

# EXHIBIT A

**COLUMBIA RIVER CROSSING  
EXPENDITURES THROUGH DECEMBER 31, 2011  
SOURCE: WSDOT ACCOUNTING SYSTEM DATA**

Row Labels	Sum of Expend Amount		
David Evans & Associates Inc	93,174,267.24		
DW Not Required	11,408,814.18	}	<i>"Journal Vouchers" - Expenditures occurring in other funds, transferred to the CRC fund.</i>
(blank)	9,194,151.46		
Metro	1,698,458.28		
Ws Transportation, Dept Of	1,149,780.43		
Tri County Metropolitan	1,110,937.09	<b>c</b>	
Tri Met	1,010,737.82	<b>c</b>	0.70059427
Vancouvercenter	935,464.04	<b>a</b>	
City Of Vancouver	870,648.21		\$ 2,286,992.69 <b>Sum (a) - Total Rent</b>
American Construction Co Inc	828,508.26		\$ 1,189,458.28 <b>Sum (b) - Total HDR Engineering</b>
Vancouvercenter Development	803,036.16	<b>a</b>	\$ 2,121,674.91 <b>Sum (c) - Tri-Met</b>
Utility Mapping Services Inc	741,980.21		
C-Tran	675,771.84		
Hdr Engineering Inc	649,237.26	<b>b</b>	
Chase Manhattan Bank Db	630,403.92		
Shannon & Wilson Inc	603,656.44		
Crux Subsurface Inc	587,167.23		
H D R Engineering Inc	540,221.02	<b>b</b>	
Southwest Wa Reg Trans Council	491,941.36		
City Of Portland	484,403.22		
H N T B Corporation	477,867.54		
Boart Longyear Co	459,800.79		
Ws Doc Correctional Industries	344,938.32		
National Park Service Fort	333,323.46		
Vancouvercenter N Tower	297,477.36	<b>a</b>	
Claude T Sakr Consulting	290,514.03		
Vancouvercenter N Tower 6730	251,015.13	<b>a</b>	
Applied Archaeological	189,533.36		
Tom Warne & Associates Llc	184,745.20		
Public Knowledge Llc	140,766.40		
John Reilly Associates	111,484.21		
Nossaman Guthner Knox & Elliot	110,376.47		
Pegasus Global Holdings Inc	99,439.44		
Ch2m Hill Inc	98,154.57		
Right Systems Inc	86,758.82		
Brown, Rod	85,825.52		
Parsons Transportation Group	80,794.91		

**COLUMBIA RIVER CROSSING  
EXPENDITURES THROUGH DECEMBER 31, 2011  
SOURCE: WSDOT ACCOUNTING SYSTEM DATA**

Row Labels	Sum of Expend Amount
E R F	79,711.36
Ws Dis Computer/Telcom Svcs	79,140.36
Jacobs Engineering	78,860.54
Ralls, Mary Lou	71,535.49
Telesmart Networks Inc	70,492.90
Aecom Technical Services Inc	68,547.57
Golder Associates Inc	62,000.04
T Y Lin International	58,367.04
Clark County Title Company	57,829.65
Wongdoody Inc	50,119.74
Global Geophysics	45,219.69
National Constructors Group	44,974.15
Northwest Netcom	42,457.04
Ficco, Douglas P	41,769.20
Matrix Communications Corp	41,714.30
Meridian Project Systems Inc	41,584.07
Ws Ga Real Estate Services	37,633.52
Chicago Title Insurance Co	34,326.45
Regents Of The Univ Of Ca	29,083.27
Ws Dot-Motor_Vehicle_Acc (108)	28,731.65
Xerox Corp	24,305.63
Confederated Tribes Of	23,318.36 c
Pci Group Llc	21,249.00
Xiotech	20,876.97
Cascade Title Company	20,081.92
Integra Telecom	19,955.59
Strickler, Kristopher W	19,189.93
Western Hydro Corp	18,283.73
Meyer, Michael D	16,983.50
Boyd, Nancy D	16,947.50
Ac Power Technology Inc	16,843.33
Electric Lightwave Inc	16,526.70
The Underhill Company Llc	16,484.63
Network Guys Inc	15,408.95
Verizon Wireless	14,299.51
Cort Furnature Rental	13,986.30
Dor Excise Tax	13,787.45
Ott, William P	13,350.65 c
Homewood Suites By Hilton	12,370.47

**COLUMBIA RIVER CROSSING  
EXPENDITURES THROUGH DECEMBER 31, 2011  
SOURCE: WSDOT ACCOUNTING SYSTEM DATA**

Row Labels	Sum of Expend Amount
Confederated Tribes Of The	11,615.13
Xerox Corporation	11,078.05
Ws Revenue, Dept Of	10,628.59
N & N Drilling Supply	10,066.57
U S Postmaster	9,953.00
Southwest Regional	9,659.75
Cascade Computer Maintenance	9,282.12
Bentley Systems Inc	9,217.55
Palazzo, Michael A	8,982.64
Beeby, Megan	8,914.53
Printing Dept Of	8,572.54
Cambridge Systematics Inc	8,065.11
En Pointe	7,906.72
Meridian Systems	7,333.51
Meridain Project Systems Inc	7,333.50
Office Of Contract&Grant Admin	6,798.73
In-Situ Inc	6,310.58
Uw Grant & Contract Accounting	6,240.00
Wong, Rex	6,206.25
Ehl, Larry	6,087.65
Rust, Lynn K	5,795.81
Rainsberry, Sharon	5,787.20
C D W Government Inc	5,786.77
Trafficware Corp	5,362.15
Green, Franklin	5,028.47
Synnex Information Tech. Inc	4,681.27
Hilton Vancouver	4,435.45
Park N Go	4,392.00
J2 Blue Print Supply Co	4,344.20
Transoft Solutions Inc	4,323.00
Sunbelt Rentals	3,932.71
Liles, Casey	3,668.70
Oregonian Publishing Co Llc	3,657.22
Solutions At Work	3,450.00
Primavera Systems Inc	3,415.00
Dept Of Ecology	2,960.00
En Pointe Technologies Sales	2,948.27
Corporate Express	2,723.39
Echols, Amy	2,705.71

**COLUMBIA RIVER CROSSING  
EXPENDITURES THROUGH DECEMBER 31, 2011  
SOURCE: WSDOT ACCOUNTING SYSTEM DATA**

Row Labels	Sum of Expend Amount
Graybar Electric Company Inc	2,698.97
City Of Seattle Public Util	2,667.00
Citrix Online Llc	2,590.26
Wagner, Donald R	2,566.28
Bnsf Railway Co	2,549.12
Environmental Systems Research	2,374.40
Coeur Products Ltd Inc	2,240.00
Lsi Marketing & Design	2,200.00
Dilley, Doyle G	2,193.06
National Park Srvc Mt Rainier	2,000.00
Cowlitz Indian Tribe	1,977.79
Grimm, Roxanne	1,961.02
Esri	1,954.80
Clark County Historical Museum	1,866.23
Clark Public Utilities	1,860.23
Ivy, Don	1,817.78
Robert Miner Dynamic Testing	1,800.00
Secure Computing Corp	1,685.18
Qwest Communications Inc	1,684.98
Beaver, Jesse L	1,670.94
Granite Northwest Inc	1,566.73
Cotton, Megan	1,529.36
Nez Perce Tribe	1,504.39
Avaya Inc	1,437.59
J-2 Blue Print Supply Co	1,328.25
Barker, Cecil	1,279.10
Mudrick Underground Inc	1,263.69
Nextel Sprint	1,255.85
Puget Sound Regional Council	1,253.94
North Central Texas Council	1,228.39
Pb Americas Inc	1,225.68
Ws Oah Office Of Admin Hearing	1,221.75
Ressa, Dianna G	1,215.66
Williams, Michael A	1,170.85
Qwest	1,133.93
Rider & Associates Inc	1,117.20
Purchase Power	1,113.00
Nichols, Michael R	1,098.97
Mead & Hunt Inc	1,038.47

