- (d) **Additional Work.** When additional work is required for any classification of work which is identified on the Attachment A to be performed by the DBE, at least 50% of this additional work will be performed by the same DBE unless the DBE submits, in writing, that he/she cannot perform the work due to his/her own limitations. If the DBE cannot perform this additional work, the prime may take necessary measures to complete the work.

- (e) **Progress Payments.** Bring to the attention of the Department, in writing, any situation in which regularly scheduled progress payments are not made to DBE subcontractors, regular dealers, manufacturers, consultants, or service agencies.
- (f) **Records and Reports.** Keep such project records as are necessary to determine compliance with Disadvantaged Business Enterprise Utilization obligations. Design these records to indicate:
- The number of disadvantaged and nondisadvantaged subcontractors, regular dealers, manufacturers, consultants, and service agencies, and the type of work or services performed on or materials incorporated in this project.
 - The progress and efforts made in seeking out DBE contractor organizations and individual DBEs for work on this project to maintain the level of DBE participation outlined on Attachment A.
 - Documentation of all correspondence, personal contacts, telephone calls, etc., to obtain the services of DBEs for this project. Submit reports, as required by the Pennsylvania Department of Transportation, but at least on a monthly basis, on those contracts and other business executed with DBEs, with respect to the records referred to above, in such form and manner as prescribed by the Pennsylvania Department of Transportation. Submit monthly reports, Form EO-402 (Monthly DBE/MBE/WBE Status Report), to the Inspector-in-Charge within five (5) working days following the end of the month and have them contain:
 - The number of contracts awarded to DBEs, noting the type of work and amount of each contract executed with each firm and including the execution date of each contract.
 - The amount paid to each DBE during the month and the amount paid to date.
 - Paid invoices or a certification attesting to the actual amount paid to each firm, upon completion of the individual DBE's work. In the event the actual amount paid is less than the award amount, provide a complete explanation of the difference.

Maintain all such records for a period of three (3) years following acceptance of final payment. Make these records available for inspection by the Pennsylvania Department of Transportation and the Federal Highway Administration.

**DISADVANTAGED BUSINESS ENTERPRISE REQUIREMENTS—
Prequalification Exempt**

1. POLICY

- A. The Pennsylvania Department of Transportation (PennDOT) does not discriminate on the basis of race, color, national origin or sex. It is the policy of PennDOT and the United States Department of Transportation that Disadvantaged Business Enterprises (DBEs) be given the opportunity to participate in the performance of contracts financed, in whole or in part, with federal funds.
- B. The requirement of 49 CFR 26 apply to this contract.
- C. Only DBE firms certified by PennDOT count toward the DBE Goal.

2. DEFINITIONS

- A. Disadvantaged Business Enterprise or DBE means a for-profit small business concern:
 - 1) That is at least 51 percent owned by one or more individuals who are both socially and economically disadvantaged or, in the case of a corporation, in which 51 percent of the stock is owned by one or more such individuals; and
 - 2) Whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it.
- B. Small business concern means, with respect to firms seeking to participate as DBEs in DOT-assisted contracts, a small business concern as defined pursuant to section 3 of the Small Business Act and Small Business Administration regulations implementing it (13 CFR Part 121) that also does not exceed the cap on average annual gross receipts specified in § 26.65(b).
- C. Socially and economically disadvantaged individual means any individual who is a citizen (or lawfully admitted permanent resident) of the United States and who is:
 - 1) Any individual in the following groups, members of which are rebuttably presumed to be socially and economically disadvantaged:
 - i) "Black Americans," which includes persons having origins in any of the Black racial groups of Africa;
 - ii) "Hispanic Americans," which includes persons of Mexican, Puerto Rican, Cuban, Dominican, Central or South American, or other Spanish or Portuguese culture or origin, regardless of race;
 - iii) "Native Americans," which includes persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians;
 - iv) "Asian-Pacific Americans," which includes persons whose origins are from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands (Republic of Palau), the

Commonwealth of the Northern Marianas Islands, Macao, Fiji, Tonga, Kirbati, Juvalu, Nauru, Federated States of Micronesia, or Hong Kong;

v) "Subcontinent Asian Americans," which includes persons whose origins are from India, Pakistan, Bangladesh, Bhutan, the Maldives Islands, Nepal or Sri Lanka;

vi) Women;

vii) Any additional groups whose members are designated as socially and economically disadvantaged by the SBA, at such time as the SBA designation becomes effective.

