

Guidelines for Grant Recipients

Small City Allotment Program



Lonerock, Oregon. Photo by Dan Meyers, Unsplash



Small City Allotment

A Dedicated Funding Option for Oregon's Smallest Communities

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Disclaimer

These guidelines are intended as a resource for Small City Allotment (SCA) grant fund recipients and should not be considered legal advice. They do not cover all details in the agreement or all circumstances, nor do they replace the agreement between the recipient and the Oregon Department of Transportation (ODOT). The agreement remains the binding legal document. The Small City Allotment program is governed by Oregon Revised Statutes 366.800 and 366.805. As statutory changes are possible for Small City Allotment funding cycles, this will be a living document and is subject to change.

Purpose

These guidelines were developed to assist SCA grant recipients in administering their awarded projects. While not all-inclusive, the guidelines touch on the most commonly asked questions from grant recipients and should serve as a quick reference to ensure grant funds are spent according to the applicable policies and rules. Recipients are responsible for ensuring expenditures are reasonable and necessary for their project.

Overview

The SCA is an annual allocation of state funds for local transportation projects. Through an agreement between the League of Oregon Cities and ODOT, ODOT sets aside \$5,000,000 each year for cities with populations of 5,000 or less, per the most recent census. The funding is distributed between ODOT's five regions using an allocation formula based on the total number of eligible cities per region, total eligible population by region and total number of applications received per region. Individual project funding is limited to \$250,000 per project. Funds must either:

1. Be expended on streets that are not part of the state highway system and are inadequate for the capacity they serve; or,
2. Are in a condition detrimental to safety.

ODOT will enter into project agreements with each city approved to receive funding. Projects are to be completed within two years of the execution date of the project agreement.

Roles

The SCA Program Manager provides administrative oversight for the program. This oversight includes monitoring projects to ensure compliance, reviewing applications, executing project agreements, approving change requests and processing reimbursement requests. Regional staff assigned to support the Program perform the pre-award project evaluations and are typically called upon to perform the final project review and issue project acceptance. Both the Program Manager and assigned regional staff are available to answer your questions.

Small City Allotment Fund

Projects must be completed within two years of the agreement’s execution date. This date coincides with the issuance of Notice to Proceed. Grantees are required to submit their request for reimbursement within 90 days of the project completion date. These are key requirements and are listed within the agreement. The program is financed through state highway funds. The grants and their use must comply with the requirements of Oregon law and regulations related to eligible capital projects and the proper use of this funding source.

When grantees accept Small City Allotment funds, they agree to adhere to applicable state and federal laws, regulations, rules and any additional requirements provided in the Small City Allotment grant agreement; grant monies must only be used for purposes consistent with these requirements. Improper use of funds may result in the state recovering grant monies disbursed to the grantee.

Eligible Expenses

Eligible project costs generally include the actual costs expended that are reasonable, necessary and directly related to the project and project delivery. They do not include indirect, administrative, working capital or operating costs.

Grant funds shall be used solely for the project described in the agreement and shall not be used for any other purpose. No grant funds will be disbursed for any changes to the project unless ODOT has preapproved such changes by amendment, pursuant to Section 4(c) of the agreement.

The list below provides some examples of eligible and ineligible expenditures.

Examples of Eligible Capital Expenditures
Design and engineering professional services
Capital construction costs
Materials necessary to complete the project

Examples of Ineligible Expenditures
Expenses incurred prior to the execution date of the Agreement/issuance of Notice to Proceed
Ongoing operations, maintenance and repair costs
Administrative services performed by the recipient.
Right of way costs
Costs to adjust, reconstruct or relocate utilities
Work outside the public right of way
Equipment, tools or materials that could be used for work beyond the scope of the project

Reimbursement/Advance Payment

Small City Allotment is a reimbursement program. Reimbursement may only be requested after you have expended funds. Cities are reimbursed after the project has been completed and project acceptance has been issued. Upon execution of the agreement, you may submit a written request for an advance payment of 50% of the awarded amount.

No later than 90 days after the project completion date, grantees must submit their request for reimbursement to the Small City Allotment Program Manager at:

SmallCityAllotments@odot.oregon.gov.

Failure to submit the request for reimbursement within 90 days could result in non-payment.

Your reimbursement request must include the following:

Invoice Requirements
Submitted on city letterhead
Must be made out to ODOT
Must be dated
Identify the agreement number
Agreement execution date
Project name
Reimbursement period (first and last date work performed)
Total project cost
Advance payment received if applicable
Total reimbursement requested
Contact name, title, phone #, email address
Summary of expenses (engineering, contractor, BOLI, materials)
Documentation supporting the expenses (receipts/invoices)
Photos of the completed project

Additional guidance on reimbursements may be found at:

https://www.oregon.gov/odot/LocalGov/Pages/SCA_Program.aspx

ODOT may request proof of payments made to your consultant/contractor/vendor.

If complete information is provided with your reimbursement request, you can expect to receive payment within 45 days of ODOT's approval of the request.



Things to remember:

- Costs incurred prior to the agreement execution date (date of final signature) or after the Availability Termination date are not reimbursable.
- You must expend the funds (paid bills) prior to seeking reimbursement.
- Make sure that any invoices you pay for materials or services have enough detail to demonstrate they are eligible for reimbursement with Small City Allotment funds.
- Final reimbursement requests must be submitted within 90 days of project completion or you risk not being reimbursed.
- If you are unsure of whether a cost is eligible for reimbursement, contact the Small City Allotment Program Manager.

Public Works/Prevailing Wages

Because your project is funded with public funds, it is considered a public works project under Oregon Law. These projects are regulated by the Bureau of Labor and Industries (BOLI) and are subject to a contract fee paid directly to BOLI.