**COLUMBIA RIVER CROSSING  
EXPENDITURES THROUGH DECEMBER 31, 2011  
SOURCE: WSDOT ACCOUNTING SYSTEM DATA**

Row Labels	Sum of Expend Amount
Pitney Bowes	1,013.84
Seattle Daily Journal	1,010.07
Atlanta Regional Commission	1,007.74
Central Puget Sound	1,004.00
Gaston, Jeanette	977.50
Paradis, David Lee	974.72
California Transportation Foun	974.70
Northwest Helicopters Inc	972.80
Reserve Account	970.09
Teran, Daniel	960.26
Driver & Motor Vehicle Service	950.56
Landsberg, Karin J	937.02
Reck, Devin	923.09
Ecology Dept Of	920.00
Frafjord, Allen E	895.13
Cousin'S Country Inn Motel	839.30
Ws Ga Central Stores	833.09
Sacramento Areas	818.34
Pci Group Northwest Llc	800.00
Ws Transportation Dept Of	765.89
Peterson, Laura	709.40
Beimborn, Edward	686.96
Dell Marketing Lp	684.68
Burns, Carol	650.26
Long, Blane H	638.88
Cort Furniture Rental	636.42
Comcast Cable	621.44
Parametrix	595.00
Mclaughlin, Kay A	592.16
Central Puget Sound Regional	559.65
Perkins, Anthony Q	557.83
Halton Co The	548.84
Dunlap, Kelly	530.62
Clark County	514.60
Ws Licensing Dept Of	511.00
Commercial Card Solutions	506.80
Enterprise Rent A Car	487.82
U R S Electronics Inc	485.37
Francis, Carley	478.03

**COLUMBIA RIVER CROSSING  
EXPENDITURES THROUGH DECEMBER 31, 2011  
SOURCE: WSDOT ACCOUNTING SYSTEM DATA**

Row Labels	Sum of Expend Amount
Muehleck, Ashlee E	475.26
L H Morris Electric Inc	432.63
Office Depot	428.43
Heathman Lodge The Llc	422.71
At & T Mobility	416.98
Ikon Office Solutions	396.07
Morris, John M	393.19
Conf Tribes Of Umatilla Res	368.52
Dot Fund 410 (Interfund)	353.87
Carl, Ashlee E	351.50
Wsp Highway Account (081)	340.07
Pioneer Printing & Stationery	337.21
Yakama Nation	325.84
American Concrete Pavement	325.00
Contractor'S Sign Supply	324.13
Moore, Timothy M	321.98
Holborn Safety	315.00
Capital Awards	313.01
Seattle Public Utilities	300.00
Kentta, Robert	297.71
Sexton, Timothy	295.40
Shilbayeh, Samih S	280.54
Ds Waters Of America	280.37
Daly, Keith	278.12
Gabel, Mark	274.00
Society For American	274.00
Sise, Fatou	263.42
Ramirez, Juanita	262.80
Builders Exchange Of Wa Inc	251.75
Abrahamson, Randy	250.66
Lakeside Industries	248.86
Stenstrom Group Inc	244.72
Mohamedali, Mustafa H	243.00
Ameritel Inn - Olympia	220.24
Writing Services	217.30
Teach Reporting Inc	215.55
Structured Solutions-Based	214.30
Harjo, David L	208.44
Comcast	204.95

**COLUMBIA RIVER CROSSING  
EXPENDITURES THROUGH DECEMBER 31, 2011  
SOURCE: WSDOT ACCOUNTING SYSTEM DATA**

Row Labels	Sum of Expend Amount
Best Western Vancouver	204.03
The Reflector	201.60
Clark County Public Works	199.00
Holiday Inn Express & Suites	190.75
Wa St School For The Blind	189.08
Heep	185.00
Johnson, Rachel J	169.04
Brickey, Geraldene	168.87
Hilton, Ryan T	167.57
Johnson, Tony A	165.95
Bruchi'S	164.78
Ced	162.74
Doc Correctional Industries	160.65
Hotel Murano	158.88
Coast Wenatchee Center Hotel	158.80
Oxford Suites - Yakima	157.18
Quality Inn & Suites	135.98
Oregon Dot	131.31
Wts Portland Chapter	120.00
Fedex Corp	112.16
Ws Dop Training 415	110.00
Schwab, Leslie	110.00
Iyall, Mike	109.61
La Residence Suite Hotel	106.02
Shufelt, Sarah J	101.20
Edmo, Ed	100.00
Archuleta, Greg	100.00
Governor Hotel	98.35
Associated General Contractors	95.00
Washington State Patrol	85.06
Phillips Hagedorn, Melissa	81.00
Ws Printing, Dept Of	76.49
Cronin Co	73.04
Signs & More	70.76
Clark County Auditor	70.00
Arnold, Farrell L	70.00
Sledge, William	70.00
Wa Asphalt Pavement Assoc	65.00
Cardoni, Maria J	55.20



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EXPENDITURES THROUGH DECEMBER 31, 2011  
SOURCE: WSDOT ACCOUNTING SYSTEM DATA**

Row Labels	Sum of Expend Amount
Industry Portals	49.95
Pitney Bowes Global Financial	38.60
Valdez, Claire A	38.57
Combs, Ernest Walter	36.57
Fouts, Mary A	29.33
Linco Micro-Image Systems Inc	26.06
Community Choices	25.00
Super 8 Motel - Long Beach	22.16
Pierce, Tim E	19.00
Wirtanen, Andrew J	17.00
Kinderman, Paul D	14.50
Hr Herndon Recognition	10.02
Degenhart, Mark A	9.74
Nelson, David A	8.93
Stricker, Michael W	8.00
Pitney Bowes Credit Corp	7.03
Williams, Scott	4.75
Holstine, Craig E	4.37
American Segmental Bridge Inst	-
Ws Ecology Dept Of	-
Ws Atg Legal Services (405)	(0.00)
Misc Vendors	(380.18)
<b>Grand Total</b>	<b>132,993,190.96</b>

# EXHIBIT B

**COLUMBIA RIVER CROSSING  
EXPENDITURES THROUGH SEPTEMBER 30, 2012  
SOURCE: WSDOT ACCOUNTING SYSTEM DATA**

Sorted in Order of Payments (Highest to Lowest)

Payee Name	Total Expenditures	
David Evans & Associates Inc	104,252,227.92	A
(blank)	14,603,773.68	B
DW Not Required	9,239,811.93	B
Max J Kuney Co	3,993,483.89	
Tri Met	1,743,518.36	C
Metro	1,733,397.21	
Ws Transportation, Dept Of	1,297,134.64	
Utility Mapping Services Inc	1,172,817.28	
Tri County Metropolitan	1,110,937.09	C
Vancouvercenter	935,464.04	D
Vancouvercenter Development	911,015.16	D
City Of Vancouver	870,548.79	
American Construction Co Inc	828,508.26	
Hdr Engineering Inc	813,710.54	E
C-Tran	743,806.31	
Chase Manhattan Bank DbA	630,403.92	
Shannon & Wilson Inc	603,656.44	
City Of Portland	592,643.67	
Crux Subsurface Inc	587,167.23	
H D R Engineering Inc	540,221.02	E
Southwest Wa Reg Trans Council	496,342.27	
H N T B Corporation	477,867.54	
Boart Longyear Co	459,800.79	
Ws Doc Correctional Industries	344,938.32	
National Park Service Fort	333,865.31	
Vancouvercenter N Tower	297,477.36	D
Claude T Sakr Consulting	290,514.03	
Vancouvercenter N Tower 6730	251,015.13	D
Vandevco	207,259.75	D
Applied Archaeological	200,647.29	
Tom Warne & Associates Llc	184,745.20	
Public Knowledge Llc	141,921.40	
National Constructors Group	112,129.02	
John Reilly Associates	111,484.21	
Nossaman Guthner Knox & Elliot	110,376.47	
Pegasus Global Holdings Inc	99,439.44	
Ch2m Hill Inc	98,154.57	
Jacobs Engineering	91,493.39	
Right Systems Inc	86,758.82	
Brown, Rod	85,825.52	
Applied Archaeological	82,167.82	
Clark Co Public Transportation	81,691.43	
Parsons Transportation Group	80,794.91	

*"Journal Vouchers" - Expenditures  
occurring in other funds, transferred  
to the CRC fund*

Payee	Ref	Total Paid	% of Total Expenditures
David Evans	A	104,252,227.92	67.77%
Unknown	B	23,843,585.61	15.50%
Tri-Met	C	2,854,455.45	1.86%
Rent (Vancouver Center)	D	2,602,231.44	1.69%
HDR Engineering Inc.	E	1,353,931.56	0.88%