2) Any individual who the Department finds to be a socially and economically disadvantaged individual on a case-by-case basis.

D. DBE Goal means the amount of DBE participation stated by PennDOT in the proposal. This DBE Goal is stated in terms of total project cost and is based on the project's potential for subcontracted work and the availability of DBEs to perform such subcontract work.

E. Certified DBE means those firms certified by PennDOT's Bureau of Equal Opportunity. Refer to PennDOT's Disadvantaged Business Enterprise Directory. For information regarding DBE Certification, please see our web site at www.dot.state.pa.us or contact the Bureau's DBE Division at 1-800-468-4201 or (717) 787-5891.

3. FAILURE TO COMPLY WITH DBE REQUIREMENTS

A. Failure of a bidder to meet the DBE Goal and failure to provide a verifiable "good faith effort" in a response to the proposal will result in rejection of the bid. Furthermore, if PennDOT does not approve the "good faith effort," the bid will be rejected.

B. Failure by a prime contractor and subcontractors to carry out the DBE requirements constitutes a breach of contract and may result in termination of the contract or action as appropriate.

C. Upon completion of the project, PennDOT will review the actual DBE expenditures to determine compliance with the DBE Goal. If the DBE Goal is not met, written explanation from the contractor will be reviewed by PennDOT. If the shortfall in meeting the DBE Goal is determined to be unjustified and unwarranted, PennDOT may impose sanction as appropriate.

D. Failure to comply with any DBE requirements may result in termination of the contract, being barred from bidding on PennDOT contracts for up to three years, or any other remedy, as PennDOT deems appropriate.

4. PROCEDURES

A. In response to the proposal, the bidder must make a "good faith effort" to subcontract a portion of the project work to a certified DBEs. This portion should be equal to or greater than the DBE Goal stated in the proposal. Efforts to subcontract work include but are not limited to:

- 1) Efforts made to solicit through all reasonable and available means (e.g. use of the DBE Directory, attendance at pre-bid meetings, advertising and/or written notices) the interest of all certified DBEs who have the capability to perform the work of the contract. The bidder must provide written notification, at least 15 calendar days prior to the bid due date, to allow the DBEs to respond to the solicitation. The bidder must determine with certainty if the DBEs are interested by taking appropriate steps to follow up initial solicitations.
- 2) Efforts made to select portions of the work to be performed by DBEs in order to increase the likelihood that the DBE Goal will be achieved. This includes, where appropriate, breaking out contract work items into economically feasible units to facilitate DBE participation, even when the prime contractor might otherwise prefer to perform these work items with its own forces.
- 3) Efforts made to provide interested DBEs with adequate information about the plans, specifications, and requirements of the contract in a timely manner to assist them in responding to a solicitation.
- 4) Efforts made to negotiate in good faith with interested DBEs. It is the bidder's responsibility to make a portion of the work available to DBE subcontractors and suppliers and to select those portions of the work or material needs consistent with the available DBE subcontractors and suppliers, so as to facilitate DBE participation. Evidence of such negotiation includes the names, addresses, and telephone numbers of DBEs that were considered; a description of the information provided regarding the plans and specifications for the work selected for subcontracting; and evidence as to why additional agreements could not be reached for DBEs to perform the work. A bidder using good business judgment would consider a number of factors in negotiating with subcontractors, including DBE subcontractors, and would take a firm's price and capabilities as well as contract goals into consideration. However, the fact that there may be some additional costs involved in finding and using DBEs is not in itself sufficient reason for a bidder's failure to meet the contract DBE Goal, as long as such costs are reasonable. Also, the ability or desire of a bidder to perform the work of a contract with its own work force does not relieve the bidder of the responsibility to make good faith efforts. Bidders are not, however, required to accept higher quotes from DBEs if the price difference is excessive or unreasonable.
- 5) Failure to accept DBE as being unqualified without sound reasons based on a thorough investigation of their capabilities. The contractor's standing within its industry, membership in specific groups, organizations, or associations and political or social affiliations (for example union vs. non-union employeec status) are not legitimate causes for the rejection or non-solicitation of bids in the contractor's efforts to meet the DBE Goal.

