This manual is to be used by individual(s) responsible for the processing and assembly of all cost documentation related to a Federal Recreational Trails Program (FRTP) Grant, Minnesota's Local Trail Connections Grant Program, or Minnesota’s Regional Trail Grant Program.

This Financial Management Manual will serve as the local sponsor's shorthand guide to the cost documentation requirements for your reimbursement grant. The manual and Reimbursement Request and Project Cost Summary Sheet forms are available on the DNR website at Trail Grant forms under “Grant Expenditures and Requests for Reimbursement”.

The Manual serves three distinct purposes:

1. It provides the sponsor with the information needed to request payment of an approved grant.
2. It provides assistance to us in the review and approval of all cost documentation submitted for your grant.
3. It guarantees that all required cost documentation in support of a grant is contained in our respective files for a subsequent audit.

The Manual will explain how to properly account for development projects that include:

1. Formal construction contracts.
2. The purchase of goods and/or services.
3. Purchase of Equipment.

For local units of government, please keep in mind that reimbursement amounts will be based upon an agreed to 75/25 cost sharing.
PREFACE

The information provided in this manual is based upon federal and state laws; U. S. Office of Management and Budget Circulars "A_87, Cost Principles for State and Local Governments" and Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments (49 CFR Part 18), Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations (49 CFR Part 19), "A-122, Cost Principles for Non-Profit Organizations," Minnesota Statutes specifically the "Uniform Municipal Contracting Law" (MS 471.345) and policies and procedures of the Minnesota Department of Natural Resources (DNR), Division of Parks and Trails.

Please CAREFULLY read all information contained in this manual. Pay particular attention to the sample forms, instructions and documentation checklists. Failure to do so could delay our processing of a request for reimbursement.

The Manual will not address all issues and potential problems that may arise during the completion of your project. Please do not hesitate to contact the Trail Grant Coordinator for technical assistance.

After assembling the cost documentation, the reimbursement form, project cost summary sheet and other required materials please submit the entire package to:

    Minnesota Department of Natural Resources
    Division of Parks and Trails
    500 Lafayette Road
    St. Paul, MN  55155-4052
    ATTN: Daniel Golner, Trail Grant Coordinator

Any comments, questions, or requests for technical assistance on a funded project should be directed to: Daniel Golner, Trail Grant Coordinator (651) 259-5599, daniel.golner@state.mn.us
BASIS FOR FINANCIAL ASSISTANCE

Payment of grant funds to the local sponsor is on a reimbursement basis. The sponsor must initially expend local monies, which are then reimbursed, under the terms of the grant. To obtain the total grant amount approved for a project, the sponsor must demonstrate actual expenditures totaling no less than the original estimated total cost of the project.

For local units of government, please keep in mind that reimbursement amounts will be based upon an agreed to 75/25 cost sharing.

UP TO FOUR (4) SEPARATE PAYMENT REQUESTS MAY BE SUBMITTED.

THE FINAL REQUEST FOR PAYMENT MUST BE SUBMITTED WITHIN SIXTY (60) DAYS FROM THE EXPIRATION DATE OF THE PROJECT.

CHANGES TO AN APPROVED PROJECT

Following approval of a grant, the DNR will transmit the project agreements to you for signature. These legally binding contracts should be maintained in your project file.

The approved application serves as the "project scope" for your project. In addition to the project scope, the development map contained in the application constitute the official record of the type and location of approved facilities contained in a project.

If any change to an originally approved project scope is being considered, the local sponsor must contact the MN DNR, Division of Parks and Trails, (651) 259-5599, immediately to obtain approval for such a change.

Failure to notify our office prior to initiating a change in the project scope could jeopardize receipt of the funds approved for the project.
**PRINCIPLES**

There are three basic principles that should be remembered:

1. All procurement transactions will be conducted in a manner providing full and open competition.

2. Costs incurred prior to the formal approval date are not grant eligible.

3. Provisions contained within the signed contract are binding on all parties.

**CERTIFICATION LETTER**

*IMPORTANT* In order for you to receive any of the reimbursement payments, a certification letter must be submitted with the Documentation Checklist outlined on the next page. This certification letter must include the following:

1. The letter needs to be from the sponsoring local unit of government,

2. It needs to state that the project has been completed and,

3. Address that the project is consistent with the agreement.
**DOCUMENTATION CHECKLIST**

**Summary Documentation**

Each request for grant payment must include the following:

- Reimbursement Request Form (Figure 1)
- Project Cost Summary Sheet (Figure 2)
- Invoices from contractor or for materials/services purchased and
- Cancelled checks or warrant checks used to pay invoices

**Supporting Documentation**

For each formal construction contract listed on the Project Cost Summary Sheet, the local sponsor must submit the following cost documentation:

- Bid advertisement from all newspapers which published the advertisement
- Paid invoices from newspapers
- Summary of bids received or dealer quotes
- Executed contract between local government & contractor
- Change orders, if any, to the original contract

If a project has been amended to either "add" or "delete" facilities to the project scope or if the plan has changed from the time of project approval, the local sponsor must submit the following with the final billing:

- Copy of: As Built" Site Map/Electronic Geographical Informational Systems (GIS) Files.

