

FY 2025 Kentucky Public Riverport Construction and Maintenance (KPRCM) Projects

Project Guidance and Specifications

By: KENTUCKY TRANSPORTATION CABINET, DEPARTMENT OF HIGHWAYS, DIVISION OF PLANNING

Kentucky Public Riverport Construction and Maintenance (KPRCM) Funds

The Kentucky Public Riverport Construction and Maintenance (KPRCM) Program was established to provide grants for public Riverport authorities to fund construction and maintenance. The program began with funds transferred from the Budget Reserve Trust Fund Account to the Kentucky Transportation Cabinet (KYTC) operating budget to support the KPRCM program. House Bill 1 designates \$7,500,000.00 from the Budget Reserve Trust Fund Account in each fiscal year to improve public riverport facilities and infrastructure, to capture the economic and trade potential offered by water transportation. Generally, each existing public riverport receives \$750,000.00 in each fiscal for eligible uses as described in KRS 174.210(3). This guidance establishes the policies and procedures for applicants within the Commonwealth to apply for KPRCM financial assistance from KYTC and complete project requirements.

I. Definitions

- (1) "Applicant" means an eligible applicant for KPRCM funds as outlined below.
- (2) "Cabinet" means the Kentucky Transportation Cabinet (KYTC).
- (3) "Application" means the funds application and the required attachments.
- (4) "Division" means the Division of Planning in KYTC.
- (5) "Secretary" means the Secretary of KYTC.
- (6) "MOA" means the Memorandum of Agreement between the Cabinet and the applicant.
- (7) "Available Funds" means Budget Reserve Trust Fund Account funds allocated by KYTC from the HB 1 appropriation.
- (8) "Fund Assistance" means Budget Reserve Trust Fund Account funds allocated by KYTC from the HB 1 appropriation.
- (9) "KPRCM" means Kentucky Public Riverport Construction and Maintenance.
- (10) "Grantee" means an applicant who has been allocated KPRCM grant funds.

II. Eligible Applicants

- (1) An eligible applicant is a public Riverport Authority within the Commonwealth as established in KRS 65.520.
- (2) Applications for KPRCM funds submitted by ineligible applicants shall immediately be rejected by Division staff without consideration and returned to applicant without review.

III. Eligible Projects

- (1) Eligible projects as outlined in KRS 174.210(3) shall provide for new construction and major replacement or repair projects, including but not limited to improvement of docks, wharves, equipment, port buildings, storage facilities, roads and railroads to facilitate the flow of commerce through the port, other on-site improvements, and related professional services.
- (2) Projects must be within the boundary of the public riverport authority, on facilities or equipment owned or leased by the public riverport authority, or facilities or equipment

that will be owned by the public riverport authority upon completion of the project.

- (3) Eligible projects shall not include routine operations, maintenance, or repair activities.
- (4) Plans and studies are additional examples of ineligible KPRCM projects.
 - a. Per Senate Bill 91, Predevelopment archaeological activities are allowable expenses only for West Kentucky Regional Riverport Authority up to \$250,000.00.

IV. Eligible Costs

- (1) When project work is let to a contractor, KPRCM funds may only be used for work items included in the bid proposal. In these instances, costs incurred by the contractor associated with the approved project.
- (2) When the applicant is the primary constructor of the project, allocated funds are only to be used for direct construction and maintenance costs (manpower, materials, and equipment) for the purpose described in the application, MOA Scope of Work, and any pre-approved amendments to the Scope of Work.
- (3) Applicant's costs associated with permits and fees, newspaper ads/public notices, design and engineering, land acquisition, right of way and utilities, and environmental services are allowable expenses, but should only make up a small percentage of the overall project budget.

V. Funds Solicitation

- (1) The Division, at the direction of the Secretary, will distribute the call for applications for KPRCM funds to public riverport authorities as established in KRS 65.520.
- (2) The call for applications will include the Cabinet web address where the relevant documentation can be obtained, including: application, guidance document, and requisite affidavits.
- (3) Applicants interested in requesting KPRCM funds must complete and submit an application and provide all required supporting documentation for consideration by the deadline.
- (4) Applicants should not apply for KPRCM funding until they have firm project scopes, firm project schedules, and firm project quotes/estimates.
- (5) Applicants are not required to request their full \$750,000.00 allocation for a single project. Applicants can submit multiple applications provided each project meets the criteria of **Section III. Eligible Projects** and the total of all applications does not exceed their \$750,000.00 allocation.