- 6) Efforts to assist interested DBEs in obtaining bonding, lines of credit, or insurance as required by the recipient or contractor.
 - 7) Efforts to assist interested DBEs in obtaining necessary equipment, supplies, materials, or related assistance or services.
 - 8) Efforts to effectively use the Department's DBE Supportive Services Contractors, services of available minority/women community organizations; minority/women contractors' groups; local, state, and Federal minority/women business assistance offices; and other organizations as allowed on a case-by-case basis to provide assistance in the recruitment and placement of DBEs.
- B.** The bidder is prohibited from requiring any DBE to agree not to provide subcontracted effort to other bidders.
- C.** The bidder must submit Form(s) EO-380 meeting the DBE Goal, indicating the name of the DBE(s), contact person, phone number, PennDOT DBE Certification Number, expiration date, and a narrative description of the service to be provided by the DBE(s) with the bid. Failure to submit Form EO-380 with the bid will result in the rejection of the bid.
- D.** If a DBE cannot be located or if the percent of bid allocated to the DBE(s) is less than the DBE Goal, the bidder must provide a "good faith effort" in as mentioned Section 4-A, with the bid. Failure to submit the "good faith effort," if required, will result in the rejection of the bid. The "good faith effort" must explain and document the effort made by the bidder to obtain DBE participation. Documentation must be verifiable and must include:
- 1) The names, addresses and phone numbers of DBEs, DBE assistance agencies and general circulation media who were contacted, the dates of initial contact and the follow-up efforts made by the prime contractor;
 - 2) A description of the information provided to the DBE, DBE assistance agency or general circulation media to define the work to be performed;
 - 3) Documentation of the reasons why any DBE contacted would not agree to participate.
- E.** If the low bid contains a "good faith effort" because the low bidder failed to meet the established DBE Goal, PennDOT will review the "good faith effort" provided. If the "good faith effort" is deemed to be satisfactory, the "good faith effort" will be approved. In such a case the contractor shall continue a "good faith effort" throughout the life of the contract to increase the DBE participation to meet the contract DBE Goal. If PennDOT cannot accept the "good faith effort" submitted by the low bidder, the bid will be

considered non-responsive and PennDOT will notify the low bidder that the bid is rejected.

- F. Any low bid that does not meet the DBE Goal and does not provide a "good faith effort" which identified DBEs, DBE referral/assistance agencies and others, who were contacted, will be rejected without review. Use of a DBE certified by others and not by PennDOT, use of a DBE whose certification has expired or cannot be confirmed by PennDOT's Bureau of Equal Opportunity, or statements that the DBE Goal will be met after a contractor is awarded a contract are unacceptable and will result in rejection of bid.
- G. The prime contractor shall include the Disadvantaged Business Enterprise Requirements in all subcontracts. Subcontractors must conform to the intent of these requirements.
- H. If it becomes necessary to replace a DBE subcontractor during the contract, make a "good faith effort" to re-contract the same or other work with another certified DBE firm. Such an effort must include:
 - 1) Alert PennDOT immediately and document the problem in writing;
 - 2) Contact available DBE referral sources and individual qualified DBEs in an effort to re-contract work to fulfill the DBE Goal stated in the proposal; and
 - 3) Provide PennDOT with a revised form(s) EO-380 and additional "good faith effort" information if the original DBE Goal is not met, by the close of business of the 7th calendar day of PennDOT's receipt of written notice of the need to replace a DBE.
- I. Inform PennDOT, in writing, of any situation in which payments are not made to the DBE Subcontractor as required by the subcontract.
- J. Keep records necessary for compliance with DBE utilization obligations by indicating:
 - 1) The number of DBE and non-DBE subcontractors and the type of work, materials or services performed in the project;
 - 2) Efforts to secure DBE firms and individual whenever a subcontractor is contemplated during a contact;
 - 3) Documentation of all communication to obtain the services of DBEs on a project;
 - 4) The amounts paid to DBEs by invoice period.
- K. Upon completion of a DBE's work, the prime contractor must submit a certification of the actual amount paid to the DBE. If the actual amount paid is less than the amount of