**For Land Acquisition Projects:** In addition to Reimbursement Request Form, Cost Summary, and Paid invoices, submit the following:

- Recorded Warranty Deed(s)
- Warrant check or evidence of payment
- Statement of Just Compensation
- Written Offer to Purchase
- Statement of Owner(s)
- Statement(s) of Difference in Value (if applicable)
- Attorney’s Certificate of Title and 5 Year History of Conveyance
- Report of the Commissioners (If acquisition by eminent domain)
Figure 1: Reimbursement Request Form

Instructions: To request funds for approved projects, complete and submit this form to the DNR, Division of Parks and Trails: Trail Grant Coordinator. This form serves as the cover sheet for your request and requires an original signature of the official authorized by the Grantee to claim reimbursements.

To Complete:

1. Enter the project number found on page 1 of the Grant Agreement.

2. Enter the grantee/recipient name.

3. Enter the project name.

4. Enter address of grantee/recipient.

5. a. Enter the number of this request.
   b. Enter the period for which funds are being requested.
   c. Enter the amount of the request.

6. Use 'Remarks' section to clarify this request if necessary.

7. Grantee enter Name, Title, Date, Phone number and Sign - Authorized Grant Recipient form.
# REIMBURSEMENT REQUEST FORM

<table>
<thead>
<tr>
<th>Project Number:</th>
<th>Grant Recipient:</th>
<th>Project Name:</th>
</tr>
</thead>
</table>

Address for Payment:

<table>
<thead>
<tr>
<th>Request Number:</th>
<th>Authorized Grant Recipient:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Period for which funds are being requested: (month /date/year)

From: ______________________

To: ______________________

Amount of Request

$ ______________________

Signature ______________________  Date: ______________________

I certify that I am the individual authorized to request funds.

Phone: ______________________

(areacode, phone number, extension)

Remarks:

---

For Department Use Only

<table>
<thead>
<tr>
<th>Contract #:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

Payment approved in the amount of $ ______________________

<table>
<thead>
<tr>
<th>Claim 1</th>
<th>Claim 2</th>
<th>Claim 3</th>
<th>Claim 4</th>
<th>PARTIAL</th>
<th>FINAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dept R29</td>
<td>FY:</td>
<td></td>
<td>Vendor Number:</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Invoice Field: Voucher #:

I certify that the goods and/or materials covered by this claim have been inspected and received or the services have been performed and are in accordance with the grant agreement, and therefore is recommended

Approved By: Date: ______________________
Figure 2. Project Cost Summary Sheet

The Project Cost Summary Sheet Form documents the date of purchase, vendor, item, type, invoice or check number, and amount of costs incurred on the local sponsor's project. Use this form to list each invoice and to record the totals from your various summary sheets. Attach a copy of each invoice and the warrant check used to pay it.

1. Enter Project Number
2. Enter Date
3. Enter Contractor/Vendor: e.g., A.B.C. Engineering, Johnson Hardware, City of Aspen Falls, Larson Construction, Adams Implement, etc.
4. Enter Item Description: Description of the item(s) (e.g. Engineering, Picnic Shelter, Paint, Seed and Sod, Equipment Purchase, etc.).
5. Enter Invoice or Check Number: Check # or Invoice # of associated activity (provide copy of cancelled check and/or invoice). Each invoice or warrant check must contain: Date, Vendor's name, Quantity of items purchased, Description of items purchased and Unit price.
6. Enter Amount: Dollar amount that is applicable to this project
THE LOCAL SPONSOR MUST COMPLETE THESE FORMS IN ORDER TO RECEIVE PAYMENT OF FUNDS.
SUBMIT THE COMPLETED REIMBURSEMENT REQUEST FORM, ATTACHED PROJECT COST SUMMARY SHEET AND REQUIRED SUPPORTING DOCUMENTATION TO TRAIL GRANT COORDINATOR.

### Project Cost Summary Sheet

**Project Number:**

Attach copies of all invoices and warrant checks.

<table>
<thead>
<tr>
<th>Date</th>
<th>Vendor</th>
<th>(Item Description / Land Description)</th>
<th>Invoice or Check #</th>
<th>Amount</th>
<th>For State Use</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tr>
</tbody>
</table>

**Total Cost**

$ 0.00

**Reimbursement Total:**

$
Example: Paid Invoices for all Materials/Services or From the Contractor

Materials and services purchased by the local sponsor to complete facilities included in the project scope of the grant agreement may be credited as eligible project expenditures. Typical examples of material/service purchases include: hardware, paint, lumber, sand/gravel, concrete, landscape materials, signs, design/engineering services and contractor services.

Materials and services purchased for the operation and maintenance of the project site are not eligible.

Paid invoices and copies of warrants/checks must be included with the cost documentation to provide evidence of eligible expenditures. The following examples have been prepared to ensure the accountability of purchased materials and services.

Paid Invoices

Whenever materials or services are purchased by the local sponsor, an invoice must be obtained from the vendor to provide evidence of the sale. The invoice must be legible and include the following items:

- name and address of the vendor;
- quantity of item(s) purchased;
- description of item(s) purchased;
- unit price;
- total amount of each line item; and
- the signature of the local sponsor's representative receiving the material/service.

The invoice must also identify the specific facility for which the purchase was made.

Please note that there are two instances which will require special attention.

First, the sponsor may have some invoices which include materials/services for facilities not included in the project. In this case, identify on the invoice(s) only those items which are being charged against the project.