VI. Project Funding

- (1) Fund assistance awarded to each public riverport authority shall not exceed \$750,000.00.
 - a. **Any project work done before the Notice to Proceed shall not be reimbursed with allocated funds.**
- (2) Grantees are responsible for any costs in excess of the allocated amount necessary for completion of the approved Scope of Work and any authorized or unauthorized changes to the project.
- (3) Following award approval by the Secretary, the Division will prepare MOAs for the awarded projects. After the MOA is executed and applicable guidelines outlined in this document are met, the Cabinet may provide up-front grant money in the form of a single lump sum payment in the amount of the award.

- (4) The Cabinet at its discretion may rescind the funds allocation under any one of the following circumstances:
- Grantee does not agree to the terms of the MOA within three (3) months of the notice of award;
 - Grantee does not begin KPRCM the project within six (6) months of the notice of award;
 - Grantee is in default under the terms of the MOA for any KPRCM project;
 - Budget Reserve Trust Fund Account funds appropriated in HB 1 are rescinded through Legislative action or Executive Order.

VII. Application for Financial Assistance

- (1) An eligible applicant shall complete the requisite KPRCM application and provide each of the following pieces of supporting documentation:
- a. A detailed Statement of Work for the project;
 - i. The Statement of Work is a detailed narrative describing how the project will improve riverport facilities and infrastructure to capture the economic and trade potential offered by water transportation.
 - ii. The Statement of Work provided in the application will be included in the MOA for the project as an attachment.
 - b. A detailed Scope of Work for the project;
 - i. The Scope of Work is a text and table-based document that should include:
 - The exact work that must be done
 - Quantities of materials involved.
 - Summary of Estimated Costs (by phase and in whole)
 - “Estimated costs” refers only to eligible reimbursement costs as outlined in **Section IV**.
 - ii. The Scope of Work provided in the application will be included in the MOA for the project as an attachment.
 - c. Purchase quote or cost estimate for the project.
 - i. Equipment Purchases: a price quote on letterhead from the Original Equipment Manufacturer.
 - (1) Applicants should understand that the vendor who provided the price quote may not be the vendor ultimately selected in the competitive purchasing process.
 - ii. Infrastructure Projects: an engineer’s estimate by project phase with line-item materials, quantities, and labor estimates.
 - d. A detailed Project Schedule/Timeline;
 - i. The project schedule/timeline specifies each phase of the work to be done and the length of time each phase will last. This should be done in Gantt chart format and should be done by day, week, or month depending on the nature of the project. Specific dates are not required.
 - ii. The project schedule/timeline provided in the application will be included in the MOA for the project as an attachment.
 - e. Maps, Aerial Photos, Drawings, and Photographs clearly depicting the project location in appropriate scale, as needed.

- i. Photos are not required for dredging projects.
 - f. Engineering plans, schematics, details, drawings of the proposed project, as needed.
 - g. Copies of all correspondence or evidence of consultation with all interested state and federal agencies, if applicable. This includes, but is not limited to, the US Army Corps of Engineers (Section 10 and 404 permits), Kentucky Division of Water (Section 401 permits), Fish and Wildlife (regarding threatened and endangered species), and the US Coast Guard.
 - i. Copies of applicable permits must be supplied to the Division before the MOA for the project is finalized by KYTC.
 - h. Required Annual Affidavit for Bidders, Offerors and Contractors from applicant
- (2) **Completed applications and all required attachments must be combined and submitted electronically in a single PDF format. PDF copies shall be sent via email to KYTC.ModalPrograms@ky.gov. Emailed applications shall be received by the Division by the deadline indicated in the call for applications. It is the sole responsibility of the applicant to ensure delivery of electronic applications to the Division prior to the application deadline.**
- (3) Applicants may submit multiple projects for consideration. Each project requires a separate application and must demonstrate independent utility.
- (4) Incomplete applications, applications missing any of the required supplemental documents, or applications received after the deadline, will be deemed ineligible by Division staff without consideration for KPRCM funds and returned to the applicant.

