

Municipal Agreements

CONTRACT ADMINISTRATION MANUAL

5-591.365

DEFINITIONS

Cooperative Agreement = Municipal Agreement

- Usually for construction and construction engineering, may include R/W
- Traffic Signal agreement are treated the same

Joint Powers

- Usually for technical services

Partnership

- Sharing resources and used when local money pays your salary

How do you know if you have an Agreement?

Before the plan is complete:

- PPMS activity 1290 Coop Agreement
- PPMS activity 1293 Traffic Agreement or
- PPMS activity 1296 Agreements Other

- Groups in the Plan
- Look on the Estimated Quantity sheet in plan
- Check UMART (Utility and Municipal Agreement Report and Tracking)
- A copy of each fully executed agreement is mailed to the Project Engineer
- Call Maryanne Kelly-Sonnek 651-366-4634

TYPES OF AGREEMENTS

- Schedule I = groups in plan
 - Any changes in construction can be added or removed from the schedule I
 - Assign those costs to the local group(s)
 - Usually used for utility work, aesthetic items or tied construction items.
 - Can be for a Traffic or Co-op agreement
- Lump Sum on Bid = may have groups
 - Will have a note in Plan as to Lump sum agreement
 - Design needs to prepare pay items and quantities for local cost share.
 - There may be a group already in the plan or it is a separate document
 - Changes pertaining to this work are not charged to local
- Lump Sum = a note on the Statement of Estimated Quantities if Federal
 - Local cost is based on estimate
 - Changes pertaining to this work are not charged to local
 - Changes outside this scope – requested by locals need to be paid by locals

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- Composite = groups in plan and an odd %
 - Local % of cost is based on estimate of their work versus all work.
 - All items have this split.
 - Changes outside this scope – requested by locals need to be paid by locals.

- A combination of any of the above

Contract Changes if there is an agreement

Whenever a Change Order, Work Order, or Supplemental Agreement affects items in a group that is funded wholly or in part by a County or Municipality, the Engineer must inform the Municipal Agreements Unit promptly so the Cooperative Agreement associated with the project can be updated.

STATE LET PROJECTS:

- If Schedule I
 - City sign the SA, or paper document requesting change
 - Send Maryanne copy
 - Big cost changes –local agency will be billed

- If Lump sum or any other type
 - If local agency requested:
 - May need to amend the agreement
 - Call Maryanne and send copy
 - If it is part of the work that is in lump sum
 - No additional cost (or credit) to local agency

- If there is NOT an agreement
 - Local Agency work requires an agreement
 - Call Municipal Agreements unit – There needs to be an agreement written and executed.

Prior to construction completion

Is the local agency satisfied with what they are paying for?

For Projects with Agreements, upon Construction Completion:

- Multi year project: at year end, send Municipal Agreements unit a copy of the most recent voucher
- Municipal Agreements completes the final Schedule I
- Send Municipal Agreements unit a copy of the final voucher and supporting documentation (SA, CO, WO)
- If project has Labor holds – send Municipal Agreements unit a copy of final voucher at the same time as sending it to Contractor.

DETOUR AGREEMENTS

- Detour agreements pay roadlife used based on duration (mileage and ADT)
- When the detour signing is removed, the Municipal Agreements unit needs to know the duration of the detour.
- [Standard form letter](#) on Municipal Agreements IHUB website to send to the local agency informing of removal of detour signing and duration.

Local Let Projects

Oversight is defined as the act of ensuring that any construction activity undertaken on or affecting the TH system is designed and constructed in accordance with the laws and rules of the State of Minnesota and policies of the DOT

4 LEVELS OF OVERSIGHT

- Mn/DOT Project Administration:** usually for level 1 work that is on the Interstate system or a NHS; the FHWA Stewardship agreement requires this. New interchange, new bridge, ramp modifications etc.
 - Locals are in charge, Mn/DOT work for them (sometimes this is our financial contribution).
 - Mn/DOT actively supervises and directs all construction engineering, surveying, staking, inspection, testing, etc. Mn/DOT also furnishes other personnel, services, supplies and equipment.
 - Not always in our system (Transport or FieldOps)
 - Charge ID for your time and testing.
 - Mn/DOT prepares SA's; Locals sign them.
 - Certify cost estimates for work completed, locals pay.
- Mn/DOT Enhanced Oversight:** usually for level 2 work that is on the Interstate system but doesn't require full oversight. A Mn/DOT project engineer is assigned to the project to oversee contract administration that has been delegated to the local agency.
 - Spot check material certifications, have authority of SA's and CO's, and have a say in traffic control operations.
 - Locals pay for all testing.
- State Aid Oversight:** usually for level 3 work that will utilize TH funds in addition to other funds. A State Aid project manager will be assigned as lead and they may enlist the assistance of construction. Mn/DOT project engineer will have periodic site visits.
 - Spot check material certifications, approve SA's and CO's for funding.

- Permit Unit Oversight:** Minor impact to the T.H.

Levels

Level 1= Major construction on Freeways or high speed multi lane roadways. Major bridges or major changes in freeway access.

Level 2= changes in # of lanes, raised channelization, major intersection revisions, roundabouts, moderate changes in access.

Local Let Projects – Closeout

- If Mn/DOT full oversight, we provide the documentation to the locals
- Locals provide final payments, voucher and supporting documentation to District Agreement contact.
- Final contract items, SA's CO's etc. Cancelled checks paying contractor, and a Certification form signed by locals and Mn/DOT.

Use of Change Order on Projects that have Municipal Agreements with (P) Plan Quantity Items

When a Municipal Agreement is connected to a Contract, it is highly recommended that any changes in quantity of a (P) Plan Quantity Item be documented by Change Order. Use of a Change Order will serve to clearly delineate the proper quantity splits for each Group. The Change Order will also eliminate the need for the Mn/DOT Municipal Agreement section to search field records to locate documentation. Municipalities routinely request this information /documentation to verify their portion of financial responsibility in the project. (Often a municipality will request this information long after the project is completed.)

In the absence of a Change Order, such changes may also be made by including all of the above-required information on the applicable Item Record Accounts or by separate record. In all cases, documenting changes to (P) Plan Quantity Items must have a clear and logical audit trail.