Second, vendor statements are acceptable as cost documentation only in those instances when an invoice cannot be obtained from the vendor. Some vendors, as a matter of practice, do not use invoices. In such an instance, simply identify on the vendor’s statement the actual items that are related to the project. Enter the total amount of project related purchases from each invoice (or statement) on the Billing Data Sheet.

Submit one copy of each paid invoice with your billing data sheet. Retain one copy for your project file.
Example: Invoice for all Materials/Services

Lundgren Lumber Company  
113 East Maple Street  
Littlebark, MN 65109

<table>
<thead>
<tr>
<th>Qty</th>
<th>Item</th>
<th>Unit</th>
<th>Unit Price</th>
<th>Total Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>4&quot; x 4&quot; x 8' trt.</td>
<td></td>
<td>4.20</td>
<td>33.60</td>
</tr>
<tr>
<td>72</td>
<td>2&quot; x 2&quot; x 8' trt.</td>
<td></td>
<td>1.00</td>
<td>72.00</td>
</tr>
<tr>
<td>36</td>
<td>2&quot; x 4&quot; x 8' trt.</td>
<td></td>
<td>2.10</td>
<td>75.60</td>
</tr>
<tr>
<td></td>
<td>(trail construction - project 27-00159)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>set of hand rail plans by architect (design and eng. - project 27-00159)</td>
<td></td>
<td>50.00</td>
<td>50.00</td>
</tr>
</tbody>
</table>

**Tax Exempt**

Rec'd by Clark Jones  TOTAL 231.20
**APPLICATION AND CERTIFICATE FOR PAYMENT**

**TO (Owner):**

City of Aspen Falls  
City Hall  
Aspen Falls, MN 65107  

**PROJECT:** Aspen Falls Park  

**ATTENTION:**  

Owille Meyer  

**CONTRACT FOR:** Trail Development  

**ARCHITECT'S PROJECT NO.:**  

**CONTRACT DATE:** 9/15/89  

**APPLICATION NO.:** 1  

**PERIOD FROM:** 9/30/89  

**To:** 10/31/89  

**DISTRIBUTION TO:**  

- CT OWNER  
- CT ARCHITECT  
- CT CONTRACTOR  

**CONTRACTOR'S APPLICATION FOR PAYMENT**

<table>
<thead>
<tr>
<th>CHANGE ORDER SUMMARY</th>
<th>NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change Orders approved in previous months by Owner</td>
<td>ADJUSTMENTS</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
</tr>
<tr>
<td>Approved This Month</td>
<td>Number</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td></td>
</tr>
<tr>
<td>Net change by Change Orders</td>
<td></td>
</tr>
</tbody>
</table>

The undersigned Contractor certifies that to the best of his knowledge, information, and belief, the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by him for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

**CONTRACTOR:** Swenson Brothers Bismarck  

By:  

Date: 10/31/89  

**ARCHITECT'S CERTIFICATE FOR PAYMENT**

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Architect certifies to the Owner that the Work has progressed to the point indicated; that to the best of his knowledge, information, and belief, the quality of the Work is in accordance with the Contract Documents; and that the Contractor is entitled to payment of the AMOUNT CERTIFIED.

**EXAMPLE A.6: CONTRACTOR'S INVOICE**

**APPLICATION IS MADE FOR PAYMENT, AS SHOWN BELOW, IN CONNECTION WITH THE CONTRACT.**  

**CONSTRUCTION SHEET, AIA DOCUMENT G703, IS ATTACHED.**  

The present status of the account for this Contract is as follows:

- **ORIGINAL CONTRACT SUM** ................. $ 19,985.00  
- **Net change by Change Orders** ............. $ 0.00  
- **CONTRACT SUM TO DATE** ................. $ 19,985.00  
- **TOTAL COMPLETED & STORED TO DATE** .... $ 5,000.00  
- **Retainage:** 5% $ 250.00  
- **TOTAL EARNED LESS RETAINAGE** ........ $ 4,750.00  
- **LESS PREVIOUS CERTIFICATES FOR PAYMENT** ........ $ 0.00  
- **CURRENT PAYMENT DUE** ................. $ 4,750.00  

**State of:** Minnesota  

Subscribed and sworn to before me this 31st day of October 1989.  

Notary Public:  

My Commission expires:  

**AMOUNT CERTIFIED** ................. $ 4,750.00  

(Association explanation if amount certified differs from the amount applied for.)

**ARCHITECT:** Shartle, Inc.  

By:  

Date: 10/31/89  

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment, and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.
Example: Warrant/Check for all Materials/Services

A photocopy of your warrant/check must be attached to each vendor invoice to provide evidence that the purchase(s) were actually paid for by the local sponsor. In cases where a single warrant/check was used to pay several invoices, simply attach all of the associated invoices to the warrant. An example of a warrant check is shown below.

```
CITY OF ASPEN FALLS
ASPEN FALLS, MINNESOTA  65107

General Account

Date 6/8/89

Exactly 231 Dollars 20 Cents

Pay to the Order of Lundgren Lumber Company
Littlebark, MN  65109

ASPEN FALLS NATIONAL BANK
ASPEN FALLS, MINNESOTA

No. 024975

231.20

Example: Warrant/Check to pay the Contractor

```

```
CITY OF ASPEN FALLS
ASPEN FALLS, MINNESOTA  65107

General Account

Date 11/20/89

Exactly 4,750 Dollars 0 Cents

Pay to the Order of Svenson Brothers Bituminous
Birch Grove, MN  65108

ASPEN FALLS NATIONAL BANK
ASPEN FALLS, MINNESOTA

No. 024974

4,750.00
```
Examples: Procurement Standards, Bid Advertisements and Paid Newspaper Invoices

All procurement contracts will be conducted in a manner providing full and open competition. It is our experience that local procurement standards are more restrictive than state or federal standards. At a minimum, the local standards should meet state standards. If this is so, then we recommend that you use your own local procurement procedures. The following will help you gauge whether your local standards at least meet state standards. If they do not, then use the standards below.