VIII. Application Review & Decision

- (1) Following the application deadline, the Division will collect the completed applications and share them with the Water Transportation Advisory Board (WTAB). The Division and WTAB will then conduct a meeting, open to the public, to discuss the projects, review projects for eligibility, and develop a list of recommended projects for the Secretary.
- (2) The list of recommended projects will be sent by the Division to the Secretary for final review, approval, and fund allocation. The decision of the Secretary is final.

IX. Allocation of Funds

- (1) After the Secretary determines final allocations for the KPRCM projects, the Division shall announce the allocations to applicants in writing.
- (2) Fund allocation amounts cannot be increased after the decision has been made by the Secretary. Applicants are responsible for any costs in excess of allocated amount that are necessary for completion of the approved Scope of Work and any authorized or unauthorized changes to the project.

X. Execution of Performance Agreements

- (1) After an applicant has been allocated funds, the applicant and the Cabinet shall execute an MOA. The Division shall draft the MOA with the Statement of Work, Scope of Work, and Project Schedule/Timeline provided with the application included in the MOA as attachments.
- (2) Work should not begin until after the MOA is signed by the Secretary and a Notice to Proceed has been issued by the Division. **Any project work done before the Notice to**

Proceed shall not be paid for with allocated funds.

- a. In extreme circumstances, the Grantee can petition the Division in writing (email is sufficient) outlining the dire need to begin project work before the MOA is executed and/or NTP issued. Division decisions on these requests are final.
- (3) The Cabinet will only execute an agreement with the KPRCM applicant. No three-party agreements will be made. Applicant is free to enter into agreements with other parties that may be providing additional funding, materials or services as part of the project, but the Cabinet will not be a signatory to these agreements.
- (4) Prior to issuance of the Notice to Proceed, the applicant shall complete the following documents, with applicant, contractor, and/or subcontractor signatures, notarized as required and copies provided to the Division.
 - a. Required Affidavit for Bidders, Offerors, and Contractors, as applicable
 - b. Required Affidavit for Qualified Bidder Status, as applicable
 - c. Required Affidavit for Resident Bidder Status, as applicable
 - d. Required Affidavit Regarding Subcontractors, as applicable
 - e. Required Affidavit Regarding Illegal Immigrants, as applicable
 - f. All required permits from USACE, KY Heritage Council, Ky Division of Water, and others are the responsibility of the applicant.
- (5) Grantees may request extensions of time, changes to the Scope of Work, or amendments to the MOA; such requests must be in written form (email is sufficient) and must be supplied to the Division for pre-approval.
 - a. **Funds not expended by June 30, 2026, cannot carry forward into the next fiscal year and will be lost.**

XI. Project Initiation and Commencement

- (1) After the MOA has been executed, several milestones must be completed, as applicable.
- (2) Milestone 1: Prior to the Notice to Proceed being issued, the Division and the Grantee shall conduct a joint project review meeting (conference call or on-site) for the project.
 - a. Joint Project Review discussion items may include, but are not limited to:
 - Required permits
 - KYTC Pre-Qualification ([Link](#))
 - Work Items Sampling or Certifications
 - Prequalified Contractors/Subcontractors
 - KYTC List of Approved Materials ([Link](#))
 - Request for Qualifications/Request for Proposals, as applicable
 - Maintenance of traffic plan, as applicable
 - Force account or contract labor
 - Requirements for obtaining quotes or bids in accordance with KRS 45A ([Link](#))
 - Determination of appropriate bid format, being unit price, lump sum, or other eligible format, as applicable
 - Applicable affidavits for Grantee's and contractors include but may not be limited to:
 - Required Annual Affidavit for Bidders, Offerors, and Contractors (Riverport)
 - Required Annual Affidavit for Bidders, Offerors, and Contractors