**COLUMBIA RIVER CROSSING  
EXPENDITURES THROUGH SEPTEMBER 30, 2012  
SOURCE: WSDOT ACCOUNTING SYSTEM DATA**

Payee Name	Total Expenditures
E R F	79,711.36
Ws Dis Computer/Telcom Svcs	79,140.36
Ralls, Mary Lou	71,535.49
Telesmart Networks Inc	70,492.90
Aecom Technical Services Inc	68,547.57
Golder Associates Inc	64,109.51
Clark County Title Company	59,614.95
Value Management Strategies	58,878.44
T Y Lin International	58,367.04
Wongdoody Inc	50,119.74
Matrix Communications Corp	49,724.51
Global Geophysics	47,272.50
Northwest Netcom	42,457.04
Ficco, Douglas P	41,769.20
Meridian Project Systems Inc	41,584.07
Ws Ga Real Estate Services	37,633.52
Chicago Title Insurance Co	36,053.55
Ott William P	32,576.49
Homewood Suites By Hilton	30,733.60
Regents Of The Univ Of Ca	29,083.27
Ws Dot-Motor_Vehicle_Acc (108)	28,731.65
Palazzo, Michael A	28,339.48
Xerox Corp	24,305.63
Confederated Tribes Of	23,318.36
Ac Power Technology Inc	22,537.63
Pci Group Llc	21,249.00
Boyd, Nancy D	21,105.69
Xiotech	20,876.97
Cascade Title Company	20,081.92
Integra Telecom	19,955.59
Bnsf Railway Co	19,629.96
Strickler, Kristopher W	19,189.93
Western Hydro Corp	18,984.34
Shea Carr & Jewell Inc	18,400.06
Meyer, Michael D	16,983.50
Electric Lightwave Inc	16,526.70
The Underhill Company Llc	16,484.63
Dor Excise Tax	16,171.95
Network Guys Inc	15,993.95
Verizon Wireless	14,299.51
Cort Furniture Rental	13,986.30
Ott, William P	13,350.65
Nossaman Llp	12,206.80
Confederated Tribes Of The	11,615.13

**COLUMBIA RIVER CROSSING  
EXPENDITURES THROUGH SEPTEMBER 30, 2012  
SOURCE: WSDOT ACCOUNTING SYSTEM DATA**

Payee Name	Total Expenditures
Xerox Corporation	11,078.05
Ws Revenue, Dept Of	10,628.59
N & N Drilling Supply	10,066.57
U S Postmaster	9,953.00
Southwest Regional	9,659.75
Cascade Computer Maintenance	9,282.12
Bentley Systems Inc	9,217.55
Beeby, Megan	8,914.53
Printing Dept Of	8,572.54
Dilley, Doyle G	8,567.06
Blue Bird Transfer Inc	8,170.09
Cambridge Systematics Inc	8,065.11
En Pointe	7,906.72
Meridian Systems	7,333.51
Meridain Project Systems Inc	7,333.50
Office Of Contract&Grant Admin	6,798.73
In-Situ Inc	6,310.58
Uw Grant & Contract Accounting	6,240.00
Wong, Rex	6,206.25
Liles, Casey	6,102.41
Ehl, Larry	6,087.65
Mcpc Inc	5,864.44
Rust, Lynn K	5,795.81
Rainsberry, Sharon	5,787.20
C D W Government Inc	5,786.77
Transoft Solutions Inc	5,463.00
K P F F Consulting Engineers	5,395.66
Trafficware Corp	5,362.15
Green, Franklin	5,028.47
Synnex Information Tech. Inc	4,681.27
Hilton Vancouver	4,435.45
Doc Correctional Industries	4,395.18
Park N Go	4,392.00
J2 Blue Print Supply Co	4,344.20
Social Solutions Com Inc	4,319.48
Des It & Brokering Leasing Svs	4,310.62
Sunbelt Rentals	3,932.71
Oregonian Publishing Co Llc	3,657.22
Citrix Online Llc	3,607.69
Grimm, Roxanne	3,497.77
Solutions At Work	3,450.00
Primavera Systems Inc	3,415.00
Cascade Title Company Of	3,137.80
Cowlitz Indian Tribe	3,116.62

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EXPENDITURES THROUGH SEPTEMBER 30, 2012  
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Payee Name	Total Expenditures
Dept Of Ecology	2,960.00
En Pointe Technologies Sales	2,948.27
Judd, Ron	2,880.03
Corporate Express	2,723.39
Echols, Amy	2,705.71
Graybar Electric Company Inc	2,698.97
City Of Seattle Public Util	2,667.00
Wagner, Donald R	2,566.28
Ressa, Dianna G	2,539.27
Environmental Systems Research	2,374.40
Coeur Products Ltd Inc	2,240.00
Lsi Marketing & Design	2,200.00
National Park Srvc Mt Rainier	2,000.00
Esri	1,954.80
Clark County Historical Museum	1,866.23
Clark Public Utilities	1,860.23
Nichols, Michael R	1,855.62
Ivy, Don	1,817.78
Robert Miner Dynamic Testing	1,800.00
Secure Computing Corp	1,685.18
Qwest Communications Inc	1,684.98
Beaver, Jesse L	1,670.94
Pitney Bowes	1,659.00
Granite Northwest Inc	1,566.73
Cotton, Megan	1,529.36
Nez Perce Tribe	1,504.39
Robert Miner Dynamic Testing I	1,500.00
Avaya Inc	1,437.59
Williams, Michael A	1,396.85
Seattle Daily Journal	1,370.07
J-2 Blue Print Supply Co	1,328.25
Ws Transportation Dept Of	1,316.20
Barker, Cecil	1,279.10
Mudrick Underground Inc	1,263.69
Nextel Sprint	1,255.85
Puget Sound Regional Council	1,253.94
Reck, Devin	1,242.97
North Central Texas Council	1,228.39
Pb Americas Inc	1,225.68
Ws Oah Office Of Admin Hearing	1,221.75
Qwest	1,133.93
Ecology Dept Of	1,120.00
Rider & Associates Inc	1,117.20
Purchase Power	1,113.00

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SOURCE: WSDOT ACCOUNTING SYSTEM DATA**

Payee Name	Total Expenditures
Paradis, David Lee	1,111.40
Gabel, Mark	1,061.77
Mead & Hunt Inc	1,038.47
Atlanta Regional Commission	1,007.74
Perkins, Anthony Q	1,006.63
Central Puget Sound	1,004.00
Environmental Systems Rsrch In	978.30
Gaston, Jeanette	977.50
California Transportation Foun	974.70
Northwest Helicopters Inc	972.80
Teran, Daniel	970.26
Reserve Account	970.09
Driver & Motor Vehicle Service	950.56
Landsberg, Karin J	937.02
Frafjord, Allen E	895.13
Francis, Carley	858.51
Cousin'S Country Inn Motel	839.30
Ws Ga Central Stores	833.09
Peterson, Laura	823.65
Sacramento Areas	818.34
Pci Group Northwest Llc	800.00
Beimborn, Edward	686.96
Dell Marketing Lp	684.68
Burns, Carol	650.26
Long, Blane H	638.88
Cort Furniture Rental	636.42
Clark County	622.80
Comcast Cable	621.44
Mclaughlin, Kay A	619.62
Parametrix	595.00
Central Puget Sound Regional	559.65
Halton Co The	548.84
Dunlap, Kelly	530.62
Ws Licensing Dept Of	511.00
Commercial Card Solutions	506.80
Enterprise Rent A Car	487.82
U R S Electronics Inc	485.37
Muehleck, Ashlee E	475.26
L H Morris Electric Inc	432.63
Office Depot	428.43
Heathman Lodge The Llc	422.71
Holborn Safety	420.00
At & T Mobility	416.98
Ikon Office Solutions	396.07

**COLUMBIA RIVER CROSSING  
EXPENDITURES THROUGH SEPTEMBER 30, 2012  
SOURCE: WSDOT ACCOUNTING SYSTEM DATA**

Payee Name	Total Expenditures
Morris, John M	393.19
Conf Tribes Of Umatilla Res	368.52
Dot Fund 410 (Interfund)	353.87
Carl, Ashlee E	351.50
Wsp Highway Account (081)	340.07
Pioneer Printing & Stationery	337.21
Yakama Nation	325.84
American Concrete Pavement	325.00
Contractor'S Sign Supply	324.13
Moore, Timothy M	321.98
Capital Awards	313.01
Ellison, Michael	303.64
Seattle Public Utilities	300.00
Kentta, Robert	297.71
Sexton, Timothy	295.40
Shilbayeh, Samih S	280.54
Ds Waters Of America	280.37
Wa State Ecy	280.00
Daly, Keith	278.12
Society For American	274.00
Builders Exchange Of Wa Inc	267.00
Sise, Fatou	263.42
Ramirez, Juanita	262.80
Abrahamson, Randy	250.66
Des Div Of Real Estate Service	250.00
Lakeside Industries	248.86
Stenstrom Group Inc	244.72
Mohamedali, Mustafa H	243.00
Degenhart, Mark A	242.63
Fleming, Michael S	224.75
Ameritel Inn - Olympia	220.24
Writing Services	217.30
Teach Reporting Inc	215.55
Structured Solutions-Based	214.30
Harjo, David L	208.44
Comcast	204.95
Best Western Vancouver	204.03
The Reflector	201.60
Clark County Public Works	199.00
Seattle Daily Jrnl Of Comm Inc	192.40
Holiday Inn Express & Suites	190.75
Wa St School For The Blind	189.08
Heep	185.00
Johnson, Rachel J	169.04



