



## CITY COUNCIL ACTION REPORT

May 29, 2008

TO: Phillip L. Nelson, City Manager

FROM: John M. Lamerato, Asst. City Manager/Finance & Administration  
 Brian P. Murphy, Asst. City Manager/Economic Development Services  
 Steven J. Vandette, City Engineer

SUBJECT: Agenda Item – Approval of MDOT Contract No. 07-5754  
 I-75 Bridge Work  
 Project No. 08.102.6

### Background:

- The Michigan Department of Transportation (MDOT) proposes to make repairs to bridge structures along I-75, from Maple Road to Crooks Road and M-24 to M-15 to the north.
- The proposed project is considered a maintenance project as there is no widening of I-75 as part of the project.
- Traffic will be maintained on two (2) lanes in each direction on I-75 during the day with additional lane closures during nights and weekends.
- The following structures will be affected within Troy:
  - I-75 over Maple Road – deep concrete overlay work
  - I-75 over Rochester Road – extension of the acceleration lane for the ramp which connects southbound Rochester Road to southbound I-75 and deep overlay work
  - I-75 over Livernois Road – railing replacement
  - I-75 over Big Beaver – shallow and deep overlay work
  - Collector/Distributor ramps over Big Beaver – deep overlay work
  - I-75 over Long Lake – deep overlay work
  - Ramps connecting Crooks Road to I-75 over I-75 – deep overlay work
- Work on these structures will require closures of ramps to facilitate construction as well as closures of major roads under I-75. Detour routes along major roads will be posted as necessary.
- Bids for the project will be received and opened by MDOT on June 6, 2008.
- Work on the Troy structures is anticipated to start in July 2008 and be complete and open to traffic in October 2008.
- The actual schedule will not be known until the contract has been awarded by MDOT and the selected contractor has submitted a progress schedule for all work included in the project.

### Financial Considerations:

- The estimated construction cost is \$3,790,415.
- Federal funds have been obligated to the project in the amount of \$3,336,650.
- The Local Share to be split by MDOT and Troy is \$453,765.
- The Local Share is split based on Act 51 participation, as follows:
  - MDOT – 87.5% = \$397,050

- Troy – 12.5% = \$56,715
- Funds for the city's share are included in the Major Road Fund, account # 401479.7989.081026.

Legal Considerations:

- Contract No. 07-5754, as submitted, is based on estimated costs, as is standard with all MDOT agreements, since these agreements are prepared when funding for the project is obligated and before actual costs are known. The city's actual cost is based on the actual cost incurred by the contractor's work within the parameters of the agreement.

Policy Considerations:

- Enhance the livability and safety of the community (Goal I)
- Minimize the cost and increase the efficiency and effectiveness of City government (Goal II)
- Retain and attract investment while encouraging redevelopment (Goal III)
- Maintain relevance of public infrastructure to meet changing public needs (Goal V)

Options:

- Staff recommends that City Council approve the attached construction Contract No. 07-5754 with the Michigan Department of Transportation (MDOT) for the purpose of fixing the rights and obligations of each agency for the I-75 Bridge project. Furthermore, staff recommends that the Mayor and City Clerk be authorized to execute the agreements.



STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

JENNIFER M. GRANHOLM  
GOVERNOR

KIRK T. STEUDLE  
DIRECTOR

May 15, 2008

Ms. Tonni Bartholomew, Clerk  
City of Troy  
500 W Big Beaver Road  
Troy, MI 48084-5285

Dear Ms. Bartholomew:

RE: MDOT Contract No.: 07-5754  
Control Section: STH 63174; BHI 63174; IM 63174  
Job Number: 84568; 85598; 86039

Enclosed is the original and one copy of the above described contract between your organization and the Michigan Department of Transportation (MDOT). Please take time to read and understand this contract. If this contract meets with your approval, please complete the following checklist:

    **PLEASE DO NOT DATE THE CONTRACTS.** MDOT will date the contracts when they are executed. A contract is not executed unless it has been signed by both parties.

    **Secure the necessary signatures on all contracts.**

    **Include two (2) certified resolutions.** The resolution should specifically name the officials who are authorized to sign the contracts.

    **Return all copies of the contracts to my attention of the Department's Design Division, 2<sup>nd</sup> floor for MDOT execution.**

**In order to ensure that the work and payment for this project is not delayed, the agreement needs to be returned within 35 days from the date of this letter.**

A copy of the executed contract will be forwarded to you. If you have any questions, please feel free to contact me at (517) 241-0969.