- (Contractor)
 - Required Affidavit for Bidders Claiming Resident Bidder Status OR Required Affidavit for Bidders Claiming Qualified Bidder Status
 - Required Affidavit Regarding Subcontractors
 - Required Affidavit Regarding Illegal Immigrants
- (3) **Milestone 2:** The Division may issue the Notice to Proceed after the Grantee submits, **and the Division has approved** the following documents:
 - a. Copy of all required permits, as applicable
 - b. Copy of the Request for Quotes or Bid Packet, as applicable.
 - c. Copy of the draft advertisement, as applicable
 - d. Copy of the advertisement plan, as applicable
- (4) **Milestone 3:** The Division may begin approving invoices when the Grantee submits the following documents:
 - a. Copy of the published advertisement, as applicable.
 - b. Copy of the winning quote or bid, as applicable.
 - c. Copy of all quotes/bid tabulation sheets including the unsuccessful quote(s)/bid(s), as applicable.
 - d. Copy of all signed required affidavits by contractor and subcontractors, as applicable.
 - e. Certification that all contractors/subcontractors identified in the winning bid packet are KYTC Prequalified, as applicable.

XII. Bid Proposals / Bid Packets

- (1) In all aspects of the bid process, Grantees must follow KRS 45A and all other applicable state laws and regulations.
- (2) Procurement thresholds for total project costs for construction projects are as follows:
 - a. \$0-\$20,000 purchase with one quote;
 - b. \$20,001-\$40,000 applicant shall obtain three quotes and select lowest qualified;
 - c. \$40,001 and up shall advertise for a minimum of seven (7) days.
 - d. The project may not be divided to adjust requirements for obtaining quotes or bids.
- (3) The Grantee is expected to prepare a Request for Qualifications (RFQ), Request for Proposals (RFP), Bid Packet (BP), or similar document describing the project on which the contractors/subcontractors will make their proposal (bid, quote, etc.). The Grantee is also responsible for the advertisement, opening of quotes/bids, selection of/contracting for construction services, and materials purchases.
- (4) The Grantee is required to use KYTC Prequalified Contractors ([Link](#)) for all KYTC Work Items ([Link](#)) on the project. If a contractor/subcontractor is not on the KYTC List of Prequalified Contractors, the Grantee must contact the KYTC Division of Construction Procurement to verify prequalification status.
 - a. **It is the Grantees responsibility to ensure all contractors and subcontractors are KYTC Prequalified. Work by contractors or subcontractors not on KYTC Prequalified list are not eligible expenses and shall not be paid for with allocated funds.**
- (5) If no KYTC Work Items ([Link](#)) exist for any project component, Grantee should use the following process:
 - a. Issue the RFQ.

- b. Review the RFQ submissions and rank the three most qualified firms in order of their qualifications.
- c. These three qualified firms shall then provide a Proposal.
- (6) The RFQ/RFP/BP, or similar document developed by the Grantee should include the following components:
 - a. Information regarding requirements that could cause a proposal or bid to be ineligible.
 - b. Detailed selection criteria must be outlined. Criteria used to score a bid should include price and delivery, references, previous experience, etc.
 - c. Applicable affidavits for contractors/subcontractors shall be included for interested contractors/subcontractors to complete as part of their quote or bid.
 - d. Reference to KYTC's Standard Specifications for Roadway and Bridge Construction ("Spec Book"). This is true even if the project is not for the building of Roadways or Bridges. The Spec Book contains procedures and requirements that apply to all infrastructure projects. Any special provisions, project notes, or deadlines indicating a deviation from the standards contained in the Spec Book or containing requirements not discussed in the Spec Book must also be included in the BP.
 - e. KYTC Work Items required on the project, if applicable
 - f. Requirement that the bidder is a KYTC Prequalified Contractor and description of how bidder could become KYTC Prequalified Contractor, if applicable.
 - g. Shall require the listing of every contractor and subcontractor to be utilized on the project, if applicable. Contractors and subcontractors not listed on submitted bids are not reimbursable.
 - h. Requirement to use KYTC Approved Materials, if applicable.
- (7) The Division must review and approve RFQ/RFP/BP prior to advertisement of bid.
- (8) Copies of the winning proposal and either the unsuccessful proposals or the Bid Tabulation Sheet, as appropriate, must be supplied to the Division.
- (9) The rejection of any or all bids, or winning bid selection that varied from the outlined RFQ/RFP/BP selection criteria, must first be approved by the Division. The reason for the rejection of any or all bids or variance from the outlined selection criteria must be thoroughly documented.