the subcontract, an explanation is required and subject to the review and action of PennDOT.

5. COUNTING DBE PARTICIPATION

- A. If the contractor submitting the bid and serving as prime contractor is a certified DBE, count the dollar amount of the work to be performed by the DBE toward the DBE Goal.
- B. If the materials or supplies are purchased from a DBE supplier performing as regular dealer, count 60 percent of the cost of the materials or supplies toward DBE Goal. A regular dealer is a firm that owns, operates, or maintains a store, warehouse, or other establishment in which the materials, supplies, articles or equipment of the general character described by the specifications and required under the contract are bought, kept in stock, and regularly sold or leased to the public in the usual course of business.
- C. If the materials or supplies are obtained from a DBE manufacturer, count 100 percent of the cost of the materials or supplies toward DBE Goal. A manufacturer is a firm that operates or maintains a factory or establishment that produces, on the premises, the materials, supplies, articles, or equipment required under the contract and of the general character described by the specifications.
- D. Count toward the DBE Goal 100% of expenditures of DBE services including professional, technical consultant or managerial services. Count fees or commissions charged for providing any bonds or insurance specifically required for the performance of the contract.
- E. Use the following factors in determining whether a DBE trucking company is performing a commercially useful function:
 - 1) The DBE must be responsible for the management and supervision of the entire trucking operation for which it is responsible on a particular contract, and there cannot be a contrived arrangement for the purpose of meeting DBE goals.
 - 2) The DBE must itself own and operate at least one fully licensed, insured, and operational truck used on the contract.
 - 3) The DBE receives credit for the total value of the transportation services it provides on the contract using trucks its owns, insures, and operates using drivers it employs.
 - 4) The DBE may lease trucks from another DBE firm, including an owner-operator who is certified as a DBE. The DBE who leases trucks from another DBE receives credit for the total value of the transportation services the lessee DBE provides on the contract.
 - 5) The DBE may also lease trucks from a non-DBE firm, including an owner-operator. The DBE who leases trucks from a non-DBE is entitled to credit only for the fee or commission it receives as a result of the lease arrangement. The DBE does not receive credit for the total value of the transportation services provided by the lessee, since these services are not provided by a DBE.

- 6) For purposes of this paragraph (E), a lease must indicate that the DBE has exclusive use of and control over the truck. This does not preclude the leased truck from working for others during the term of the lease with the consent of the DBE, so long as the lease gives the DBE absolute priority for use of the leased truck. Leased trucks must display the name and identification number of the DBE.
- F. Any services to be performed by a DBE are required to be project related. The use of DBEs is in addition to all other equal opportunity requirements of the contract.

DBE Special Requirements—Engineering

The engineer shall attain the Disadvantaged Business Enterprise goal that applies to the total cost of the agreement and all supplements thereto, or in the alternative a showing of good faith effort by the engineer shall be made. Documentation of good faith effort shall be made by the engineer and subject to the concurrence of the Department.

The following is a list of types of actions that should be considered as part of the engineer's good faith efforts to obtain DBE participation. It is not intended to be a mandatory checklist, nor is it intended to be exclusive or exhaustive. Other factors or types of efforts may be relevant in appropriate cases.