**COLUMBIA RIVER CROSSING  
EXPENDITURES THROUGH SEPTEMBER 30, 2012  
SOURCE: WSDOT ACCOUNTING SYSTEM DATA**

Payee Name	Total Expenditures
Brickey, Geraldene	168.87
Hilton, Ryan T	167.57
Johnson, Tony A	165.95
Bruchi'S	164.78
Ced	162.74
Hotel Murano	158.88
Coast Wenatchee Center Hotel	158.80
Oxford Suites - Yakima	157.18
Quality Inn & Suites	135.98
Fedex Corp	135.32
Oregon Dot	131.31
Wts Portland Chapter	120.00
Cronk, Matthew A	112.00
Ws Dop Training 415	110.00
Schwab, Leslie	110.00
Iyall, Mike	109.61
La Residence Suite Hotel	106.02
Shufelt, Sarah J	101.20
Edmo, Ed	100.00
Archuleta, Greg	100.00
Governor Hotel	98.35
Associated General Contractors	95.00
Washington State Patrol	85.06
Phillips Hagedorn, Melissa	81.00
Ws Printing, Dept Of	76.49
Cronin Co	73.04
Merkens, Todd S	73.00
Signs & More	70.76
Arnold, Farrell L	70.00
Sledge, William	70.00
Clark County Auditor	70.00
Cardoni, Maria J	66.93
Wa Asphalt Pavement Assoc	65.00
Verizon Wireless Services Llc	58.60
Industry Portals	49.95
Pitney Bowes Global Financial	38.60
Valdez, Claire A	38.57
Combs, Ernest Walter	36.57
Fouts, Mary A	29.33
Linco Micro-Image Systems Inc	26.06
Community Choices	25.00
Super 8 Motel - Long Beach	22.16
Pierce, Tim E	19.00
Wirtanen, Andrew J	17.00

**COLUMBIA RIVER CROSSING  
EXPENDITURES THROUGH SEPTEMBER 30, 2012  
SOURCE: WSDOT ACCOUNTING SYSTEM DATA**

<b>Payee Name</b>	<b>Total Expenditures</b>
Kinderman, Paul D	14.50
Federal Express	11.22
Hr Herndon Recognition	10.02
Nelson, David A	8.93
Stricker, Michael W	8.00
Pitney Bowes Credit Corp	7.03
Williams, Scott	4.75
Holstine, Craig E	4.37
American Segmental Bridge Inst	-
	-
Ws Ecology Dept Of	-
Ws Atg Legal Services (405)	(0.00)
Misc Vendors	(1,220.18)
<b>Grand Total</b>	<b>153,835,863.09</b>

# EXHIBIT C

### B.1 A&E Federal Regulations for Consultant Acquisition

On November 30, 2005, the President signed into law the Transportation, Treasury, Housing and Urban Development, the Judiciary, the District of Columbia, and Independent Agencies Appropriations Act, 2006, 119 Stat. 2396; Public Law 109-115, HR 3058 (“the FY 2006 Appropriations Act”).

- For federally funded projects, this bill removed any alternative procedures to what is commonly known as the Brooks Act for the procurement of architectural and engineering (A&E) consultant services.
- This bill also removed public agency caps on A&E firms’ overhead rates, codified the Brooks Act language, and placed a requirement on agencies to accept the audited overhead rate established by a firm’s cognizant agency.

The impacts to WSDOT regarding the acquisition of consultant services and the changes made necessary directly affected the WSDOT on-call A&E agreement process. To meet the requirements of the 2005 changes, WSDOT is adjusting the on-call process to fit the indefinite-delivery contract model described in the [Federal Acquisition Regulation \(FAR\)](#). However, clarification of the full intent of the Brooks Act needs to be made in order to develop applicable procedures and business rules.

The 2005 federal regulations eliminated alternative or “in-kind” procedures for A&E contracting. The legal modification specifically declared the Brooks Act, as codified in [40 USC 1101–1104](#), to be the legal basis for consultant selection for A&E contracts when federal funds participate. This law separates professional services of an architectural and engineering nature from all other forms of contracting for goods and services at all levels of government. Refer to [Appendix C](#) for the full text of the Brooks Act.

The four sections of the Brooks Act that together define the legal process of government contracting for A&E services are as follows:

1. **§ 1101** covers the government’s policy related to contracts for architectural and engineering professional services.
2. **§ 1102** provides definitions and specifically qualifies the broad spectrum of services that constitute A&E.
3. **§ 1103** describes the legal requirements for A&E selection.
4. **§ 1104** describes the process of negotiations and award of a contract.

However, there are other federal regulations in addition to the Brooks Act that apply to state departments of transportation and their subrecipients that receive federal-aid highway funds. These include [49 CFR 18](#) (Common Grant Rule) and [FAR Chapter 31](#). The regulations are as follows:

48 CFR 31, Cost factors for architecture-engineer services

49 CFR 18, Common Grant Rule

49 CFR 18.36, Issues regarding A&E consultant services.

23 USC 106, Project approval and oversight

23 USC 112, Letting of contracts

40 USC 1101–1104, Policy (Brooks Act)

23 CFR 172, Administration of engineering and design related service contracts

49 CFR 26, Participation by disadvantaged business enterprises in department of transportation financial assistance programs

### **B.1.1 Washington State Laws for A&E Consultant Acquisition**

[Chapter 39.80 RCW](#), *Contracts for architectural and engineering services*, quotes the Brooks Act language as the basis for A&E contracting in the state of Washington and goes on to provide the basis for department policy on A&E contracting. Therefore, whether federal funds are participating or not, the requirements of the Brooks Act are to be met. The only exceptions are when an emergency exists as covered in [Chapter 600](#) or there is justification for sole source as covered in [Chapter 430](#).

Washington State policy, declared by the Legislature in [RCW 39.80.010](#), reiterates the declaration of public policy made by the federal government and codified in [40 USC 1101–1104](#) (commonly known as the Brooks Act) for all federally funded A&E projects.

In accordance with state and federal law, there are four rules regarding A&E consultant solicitations that apply to the Washington State Department of Transportation:

1. The department shall publicly announce requirements for A&E services.
2. The department shall negotiate contracts for A&E services.
3. Selection shall be based on demonstrated competence and qualifications.
4. The department shall negotiate fair and reasonable pricing.

As with the federal regulations related to A&E services, state law distinguishes architectural and engineering services from all other professional services contracting for separate treatment by its own RCW. This separate treatment is not only addressed as separate from personal professional services, but is also clearly separated from laws related to public works. For the full text of [Chapter 39.80 RCW](#), see [Appendix D](#).

*State Administrative and Accounting Manual (SAAM)*

[www.ofm.wa.gov/policy/default.asp](http://www.ofm.wa.gov/policy/default.asp)

WSDOT Travel Directive

[www.wsdot.wa.gov/business/consulting](http://www.wsdot.wa.gov/business/consulting)

## B.2 A&E Legal Requirements

This section provides further information regarding the state and federal requirements specific to A&E contracting and describes the basis for the A&E processes.

Without going into a broad discussion of processes, which are covered in separate chapters, this section covers:

- The legal basis for the majority of A&E contracting and the legal reasons why the CSO maintains a database of consultant information (see [Chapter 400](#)).
- The legal options for how the CSO institutes selection boards and the selection process through to contract award (see [Chapter 410](#)).
- The reason for the types of contracts that may be used (see [Appendix I](#), Contract Types).

Following are the regulations that apply to A&E contracting:

[RCW 39.80.030](#) pertains to an agency's requirement for professional services and advance publication. It states that each agency shall publish in advance that agency's requirement for professional services. It goes on to say that the announcement shall state concisely the general scope and nature of the project or work for which the services are required and the address of a representative of the agency who can provide further details.

An agency may comply with this section by (1) publishing an announcement on each occasion when professional services provided by a consultant are required by the agency, or by (2) announcing generally to the public its projected requirements for any category or type of professional services.

[RCW 39.80.040](#) covers the procurement of architectural and engineering services, submission of statements of qualifications and performance data, and the state's requirements for participation by minority and women-owned firms. This RCW states that in the procurement of architectural and engineering services, an agency is to encourage firms to submit statements of qualifications in their areas of expertise, together with past performance data each year. This information, kept on file over several years by the CSO, coupled with any additional information firms might submit in response to solicitations for specific projects, should be the basis for determining whether a firm gets an interview. The guidelines and procedures of the agency are to include a plan that ensures minority and women-owned firms are afforded the maximum practicable opportunity to compete for and obtain public contracts for services. The RCW also states that the level of participation by minority and women-owned firms should be consistent with their general availability within the professional communities involved.