XIII. Advertisements

- (1) Grantee shall develop the advertisement for their RFQ/RFP/BP AND an advertisement plan detailing how the RFQ/RFP/BP will be publicized. The advertisement plan should outline all methods to publicize the RFQ/Bid Packet (local paper, magazines, trade journals, websites, social media, etc.).
- (2) The advertisement developed by the Grantee shall include the requirements that bidders must be a Prequalified Contractor with the Transportation Cabinet and use KYTC Approved Materials, if applicable.
- (3) The advertisement plan and the advertisement developed by the Grantee **MUST** be reviewed and approved by the Division before posting.
- (4) Advertisement of the bidding opportunity must be published in a newspaper of general circulation in the region where the activity for which bids are submitted will be conducted to make sure solicitation is open to anyone who could perform the work.
- (5) The approved RFQ/RFP/BP must be posted in local paper a minimum of 7 days before

posted bid opening. Any revisions or clarifications of RFQ/RFP/BP require delaying bid opening 7 days from the last issued revision/clarification.

- (6) The approved RFQ/RFP/BP for construction projects can be posted on the Cabinet's Division of Construction Procurement website in an effort to publicize project. However, posting on the Construction Procurement website does not satisfy KRS 45A requirement to post in a local paper.
- (7) The approved RFQ/RFP/BP can also be posted on Grantees own website or in applicable trade journals, but these sources do not satisfy the KRS 45A requirement to post in a local paper.
- (8) During the time the bid is advertised, up until the time the bids are announced, the Grantee may accept sealed bids, but must not open them until the close of the advertising period.
- (9) If a contractor/subcontractor or subcontractor needs to be changed after a bid has been awarded, written approval must be given by Grantee who must verify new contractors/subcontractors are KYTC Prequalified, as applicable. Grantee must also notify the Division in writing of the change.

XIV. Equipment/Materials Purchases

- (1) If KPRCM funds are for purchasing equipment/materials for which a master agreement is in place, Grantee can utilize master agreement in place of RFP/RFQ/BP and advertisement process. Grantee can contact Cabinet's Division of Equipment for assistance with statewide equipment master agreements.
- (2) Procurement thresholds for total project costs for equipment purchases not utilizing a master agreement are as follows:
 - a. \$0-\$10,000 purchase with one quote;
 - b. \$10,001-\$20,000 applicant shall obtain three quotes and select lowest qualified;
 - c. \$20,001 and up shall prepare RFP/RFQ/BP and advertise as outlined above.
 - d. The project may not be divided to adjust requirements for obtaining quotes or bids.
- (3) Affidavits are not required of the vendors for equipment/materials purchases. The only affidavit required is the Required Annual Affidavit for Bidders, Offerors, and Contractors from the Grantee.
- (4) The requirement for use of KYTC Prequalified contractors or for KYTC approval of bidders does not apply to equipment/materials purchases.
- (5) If a master agreement cannot be utilized for an equipment purchase, the RFQ/RFP/BP developed does not need to include requirements for Spec Book Standards (Section XII(6)d), KYTC Work Items (Section XII(6)e), KYTC Prequalified Contractors (Section XII(6)f), or KYTC Approved Materials (Section XII(6)h).
- (6) The RFP/RFQ/BP, advertisement plan, and advertisement developed by the Grantee for an Equipment Purchase MUST all be reviewed and approved by the Division before posting.

XV. Federal Procurement

- (1) KPRCM funds that are to be used as part of or in coordination with a federally funded project do not have to go through a separate RFP/RFQ/BP process and can rely on the federal procurement process provided it is in compliance with KRS 45A. Documentation of the federal procurement process must be provided to the Division. This includes

- projects affiliated with Corp of Engineers funded dredging.
- (2) The requirement to utilize KYTC Prequalified contractors does not apply to projects utilizing the above referenced federal procurement process.
 - (3) In order to coordinate timelines for allocated funds that are connected to a federal project, the Grantee can petition the Division in writing (email is sufficient) outlining the dire need to begin project work before the MOA is executed and/or NTP issued. Division decisions on these requests are final.

