



U.S. Department  
of Transportation  
**Federal Highway  
Administration**

1835 Assembly Street, Suite 1270  
Columbia, SC 29201

August 10, 2009

In Reply Refer To:  
HDA-SC

Mr. Tony Chapman  
SCDOT Deputy Secretary of Engineering  
South Carolina Department of Transportation  
955 Park Street  
Columbia, SC 29202-0191

Dear Mr. Chapman:

At the time we developed our June 9 ARRA Supplement to the Stewardship and Oversight Plan, we did not envision using ARRA funding on any LPA administered projects. However, as SCDOT has worked through the project selection process, several LPA projects are now expected to be at least partially funded by ARRA.

With LPA administered projects continuing to be an area of national risk and the need to provide high level oversight in the delivery of the ARRA program, I feel it is necessary to amend our joint ARRA Supplement. To expedite this process and with your concurrence, I am proposing to simply make this letter a part of our Supplement in order to outline the expectations of both SCDOT and FHWA staff in carrying out ARRA-funded LPA administered projects.

To minimize the risks associated with LPA administered ARRA projects defined as state-delegated; SCDOT agrees to adhere to the current Procedures for LPA Project Administration with the following revisions:

- Prior to approving a LPA's Qualification Package, SCDOT will request FHWA's review and concurrence.
- If Federal funds are used to reimburse a LPA for consultant services, a summary of the selection process must be submitted to FHWA for acceptance.
- The LPAA unit will submit a project's final PS&E package to FHWA for review and approval prior to SCDOT requesting authorization of construction funding and advertisement.



- FHWA will be required to concur in award of a construction contract prior to the LPA executing the contract. (FHWA will also concur in the rejection of all bids prior to the LPA taking action.)
- FHWA will conduct periodic construction inspections and will coordinate this activity with both SCDOT's assigned District representative and the LPA.
- The project's final inspection must be coordinated with and attended by FHWA.

Implementing the above FHWA checkpoints should provide a reasonable level of oversight, short of full FHWA oversight, to ensure successful completion of ARRA-funded / LPA administered projects. If you concur in this addendum to the ARRA Supplement to the Stewardship and Oversight Plan, please acknowledge by signing below. Please return a signed copy and ensure all appropriate SCDOT staff receives a copy as well.

Sincerely yours,

Robert L. Lee  
Division Administrator

Concur:

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Tony Chapman  
SCDOT Deputy Secretary for Engineering

Original signed by SCDOT Deputy Secretary for Engineering Tony L. Chapman, P.E. and Robert L. Lee, Division Administrator. All original engineering directives maintained by the Office of the Deputy Secretary for Engineering.