[40 USC 1101](#) (the Brooks Act) states that the policy of the federal government is to publicly announce all requirements for architectural and engineering services.

Whenever federal funds are used for A&E services, the state is required to publicly announce its requirements for consultant services. State law also requires a public announcement of an agency's consultant requirements. WSDOT will publicly announce its needs for consultant services whether federal funds are participating or not.

The appropriate state law in this case is [RCW 39.80.030](#), which says that “*Each agency shall publish in advance that agency’s requirement for professional services.*” It should be noted that the wording of this RCW is specific and deliberate; the term “requirement” is singular, not plural. The emphasis is on the agency publishing its requirement for professional services **each time** it has a requirement for professional services.

[RCW 39.80.030](#) goes on to further emphasize this published announcement for each requirement “in advance (of the need)” by stating: “*The announcement shall state concisely the general scope and nature of the project or work for which the services are required...*” Here, there is a distinction between services being referred to as a *project*, which generally involves multiple A&E disciplines, and services referred to as *work*, which is generally a single category or discipline. The reason this is important is that for projects with multiple disciplines, potential proposals would most likely have teams, with several subconsultants being proposed. For defined work, the usual expectation is a single category with a single firm specializing in that discipline submitting a proposal.

Lawmakers were very specific regarding how an agency is to comply with [RCW 39.80.030](#). Historically, lawmakers have left the compliance details to the Washington Administrative Code (WAC) or agency policy development and rule making. But in this case, they were very specific.

An agency may comply with [RCW 39.80.030](#) by:

1. “...an announcement on each occasion when professional services provided by a consultant are required...” Here, there is no distinction between project services, which are usually multidisciplined, or category-specific type work, which is usually of a single discipline. It is an announcement on each occasion, regardless of whether it is a multidisciplined project or a specific category or type of work; or
2. “...announcing generally to the public its projected requirements for any category or type of professional services.” In this second part, the reference to project (multidisciplined) is specifically omitted while reference to category or type of work (single discipline) is specifically called out. Also of note is the use of the plural term “requirements.” Here, there is anticipation that there may be several tasks within that category or type of work where the professional services of consultants are required.

Therefore, there are two potential ways to comply with [RCW 39.80.030](#):

- Either the agency can announce each instance where the professional services of a consultant are necessary, in advance, and go through the full Brooks Act requirements of selection; or
- The agency can determine, in advance, the projected requirements for the various types or categories of services that will be needed and announce those requirements by category and go through the requirements of the Brooks Act for selection.

Nothing precludes the agency from complying with both.

[23 CFR 172](#) requires that whatever procedures a state (or any of its subdivisions) uses to meet the requirements of the Brooks Act when acquiring consultant services must be in writing and approved by the appropriate federal agency: in this case, FHWA.<sup>1</sup>

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<sup>1</sup> In certain circumstances, WSDOT may be receiving funds from other federal agencies, such as the Federal Aviation Administration or the Federal Transit Administration, and should be aware of the rules under which the state may be obligated to operate.

### **B.2.1 Competitive Selection Based on Specific Work**

In accordance with [RCW 39.80.040](#), it is the intent of the state that all selections for professional A&E services be based on qualifications and past performance, to the highest degree possible. Both state law ([RCW 39.80.040](#)) and federal law ([40 USC 1103\(b\)](#)) provide that firms' qualifications be gathered, maintained on file, and updated annually.

It might appear that WSDOT would be justified in writing noncommittal on-call agreements for category-specific requirements, with the anticipation that the state would provide a second tier of competition between those firms awarded contracts when needs arise. However, neither state law nor federal law provides any basis for the award of contracts without at least a minimum anticipation of work to be done under that contract.

In other words, there is no legal basis to support a process of awarding multiple, purely noncommittal agreements for a multitude of categories, let alone for potentially full projects, where large numbers of agreements are awarded without any guarantee of work to the top qualifying firm(s). There is no way to determine the best qualified firm from a group of potential prospects without evaluation of their past performances and current qualifications against the work for which services are required.

If unanticipated work should arise where the timing is too short for a normal selection process to occur, then the need falls under the definition of "emergency," which is covered in [Chapter 600](#). Under those circumstances, the requirements are for the state to make the selection as competitive as possible within the time constraints.

In following both state and federal regulations, the steps that take place in the selection process do not allow for a selection to be made and negotiations for cost to occur until after the best qualified firms have been able to enter into discussions with the selection board regarding the anticipated concepts and the relative utility of alternative methods of approach for furnishing the required services. How these regulations apply to the "on-call" portion of indefinite-delivery contracts (IDCs) is shown in [Appendix I](#), Contract Types.

[RCW 39.80.040](#) relates all work, for the purposes of selection, to projects. In context, the definition of A&E states that one of the criteria for determining whether the work is A&E is whether the work is "related" to a project that leads to alteration of physical property.

Therefore, category-specific contracts need to be accomplished in relation to the projected or anticipated needs for category-specific services as "publicly announced" prior to the start of work.

A second part of this discussion covers the qualifications of subconsultants and the work proposed to be assigned through subcontracts. When selections, at any point in the selection process, are based in part on the qualifications of potential subconsultants proposed by the consultant, those subconsultants should be fixed in the award and negotiations.

There is no way to make a determination of the best-qualified team to do the work, whether a full project or category-specific, without first taking into consideration those firms that have been proposed as subconsultants. Negotiations with the most qualified firms should occur prior to the award of a contract. Negotiating substitutions of proposed subconsultants after an award is made



negates the qualifications-based selection process. Also detrimental to the process would be the substitution or addition of a noncompeting sub after the award of a contract, unless significant impacts or changes necessitate a change in team structure.

The substitution, removal, or addition of one or more subconsultants, or changes in the work assigned to subconsultants on a contract, requires a contract supplement and the approval of the WSDOT Chief Engineer.

### **B.2.2 Contract Clauses**

Federal regulations require that certain clauses be included in contracts where federal funds participate. These clauses largely specify certain protections for public funds.

The required clauses and the instances for their inclusion are cited in [49 CFR 18.36\(i\)](#).

### **B.2.3 Disadvantaged, Minority, & Women's Business Enterprise (DMWBE) Participation**

The issue of DMWBE participation through goal setting will need to be addressed for federally funded projects. This cannot be accomplished if agreements are entered into prior to knowing what work is being contracted for. WSDOT's Office of Equal Opportunity (OEO) and the Federal Highway Administration (FHWA) have historically taken issue with the process of awarding agreements for work "as yet undefined."

In accordance with [RCW 39.80.040](#), the state has legal requirements regarding participation by minority-owned, women-owned, and veteran-owned businesses in A&E consultant contracts. Agency procedures and guidelines are to include a plan to ensure minority-owned, women-owned, and veteran-owned businesses are afforded the maximum practicable opportunity to compete for and obtain public contracts for services. The level of participation by minority-owned, women-owned, and veteran-owned businesses shall be consistent with their general availability within the professional communities involved.

In 1998, the people of the State of Washington passed Initiative 200 (I 200), which says that the state "*shall not discriminate against, or grant preferential treatment to, any individual or group on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, or public contracting.*"

The initiative was very specific in its use of the term "quotas," which the initiative eliminated as the basis for balancing participation by disadvantaged, minority, and women's businesses. The federal regulation regarding public contracting specifically forbids the use of quotas in balancing discrimination and specifies the use of goals instead.

Since the passage of I-200, there have been claims that the use of goals creates preferential treatment and establishes reverse discrimination. Yet the term "goals" is never used in I-200, only quotas. It should be noted that the term "preferential treatment" was not defined in I-200.

According to the language, the state **shall not discriminate** against any individual or group. However, that is what is occurring when specific groups are not included on contracts in proportion to the number of qualified firms available in the community where the work is occurring."

RCW 39.80.040 describes the selection criteria established by the agency as being synonymous with the agency's policies and procedures related to the selection process.

Here, the criteria are not just the score sheets or qualifications data. Rather, the criteria are the full "procedures and guidelines" established for the selection process. Those procedures and guidelines are to include a plan that ensures minority- and women-owned businesses are afforded the maximum practicable opportunity to compete for and obtain public contracts for services.

Under RCW 39.80.040, a state plan should address methods where all firms have the opportunity to compete for and be awarded contracts as primes. To accomplish this, the plan needs to address different economic levels and capacities. If the only contracts offered are of a dollar size outside the reach of smaller firms, regardless of their ownership, the state has not truly addressed the intent of the RCW.