XVI. Construction Standards

- (1) All project work shall be in accordance with all applicable state, federal, and association design and construction criteria and recommended practices for the type of work undertaken, including but not limited to:
 - a. KYTC Standard Specifications for Road and Bridge Construction, edition 2019 (with Supp Spec July 2019) as revised ([Link](#))
 - b. KYTC Highway Design Manual ([Link](#))
 - c. KYTC Standard Drawings ([Link](#))
 - d. KYTC Drainage Manual ([Link](#))
 - e. American Railway Engineering and Maintenance of Way Association (AREMA) Manual for Railway Engineering (MRE), current edition ([Link](#))
 - f. American Association of State Highway Transportation Officials' (AASHTO) Policy on Geometric Design of Highways and Streets ([Link](#))
 - g. Manual on Uniform Traffic Control Devices (MUTCD) ([Link](#))
 - h. Applicable sections of 23 CFR 625 ([Link](#))
- (2) KPRCM projects that involve rail construction or rail rehab shall also follow standards, specifications, details, and procedures in the current Kentucky Rail Crossing Improvement (KRCI) guidance document, as applicable.

XVII. Force Account

- (1) In rare circumstances, Grantee may have reason to request to be allowed to use its own employees to construct a portion of its project, known as "force account." Grantee must demonstrate that this is a more cost-effective alternative.
- (2) To utilize "force account" the Grantee must submit a written request to the Division identifying the reason or reasons why force account for the project is considered cost effective.
- (3) KYTC will review force account requests and return a Public Interest Finding approving or disapproving the use of force account to Grantee. Any approved decision to use local forces should be described in any RFQ/RFP/BP, or similar document describing the project on which the contractors would make their proposal (bid, quote, etc.).
- (4) When the Grantee utilizes force account for any portion of the project, allocated funds are only to be used for direct construction and maintenance costs (manpower, materials, and equipment) for the purpose described in the application, MOA Scope of Work, and any pre-approved amendments to the Scope of Work.

XVIII. Project Documentation & Updates

- (1) The Grantee is required to keep an organized file for the project. The Grantee is expected to maintain paper copies and electronic copies of all documents related to the project, where possible.

- (2) KYTC shall have access to any books, documents, papers, records, or other evidence (including emails and other forms of documentation), which are directly pertinent to the project for the purpose of audit or program review, as referenced in the MOA. All checks, invoices, contracts, vouchers, orders, or other accounting documents pertaining in whole or in part to the project shall be clearly identified, readily accessible, and to the extent feasible, kept separate and apart from all other such documents for KYTC viewing.
- (3) Project documentation must include, but may not be limited to, copies of the following:
 - Proof of fund disbursement
 - This must be in the form of a copy of all checks (front and back) or a record of EFT payment, indicating the funds have been transferred from the Grantee to the contractor or appropriate entity, as required.
 - Invoices
 - Paid invoices should be formatted & itemized as defined in the RFQ/RFP/BP, or similar document and must appropriately reference the applicable proof of fund disbursement. This includes invoices from contractors, suppliers, etc.
 - RFQ/RFP/BP, and/or newspaper ad, as applicable.
 - Winning proposal and either the unsuccessful proposals or the Bid Tabulation Sheet
 - Signed required affidavits: Grantee and contractors, as applicable.
 - Record of request and approval for time extension, if applicable.
 - Record of request and approval for changes to agreed upon Scope of Work.
 - Dredge Scans are required if project involves dredging.
- (4) Public financing requires transparency and documentation. Be advised that all documentation regarding funded projects will reside in paper and electronic files at the Cabinet and will be subject to open records requests or audits.
- (5) The Grantee shall submit monthly progress status updates in the form of an email to the Division detailing the status of the project, including the following, as applicable: the project work completed, work pending, photos of the project, and estimated completion date. The status updates begin the month after notification MOA has been executed and are due monthly until the project is complete (construction and administrative requirements).
- (6) Failure of the applicant to communicate the project work timeline with the Division as outlined in **Section XVIII (5)** and **Section XX (1)** or elsewhere in this guidance document will result in a delay in reimbursement.