If the total cost of your project is \$50,000 or more, prevailing wage rate laws will apply. If you have questions in regards to prevailing wage rate laws, contact BOLI or visit their website at:

<https://www.oregon.gov/boli/WHD/PWR/Pages/index.aspx>

Change Orders

As projects are awarded per a competitive process only minor changes to the project scope will be allowed. ODOT will examine any proposed changes to ensure they remain within the original intent of the project selected for funding. ODOT will pay particular attention to any changes that may alter the effectiveness of addressing safety or capacity issues. Any additional work must be pre-approved and supported by an amendment to the agreement prior to the work being performed. Additional improvements are required to be completed within the two year time frame.

The grant amount you have been awarded will not be increased. Recipients are responsible for all costs exceeding the award amount.

Change requests must be submitted in writing and include an explanation as to why the proposed change(s) are necessary, a detailed description of the project elements you propose removing as well as any additional proposed improvements. Submit the Change Request to the Small City Allotment Program Manager at: SmallCityAllotments@odot.oregon.gov

If approved, an amendment to the agreement must be executed prior to the recipient incorporating the approved changes.



Things to remember:

- Only minor changes will be allowed as the project was evaluated, scored and awarded per a competitive process. Proposed changes could have resulted in the project not being selected for funding.
- Changes must be approved per written amendment prior to being implemented.
- The grant amount you have been awarded will not be increased. Recipient is responsible for all expenses exceeding the grant amount.

Project Acceptance

Once we have been notified that your project has been completed the Small City Allotment Program Manager, or designee, will conduct an on-site review to confirm the completed improvements match the project description identified in your agreement. Upon satisfactory review, the ODOT staff member will complete a Project Acceptance form which will be presented to you for signature. This action acknowledges that all work on the project has been completed. Final payment cannot be released until project acceptance has been issued.

Other Provisions

Maintenance and Repair

As a condition of your Small City Allotment grant, you must maintain your investment pursuant to your grant agreement after the project is complete. All maintenance and repair costs are your responsibility. Any portion of a street upon which SCA funds have been expended will not be eligible for additional SCA funding for the same type of improvements for a period of seven (7) years.

Records Retention

Grant recipients and their contractors must keep project and financial records for six (6) years after project completion.

Americans with Disabilities Act (ADA)

Your project is subject to the requirements of the Americans with Disabilities Act. Any work on or along the state highway system must be completed according to ODOT's standards.

Definition: "on or along the state highway" includes public sidewalk and accessible route features that are adjacent to the state highway road system regardless of who has public ownership, public easements, or intergovernmental agreements of the underlying property where the accessible route feature resides. Please note that your project does not necessarily need to 'touch' the State Highway to trigger the need to address ADA compliance.

Useful links:

www.oregon.gov/ODOT/Engineering/DOCS_ADA/ADA-Curb-Ramp-Process.pdf

www.oregon.gov/odot/Business/Specs/2021_STANDARD_SPECIFICATIONS.pdf

Photos

You must submit before and after photos of your project. Before photos are required to be submitted during the application process; after photos must be submitted with your final request for reimbursement. Please submit your photo's to the Small City Allotment Program Manager at SmallCityAllotments@odot.oregon.gov



Things to Remember:

- You must obtain permission to work on or along a state highway
- Curb ramp work on or along a state highway requires that the contractor must have ADA Certified supervisory personnel who will directly supervise the curb ramp work. It may be difficult to fill this requirement as there are not a lot of workers who have obtained this certification.
- ADA ramps must pass inspection conducted by an ODOT Certified Curb Ramp Inspector prior to the recipient releasing their contractor or being reimbursed by ODOT.

Contracting

When you hire a contractor to perform work on your project, you must follow ORS 279C if you are a public body.

All contracts or agreements you have with consultants/contractors/vendors for materials or work on your Small City Allotment project must be in writing.

Recipient will require its contractor(s) to meet the minimum insurance requirements as provided in Exhibit C of the agreement.

ADA Certification for Contractors is required for all personnel who will directly supervise any curb ramp work on or along a state highway.

When bidding a project that has work subsequent to the Small City Allotment project, we require that the SCA work is identified as a separate bid item. Small City Allotment costs are not to be combined with costs related to a second project. All project costs must be itemized. Reimbursable costs are those that are actual, documented and incurred after the agreement execution date.



Things to Remember:

Make sure that any invoices you pay for materials or services have enough detail to demonstrate they are eligible for reimbursement with Small City Allotment funds.

Self-Performed Work

If you plan to self-perform any portion of the project, you must seek prior approval from the Small City Allotment Program Manager. Please note that in general, overhead, profit, administrative, project management, and construction management costs incurred directly by the grantee (and not through a contract) are not eligible for reimbursement. Some costs that may be permitted are construction labor, materials and equipment operating costs (rental, fuel, insurance).

Public contracting agencies who intend to self-perform work must comply with the cost analysis requirements of ORS 279C.305.

Resources

Below are a list of resources and forms you may find on the Small City Allotment website:

https://www.oregon.gov/odot/LocalGov/Pages/SCA_Program.aspx

Guidelines for Grantees

Reimbursement Request Guidelines

SCA Regional Contact List

Summary

The Small City Allotment program funds critical infrastructure in Oregon's smallest cities. When accepting a Small City Allotment grant, you are also accepting the responsibility to follow the laws and rules guiding the use of those funds. ODOT staff stand ready to answer questions and assist you to ensure a successful delivery of your project.

For assistance please reach out to the Small City Allotment Program Manager:

Deanna Edgar | (503) 986-3441 | SmallCityAllotments@odot.oregon.gov