### **B.2.4 Contract Estimates**

Federal regulations, in addressing the issue of government estimates for A&E contracts, specify that the contracting officer perform a detailed cost analysis in connection with each procurement action, including contract modifications. As a starting point, the contract officer should have an independent estimate made for the services required prior to receiving proposals, in accordance with 49 CFR 18.36(f)(1&2).

48 CFR 31.205-6(b)(2) specifies the appropriate process and method for performing a qualified cost analysis based on the cost proposal of the firm with which negotiations are held.

**Note:** Contract officers and/or lead negotiators are encouraged to become familiar with the specifications in the above citations, as they address what determines "fair and reasonable pricing" to the government.

## **B.3 A&E Contract Administration**

Following are the federal and state laws and regulations on which A&E contract administration is based.

### **B.3.1 Federal Regulations**

For federally funded projects, the Common Grant Rule, 49 CFR 18, governs the administration of federal participatory funds. However, there are slight differences<sup>2</sup> among federal agencies regarding how those regulations are applied.

In addition to the Federal Highway Administration (FHWA), other potential federal agencies that might be involved include the Federal Transit Authority, Federal Aviation Administration, United States Army Corp of Engineers, United States Department of the Interior or Bureau of Land Management, and the United States Department of Agriculture (usually the Forest Service).

Applicable federal regulations have been cited previously. The area consultant liaison and the WSDOT project team need to be aware of the clauses required by 49 CFR 18.36(i) and included in the contract to understand the potential impacts to the project.

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<sup>2</sup> Generally, the federal agency with the largest percentage of participation takes the lead regarding applicable regulations that will apply to WSDOT. The ACL and the WSDOT project managers should meet with the appropriate federal field personnel to discuss what regulations may apply for the specific project involved.

### **B.3.2 Washington State Laws**

The basis for A&E contract administration at WSDOT starts with the Office of Financial Management's (OFM's) *State Administrative and Accounting Manual* (SAAM). WSDOT's *Purchasing Manual* is based in part on the SAAM. The *Purchasing Manual* covers the processes involved in verifying invoices for payments, signatures and authorizations for payments, and other administrative issues.

Chapter 10 of the WSDOT *Purchasing Manual* covers travel for companies with offices located inside the state of Washington. For interstate travel expenses related to consultants whose corporate or primary place of business is outside the state of Washington, FAR 31 governs cost reimbursement, provided those expenses have been included in the negotiations and approved in the contract in detail.

## **B.4 Consultant Evaluations**

Following are the federal and state laws and regulations upon which consultant evaluations are based.

### **B.4.1 Federal Regulations**

40 USC 11, 1101–1104, Selection criteria

49 CFR 18.36(t), Collecting data on and appraising firms' qualifications

49 CFR 18.36(b)(8), Past performance evaluation

### **B.4.2 Washington State Law**

RCW 39.80.040 states that, in the procurement of architectural and engineering services, the agency shall encourage firms engaged in the lawful practice of their profession to submit annually a statement of qualifications and performance data. The agency shall evaluate current statements of qualifications and performance data on file with the agency in the process of selecting the most qualified firms for award of contracts.

## **B.5 Legal References for Emergency Contracts**

Following are the federal and state laws and regulations upon which legal references for emergency contracts are based.

### **B.5.1 Federal Regulations**

23 CFR 172.5(3) states that noncompetitive negotiation may be used to procure engineering and design-related services on federal-aid participating contracts when it is not feasible to award the contract using competitive negotiation, equivalent state qualifications-based procedures, or small purchase procedures. Contracting agencies shall submit justification and receive approval from the FHWA before using this form of contracting.

Circumstances under which a contract may be awarded by noncompetitive negotiation are limited to the following:

- The service is available from only a single source;
- There is an emergency that will not permit the time necessary to conduct competitive negotiations; or
- After solicitation of a number of sources, competition is determined to be inadequate.

### **B.5.2 Washington State Law**

RCW 39.29.006(6) defines “emergency” as a set of unforeseen circumstances beyond the control of the agency that either:

- Present a real, immediate threat to the proper performance of essential functions; or
- May result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken.

RCW 39.29.016 states that emergency contracts [for personal services] shall be filed with OFM and made available for public inspection within three working days following the commencement of work or execution of the contract, whichever occurs first. Documented justification for emergency contracts shall be provided to OFM when the contract is filed.

RCW 39.80.060 pertains to procurement of architectural and engineering services, with an exception for emergency work. It states that:

- This RCW need not be complied with by any agency when the contracting authority makes a finding in accordance with this or any other applicable law that an emergency requires the immediate execution of the work involved.
- Nothing in this chapter shall relieve the contracting authority from complying with applicable law limiting emergency expenditures.

49 CFR 18.36(d)(4) pertains to situations where:

- An unusual and compelling urgency precludes full and open competition, and
- Delay in award of a contract would result in serious injury, financial or other, to the government.

Contracts awarded using this authority shall be supported by written justifications and approvals, and this statutory authority requires that agencies request offers from as many potential sources as is practicable under the circumstances.

## **B.6 Legal References for Disadvantaged Business Enterprise**

Following are the federal and state laws and regulations upon which legal references for Disadvantaged Business Enterprise (DBE) are based. In addition, FHWA’s website ([www.fhwa.dot.gov/HEP/49cfr26.htm](http://www.fhwa.dot.gov/HEP/49cfr26.htm)) contains an extensive question and answer overview of the federal requirements under the federal regulation. It also has detailed explanations of “good faith effort,” what constitutes social and economic disadvantage, and what forms are necessary for federal reporting.

### **B.6.1 Federal Regulations**

#### 23 CFR – Highways

Subchapter B – Payment Procedures

Part 172 – Administration of engineering and design related service contracts

Subchapter C – Civil Rights

Part 200 – Title VI program and related statutes – Implementation and review procedures

#### 45 CFR – Public Welfare

Part 90 – Nondiscrimination on the basis of age in programs or activities receiving federal financial assistance

#### 49 CFR – Transportation

Part 21 – Nondiscrimination in federally-assisted programs of the Department of Transportation – Effectuation of Title VI of the Civil Rights Act of 1964

Part 26 – Participation by disadvantaged business enterprises in Department of Transportation financial assistance programs

Part 27 – Nondiscrimination on the basis of disability in programs or activities receiving [or benefiting from] federal financial assistance

### **B.6.2 Washington State Law**

#### Chapter 18 RCW, Businesses and professions

18.08 Architects

18.43 Engineers and land surveyors

18.96 Landscape architects

#### Chapter 39 RCW, Public contracts and indebtedness

39.29 Personal service contracts

39.80 Contracts for architectural and engineering services

#### Chapter 49 RCW, Labor regulations

49.60 Discrimination – Human rights commission

49.60.180 Unfair practices of employers

## B.7 Legal References for Ethics and Organizational Conflict of Interest (OCOI)

It is expected that all parties in a contracting situation will follow the basic principles of ethical behavior. These include, but are not limited to:

- Maintaining the highest professional standard of job performance and exercising due diligence in carrying out professional duties.
- Maintaining trust and confidence in the integrity of the contracting process.
- Avoiding involvement in any transaction that might conflict or appear to conflict with the proper discharge of one's professional duties.
- Maintaining knowledge of and complying with all relevant laws and regulations governing the contracting process.
- Not intentionally influencing others to commit any act that would constitute an ethical violation.

Following are the federal regulations and state laws and policies upon which the legal references for ethics and OCOI are based.

### B.7.1 Federal Regulations

[49 CFR 18.36\(b\)\(3\)](#): These sections cover individual and organizational conflict of interest requirements, including ethical behavior (see [Appendix M](#)) on the part of state employees and their contractors. They also include specific guidelines for grantee state employees, their immediate families, partners, or associates, and the relationships they might have with any contractor or potential contractor. This section requires rules and procedures for identifying, evaluating, and resolving organizational conflicts of interest in contract acquisitions.

[49 CFR 18.36\(c\)\(1\)\(v.\)](#), Organizational conflicts of interest

### B.7.2 Washington State Laws

[Chapter 42.52 RCW](#); [WAC 292](#): This statute and its related administrative rules establish a framework for ethics in public service that provides specific guidelines and prohibitions related to activities that may be incompatible with the public duties of state employees.

[Chapter 18.43 RCW](#); [RCW 18.235.140](#); [WAC 196-27A](#): These statutes and rules provide guidelines for the professional conduct of engineers and land surveyors.

### B.7.3 WSDOT Policy

WSDOT management adheres to the provisions of [Chapter 42.52 RCW](#), *Ethics in Public Service*, and has published supporting policy statements in a variety of areas, including guidelines on the use of state resources.

In addition, [Secretary's Executive Order E 1059](#), *Organizational Conflicts of Interest*, and the *Organizational Conflicts of Interest Manual*, provides guidance relating specifically to design-build and design-bid-build construction projects. For further details, see [Appendix P](#), OCOI.



