ADMINISTRATIVE PROCEDURES

FOR
DEPARTMENT OF GENERAL SERVICES
DESIGN BUILD CONSTRUCTION CONTRACTS

pennsylvania
DEPARTMENT OF GENERAL SERVICES

HARRISBURG, PENNSYLVANIA

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ADMINISTRATIVE PROCEDURE NO. 1

ORIENTATION MEETING

A. **Scheduling of Orientation Meeting**

Within ten (10) days of the Effective Date of the Contract, (or earlier if authorized in a Letter of Intent) the DGS Construction Project Manager will contact the Design Build Contractor (DBC) to schedule an Orientation Meeting to familiarize the DBC with Departmental procedures and processes.

The DBC is required to attend the scheduled Orientation Meeting. Notification of the meeting date, time and place will be confirmed by email. Personnel from the DBC's office that will be associated with the Project, such as the principal of the firm, project manager and project superintendent **must attend** the meeting. The DBC's Retained Professional and each subcontractor identified in Qualification Forms submitted in the DBC's Proposal to DGS must also attend the meeting.

B. **Agenda for Orientation Meeting**

1. Introduction of personnel by DGS Construction Project Manager

2. Explanation of Administrative Procedures and DGS' processes and forms in e-Builder.

3. Question and answer period.

ADMINISTRATIVE PROCEDURE NO. 2

JOB CONFERENCES

A. General Information Concerning Job Conferences

1. The following representatives **must attend** Initial, Regular and Special Job Conferences**:

   - The DBC (i.e., assigned Project Manager and approved Superintendent)
   - DBC's Retained Professional Representative
   - DGS Construction Assistant Project Manager
   - The Construction Manager (if one is retained on the Project)

   ** **Special Job Conferences are scheduled by the Construction Regional Director or designee**.

2. The following representatives may attend any Job Conference, but are not required to be present:

   - Client Agency
   - Facility personnel
   - Testing Laboratory Technicians
   - Bureau of Design, as required
   - DGS Construction Project Manager
   - Other representatives, as appropriate (determined by DGS)

3. The Bureau of Construction shall appoint a person to take the minutes of the Job Conferences. The minutes shall upload to e-Builder before the next Job Conference.

4. Failure to attend any Job Conference is a violation of the Contract as indicated in the General Conditions of the Design-Build Contract. If the DBC does not attend the Job Conference, it may be subject to termination, unless absence is excused by the Bureau. The Department may issue a credit change order to the DBC if it does not attend and is not excused from any Job Conference.

B. Initial Job Conference

1. The DGS Construction Project Manager will set the time, date and place for the Initial Job Conference, which will be no later than the thirty (30) days following the Effective Date of the Contract.

2. The Notice initiating the Conference shall be distributed through the e-Builder project calendar.

3. The date of the Initial Job Conference will signify the Contract Start Date for purposes of calculating the Contract Completion Date.

   a. If a Letter of Intent was issued on the project, the DBC is required to proceed with the off-site scope of Work set forth in the letter. On-site Work may start only when the contract is fully executed.

   b. The DBC is required to commence Work within ten (10) days after the Initial Job Conference.

4. During the Initial Job Conference, the DGS Construction Project Manager or designee shall conduct the order of business and discuss specific requirements and particulars of project construction.

5. Distribution of the Initial Job Conference Report will be made through e-Builder.

6. Agenda for the Initial Job Conference

   a. Introduction of attendees.

   b. Review of Special Requirements, which may include all, some, or none of these examples:

(1) Protection of the Environment
(2) Asbestos
(3) Parking
(4) Office for DBC
(5) Field Office
(6) Temporary Heat
(7) Existing Utilities
(8) Working Hours
(9) Operation and Maintenance Instructions/Manuals
(10) Small Diverse Business and Veteran Business Enterprise Program
(11) Contractor Integrity Provision
(12) Debarment, Suspension and Other Responsibilities
(13) Excavation
(14) Roof Deck
(15) Product Discrimination
(16) Mobilization
(17) Steel Products Procurement Act
(18) Insurance Coverage
(19) Privity of Contract
(20) Public Works Employment Verification Act
(21) Other

c. General Remarks

(1) Safety
(2) Discrepancies
(3) Coordination

d. General Information

(1) Project Sign
(2) Roof Bond/Warranties
(3) Concrete
(4) As-Built Record Drawings
(5) Project Supervision
(6) Miscellaneous

e. Permits, Fees, Notices

f. Establishment of date, time and location of the first Regular Job Conference

g. Review of General Conditions

h. General Comments

C. **Regular Job Conference**

1. Job Conferences may be held as often as necessary, however, in no case less than bi-weekly.

2. The DGS Construction **Assistant Project Manager**, or designee, shall conduct bi-weekly Job Conferences. These bi-weekly Job Conferences shall be attended by those described at the beginning of this Administrative Procedure.