Sincerely,

Vanessa Skym  
Contract Processing  
Design Support Area

Enclosure

**RECEIVED**

**MAY 20 2008**

**ENGINEERING**

FEDERAL AID PROGRESS PAYMENT	<p style="text-align: center;">DAB</p> <p>Control Section STH 63174; BHI 63174; IM 63174</p> <p>Job Number 84568A; 84568C; 85598A; 85598C, D; 86039A; 86039C, D; 86892A; 86892C, D; 86893A; 86893C, D; 89332A; 89384A</p> <p>Federal Project STP 0863(057); STP 0663(373); BHI 0863(058); BHI 0763(015); BHI 0863(059); BHI 0763(016); IM 0863(062); IM 0763(017); IM 0863(061); IM 0763(018); BHI 0863(060); BHI 0863(064)</p> <p>Federal Item KK 1911; KK 1541; RR 6405; KK 1631; RR 6406; KK 1632; KK 1914; KK 1633; KK 1913; KK 1634; KK 1912; KK 1915</p> <p>Contract 07-5754</p>
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THIS CONTRACT is made and entered into this date of \_\_\_\_\_, by and between the MICHIGAN DEPARTMENT OF TRANSPORTATION, hereinafter referred to as the "DEPARTMENT"; and the CITY OF TROY, a Michigan municipal corporation, hereinafter referred to as the "CITY"; for the purpose of fixing the rights and obligations of the parties in agreeing to construction improvements located within the corporate limits of the CITY.

WITNESSETH:

WHEREAS, the parties hereto anticipate that payments by them and contributions by agencies of the Federal Government or other sources will be sufficient to pay the cost of construction or reconstruction of that which is hereinafter referred to as the "PROJECT" and which is located and described as follows:

PART A - Job # 84568A (FEDERAL, STATE, & LOCAL PARTICIPATION)  
Extension of the acceleration lane for the ramp which connects southbound Rochester Road to southbound Highway I-75; together with necessary related work, located within the corporate limits of the CITY; and

PART B - Job # 85598 (FEDERAL, STATE, & LOCAL PARTICIPATION)  
Deep concrete overlay work on Structures S21-1 and S21-2 of 63174 which carry northbound and southbound Highway I-75 over Maple Road, including approach

work; together with necessary related work, located within the corporate limits of the CITY; and

PART C - Job # 86039 (FEDERAL, STATE, & LOCAL PARTICIPATION)

Railing replacement work on Structure S08-2 of 63174 which carries southbound Highway I-75 over Livernois Road; together with necessary related work, located within the corporate limits of the CITY; and

PART D - Job # 86892 (FEDERAL, STATE, & LOCAL PARTICIPATION)

Shallow overlay work on Structure S09-1 of 63174 which carries northbound Highway I-75 over Big Beaver Road; and

Deep overlay work on Structure S09-2 of 63174 which carries southbound Highway I-75 over Big Beaver Road, and Structures S11-1 of 63174, S11-2 of 63174 which carry northbound and southbound Highway I-75 over East Long Lake Road; together with necessary related work, located within the corporate limits of the CITY; and

PART E - Job # 86893 (FEDERAL, STATE, & LOCAL PARTICIPATION)

Deep overlay work on Structure S12 of 63174 which carries the ramps connecting Crooks Road and Highway I-75 over Highway I-75; together with necessary related work, located within the corporate limits of the CITY; and

PART F - Job # 89332 (FEDERAL, STATE, & LOCAL PARTICIPATION)

Deep overlay work on Structures S06-1 and S06-2 of 63174 which carry northbound and southbound Highway I-75 over Highway M-150 (Rochester Road); together with necessary related work, located within the corporate limits of the CITY; and

PART G - Job # 89384 (FEDERAL, STATE, & LOCAL PARTICIPATION)

Deep overlay work on Structures S09-5 and S09-6 which carry the northbound and southbound Highway I-75 Collector/Distributor Ramps over Big Beaver Road; together with necessary related work, located within the corporate limits of the CITY; and

WHEREAS, the DEPARTMENT presently estimates the PROJECT COST as hereinafter defined in Section 1 to be:

PART A	\$ 530,000	PART E	\$ 308,200
PART B	\$ 773,100	PART F	\$ 608,950
PART C	\$ 33,165	PART G	<u>\$ 245,000</u>
PART D	\$1,292,000	TOTAL	\$3,790,415

WHEREAS, the parties hereto have reached an understanding with each other regarding the performance of the PROJECT work and desire to set forth this understanding in the form of a written agreement.