XIX. Project Accounting & Invoicing

- (1) The Grantee shall pay for all project expenses and ONLY upon meeting all terms and conditions of the MOA and this guidance document shall the applicant receive reimbursement funding up to the amount of the allocated fund amount.
- (2) Grantee may submit invoices to the Division for reimbursement of eligible expenses paid toward completion of the awarded project as described in the MOA.
- (3) With the KYTC Standard Invoice (TC 31-519), the Grantee shall provide the Division documentation of all eligible project expenses. All charges shall be supported by properly

executed invoices, contracts, vouchers, and receipts for any materials, equipment, and labor used on the project evidencing in proper detail the nature and propriety of the charges.

- (4) Grantees seeking reimbursement for expenses paid on invoices from suppliers, contractors, etc. shall also show proof of disbursement as outlined in **Section XVIII (2)**.
- (5) The Division will delay or withhold payment of any submitted invoice until the Grantee submits accompanying backup information needed to justify the payment of the invoices.
- (6) Grantee can determine frequency of invoices submitted to the Division but cannot exceed one invoice per month.
- (7) The Division will reimburse the Grantee for approved project expenses during the project until ninety percent (90%) of the allocated fund amount for a project has been expended. The remaining ten percent (10%) will be reimbursed upon submission and approval of the final invoice.

XX. Project Closeout

- (1) Within 10 business days after construction of the project is complete, the Grantee should notify the Division in writing via email and include the expected timeline for final invoice(s) documentation of completion including photographs of the completed project, as applicable.
- (2) The Division shall conduct a closeout site inspection prior to approving the final invoice. The Division shall verify during the closeout site inspection that all items in the Scope of Work have been completed as outlined. Only then shall the final invoice be approved for payment.
 - a. For equipment purchases, dredging projects, or safety reasons, the Division may determine at its discretion that a closeout site inspection is unnecessary and rely on the provided documentation.

XXI. Leftover Funds

- (1) Funds not expended by June 30, 2026, cannot carry forward into the next fiscal year and will be lost. Projects not completed and invoices not submitted well before this date risk not being paid.
- (2) As no carryover authority exists beyond FY 25-FY 26, the Cabinet is required to ensure all funds are expended by the June 30, 2026, deadline.
- (3) Any projects not making substantial progress toward completion as of **July 1, 2025**, are subject to having their agreement canceled and their allocation redistributed by the Cabinet.
- (4) Any of the \$750,000.00 in appropriated funds not allocated or any remaining balances as of **July 1, 2025**, are subject to redistribution by the Cabinet.

XXII. Redistribution

- (1) Unallocated funds, remaining balances of completed KPRCM projects, or allocations to projects that have been canceled for lack of progress, shall be redistributed at the Secretary's discretion to public riverport authorities for existing and developing riverports as outlined in HB 1.
- (2) Upon approval of the Secretary, the Division will issue a call for applications to request

the funds available for redistribution following the process outlined in **Section V. Funds Solicitation**.

- (3) Eligible applicants shall submit applications for the funds available for redistribution following the process outlined in **Section VII. Application for Financial Assistance**.
 - a. **Applicants who have had a prior KPRCM project canceled for lack of progress are not eligible to apply for available redistribution funds.**
- (4) Applications will be reviewed as outlined in **Section VIII. Application Review & Decision**. Applications that meet the criteria and demonstrate the ability to quickly execute the project and expend the redistributed funds before June 30, 2026, will be prioritized highest for allocation.
- (5) Projects awarded redistributed funds will follow the contracting and execution process outlined in this Guidance Document.

XXIII. KYTC Office of Audits

- (1) Upon completion of the project, the KYTC Office of Audits may perform an audit of the KPRCM program to determine whether a selected grantee complied with the provisions of the KPRCM Guidance Document, the MOA, and government procurement procedures.
- (2) KYTC shall have access to any documents, paper or electronic, which are directly pertinent to the project for the purpose of audit or program review, as referenced in the MOA.
- (3) If the post project audit determines the applicant failed to follow applicable state laws, the requirements in the KPRCM Guidance Document, or in the MOA, the grantee shall immediately reimburse KYTC for unallowable expenditures.
- (4) Negative findings in post award audits and incidents of repayment for unallowable expenditures will be considered when evaluating and prioritizing the grantee's future state grant funding applications.