3. The agenda of a Regular Job Conference shall include, at a minimum, the following:

a. General Review of Previous Report

i. Unsatisfactory conditions and/or workmanship, as noted on previous Job Conference Reports, must be noted when corrected by the DBC in the minutes of the first report following the correction. The manner in which the correction was made should also be noted in the minutes. The unsatisfactory item will be included as an item in each report until the issue is corrected.

b. General discussion of Job Conditions

c. Review of past due Shop Drawings

d. Review of outstanding Change Orders

e. Review of Progress Schedule

i. Special attention will be given to items that are behind schedule.

f. Projected work for the next bi-weekly period

g. Delays

i. The DBC should pay special attention to ensure that delays are documented on the Job Conference Reports since the Department will review the minutes of the Job Conferences in reviewing the DBC's request for any Extension of Time.

h. General Information will be inserted onto the written Job Conference Reports, such as, percentage of elapsed time for project, percentage of payment for project, percentage of job completion for project (based upon physical inspection), date, time and place of next job conference and name of person who prepared the Report.

4. Job Conference Reports will be distributed through e-Builder.

D. **Special Job Conferences**

1. The Construction Regional Director or other DGS representative may call a Special Job Conference to consider any emergency or unusual job condition. Only the subject(s) mentioned in the request for the Special Job Conference shall be discussed.

ADMINISTRATIVE PROCEDURE NO. 3

SCHEDULE OF VALUES

A. The Design Schedule of Values shall be prepared and submitted by the DBC through e-Builder for the Department's approval **within thirty (30) days of the Effective Date of the Contract and prior to the first Invoice, unless required to be submitted earlier in a Letter of Intent issued by DGS.**

B. The Construction Schedule of Values shall be prepared and submitted by the DBC through e-Builder for the Department's approval **within thirty (30) days of the Initial Job Conference and prior to the first Invoice.**

C. The DGS Assistant Project Manager and the DGS Project Manager will review and provide comments through e-Builder. The DBC is advised that a **minimum of ten (10) work days** after the receipt of the submission will be required by the Department for review and approval of the Schedule of Values or Supplemental Schedule of Values.

D. No Invoice will be approved until the Schedule of Values has been approved in e-builder.

E. The Schedule of Values, when approved by the Department, will be utilized as the basis for the DBC's Invoices. The Schedule of Values may also be used by the Department to determine the debit or credit to the Department resulting from changes in the work.

F. General Information

1. Items must be listed according to building or area.

2. Temporary services and/or equipment furnished at the DBC's cost that are not an integral part of the Project may not be shown on the Schedule of Values. The cost of these items (with the exception of temporary heat) must be prorated throughout the items of Work, material and/or equipment to which it pertains.

3. Contract Bond shall be shown as an item. The bond may not exceed the DBC's percent/amount of their bond receipt. The receipt for the bond must be submitted with the original Schedule of Values.

4. The Roof Bond/Guaranty must be a separate item, when applicable.

5. The DBC may include in its Schedule of Values a single line item for Mobilization. Mobilization costs shall be limited to include only those items listed in the Mobilization Paragraph of the General Conditions of the Design-Build Contract. For contracts equal to or less than $6,000,000, the DBC may include on the cost breakdown a line item for mobilization costs listed at 1.5 percent of the contract award amount, not to exceed $90,000. For contracts exceeding $6,000,000, mobilization costs in excess of $90,000 will be determined by negotiation prior to submission of the breakdown.

6. Excavation and backfill must be shown as separate items. If hand excavation is required, it must also be separately listed. All excavation and backfill quantities shall be indicated in cubic yard units. If there is no backfill, an explanation must be provided.

7. Concrete for structures is to be indicated in cubic yard units. Concrete sidewalk and concrete paving may be indicated as square yard units. All unit prices for concrete work are to include forming. Forming may not be indicated as a separate line item.