# EXHIBIT D



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Title 49: Transportation

**PART 18—UNIFORM ADMINISTRATIVE REQUIREMENTS FOR GRANTS AND COOPERATIVE AGREEMENTS TO STATE AND LOCAL GOVERNMENTS****Contents****Subpart A—General**

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- § 18.50 Closeout.
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**Subpart E—Entitlements [Reserved]**

AUTHORITY: 49 U.S.C. 322(a).

SOURCE: 53 FR 8086, 8087, Mar. 11, 1988, unless otherwise noted.

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**Subpart A—General**

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### § 18.1 Purpose and scope of this part.

This part establishes uniform administrative rules for Federal grants and cooperative agreements and subawards to State, local and Indian tribal governments.

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### § 18.2 Scope of subpart.

This subpart contains general rules pertaining to this part and procedures for control of exceptions from this part.

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### § 18.3 Definitions.

As used in this part:

*Accrued expenditures* mean the charges incurred by the grantee during a given period requiring the provision of funds for: (1) Goods and other tangible property received; (2) services performed by employees, contractors, subgrantees, subcontractors, and other payees; and (3) other amounts becoming owed under programs for which no current services or performance is required, such as annuities, insurance claims, and other benefit payments.

*Accrued income* means the sum of: (1) Earnings during a given period from services performed by the grantee and goods and other tangible property delivered to purchasers, and (2) amounts becoming owed to the grantee for which no current services or performance is required by the grantee.

*Acquisition cost* of an item of purchased equipment means the net invoice unit price of the property including the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the property usable for the purpose for which it was acquired. Other charges such as the cost of installation, transportation, taxes, duty or protective in-transit insurance, shall be included or excluded from the unit acquisition cost in accordance with the grantee's regular accounting practices.

*Administrative requirements* mean those matters common to grants in general, such as financial management, kinds and frequency of reports, and retention of records. These are distinguished from "programmatic" requirements, which concern matters that can be treated only on a program-by-program or grant-by-grant basis, such as kinds of activities that can be supported by grants under a particular program.

*Awarding agency* means (1) with respect to a grant, the Federal agency, and (2) with respect to a subgrant, the party that awarded the subgrant.

*Cash contributions* means the grantee's cash outlay, including the outlay of money contributed to the grantee or subgrantee by other public agencies and institutions, and private organizations and individuals. When authorized by Federal legislation, Federal funds received from other assistance agreements may be considered as grantee or subgrantee cash contributions.

*Contract* means (except as used in the definitions for "grant" and "subgrant" in this section and except where qualified by "Federal") a procurement contract under a grant or subgrant, and means a procurement subcontract under a contract.

*Cost sharing or matching* means the value of the third party in-kind contributions and the portion of the costs of a federally assisted project or program not borne by the Federal Government.

*Cost-type contract* means a contract or subcontract under a grant in which the contractor or subcontractor is paid on the basis of the costs it incurs, with or without a fee.

*Equipment* means tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. A grantee may use its own definition of equipment provided that such definition would at least include all equipment defined above.

*Expenditure report* means: (1) For nonconstruction grants, the SF-269 "Financial Status Report" (or other equivalent report); (2) for construction grants, the SF-271 "Outlay Report and Request for Reimbursement" (or other equivalent report).

*Federally recognized Indian tribal government* means the governing body or a governmental agency of any Indian tribe, band, nation, or other organized group or community (including any Native village as defined in section 3 of the Alaska Native Claims Settlement Act, 85 Stat 688) certified by the Secretary of the Interior as eligible for the special programs and services provided by him through the Bureau of Indian Affairs.

*Government* means a State or local government or a federally recognized Indian tribal government.

*Grant* means an award of financial assistance, including cooperative agreements, in the form of money, or property in lieu of money, by the Federal Government to an eligible grantee. The term does not include technical assistance which provides services instead of money, or other assistance in the form of revenue sharing, loans, loan guarantees, interest subsidies, insurance, or direct appropriations. Also, the term does not include assistance, such as a fellowship or other lump sum award, which the grantee is not required to account for.

*Grantee* means the government to which a grant is awarded and which is accountable for the use of the funds provided. The grantee is the entire legal entity even if only a particular component of the entity is designated in the grant award document.

*Local government* means a county, municipality, city, town, township, local public authority (including any public and Indian housing agency under the United States Housing Act of 1937) school district, special district, intrastate district, council of governments (whether or not incorporated as a nonprofit corporation under state law), any other regional or interstate government entity, or any agency or instrumentality of a local government.

*Obligations* means the amounts of orders placed, contracts and subgrants awarded, goods and services received, and similar transactions during a given period that will require payment by the grantee during the same or a future period.

*OMB* means the United States Office of Management and Budget.

*Outlays* (expenditures) mean charges made to the project or program. They may be reported on a cash or accrual basis. For reports prepared on a cash basis, outlays are the sum of actual cash disbursement for direct charges for goods and services, the amount of indirect expense incurred, the value of in-kind contributions applied, and the amount of cash advances and payments made to contractors and subgrantees. For reports prepared on an accrued expenditure basis, outlays are the sum of actual cash disbursements, the amount of indirect expense incurred, the value of in-kind

contributions applied, and the new increase (or decrease) in the amounts owed by the grantee for goods and other property received, for services performed by employees, contractors, subgrantees, subcontractors, and other payees, and other amounts becoming owed under programs for which no current services or performance are required, such as annuities, insurance claims, and other benefit payments.

*Percentage of completion method* refers to a system under which payments are made for construction work according to the percentage of completion of the work, rather than to the grantee's cost incurred.

*Prior approval* means documentation evidencing consent prior to incurring specific cost.

*Real property* means land, including land improvements, structures and appurtenances thereto, excluding movable machinery and equipment.

*Share*, when referring to the awarding agency's portion of real property, equipment or supplies, means the same percentage as the awarding agency's portion of the acquiring party's total costs under the grant to which the acquisition costs under the grant to which the acquisition cost of the property was charged. Only costs are to be counted—not the value of third-party in-kind contributions.

*State* means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of a State exclusive of local governments. The term does not include any public and Indian housing agency under United States Housing Act of 1937.

*Subgrant* means an award of financial assistance in the form of money, or property in lieu of money, made under a grant by a grantee to an eligible subgrantee. The term includes financial assistance when provided by contractual legal agreement, but does not include procurement purchases, nor does it include any form of assistance which is excluded from the definition of "grant" in this part.

*Subgrantee* means the government or other legal entity to which a subgrant is awarded and which is accountable to the grantee for the use of the funds provided.

*Supplies* means all tangible personal property other than "equipment" as defined in this part.

*Suspension* means depending on the context, either (1) temporary withdrawal of the authority to obligate grant funds pending corrective action by the grantee or subgrantee or a decision to terminate the grant, or (2) an action taken by a suspending official in accordance with agency regulations implementing E.O. 12549 to immediately exclude a person from participating in grant transactions for a period, pending completion of an investigation and such legal or debarment proceedings as may ensue.

*Termination* means permanent withdrawal of the authority to obligate previously-awarded grant funds before that authority would otherwise expire. It also means the voluntary relinquishment of that authority by the grantee or subgrantee. "Termination" does not include: (1) Withdrawal of funds awarded on the basis of the grantee's underestimate of the unobligated balance in a prior period; (2) Withdrawal of the unobligated balance as of the expiration of a grant; (3) Refusal to extend a grant or award additional funds, to make a competing or noncompeting continuation, renewal, extension, or supplemental award; or (4) voiding of a grant upon determination that the award was obtained fraudulently, or was otherwise illegal or invalid from inception.

*Terms of a grant or subgrant* mean all requirements of the grant or subgrant, whether in statute, regulations, or the award document.

*Third party in-kind contributions* mean property or services which benefit a federally assisted project or program and which are contributed by non-Federal third parties without charge to the grantee, or a cost-type contractor under the grant agreement.

*Unliquidated obligations* for reports prepared on a cash basis mean the amount of obligations incurred by the grantee that has not been paid. For reports prepared on an accrued expenditure basis, they represent the amount of obligations incurred by the grantee for which an outlay has not been recorded.

*Unobligated balance* means the portion of the funds authorized by the Federal agency that has not been obligated by the grantee and is determined by deducting the cumulative obligations from the cumulative funds authorized.

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#### § 18.4 Applicability.

(a) *General.* Subparts A through D of this part apply to all grants and subgrants to governments, except where inconsistent with Federal statutes or with regulations authorized in accordance with the exception provision of § 18.6, or:

(1) Grants and subgrants to State and local institutions of higher education or State and local hospitals.