1. If recipient subcontracts any portion of this project to another entity, the contract with the subcontractor will contain all provisions of the contract with the State.

2. Per Minn. Stat.§471.345, recipients that are municipalities as defined in Subd. 1 must do the following if contracting funds from this grant contract for any supplies, materials, equipment or the rental thereof, or the construction, alteration, repair or maintenance of real or personal property
   
   (a) If the amount of the contract is estimated to exceed $100,000, a formal notice and bidding process must be conducted in which sealed bids shall be solicited by public notice. Municipalities may, as a best value alternative, award a contract for construction, alteration, repair, or maintenance work to the vendor or contractor offering the best value under a request for proposals as described in Minn. Stat.§16C.28, Subd. 1, paragraph (a), clause (2)
   
   (b) If the amount of the contract is estimated to exceed $25,000 but not $100,000, the contract may be made either upon sealed bids or by direct negotiation, by obtaining two or more quotations for the purchase or sale when possible, and without advertising for bids or otherwise complying with the requirements of competitive bidding. All quotations obtained shall be kept on file for a period of at least one year after receipt thereof. Municipalities may, as a best value alternative, award a contract for construction, alteration, repair, or maintenance work to the vendor or contractor offering the best value under a request for proposals as described in Minn. Stat.§16C.28, Subd. 1, paragraph (a), clause (2) and paragraph (c).
   
   (c) If the amount of the contract is estimated to be $25,000 or less, the contract may be made either upon quotation or in the open market, in the discretion of the governing body. If the contract is made upon quotation it shall be based, so far as practicable, on at least two quotations which shall be kept on file for a period of at least one year after their receipt. Alternatively, municipalities may award a contract for construction, alteration, repair, or maintenance work to the vendor or contractor offering the best value under a request for proposals as described in Minn. Stat.§16C.28, Subd. 1, paragraph (a), clause (2)
   
   (d) Support documentation of the bidding process utilized to contract services must be included in the grantee’s financial records, including support documentation justifying a single/sole source bid, if applicable.
   
   (c) For projects that include construction work of $25,000 or more, prevailing wage rules apply per; Minn. Stat. §§177.41 through 177.44 consequently, the bid request must state the project is subject to prevailing wage. These rules require that the wages of laborers and workers should be comparable to wages paid for similar work in the community as a whole.

In addition, if you are receiving federal funds from the FRTP program, section 18.36 of the Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments

(49 CFR Part 18) is attached at the end of this manual for further reference of federal procurement standards.

To properly document a bid advertisement, simply submit one copy of the published newspaper(s) bid announcement. Bid advertisements are grant eligible, so submit one copy of the newspaper’s paid invoice. Retain the originals for your project file. Examples are found on the following pages.
MOUNDS VIEW

INSTALLATION OF ASPHALT PATH AT SILVER VIEW PARK

BID CLOSES JULY 23, 1993

MOUNDS VIEW, MN

ADVERTISEMENT FOR BIDS — Notice is hereby given that sealed bids for the furnishing of all labor and materials for the installation of a paved asphalt path at Silver View Park will be received by the Director of Parks, Recreation & Forestry of the City of Mounds View until 4:00 p.m. Friday, July 23, 1993 at Mounds View City Hall, 2401 Highway 10, Mounds View, MN 55110. Bids will not be opened until 10:00 a.m. on Monday, July 26, 1993. Bids will be publicly opened and read aloud in the Council Chambers of City Hall.

Bids shall be on the forms provided for that purpose and are available at Mounds View City Hall. Bids shall be in the form of a cash deposit or a certified check payable to the City of Mounds View. The City reserves the right to reject any and all bids. Bids shall be directed to the attention of the Business Manager and the City Clerk. The City reserves the right to accept or reject any bids.

The Mounds View City Council reserves the right to reject any and all bids. Bids shall be directed to the City of Mounds View. The City reserves the right to accept or reject any bids.

Samantha Ordonez
City Administrator
City of Mounds View

NEW BRIGHTON

RESOLUTION NO. 93-001
THE CITY OF NEW BRIGHTON, MINNESOTA

RESOLUTION AUTHORIZING ISSUANCE OF ORDERS TO ABATE NUISANCE

WHEREAS, Fred A. Rosenkranz is the record owner of property located at 1521 14th Avenue NW, New Brighton, Minnesota (the Subject Premises); and

WHEREAS, the Department of Community Development of the City has received complaints concerning the maintenance of the Subject Premises; and

WHEREAS, the City Council has received complaints concerning the maintenance of the Subject Premises; and

RESOLVED, That the City Council hereby authorizes the issuance of orders to abate the nuisances described above.

Adopted by the City Council of the City of New Brighton, Minnesota this 23rd day of July, 1993.