8. Painting must be listed as a separate item in square feet. Lump sum costs will not be accepted.

9. "Furnish" or "Install" are not to be used as part of the description of a line item. Procurement and installation costs must be included in the line item of work. The only exception shall be in cases where materials or equipment are furnished by the owner or using agency for installation by the DBC.

10. "Demolition" is to be followed in parenthesis indicating the item to be demolished.

11. Scaffolding is not to be shown as a separate line item, but is to be included in the item with which it is associated.

12. Site surveying, as a line item, is permitted for the DBC.

13. The DBC may show sheet metal work as two items, i.e., (a) Sheet metal shop drawings; and, (b) Sheet metal fabrication and installation. Shop drawings must be shown at actual cost and as one lump sum/line-item. Shop drawings must be approved prior to being invoiced on an Invoice. When the DBC requests payment for shop drawings, a copy of the subcontractor's invoice, if a subcontractor is used for that item, must be attached to the Invoice in e-Builder.

14. When balancing of heating and ventilating systems is required by the specifications, it shall be shown as a separate item.

15. Costs retained for Commissioning, as described in the General Conditions, must appear as a separate line item in the amount described in the Contract Documents.

16. Lump Sum items cannot be paid until the item is completely finished, inspected, and accepted by the Department, except on unit price projects, where lump sum items can be paid based upon the percentage completed.

18. Operation and Maintenance Manuals shall be indicated as one line item. The value shall be not less than ten percent (10%) of the amount included for mobilization. The amount included is subject to the approval of the Director of Construction.

19. Record Drawings shall be indicated as one line item. The value shall be not less than ten percent (10%) of the amount included for mobilization. The amount included is subject to the approval of the Director of Construction.

21. A supplemental Schedule of Values for those items listed as Lump Sum on the original approved Schedule of Values may be submitted at a later date, indicating quantity, unit price and extensions for all items to be furnished and installed under each Lump Sum item. Lump Sum items should be kept to a minimum. Supplemental breakdowns cannot be submitted on items where partial payment has been made.

    a. **Items to be subcontracted must be designated by the word "subcontractor.**"

    b. Descriptions shall be clear and concise for each item of work, material or equipment, using the same designation as the specifications. All items (examples: concrete masonry units, conduit, pipe fittings, wire, cable, etc.) must be listed by type and size to be installed.

    c. Temporary heat, if required by the Contract Documents, must be shown on the breakdown as a separate line item. This item will be shown as the last item on the Schedule of Values and must include the number of days specified in the Special Requirements, the Unit Price per twenty-four hour day, and the extension of the figures. **Any adjustment to the number of days of temporary heat, used or not, will be based on the Unit Price shown on the breakdown.**

    d. Items listed in the index of the specifications must be included, in chronological order, on the breakdown. Additional items may be listed at the DBC's discretion. Do not utilize alpha-numeric numbering except in cases where supplemental breakdowns are submitted.

    e. Unit price proposals are an exception to the above procedures. Unit price proposals must be reflected on the breakdown sheet in the same amount and in the same order as in the Contract.

ADMINISTRATIVE PROCEDURE NO. 4

PROJECT SCHEDULE
and
CRITICAL PATH METHOD (CPM) SCHEDULING

A. **General Information on Project Scheduling**

The Project Schedule shall be a Critical Path Method (CPM) Schedule developed, prepared and submitted through e-Builder in accordance with the same requirements and time frames as required by the General Conditions of the Design-Build Contract and the requirements of this Administrative Procedure.

1. The CPM Scheduling system is to be implemented by the DBC, utilizing the services of a qualified subcontractor or its own in-house staff. The subcontractor or DBC, if utilizing in-house staff, must provide evidence to the Department's satisfaction, that the subcontractor or DBC has computer hardware and software which is standard in the industry for CPM scheduling. The subcontractor or the DBC must also provide evidence of at least five years scheduling experience with projects of the same size and nature.

2. In no event shall any activity indicated on the Schedule exceed a 20-day duration unless authorized by the Department.

3. **No later than thirty (30) days after the Effective Date of the Contract**, the DBC shall (in accordance with the scheduling provisions of the General Conditions) submit through e-Builder the Integrated Progress Schedule.

4. **Within seven (7) days of receipt of the Schedule from the DBC**, the Construction Regional Director or designated representative will review and accept or reject the Schedule through e-Builder.

5. The design and construction sequences, activity duration and logic utilized in the development and preparation of the Schedule shall result in an as-planned schedule that must meet the Contract Completion Date set forth in the Contract Documents.