A. Soliciting through all reasonable and available means (e.g. attendance at pre-bid meetings, advertising and/or written notices) the interest of all certified DBEs who have the capability to perform the work of the contract. The engineer must solicit this interest within sufficient time to allow the DBEs to respond to the solicitation. The engineer must determine with certainty if the DBEs are interested by taking appropriate steps to follow up initial solicitations.

B. Selecting portions of the work to be performed by DBEs in order to increase the likelihood that the DBE goals will be achieved. This includes, where appropriate, breaking out contract work items into economically feasible units to facilitate DBE participation, even when the prime might otherwise prefer to perform these work items with its own forces.

C. Providing interested DBEs with adequate information about the plans, specifications, and requirements of the contract in a timely manner to assist them in responding to a solicitation.

D. (1) Negotiating in good faith with interested DBEs. It is the engineer's responsibility to make a portion of the work available to DBE subcontractors and suppliers and to select those portions of the work or material needs consistent with the available DBE subcontractors and suppliers, so as to facilitate DBE participation. Evidence of such negotiation includes the names, addresses, and telephone numbers of DBEs that were considered; a description of the information provided regarding the plans and specifications for the work selected for subcontracting; and evidence as to why additional agreements could not be reached for DBEs to perform the work.

(2) A engineer using good business judgment would consider a number of factors in negotiating with subcontractors, including DBE subcontractors, and would take a firm's price and capabilities as well as contract goals into consideration. However, the fact that there may be some additional costs involved in finding and using DBEs is not in itself sufficient reason for a engineer's failure to meet the contract DBE goal, as long as such costs are reasonable. Also, the ability or desire of a prime to perform the work of a contract with its own organization does not relieve the engineer of the responsibility to make good faith efforts. Primes are not, however, required to accept higher quotes from DBEs if the price difference is excessive or unreasonable.

E. Not rejecting DBEs as being unqualified without sound reasons based on a thorough investigation of their capabilities. The firm's standing within its industry, membership in specific groups, organizations, or associations and political or social affiliations (for example union vs. non-union employee status) are not legitimate causes for the rejection or non-solicitation of bids in the firm's efforts to meet the project goal.

F. Making efforts to assist interested DBEs in obtaining bonding, lines of credit, or insurance as required by the recipient or firm.

G. Making efforts to assist interested DBEs in obtaining necessary equipment, supplies, materials, or related assistance or services.

H. Effectively using the services of available minority/women community organizations; minority/women contractors' groups; local, state, and Federal minority/women business assistance offices; and other organizations as allowed on a case-by-case basis to provide assistance in the recruitment and placement of DBEs.

July 3, 2003

LOBBYING CERTIFICATION FORM

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure of Lobbying Activities, in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed under *Section 1352, Title 31, U. S. Code*. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for such failure.

SIGNATURE: _____

TITLE: _____

DATE: _____

October 14, 2011

PROVISIONS CONCERNING THE AMERICANS WITH DISABILITIES ACT

For the purpose of these provisions, the term contractor is defined as any person, including, but not limited to, a bidder, offeror, supplier, or grantee, who will furnish or perform or seeks to furnish or perform, goods, supplies, services, construction or other activity, under a purchase order, contract, or grant with the Commonwealth of Pennsylvania (Commonwealth).

During the term of this agreement, the contractor agrees as follows:

1. Pursuant to federal regulations promulgated under the authority of the *Americans with Disabilities Act*, 28 C. F. R. § 35.101 et seq., the contractor understands and agrees that no individual with a disability shall, on the basis of the disability, be excluded from participation in this agreement or from activities provided for under this agreement. As a condition of accepting and executing this agreement, the contractor agrees to comply with the "General Prohibitions Against Discrimination," 28 C. F. R. § 35.130, and all other regulations promulgated under *Title II* of the *Americans with Disabilities Act* which are applicable to the benefits, services, programs, and activities provided by the Commonwealth through contracts with outside contractors.
2. The contractor shall be responsible for and agrees to indemnify and hold harmless the Commonwealth from all losses, damages, expenses, claims, demands, suits, and actions brought by any party against the Commonwealth as a result of the contractor's failure to comply with the provisions of paragraph 1.