Robert J. Sendeck, Mayor
M.A. Ogden, City Clerk

CITY OF NEW BRIGHTON
833 - 5th Avenue NW
New Brighton, MN 55112

ADVERTISEMENT FOR BIDS

Sealed proposals for furnishing of the necessary labor, materials, and equipment for the construction of approximately: 12,500 Square Yards Blown-in Insulation and 12,500 Tons Insulation Blanket shall be received by the City of New Brighton, Minnesota, at the following location:

1915 5th Avenue NW
New Brighton, MN 55112

Deadline: June 6, 1993

Full and complete containers containing unknown liquid contents, and numerous other items of debris.

The City of New Brighton, Minnesota, hereby advertises for bids for the furnishing of the necessary labor, materials, and equipment for the construction of approximately: 12,500 Square Yards Blown-in Insulation and 12,500 Tons Insulation Blanket.
### Example: Paid Invoices from Newspapers

**ASPEN FALLS GAZETTE**  
Aspen Falls, MN 55107

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**City of Aspen Falls**  
City Hall  
Aspen Falls, MN 55107

<table>
<thead>
<tr>
<th>Date</th>
<th>Detail</th>
<th>Charge</th>
<th>Credit</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>7/28/89'</td>
<td>Adv. for Bids L.I. #210-1</td>
<td>$24.66</td>
<td>--</td>
<td>$24.66</td>
</tr>
</tbody>
</table>

Tax Exempt

**PLEASE REMIT THIS AMOUNT**  
$24.66
### Example: Summary of Bids Received

A listing of all the bids must be submitted. Although it is very likely that the local sponsor would generate a list of this nature for its own use, an example has been provided below.

Submit one copy with your billing data sheet and retain one copy for your project file.

### SUMMARY OF BIDS FOR TRAIL DEVELOPMENT
Local Improvements #210-1

<table>
<thead>
<tr>
<th>Bidder</th>
<th>Date Received</th>
<th>Bid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Johnson Construction</td>
<td>8/10/89</td>
<td>$21,900</td>
</tr>
<tr>
<td>Joe's Blacktop</td>
<td>8/11/89</td>
<td>$20,850</td>
</tr>
<tr>
<td>Swenson Bros. Bituminous</td>
<td>8/09/89</td>
<td>$19,985</td>
</tr>
<tr>
<td>O'Leary Construction</td>
<td>8/12/89</td>
<td>$24,950</td>
</tr>
</tbody>
</table>

Note: If the lowest bid is not selected, the sponsor must submit a statement in writing describing the reasons why it was not selected.
THIS AGREEMENT, made as of the day of in the year 19 by and between CITY OF ASPEN FALLS, MINNESOTA (hereinafter called the OWNER) and SWENSON BROTHERS BITUMINOUS, INC. (hereinafter called the contractor).

WITNESSETH THAT the OWNER and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth, agree as follows:

Article 1. Work: The CONTRACTOR will perform all work as shown in the contract documents for the completion of the project generally described as follows:

ASPEN FALLS PARK TRAIL DEVELOPMENT LOCAL IMPROVEMENT NO. 210_1 ASPEN FALLS, MINNESOTA

Article 2. Engineer: The Project has been designed by Shorter, Inc., 222 East Canada Road, St. Paul, Minnesota 55117, who will act as the ENGINEER in connection with completion of the Project in accordance with the Contract Documents.

Article 3. Contract Time: The work shall be completed within AS SPECIFIED calendar days after the date which the OWNER shall designate in writing to the CONTRACTOR as the date on which it is expected that the CONTRACTOR will start the work.

Article 4. Contract Price: The OWNER will pay the CONTRACTOR for performance of the work and completion of the project, in accordance with the contract documents, subject to adjustment by modification, as provided therein in current funds as follows:

NINETEEN THOUSAND, NINE HUNDRED and EIGHTY_FIVE and 00/100 dollars ($19,985)

Article 5. Progress and Final Payments: The OWNER will make progress payments on account of the Contract Price, as provided in the GENERAL CONDITIONS as follows:

5.1 Progress and final payments will be on the basis of Contractors Application for Payment, as approved by the ENGINEER.

5.2 On or about the AS SPECIFIED day of each month during construction: 95% of the work completed, and 95% of material and equipment not incorporated in the work but delivered and suitably stored, less in each case the aggregate of payments previously made.

5.3 Upon Substantial Completion, a sum sufficient to increase the total payments to the CONTRACTOR to 98% of the contract price less retain ages as the ENGINEER shall determine for all in completed work and unsettled claims.

5.4 Upon final completion of the work and settlement of all claims, the remainder of the contract price.

Article 6. Contract Documents: The Contract Documents which comprise the Contract between the OWNER and the
CONTRACTOR are attached hereto and made a part hereof and consist of the following:

6.1 This Agreement
6.2 Exhibits to this Agreement
6.3 Specifications consisting of: Instructions to Bidders, GENERAL CONDITIONS, Special Conditions, Technical Provisions
6.4 Drawings and Plans
6.5 Addenda
6.6 Any Modifications, including change orders, duly delivered after execution of this Agreement
6.7 The Bid and the Contract Bond

Article 7. Miscellaneous:

7.1 Terms used in this Agreement which are defined in Article 1 of the GENERAL CONDITIONS shall have the meanings indicated in the GENERAL CONDITIONS.