6. During construction, the DBC shall be responsible for providing a daily report of all work performed each day on the project until project close-out. This report shall include, but is not limited to: the DBC's numerated work force and related work activities performed, the DBC's numerated sub-contractors' workforce on site (of all tiers) and related work activities performed, equipment on site, testing performed, weather conditions (high and low temperatures, precipitation, etc.), material deliveries and L&I inspection activities. Each daily report shall be uploaded via e-Builder within 24 hours of each work day. If no work is performed, a daily report shall be submitted stating no work was performed. Submission of this daily report shall not preclude or waive the need to address issues and activities that shall be addressed within the contract documents via required processes and/or forms. **Failure of the DBC to submit timely, consistent and accurate daily reports shall be considered a non-conformance of the contract and shall be handled in a manner defined by the Contract Documents.**

7. All Work is to be completed in accordance with the accepted Project Schedule. The Project Schedule will reflect the decisions of the DBC as to sequence, duration, construction logic and all means and methods of construction.

8. **The Department will only review and pay (if the application is otherwise acceptable) the DBC's first Invoice without a Project Schedule being submitted and accepted by the Department. No further Applications for Payment will be accepted from the DBC until the Department has accepted the Project Schedule. Since it is the DBCs' affirmative duty to coordinate the Work and prepare the Project Schedule, any delay to the Project due to not having an acceptable Project Schedule will be attributable to the DBC.**

9. Activity time delays shall not automatically mean that an extension of time is warranted or owed to the DBC. A contract modification or delay may result in only absorbing a part of the available total float that may exist within an activity or chain of activities, therefore, the modification or delay may not affect existing critical activities, interim milestone dates or cause non-critical activities to become critical.

10. The Department owns the float. No float shall be used by the DBC without a written request and subsequent directive from the Department or its designee. Total float is defined as the amount of time between the early start date and the late start date, or the early finish date and the late finish date, for each and every activity in the Project Schedule. Extensions of time to interim milestone dates or the Contract Completion Date under the various contracts will be considered only to the extent that equitable time adjustments to the activity or activities affected by the contract modification or delay exceeds the total float of the affected or subsequent paths and extends any interim milestone date or the Contract Completion Date.

11. General Information

    a. List items of construction as they will be installed. When more than one building, level or floor is included, each building, level or floor shall be listed separately. The Project Schedule **must also include** critical submittals, submissions of shop drawings for approval, approval of shop drawings, placing of orders for materials and delivery of materials.

    b. The DBC is responsible for assuring that any and all subcontract work as well as its own work is included in the schedule.

    c. The Project Schedule shall reflect Early Start/Early Finish Dates, Late Start/Late Finish Dates and available Float or Slack time for each and every activity.

    d. The DBC shall identify and incorporate progress milestones for the Project into the Project Schedule, in accordance with the General Conditions of Contract. Unless the Contract Documents state otherwise, the milestones are to signify the start date of a specific activity that is critical to the completion of the project on schedule. **The DBC must show at least one milestone in each month of the scheduled construction period.**

ADMINISTRATIVE PROCEDURE NO. 5

MATERIALS TESTING (ALL ITEMS-GENERAL REQUIREMENTS)
LABORATORY SAMPLE OR FIELD TEST IDENTIFICATION

MATERIALS TESTING (SELECTION OF TESTING LABORATORY)
CONCRETE TESTING (APPROVAL OF MIX COMPUTATIONS)
CONCRETE MIX COMPUTATION

INVOICE AND BILLING FOR PROFESSIONALS AND TESTING LABORATORIES
MANUFACTURERS' HIGH VOLTAGE CABLE TEST (BIRTH CERTIFICATE)
FIELD HIGH VOLTAGE CABLE TEST
HVAC SYSTEMS BALANCING

A. **Materials and Concrete Testing Performed by the DBC (General Requirements)**

The DBC shall:

1. Give the Department and the DBC's Retained Professional timely notice in e-Builder of its readiness and of the date arranged, so the DBC's Retained Professional may observe such inspection or testing.

2. Bear all costs of such inspections and tests, unless otherwise provided. All expenses incurred in the collecting, packing and delivering of samples of materials or equipment to or from the site or laboratory will be paid by the DBC, unless otherwise noted in the General Conditions, Specifications or Contract Drawings.