October 25, 2010

Contractor Responsibility Provisions

For the purpose of these provisions, the term contractor is defined as any person, including, but not limited to, a bidder, offeror, loan recipient, grantee or lessor, who has furnished or performed or seeks to furnish or perform, goods, supplies, services, leased space, construction or other activity, under a contract, grant, lease, purchase order or reimbursement agreement with the Commonwealth of Pennsylvania (Commonwealth). The term contractor includes a permittee, licensee, or any agency, political subdivision, instrumentality, public authority, or other public entity in the Commonwealth.

1. The Contractor certifies, in writing, for itself and its subcontractors required to be disclosed or approved by the Commonwealth, that as of the date of its execution of this Bid/Contract, that neither the Contractor, nor any such subcontractors, are under suspension or debarment by the Commonwealth or any governmental entity, instrumentality, or authority and, if the Contractor cannot so certify, then it agrees to submit, along with its Bid/Contract, a written explanation of why such certification cannot be made.
2. The Contractor also certifies, in writing, that as of the date of its execution of this Bid/Contract it has no tax liabilities or other Commonwealth obligations, or has filed a timely administrative or judicial appeal if such liabilities or obligations exist, or is subject to a duly approved deferred payment plan if such liabilities exist.
3. The Contractor's obligations pursuant to these provisions are ongoing from and after the effective date of the Contract through the termination date thereof. Accordingly, the Contractor shall have an obligation to inform the Commonwealth if, at any time during the term of the Contract, it becomes delinquent in the payment of taxes, or other Commonwealth obligations, or if it or, to the best knowledge of the Contractor, any of its subcontractors are suspended or debarred by the Commonwealth, the federal government, or any other state or governmental entity. Such notification shall be made within 15 days of the date of suspension or debarment.
4. The failure of the Contractor to notify the Commonwealth of its suspension or debarment by the Commonwealth, any other state, or the federal government shall constitute an event of default of the Contract with the Commonwealth.
5. The Contractor agrees to reimburse the Commonwealth for the reasonable costs of investigation incurred by the Office of State Inspector General for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the Commonwealth that results in the suspension or debarment of the contractor. Such costs shall include, but shall not be limited to, salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees. The Contractor shall not be responsible for investigative costs for investigations that do not result in the Contractor's suspension or debarment.
6. The Contractor may obtain a current list of suspended and debarred Commonwealth contractors by either searching the Internet at <http://www.dgs.state.pa.us/> or contacting the:

Department of General Services
Office of Chief Counsel
603 North Office Building
Harrisburg, PA 17125
Telephone No: (717) 783-6472
FAX No: (717) 787-9138

SAMPLE LETTER OF AMENDMENT

Date

Municipality/Contractor Name

ATTN: Contact

Address

City, State Zip

Re: Amendment (Amendment Letter Designation)

Agreement # (Contract Number)

Dear (Mr./Ms. Name),

Per the terms of the subject agreement, the Department is willing to amend the terms by increasing the costs in Exhibit "A" and Paragraph (**reference the location in the agreement document**) from (**current dollar amount**) to (**new dollar amount**). This amendment will become effective once all required signatures are affixed to this document.

We are requesting your concurrence as to the amendment of the above referenced agreement. If you agree to the amendment, please indicate below by checking "Yes," and signing and dating where indicated. Please attach a resolution verifying your authorization to sign this amendment.

Your response is required no later than (**Date**). Please mail your response to the following address:

PENNDOT
Attn: **Your Name**
Your Organization
Your Address

On behalf of the above-named Municipality, I agree to the amendment of the above referenced agreement for the . I agree to all terms and conditions included in the subject agreement and all previous amendments thereto, if any.

Yes No

Signature _____ Date _____

Indicate Title: Chairman President Executive Director Commissioner

or _____ (*Indicate title*)

All terms and conditions of the agreement and its amendments (if any) not affected by this letter of amendment remain in full force and effect.