(2) The block grants authorized by the Omnibus Budget Reconciliation Act of 1981 (Community Services; Preventive Health and Health Services; Alcohol, Drug Abuse, and Mental Health Services; Maternal and Child Health Services; Social Services; Low-Income Home Energy Assistance; States' Program of Community Development Block Grants for Small Cities; and Elementary and Secondary Education other than programs administered by the Secretary of Education under title V, subtitle D, chapter 2, Section 583—the Secretary's discretionary grant program) and titles I-III of the Job Training Partnership Act of 1982 and under the Public Health Services Act (Section 1921), Alcohol and Drug Abuse Treatment and Rehabilitation Block Grant and part C of title V, Mental Health Service for the Homeless Block Grant).

(3) Entitlement grants to carry out the following programs of the Social Security Act:

(i) Aid to Needy Families with Dependent Children (title IV-A of the Act, not including the Work Incentive Program (WIN) authorized by section 402(a)19(G); HHS grants for WIN are subject to this part);

(ii) Child Support Enforcement and Establishment of Paternity (title IV-D of the Act);

(iii) Foster Care and Adoption Assistance (title IV-E of the Act);

(iv) Aid to the Aged, Blind, and Disabled (titles I, X, XIV, and XVI-AABD of the Act); and

(v) Medical Assistance (Medicaid) (title XIX of the Act) not including the State Medicaid Fraud Control program authorized by section 1903(a)(6)(B).

(4) Entitlement grants under the following programs of The National School Lunch Act:

(i) School Lunch (section 4 of the Act),

(ii) Commodity Assistance (section 6 of the Act),

- (iii) Special Meal Assistance (section 11 of the Act),
  - (iv) Summer Food Service for Children (section 13 of the Act), and
  - (v) Child Care Food Program (section 17 of the Act).
- (5) Entitlement grants under the following programs of The Child Nutrition Act of 1966:
- (i) Special Milk (section 3 of the Act), and
  - (ii) School Breakfast (section 4 of the Act).
- (6) Entitlement grants for State Administrative expenses under The Food Stamp Act of 1977 (section 16 of the Act).
- (7) A grant for an experimental, pilot, or demonstration project that is also supported by a grant listed in paragraph (a) (3) of this section;
- (8) Grant funds awarded under subsection 412(e) of the Immigration and Nationality Act (8 U.S.C. 1522(e)) and subsection 501(a) of the Refugee Education Assistance Act of 1980 (Pub. L. 96-422, 94 Stat. 1809), for cash assistance, medical assistance, and supplemental security income benefits to refugees and entrants and the administrative costs of providing the assistance and benefits;
- (9) Grants to local education agencies under 20 U.S.C. 236 through 241-1(a), and 242 through 244 (portions of the Impact Aid program), except for 20 U.S.C. 238(d)(2)(c) and 240(f) (Entitlement Increase for Handicapped Children); and
- (10) Payments under the Veterans Administration's State Home Per Diem Program (38 U.S.C. 641(a)).
- (b) *Entitlement programs.* Entitlement programs enumerated above in § 18.4(a) (3) through (8) are subject to subpart E.

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#### § 18.5 Effect on other issuances.

All other grants administration provisions of codified program regulations, program manuals, handbooks and other nonregulatory materials which are inconsistent with this part are superseded, except to the extent they are required by statute, or authorized in accordance with the exception provision in § 18.6.

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#### § 18.6 Additions and exceptions.

(a) For classes of grants and grantees subject to this part, Federal agencies may not impose additional administrative requirements except in codified regulations published in the FEDERAL REGISTER.

(b) Exceptions for classes of grants or grantees may be authorized only by OMB.

(1) All Departmental requests for exceptions shall be processed through the Assistant Secretary of Administration.

(2) [Reserved]

(c) Exceptions on a case-by-case basis and for subgrantees may be authorized by the affected Federal agencies.

(1) All case-by-case exceptions may be authorized by the affected operating administrations or departmental offices, with the concurrence of the Assistant Secretary for Administration.

(2) [Reserved]

[53 FR 8086 and 8087, Mar. 11, 1988, as amended at 60 FR 19646, Apr. 19, 1995]

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### Subpart B—Pre-Award Requirements

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#### § 18.10 Forms for applying for grants.

(a) *Scope.* (1) This section prescribes forms and instructions to be used by governmental organizations (except hospitals and institutions of higher education operated by a government) in applying for grants. This section is not applicable, however, to formula grant programs which do not require applicants to apply for funds on a project basis.

(2) This section applies only to applications to Federal agencies for grants, and is not required to be applied by grantees in dealing with applicants for subgrants. However, grantees are encouraged to avoid more detailed or burdensome application requirements for subgrants.

(3) Forms and procedures for Federal Highway Administration (FHWA) projects are contained in 23 CFR part 630, subpart B, 23 CFR part 420, subpart A, and 49 CFR part 450.

(b) *Authorized forms and instructions for governmental organizations.* (1) In applying for grants, applicants shall only use standard application forms or those prescribed by the granting agency with the approval of OMB under the Paperwork Reduction Act of 1980.

(2) Applicants are not required to submit more than the original and two copies of preapplications or applications.

(3) Applicants must follow all applicable instructions that bear OMB clearance numbers. Federal agencies may specify and describe the programs, functions, or activities that will be used to plan, budget, and evaluate the work under a grant. Other supplementary instructions may be issued only with the approval of OMB to the extent required under the Paperwork Reduction Act of 1980. For any standard form, except the SF-424 facesheet, Federal agencies may shade out or instruct the applicant to disregard any line item that is not needed.

(4) When a grantee applies for additional funding (such as a continuation or supplemental award) or amends a previously submitted application, only the affected pages need be submitted. Previously submitted pages with information that is still current need not be resubmitted.

[53 FR 8086 and 8087, Mar. 11, 1988, as amended at 53 FR 8086, Mar. 11, 1988]

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#### § 18.11 State plans.

(a) *Scope.* The statutes for some programs require States to submit plans before receiving grants. Under regulations implementing Executive Order 12372, "Intergovernmental Review of Federal Programs," States are allowed to simplify, consolidate and substitute plans. This section contains additional provisions for plans that are subject to regulations implementing the Executive order.

(b) *Requirements.* A State need meet only Federal administrative or programmatic requirements for a plan that are in statutes or codified regulations.

(c) *Assurances.* In each plan the State will include an assurance that the State shall comply with all applicable Federal statutes and regulations in effect with respect to the periods for which it receives grant funding. For this assurance and other assurances required in the plan, the State may:

- (1) Cite by number the statutory or regulatory provisions requiring the assurances and affirm that it gives the assurances required by those provisions,
- (2) Repeat the assurance language in the statutes or regulations, or
- (3) Develop its own language to the extent permitted by law.

(d) *Amendments.* A State will amend a plan whenever necessary to reflect: (1) New or revised Federal statutes or regulations or (2) a material change in any State law, organization, policy, or State agency operation. The State will obtain approval for the amendment and its effective date but need submit for approval only the amended portions of the plan.

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#### § 18.12 Special grant or subgrant conditions for "high-risk" grantees.

(a) A grantee or subgrantee may be considered "high risk" if an awarding agency determines that a grantee or subgrantee:

- (1) Has a history of unsatisfactory performance, or
- (2) Is not financially stable, or
- (3) Has a management system which does not meet the management standards set forth in this part, or
- (4) Has not conformed to terms and conditions of previous awards, or
- (5) Is otherwise not responsible; and if the awarding agency determines that an award will be made, special conditions and/or restrictions shall correspond to the high risk condition and shall be included in the award.

(b) Special conditions or restrictions may include:

- (1) Payment on a reimbursement basis;
- (2) Withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given funding period;
- (3) Requiring additional, more detailed financial reports;
- (4) Additional project monitoring;
- (5) Requiring the grante or subgrantee to obtain technical or management assistance; or
- (6) Establishing additional prior approvals.

(c) If an awarding agency decides to impose such conditions, the awarding official will notify the grantee or subgrantee as early as possible, in writing, of:

- (1) The nature of the special conditions/restrictions;
- (2) The reason(s) for imposing them;
- (3) The corrective actions which must be taken before they will be removed and the time allowed for completing the corrective actions; and
- (4) The method of requesting reconsideration of the conditions/restrictions imposed.

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### Subpart C—Post-Award Requirements

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#### Financial Administration

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#### § 18.20 Standards for financial management systems.

(a) A State must expand and account for grant funds in accordance with State laws and procedures for expending and accounting for its own funds. Fiscal control and accounting procedures of the State, as well as its subgrantees and cost-type contractors, must be sufficient to—

- (1) Permit preparation of reports required by this part and the statutes authorizing the grant, and
- (2) Permit the tracing of funds to a level of expenditures adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of applicable statutes.