7.2 Neither the OWNER nor the CONTRACTOR shall, without the prior written consent of the other, assign or sublet in whole or in part his interest under any of the Contract Documents and, specifically, the CONTRACTOR shall not assign any monies due or to become due without the prior written consent of the OWNER.

7.3 The OWNER and the CONTRACTOR each binds himself, his partners, successors, assigns, and legal representatives to the other party hereto in respect of all covenants, agreements, and obligations contained in the Contract Documents.

7.4 The Contract Documents constitute the entire Agreement between the OWNER and the CONTRACTOR and may only be altered, amended, or repealed by a duly executed written instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

Owner

By

(Corporate Seal)

Attest

Owner

By

(Corporate Seal)

Attest
"As Built" Site Map

If a project has been amended to add or delete facilities to the project scope, or if the final layout of facilities is different from that originally proposed, the local sponsor must submit an "as built" site plan with the cost documentation. The "as built" plan should show "grant constructed" facilities in yellow, preexisting facilities in red, and future facilities in blue. It should be drawn to the same accuracy and detail as the plan submitted with the final application for the project.

Please Note: Any changes from the originally approved project scope or plan must first be approved by the DNR, Trails and Waterways Division. Such approval may necessitate the processing of a formal amendment to the grant agreement. *Do not jeopardize a project by failing to notify our office of any proposed changes.*
APPENDIX: Federal Administration Requirements

This section is only applicable for use with projects receiving Federal Recreational Trails Program Grants. It does not apply for state funded Local Trail Connections Grants and Regional Trail Grants.
Section 18.36 of Uniform Administrative Requirements for Grants and Cooperative Agreements to the State and Local Governments

[Code of Federal Regulations]
[Title 49, Volume 1]
[Revised as of October 1, 2006]
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[CITE: 49CFR18.36]

TITLE 49--TRANSPORTATION
Subtitle A--Office of the Secretary of Transportation

PART 18_UNIFORM ADMINISTRATIVE REQUIREMENTS FOR GRANTS AND COOPERATIVE AGREEMENTS TO STATE AND LOCAL GOVERNMENTS--Table of Contents

Subpart C_Post-Award Requirements

§ 18.33 Supplies.

(a) Title. Title to supplies acquired under a grant or subgrant will vest, upon acquisition, in the grantee or subgrantee respectively.

(b) Disposition. If there is a residual inventory of unused supplies exceeding $5,000 in total aggregate fair market value upon termination or completion of the award, and if the supplies are not needed for any other federally sponsored programs or projects, the grantee or subgrantee shall compensate the awarding agency for its share.

§18.34 Copyrights.

The Federal awarding agency reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for Federal Government purposes:

(a) The copyright in any work developed under a grant, subgrant, or contract under a grant or subgrant; and

(b) Any rights of copyright to which a grantee, subgrantee or a contractor purchases ownership with grant support.

§ 18.35 Subawards to debarred and suspended parties.

Grantees and subgrantees must not make any award or permit any award (subgrant or contract) at any tier to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549, "Debarment and Suspension."

§ 18.36 Procurement.

(a) States. When procuring property and services under a grant, a State will follow the same policies and procedures it uses for procurements from its non-Federal funds. The State will ensure that every purchase order or other contract includes any clauses required by Federal statutes and executive orders and their implementing regulations. Other grantees and subgrantees will follow paragraphs (b) through (i) in this section.

(b) Procurement standards.

(1) Grantees and subgrantees will use their own procurement procedures which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this section.

(2) Grantees and subgrantees will maintain a contract administration system which ensures that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

(3) Grantees and subgrantees will maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. No employee, officer or agent of the grantee or subgrantee shall participate in
Grantees and subgrantees are encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and intergovernmental agreements for procurement or use of common goods and services. To foster greater economy and efficiency, grantees and subgrantees are encouraged to enter into State and local property whenever such use is feasible and reduces project costs. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

To foster greater economy and efficiency, grantees and subgrantees are encouraged to enter into State and local intergovernmental agreements for procurement or use of common goods and services.

Grantees and subgrantees are encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

Grantees and subgrantees are encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.

Grantees and subgrantees will make awards only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

Grantees and subgrantees will maintain records sufficient to detail the significant history of a procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

Grantees and subgrantees will use time and material type contracts only--

(i) After a determination that no other contract is suitable, and
(ii) If the contract includes a ceiling price that the contractor exceeds at its own risk.

Grantees and subgrantees alone will be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to source evaluation, protests, disputes, and claims. These standards do not relieve the grantee or subgrantee of any contractual responsibilities under its contracts.
(vii) Any arbitrary action in the procurement process.

(2) Grantees and subgrantees will conduct procurements in a manner that prohibits the use of statutorily or administratively imposed
in-State or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal
statutes expressly mandate or encourage geographic preference. Nothing in this section preempts State licensing laws. When
contracting for architectural and engineering (A/E) services, geographic location may be a selection criteria provided its application
leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

(3) Grantees will have written selection procedures for procurement transactions. These procedures will ensure that all solicitations:
(i) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such
description shall not, in competitive procurements, contain features which unduly restrict competition. The description may include a
statement of the qualitative nature of the material, product or service to be procured, and when necessary, shall set forth those
minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product
specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of
the technical requirements, a "brand name or equal" description may be used as a means to define the performance or other salient
requirements of a procurement. The specific features of the named brand which must be met by offerors shall be clearly stated; and
(ii) Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

(4) Grantees and subgrantees will ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods
and services are current and include enough qualified sources to ensure maximum open and free competition. Also, grantees and
subgrantees will not preclude potential bidders from qualifying during the solicitation period.