This letter of amendment is not effective until the Office of Comptroller Operations signs and dates this letter of amendment. The Department will forward a copy of the fully executed letter of amendment for your files.

Sincerely,

Name, Title
Organization

Approved for Form and Legality:

for Chief Counsel

Date

FOR DEPARTMENT USE ONLY

Encumbrance Information:

SAP Document No. _____

SAP Fund _____

SAP Cost Center _____

GL Account _____

Renewal Amount: \$ _____

Comptroller Signature

Date

Contract No. _____, is split _____ %, expenditure amount of _____ for federal funds and _____ %, expenditure amount of _____ for state funds. The related federal assistance program name and number is _____; _____ . The state assistance program name and SAP fund is _____ ;

SAMPLE LETTER OF ADJUSTMENT

Date

Municipality/Contractor Name

ATTN: Contact

Address

City, State Zip

**Re: Adjustment (Adjustment Letter Designation)
Agreement # (Contract Number)**

Dear (Mr./Ms. Name),

Per the terms of the subject agreement, the Department is willing to redistribute the costs in Exhibit "A," with no change in the total Project costs, by increasing/decreasing the costs of the phases within the Project as shown below. These adjustments will become effective once all required signatures are affixed to this document.

| | <u>Current Phase Costs</u> | <u>New Phase Costs</u> |
|---------------------------|----------------------------|------------------------|
| Preliminary Engineering | \$ _____ | \$ _____ |
| Final Design | \$ _____ | \$ _____ |
| Utilities | \$ _____ | \$ _____ |
| Right-of-Way | \$ _____ | \$ _____ |
| Construction | \$ _____ | \$ _____ |
| TOTAL PROJECT COST | \$ _____ | \$ _____ |

We are requesting your concurrence as to the redistribution of costs of the above referenced agreement. If you agree to this redistribution, please indicate below by checking "Yes," and signing and dating where indicated. Please attach a resolution verifying your authorization to sign this letter of adjustment.

Your response is required no later than (Date). Please mail your response to the following address:

PENNDOT
Attn: **Your Name**
Your Organization
Your Address

On behalf of the above-named Municipality, I agree to the adjustment of the above referenced agreement for the . I agree to all terms and conditions included in the subject agreement and all previous amendments thereto, if any.

Yes No

Signature _____ Date _____

Indicate Title: Chairman President Executive Director Commissioner
or _____ (Indicate title)

All terms and conditions of the agreement and its amendments (if any) not affected by this letter of adjustment remain in full force and effect.

This letter of adjustment is not effective until the Office of Comptroller Operations signs and dates this letter of adjustment. The Department will forward a copy of the fully executed letter of adjustment for your files.

Sincerely,

Name, Title
Organization

FOR DEPARTMENT USE ONLY

Encumbrance Information:

SAP Document No. _____
SAP Fund _____
SAP Cost Center _____
GL Account _____
Renewal Amount: \$ _____

Comptroller Signature Date

Contract No. _____, is split _____%, expenditure amount of _____ for federal funds and _____%, expenditure amount of _____ for state funds. The related federal assistance program name and number is _____; _____ . The state assistance program name and SAP fund is _____;