3. All testing information shall be placed into the e-Builder Material Testing process. This shall include all test reports and entering select data and information from the test reports into the e-Builder Material Testing process.

4. For all concrete testing, the test reports and the following information and/or data must be entered into e-Builder (a separate process in e-Builder must be initiated for each test/sample):

    a. Placement Date;
    b. Design Strength;
    c. Ambient temperature;
    d. Slump;
    e. Air Content percentage;
    f. Temperature of Concrete;
    g. Who took the test/sample;
    h. Where are cylinders being cured;
    i. Name of Approved testing laboratory;
    j. 3 Day Break Strength;
    k. 7 Day Break Strength;
    l. 28 Day Break Strength; and
    m. 56 Day Break Strength,

5. A Laboratory Sample or Field Test Identification shall accompany each sample to be tested.

6. When testing concrete cylinders, each cylinder shall be numbered consecutively and prefaced for design mix tests, precast concrete and pre-stressed concrete. The type of cylinder shall be noted on the form as follows:

DM - Design Mix
PC - Precast Concrete
PS – Pre-stressed Concrete

7. Cylinders for concrete other than the above will not be prefaced. Approved samples to be incorporated into the work shall be returned to the site by the Testing Laboratory.

8. **The DBC's Retained Professional shall** secure, review, and approve/reject all submitted testing information and data through e-Builder.

B. **Materials Testing (Selection of Testing Laboratory)**

1. The DBC and its Retained Professional shall advise the Department of its selected testing agencies and laboratories at the Orientation Meeting.

C. **Concrete Testing (Approval of Mix Computations)**

1. The DBC shall use the e-Builder submittal process to enter all mix computation information.

D. **Manufacturer's High Voltage Cable Test Report (Birth Certificate)**

1. The DBC will ensure the Cable Test Report (Birth Certificate) is in compliance with the Contract Documents. The DBC shall submit all testing information through the e-Builder Material Testing process. This shall include attaching all test reports and entering select data and information from the test reports into the e-Builder Material Testing process.

2. The DBC's Retained Professional will review and approve/reject the report for compliance with the Contract Documents through e-Builder.

3. High Voltage Cable may not be installed until the manufacturer's Cable Test Reports are approved by the DBC's Retained Professional and the Department.

4. If the report is rejected by the DBC's Retained Professional or the Department, the report will be returned to the DBC through e-Builder with an explanation.

E. **High Voltage Cable Field Test Report**

1. The DBC shall submit all testing information into the e-Builder Material Testing process. This shall include all test reports and entering select data and information from the test reports into the e-Builder Material Testing process.

2. The DBC's Retained Professional shall review the report for compliance and approve/reject the report through e-Builder.

3. Payment for High Voltage Cable will be made only after the manufacturer's Test Report is approved, cable is installed, and the Field Test Report is approved by the DBC's Retained Professional and reviewed by the Department.

4. If the report is rejected by the Department, it will be return it to the DBC through e-Builder with an explanation.

F. **HVAC Systems Balancing Report**

1. The DBC shall upload all testing and balancing information into the e-Builder Material Testing process. This shall include attaching the final balancing report and entering select data and information into e-Builder.

2. The DBC's Retained Professional shall, upon receipt of the Balancing Report from the DBC, review it for compliance with balancing procedures and the Contract Documents. The DBC's Retained Professional will review the report for compliance and approve/reject through e-Builder.

3. If the report is rejected by the Department, it will be returned to the DBC through e-Builder with an explanation.

4. Payment for test and balancing will not be made until the report(s) are approved by the Department.

ADMINISTRATIVE PROCEDURE NO. 6

SUBMITTALS

A. The DBC shall prepare and submit through e-Builder a **Draft Submittal Schedule** showing all items requiring submission including, but not limited to the items listed on the Submittal Register. The **Submittal Schedule** shall be prepared in accordance with the General Conditions. All critical and long lead submittal items from the **Submittal Schedule** shall then be integrated by the DBC and tied to the logic of activities in the Project Schedule.

B. The DBC's draft Submittal Schedule must include the following as a minimum:

1. Submittal breakdown by Specification Section number and division;

2. Scheduled date for initial submittal of item; and

3. Days required after return of an approved submittal to order, fabricate and deliver the specific item to the site.

C. If the development of the **Submittal Schedule** affects the construction sequencing, durations, logic or any other aspect of the Project Schedule, including established milestones, the DBC shall make any necessary revisions to the Project Schedule. The contract completion date will not be adjusted as a result of these revisions. Review and acceptance of this revised integrated progress schedule, by the Department, shall follow the procedures established in Project Schedule of these Administrative Procedure. The DBC shall also provide an explanation detailing the reasons for the revision and the activities affected in the letter of transmittal.