(d) Methods of procurement to be followed—(1) Procurement by small purchase procedures. Small purchase procedures are those
relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the
simplified acquisition threshold fixed at 41 U.S.C. 403(11) (currently set at $100,000). If small purchase procedures are used, price or
rate quotations shall be obtained from an adequate number of qualified sources.

(2) Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm-fixed-price contract (lump sum or unit
price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids,
is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in Sec.
18.36(d)(2)(i) apply.

(i) In order for sealed bidding to be feasible, the following conditions should be present:
(A) A complete, adequate, and realistic specification or purchase description is available;
(B) Two or more responsible bidders are willing and able to compete effectively and for the business; and
(C) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on
the basis of price.

(ii) If sealed bids are used, the following requirements apply:
(A) The invitation for bids will be publicly advertised and bids shall be solicited from an adequate number of known suppliers,
providing them sufficient time prior to the date set for opening the bids;
(B) The invitation for bids, which will include any specifications and pertinent attachments, shall define the items or services in order
for the bidder to properly respond;
(C) All bids will be publicly opened at the time and place prescribed in the invitation for bids;
(D) A firm fixed-price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in
bidding documents, factors such as discounts, transportation cost, and life cycle costs shall be considered in determining which bid is
lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually
taken advantage of; and
(E) Any or all bids may be rejected if there is a sound documented reason.

(3) Procurement by competitive proposals. The technique of competitive proposals is normally conducted with more than one source
submitting an offer, and either a fixed-price or cost-reimbursement type contract is awarded. It is generally used when conditions are
not appropriate for the use of sealed bids. If this method is used, the following requirements apply:
(i) Requests for proposals will be publicized and identify all evaluation factors and their relative importance. Any response to
publicized requests for proposals shall be honored to the maximum extent practical;
(ii) Proposals will be solicited from an adequate number of qualified sources;
(iii) Grantees and subgrantees will have a method for conducting technical evaluations of the proposals received and for selecting
awardees;
(iv) Awards will be made to the responsible firm whose proposal is most advantageous to the program, with price and other factors
considered; and
(v) Grantees and subgrantees may use competitive proposal procedures for qualifications-based procurement of
architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified
competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection
factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

4) Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source, or after solicitation of a number of sources, competition is determined inadequate.

(i) Procurement by noncompetitive proposals may be used only when the award of a contract is infeasible under small purchase procedures, sealed bids or competitive proposals and one of the following circumstances applies:

(A) The item is available only from a single source;
(B) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
(C) The awarding agency authorizes noncompetitive proposals; or
(D) After solicitation of a number of sources, competition is determined inadequate.

(ii) Cost analysis, i.e., verifying the proposed cost data, the projections of the data, and the evaluation of the specific elements of costs and profits, is required.

(iii) Grantees and subgrantees may be required to submit the proposed procurement to the awarding agency for pre-award review in accordance with paragraph (g) of this section.

(e) Contracting with small and minority firms, women's business enterprise and labor surplus area firms. (1) The grantee and subgrantee will take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible.

(2) Affirmative steps shall include:

(i) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

(ii) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

(iii) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;

(iv) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises;

(v) Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce; and

(vi) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (e)(2) (i) through (v) of this section.

(f) Contract cost and price. (1) Grantees and subgrantees must perform a cost or price analysis in connection with every procurement action including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, grantees must make independent estimates before receiving bids or proposals. A cost analysis must be performed when the offeror is required to submit the elements of his estimated cost, e.g., under professional, consulting, and architectural engineering services contracts. A cost analysis will be necessary when adequate price competition is lacking, and for sole source procurements, including contract modifications or change orders, unless price reasonableness can be established on the basis of a catalog or market price of a commercial product sold in substantial quantities to the general public or based on prices set by law or regulation. A price analysis will be used in all other instances to determine the reasonableness of the proposed contract price.

(2) Grantees and subgrantees will negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration will be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

(3) Costs or prices based on estimated costs for contracts under grants will be allowable only to the extent that costs incurred or cost estimates included in negotiated prices are consistent with Federal cost principles (see Sec. 18.22). Grantees may reference their own cost principles that comply with the applicable Federal cost principles.

(4) The cost plus a percentage of cost and percentage of construction cost methods of contracting shall not be used.

(g) Awarding agency review. (1) Grantees and subgrantees must make available, upon request of the awarding agency, technical specifications on proposed procurements where the awarding agency believes such review is needed to ensure that the item and/or service specified is the one being proposed for purchase. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the grantee or subgrantee desires to have the review accomplished after a solicitation has been developed, the awarding agency may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.

