'NIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

KIRK T. STEUDLE
DIRECTOR

April 3, 2006

Mr. John D. Niemela
Director
County Road Association of Michigan
P.O. Box 12067
Lansing, Michigan 48901-2067

Mr. Joseph A. Fivas, Manager
Transportation Environment Affairs
Michigan Municipal League
320 N. Washington Sq., Ste. 100
Lansing, Michigan 48933-1288

Dear Mr. Niemela and Mr. Fivas:

Non-Competitive Bid Contract Document

We have recently revised the Construction by Non-Competitive Bid Contract document to allow a small portion of the work to be subcontracted at the request of several agencies and with concurrence from the Federal Highway Administration. The new guidelines allow up to 10% to be assigned to a subcontractor, but this amount would not be reimbursable. Therefore, the maximum amount eligible for reimbursement would be $94,000 (6% required savings from $100,000) minus the subcontracted amount (100% local cost). This subtotal would be multiplied by the federal participation ratio (usually 80%) to determine the maximum reimbursable amount.

The Non-Competitive Bid document was revised and is available on the Michigan Department of Transportation's website (www.michigan.gov/mdot).

If you have any questions regarding this change, please contact me or Rudy Cadena at 517-335-2233.

Sincerely,

Mark A. Van Port Fleet, P.E.
for Engineer of Design

BOH:DEV/D/LAP/RC/mlc

cc: K. Steudle
L. Tibbits
J. Polasek
R. Cadena