NOW, THEREFORE, in consideration of the premises and of the mutual undertakings of the parties and in conformity with applicable law, it is agreed:

1. The CITY hereby consents to the designation of the PROJECT as a state trunkline highway. The parties shall undertake and complete the construction of the PROJECT as a state trunkline highway in accordance with this contract. The term "PROJECT COST", as herein used, is hereby defined as the cost of construction or reconstruction of the PROJECT including the costs of preliminary engineering, plans and specifications; acquisition costs of the property for rights of way, including interest on awards, attorney fees and court costs; physical construction necessary for the completion of the PROJECT as determined by the DEPARTMENT; and construction engineering, legal, appraisal, financing, and any and all other expenses in connection with any of the above.

2. The cost of alteration, reconstruction and relocation, including plans thereof, of certain publicly owned facilities and utilities which may be required for the construction of the PROJECT, shall be included in the PROJECT COST; provided, however, that any part of such cost determined by the DEPARTMENT, prior to the commencement of the work, to constitute a betterment to such facility or utility, shall be borne wholly by the owner thereof.

3. The CITY shall make available to the PROJECT, at no cost, all lands required thereof, now owned by it or under its control for purpose of completing said PROJECT. The CITY shall approve all plans and specifications to be used on that portion of this PROJECT that are within the right of way which is owned or controlled by the CITY. That portion of the PROJECT which lies within the right of way under the control or ownership by the CITY shall become part of the CITY facility upon completion and acceptance of the PROJECT and shall be maintained by the CITY in accordance with standard practice at no cost to the DEPARTMENT. The DEPARTMENT assumes no jurisdiction of CITY right of way before, during or after completion and acceptance of the PROJECT.

4. The parties will continue to make available, without cost, their sewer and drainage structures and facilities for the drainage of the PROJECT.

5. The PROJECT COST shall be met in part by contributions from agencies of the Federal Government. The balance of the PROJECT COST shall be charged to and paid by the DEPARTMENT and the CITY in the following proportions and in the manner and at the times hereinafter set forth:

	<u>PARTS A - G</u>
DEPARTMENT -	87.5%
CITY -	12.5%

The PROJECT COST and the respective shares of the parties, after Federal-aid, is estimated to be as follows:

	TOTAL ESTIMATED COST	FEDERAL AID	BALANCE AFTER FEDERAL AID	DEPT'S SHARE	CITY'S SHARE
PART A -					
Constr. & CE	\$ 441,000	\$ 396,900	\$ 44,100	\$ 38,600	\$ 5,500
PART A - PE	\$ 89,000	\$ 80,100	\$ 8,900	\$ 7,800	\$ 1,100
PART B -					
Constr. & CE	\$ 715,700	\$ 572,550	\$143,150	\$125,250	\$17,900
PART B - PE	\$ 57,400	\$ 51,700	\$ 5,700	\$ 5,000	\$ 700
PART C -					
Constr. & CE	\$ 32,000	\$ 25,600	\$ 6,400	\$ 5,600	\$ 800
PART C - PE	\$ 1,165	\$ 1,050	\$ 115	\$ 100	\$ 15
PART D -					
Constr. & CE	\$1,255,200	\$1,129,700	\$125,500	\$109,800	\$15,700
PART D - PE	\$ 36,800	\$ 33,100	\$ 3,700	\$ 3,200	\$ 500
PART E -					
Constr. & CE	\$ 296,100	\$ 266,500	\$ 29,600	\$ 25,900	\$ 3,700
PART E - PE	\$ 12,100	\$ 10,900	\$ 1,200	\$ 1,050	\$ 150
PART F -					
Constr. & CE	\$ 608,950	\$ 548,050	\$ 60,900	\$ 53,300	\$ 7,600
PART G -					
Constr. & CE	<u>\$ 245,000</u>	<u>\$ 220,500</u>	<u>\$ 24,500</u>	<u>\$ 21,450</u>	<u>\$ 3,050</u>
TOTAL	\$3,790,415	\$3,336,650	\$453,765	\$397,050	\$56,715

Participation, if any, by the CITY in the acquisition of trunkline right-of-way shall be in accordance with 1951 P.A. 51 Subsection 1d, MCL 247.651d. An amount equivalent to the federal highway funds for acquisition of right-of-way, as would have been available if application had been made thereof and approved by the Federal government, shall be deducted from the total PROJECT COST prior to determining the CITY'S share. Such deduction will be established from the applicable Federal-Aid matching ratio current at the time of acquisition.