(2) Grantees and subgrantees must request make available for awarding agency pre-award review procurement documents, such as requests for proposals or invitations for bids, independent cost estimates, etc. when:

(i) A grantee's or subgrantee's procurement procedures or operation fails to comply with the procurement standards in this section; or
(ii) The procurement is expected to exceed the simplified acquisition threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation; or
(iii) The procurement, which is expected to exceed the simplified acquisition threshold, specifies a "brand name" product; or
(iv) The proposed award is more than the simplified acquisition threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or
(v) A proposed contract modification changes the scope of a contract or increases the contract amount by more than the simplified acquisition threshold.
(3) A grantee or subgrantee will be exempt from the pre-award review in paragraph (g)(2) of this section if the awarding agency determines that its procurement systems comply with the standards of this section.
(i) A grantee or subgrantee may request that its procurement system be reviewed by the awarding agency to determine whether its system meets these standards in order for its system to be certified. Generally, these reviews shall occur where there is a continuous high-dollar funding, and third-party contracts are awarded on a regular basis.
(ii) A grantee or subgrantee may self-certify its procurement system. Such self-certification shall not limit the awarding agency's right to survey the system. Under a self-certification procedure, awarding agencies may wish to rely on written assurances from the grantee or subgrantee that it is complying with these standards. A grantee or subgrantee will cite specific procedures, regulations, standards, etc., as being in compliance with these requirements and have its system available for review.
(h) Bonding requirements. For construction or facility improvement contracts or subcontracts exceeding the simplified acquisition threshold, the awarding agency may accept the bonding policy and requirements of the grantee or subgrantee provided the awarding agency has made a determination that the awarding agency's interest is adequately protected. If such a determination has not been made, the minimum requirements shall be as follows:
(1) A bid guarantee from each bidder equivalent to five percent of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his bid, execute such contractual documents as may be required within the time specified. 
(2) A performance bond on the part of the contractor for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.
(3) A payment bond on the part of the contractor for 100 percent of the contract price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.
(i) Contract provisions. A grantee's and subgrantee's contracts must contain provisions in paragraph (i) of this section. Federal agencies are permitted to require changes, remedies, changed conditions, access and records retention, suspension of work, and other clauses approved by the Office of Federal Procurement Policy.
(1) Administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate. (Contracts more than the simplified acquisition threshold)
(2) Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of $10,000)
(3) Compliance with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60). (All construction contracts awarded in excess of $10,000 by grantees and their contractors or subgrantees)
(4) Compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR part 3). (All contracts and subgrants for construction or repair)
(5) Compliance with the Davis-Bacon Act (40 U.S.C. 276a to 276a-7) as supplemented by Department of Labor regulations (29 CFR part 5). (Construction contracts in excess of $2000 awarded by grantees and subgrantees when required by Federal grant program legislation)
(6) Compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR part 5). (Construction contracts awarded by grantees and subgrantees in excess of $2000, and in excess of $2500 for other contracts which involve the employment of mechanics or laborers)
(7) Notice of awarding agency requirements and regulations pertaining to reporting.
(8) Notice of awarding agency requirements and regulations pertaining to patent rights with respect to any discovery or invention which arises or is developed in the course of or under such contract.
(9) Awarding agency requirements and regulations pertaining to copyrights and rights in data.
(10) Access by the grantee, the subgrantee, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.
(11) Retention of all required records for three years after grantees or subgrantees make final payments and all other pending matters are closed.
(12) Compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). (Contracts, subcontracts, and subgrants of amounts in excess of $100,000)

(13) Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

(j) 23 U.S.C. 112(a) directs the Secretary to require recipients of highway construction grants to use bidding methods that are "effective in securing competition." Detailed construction contracting procedures are contained in 23 CFR part 635, subpart A.

(k) Section 3(a)(2)(C) of the UMT Act of 1964, as amended, prohibits the use of grant or loan funds to support procurements utilizing exclusionary or discriminatory specifications.

(l) 46 U.S.C. 1241(b)(1) and 46 CFR part 381 impose cargo preference requirements on the shipment of foreign made goods.


(n) Section 105(f) of the Surface Transportation Assistance Act of 1982, section 106(c) of the Surface Transportation and Uniform Relocation Assistance Act of 1987, and 49 CFR part 23 impose requirements for the participation of disadvantaged business enterprises.

(o) Section 308 of the Surface Transportation Assistance Act of 1982, 49 U.S.C. 1068(b)(2), authorizes the use of competitive negotiation for the purchase of rolling stock as appropriate.

(p) 23 U.S.C. 112(b) provides for an exemption to competitive bidding requirements for highway construction contracts in emergency situations.

(q) 23 U.S.C. 112 requires concurrence by the Secretary before highway construction contracts can be awarded, except for projects authorized under the provisions of 23 U.S.C. 171.

(r) 23 U.S.C. 112(e) requires standardized contract clauses concerning site conditions, suspension or work, and material changes in the scope of the work for highway construction contracts.

(s) 23 U.S.C. 140(b) authorizes the preferential employment of Indians on Indian Reservation road projects and contracts.

(t) FHWA, UMTA, and Federal Aviation Administration (FAA) grantees and subgrantees shall extend the use of qualifications-based (e.g., architectural and engineering services) contract selection procedures to certain other related areas and shall award such contracts in the same manner as Federal contracts for architectural and engineering services are negotiated under Title IX of the Federal Property and Administrative Services Act of 1949, or equivalent State (or airport sponsor for FAA) qualifications-based requirements. For FHWA and UMTA programs, this provision applies except to the extent that a State adopts or has adopted by statute a formal procedure for the procurement of such services.

[53 FR 8086 and 8087, Mar. 11, 1988, as amended at 53 FR 8087, Mar. 11, 1988; 60 FR 19639, 19647, Apr. 19, 1995]