Contract Provisions – Right to Know Law 8-K-1532

- a. The Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104, ("RTKL") applies to this Contract. For the purpose of these provisions, the term "the Commonwealth" shall refer to the contracting Commonwealth agency.
- b. If the Commonwealth needs the Contractor's assistance in any matter arising out of the RTKL related to this Contract, it shall notify the Contractor using the legal contact information provided in this Contract. The Contractor, at any time, may designate a different contact for such purpose upon reasonable prior written notice to the Commonwealth.
- c. Upon written notification from the Commonwealth that it requires the Contractor's assistance in responding to a request under the RTKL for information related to this Contract that may be in the Contractor's possession, constituting, or alleged to constitute, a public record in accordance with the RTKL ("Requested Information"), the Contractor shall:
1. Provide the Commonwealth, within ten (10) calendar days after receipt of written notification, access to, and copies of, any document or information in the Contractor's possession arising out of this Contract that the Commonwealth reasonably believes is Requested Information and may be a public record under the RTKL; and
 2. Provide such other assistance as the Commonwealth may reasonably request, in order to comply with the RTKL with respect to this Contract.
- d. If the Contractor considers the Requested Information to include a request for a Trade Secret or Confidential Proprietary Information, as those terms are defined by the RTKL, or other information that the Contractor considers exempt from production under the RTKL, the Contractor must notify the Commonwealth and provide, within seven (7) calendar days of receiving the written notification, a written statement signed by a representative of the Contractor explaining why the requested material is exempt from public disclosure under the RTKL.
- e. The Commonwealth will rely upon the written statement from the Contractor in denying a RTKL request for the Requested Information unless the Commonwealth determines that the Requested Information is clearly not protected from disclosure under the RTKL. Should the Commonwealth determine that the Requested Information is clearly not exempt from disclosure, the Contractor shall provide the Requested Information within five (5) business days of receipt of written notification of the Commonwealth's determination.
- f. If the Contractor fails to provide the Requested Information within the time period required by these provisions, the Contractor shall indemnify and hold the Commonwealth harmless for any damages, penalties, costs, detriment or harm that the Commonwealth may incur as a result of the Contractor's failure, including any statutory damages assessed against the Commonwealth.
- g. The Commonwealth will reimburse the Contractor for any costs associated with complying with these provisions only to the extent allowed under the fee schedule established by the Office of Open Records or as otherwise provided by the RTKL if the fee schedule is inapplicable.

h. The Contractor may file a legal challenge to any Commonwealth decision to release a record to the public with the Office of Open Records, or in the Pennsylvania Courts, however, the Contractor shall indemnify the Commonwealth for any legal expenses incurred by the Commonwealth as a result of such a challenge and shall hold the Commonwealth harmless for any damages, penalties, costs, detriment or harm that the Commonwealth may incur as a result of the Contractor's failure, including any statutory damages assessed against the Commonwealth, regardless of the outcome of such legal challenge. As between the parties, the Contractor agrees to waive all rights or remedies that may be available to it as a result of the Commonwealth's disclosure of Requested Information pursuant to the RTKL.

i. The Contractor's duties relating to the RTKL are continuing duties that survive the expiration of this Contract and shall continue as long as the Contractor has Requested Information in its possession.

FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT OF 2006 – GRANTEE INFORMATION

1. Registration and Identification Information

Grantee must maintain current registration in the Central Contractor Registration (www.ccr.gov) at all times during which they have active federal awards funded pursuant to this agreement. A Dun and Bradstreet Data Universal Numbering System (DUNS) Number (www.dnb.com) is one of the requirements for registration in the Central Contractor Registration.

Grantee must provide its assigned DUNS number, and DUNS + 4 number if applicable, to the Commonwealth along with Grantee's return of the signed grant agreement. The Commonwealth will not process this grant until such time that Grantee provides this information.

2. Primary Location

Grantee must provide to the Commonwealth the primary location of performance under the award, including the city, State, and zip+4. If performance is to occur in multiple locations, then Grantee must list the location where the most amount of the grant award is to be expended pursuant to this grant agreement.

Grantee must provide this information to the Commonwealth along with Grantee's return of the signed grant agreement. The Commonwealth will not process this grant until such time that Grantee provides this information.

3. Compensation of Officers

Grantee must provide to the Commonwealth the names and total compensation of the five most highly compensated officers of the entity if--

(i) the entity in the preceding fiscal year received—

(I) 80 percent or more of its annual gross revenues in Federal awards; and

(II) \$25,000,000 or more in annual gross revenues from Federal awards; and

(ii) the public does not have access to information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986.

If the Grantee does not meet the conditions listed above, then it must specifically affirm to the Commonwealth that the requirements of this clause are inapplicable to the Grantee.

Grantee must provide information responding to this question along with Grantee's return of the signed grant agreement. The Commonwealth will not process this grant until such time that Grantee provides such information responding to this question.