The engineering costs chargeable to the DEPARTMENT and the CITY will be established in the same ratio as the actual direct construction costs.

6. The DEPARTMENT shall maintain and keep accurate records and accounts relative to the cost of the PROJECT. The DEPARTMENT may submit progress billings to the CITY on a biweekly basis for the CITY'S share of the cost of work performed to date, less all payments previously made by the CITY. No biweekly billings of a lesser amount than \$1,000 shall be made unless it is a final or end of fiscal year billing. All billings will be labeled either "Progress Bill Number \_\_\_\_\_", or "Final Billing". Upon completion of the PROJECT, payment of all items of PROJECT COST and receipt of all Federal Aid, the DEPARTMENT shall make a final billing and accounting to the CITY.

7. In order to fulfill the obligations assumed by the CITY under the provisions of this contract, the CITY shall make prompt payments of its share of the PROJECT COST upon

receipt of progress billings from the DEPARTMENT as herein provided. The CITY shall be billed for their share of the preliminary engineering costs upon award of the PROJECT. All payments will be made within 30 days of receipt of billings from the DEPARTMENT. Billings to the CITY will be based upon the CITY'S share of the actual costs incurred less Federal Aid earned as the work on the PROJECT progresses.

8. Pursuant to the authority granted by law, the CITY hereby irrevocably pledges a sufficient amount of funds received by it from the Michigan Transportation Fund to meet its required payments as specified herein.

9. If the CITY shall fail to make any of its required payments when due, as specified herein, the DEPARTMENT shall immediately notify the CITY and the State Treasurer of the State of Michigan or such other state officer or agency having charge and control over disbursement of the Michigan Transportation Fund, pursuant to law, of the fact of such default and the amount thereof, and, if such default is not cured by payment within ten (10) days, said State Treasurer or other state officer or agency is then authorized and directed to withhold from the first of such moneys thereafter allocated by law to the CITY from the Michigan transportation Fund sufficient moneys to remove the default, and to credit the CITY with payment thereof, and to notify the CITY in writing of such fact.

10. The DEPARTMENT shall secure from the Federal Government approval of plans, specifications, and such cost estimates as may be required for the completion of the PROJECT; and shall take all necessary steps to qualify for Federal Aid such costs of acquisition of rights of way, construction, and reconstruction, including cost of surveys, design, construction engineering, and inspection for the PROJECT as deemed appropriate. The DEPARTMENT may elect not to apply for Federal Aid for portions of the PROJECT COST.

11. This contract is not intended to increase or decrease either party's liability, or immunity from, tort claims.

12. All of the PROJECT work shall be done by the DEPARTMENT.

13. In connection with the performance of the PROJECT work under this contract the parties hereto (hereinafter in Appendix "A" referred to as the "contractor") agree to comply with the State of Michigan provisions for "Prohibition of Discrimination in State Contracts", as set forth in Appendix A, attached hereto and made a part hereof. The parties further covenant that they will comply with the Civil Rights Acts of 1964, being P.L. 88-352, 78 Stat. 241, as amended, being Title 42 U.S.C. Sections 1971, 1975a-1975d, and 2000a-2000h-6 and the Regulations of the United States Department of Transportation (49 C.F.R. Part 21) issued pursuant to said Act, including Appendix "B", attached hereto and made a part hereof, and will require similar covenants on the part of any contractor or subcontractor employed in the performance of this contract. The parties will carry out the applicable requirements of the DEPARTMENTS Disadvantaged Business Enterprise (DBE) program and 49 CFR, Part 26, including, but not limited to, those requirements set forth in Appendix C.

14. This contract shall become binding on the parties hereto and of full force and effect upon the signing thereof by the duly authorized officials for the CITY and for the DEPARTMENT; upon the adoption of a resolution approving said contract and authorizing the signatures thereto of the respective officials of the CITY, a certified copy of which resolution shall be attached to this contract; and with approval by the State Administrative Board.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed the day and year first above written.

CITY OF TROY

MICHIGAN DEPARTMENT  
OF TRANSPORTATION

By \_\_\_\_\_  
Title:

By \_\_\_\_\_  
Department Director MDOT

By \_\_\_\_\_  
Title:

JRM APPROVED  
5/14/08  
*JRM*  
ASSISTANT  
ATTORNEY  
GENERAL



APPENDIX A  
PROHIBITION OF DISCRIMINATION IN STATE CONTRACTS

In connection with the performance of work under this contract; the contractor agrees as follows:

1. In accordance with Act No. 453, Public Acts of 1976, the contractor hereby agrees not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or as a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, or marital status. Further, in accordance with Act No. 220, Public Acts of 1976 as amended by Act No. 478, Public Acts of 1980 the contractor hereby agrees not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. A breach of the above covenants shall be regarded as a material breach of this contract.
2. The contractor hereby agrees that any and all subcontracts to this contract, whereby a portion of the work set forth in this contract is to be performed, shall contain a covenant the same as hereinabove set forth in Section 1 of this Appendix.
3. The contractor will take affirmative action to insure that applicants for employment and employees are treated without regard to their race, color, religion, national origin, age, sex, height, weight, marital status or a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
4. 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, national origin, age, sex, height, weight, marital status or disability that is unrelated to the individual's ability to perform the duties of a particular job or position.
5. The contractor or his collective bargaining representative 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 advising the said labor union or workers' representative of the contractor's commitments under this appendix.
6. The contractor will comply with all relevant published rules, regulations, directives, and orders of the Michigan Civil Rights Commission which may be in effect prior to the taking of bids for any individual state project.
7. The contractor will furnish and file compliance reports within such time and upon such forms as provided by the Michigan Civil Rights Commission, said forms may also elicit information as to the practices, policies, program, and employment statistics of each subcontractor as well as the contractor himself, and said contractor will permit access to his books, records, and accounts by the Michigan Civil Rights Commission and/or its agent, for purposes of investigation to ascertain compliance with this contract and relevant with rules, regulations, and orders of the Michigan Civil Rights Commission.
8. In the event that the Civil Rights Commission finds, after a hearing held pursuant to its rules, that a contractor has not complied with the contractual obligations under this agreement, the Civil Rights Commission may, as part of its order based upon such findings, certify said findings to the Administrative Board of the State of Michigan, which Administrative Board may order the cancellation of the contract found to have been violated and/or declare the contractor ineligible for future contracts with the state and its political and civil subdivisions, departments, and officers, and including the governing boards of institutions of higher education, until the contractor complies with said order of the Civil Rights Commission. Notice of said declaration of future ineligibility may be given to any or all of the persons with whom the contractor is declared ineligible to contract as a contracting party in future contracts. In any case before the Civil Rights Commission in which cancellation of an existing contract is a possibility, the contracting agency shall be notified of such possible remedy and shall be given the option by the Civil Rights Commission to participate in such proceedings.
9. The contractor will include, or incorporate by reference, the provisions of the foregoing paragraphs (1) through (8) in every subcontract or purchase order unless exempted by the rules, regulations or orders of the Michigan Civil Rights Commission, and will provide in every subcontract or purchase order that said provisions will be binding upon each subcontractor or seller.

March, 1998

APPENDIX B

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:

1. **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 27, 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.
2. **Nondiscrimination:** The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or natural 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 Appendix B of the Regulations.
3. **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 subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
4. **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 Michigan Department of Transportation 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 Michigan Department of Transportation, or the Federal Highway Administration as appropriate, and shall set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the Michigan Department of Transportation shall impose such contract sanctions as it or the Federal Highway Administration may determine to be appropriate, including, but not limited to:
  - (a) Withholding of payments to the contractor under the contract until the contractor complies, and/or
  - (b) Cancellation, termination, or suspension of the contract, in whole or in part.
6. **Incorporation of Provisions:** The contractor shall include the provisions of paragraphs 1 through 6 of every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the Michigan Department of Transportation or the Federal Highway Administration may direct as a means of enforcing such provisions including sanctions for non-compliance; 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 Michigan Department of Transportation to enter into such litigation to protect the interests 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.

## APPENDIX C

### TO BE INCLUDED IN ALL FINANCIAL ASSISTANCE AGREEMENTS WITH LOCAL AGENCIES

#### Assurance that Recipients and Contractors Must Make (Excerpts from US DOT Regulation 49 CFR 26.13)

- A. Each financial assistance agreement signed with a DOT operating administration (or a primary recipient) must include the following assurance:

The recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any US DOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The recipient shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of US DOT-assisted contracts. The recipient's DBE program, as required by 49 CFR Part 26 and as approved by US DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved program, the department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

- B. Each contract MDOT signs with a contractor (and each subcontract the prime contractor signs with a subcontractor) must include the following assurance:

The contractor, sub recipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of US DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.