D. The DBC's Retained Professional will review and approve/reject all submittals through e-Builder.

E. The DBC shall make any corrections required and shall resubmit shop drawings or new samples until approved. The resubmission shall be acted upon by the DBC's Retained Professional **within ten (10) days of its receipt**, unless a different period of time is approved by the Department. The resubmission of submittals by the DBC shall be in accordance with the General Conditions of Design Build Contract.

F. **Any work commenced by the DBC prior to final approval of the submittals by the DBC's Retained Professional is performed by the DBC at its own risk.**

ADMINISTRATIVE PROCEDURE NO. 7

DBC'S INVOICE
PREVAILING MINIMUM WAGE CERTIFICATE (DAVIS-BACON ACT)
INVOICE OF LABOR, MATERIALS/EQUIPMENT
PAYROLL AFFIDAVIT, DBC'S CERTIFICATE AND
STATEMENTOF SURETY, POWER OF ATTORNEY
STORED MATERIALS

A. General Information

1. The DBC's Invoices shall be created and submitted and processed through e-Builder in accordance with the Payment Article of the General Conditions and this Administrative Procedure.

2. No Invoice will be processed until the Schedule of Values, has been approved.

3. An Invoice will not be processed unless the Small Diverse Business (also referred to as SDB)/Veteran Business Enterprise (also referred to as VBE) Utilization Report has been submitted within 30 days prior to the Invoice. See the Small Diverse Business and Veteran Business Enterprise Participation procedures in these APs).

4. When an Invoice is received, the DGS Construction Assistant Project Manager shall process the invoice within the e-Builder Invoice Process. The DGS Construction Assistant Project Manager **has five calendar days, from this date, to review and take action in e-Builder**.

5. In accordance with the Prompt Payment Schedule (62 Pa. C.S. §3931-§3939) the Department shall make payment **within forty-five (45) calendars days of the date the Invoice is received in a complete and acceptable format.** The time does not start until the invoice is accepted by the Department. For purposes of calculating the forty-five calendar days, the start date will be the day on which the Assistant Project Manager accepts the Invoice.

B. Prevailing Minimum Wage Certificate or Davis-Bacon Wage Act

A. The Prevailing Minimum Wage Certificate must be completed, by the DBC, and attached to each Invoice in e-Builder to certify compliance with the payment of Prevailing Minimum Wages as required by the Contract Documents.

B. The DBC is required to submit through e-Builder the Form LLC-25 (or Form WH-347 if Davis-Bacon Wage Act applies to the contract) for themselves and all subcontractors of every tier on a weekly basis. The DBC shall provide ONLY the information required on the form and shall not include any employee personal information (i.e., social security numbers, home addresses, phone numbers, etc.). If the DBC intends to provide forms with employee personal information, the DBC shall redact it prior to submitting the forms and attachments.

C. Invoice for Work Completed

1. The DBC must provide a true and correct list of the work performed for each pay period.

2. An approved change order may be paid on a percentage basis as the work is completed.

D. Stored Materials

1. Stored Materials may be invoiced by a DBC when materials are ordered in advance and stored at an appropriate facility or the site until installation will occur. Material that is scheduled for installation **in less than forty-five days** from the date of procurement is not eligible for payment as stored material.

2. A completed Stored Materials Form must be submitted with the Invoice.

3. Prior approval to store materials is not required by the Department.

4. It is not necessary for the Department to visit the warehouse where materials are stored off-site. By executing the Stored Materials Form and submitting photographs, the DBC will be attesting to the fact that the materials are properly stored. The DBC is responsible for proper storage of the materials at the project site. Materials must be stored off the ground and properly protected from the elements.

5. Only one supplier may be submitted on each Stored Materials Form.

6. The description of line items on the vendor's invoice should be identical to the description on the Stored Materials Form and the Schedule of Values. If an item description on the vendor's invoice is not identical, the DBC must clearly describe, either on the invoice or an attachment, the invoiced item(s) as related to the items on the Stored Materials and Schedule of Values.

7. The vendor's invoice must also show the Unit Wholesale Price and the Extended Unit Wholesale Price. It is permissible for the DBC to add information to the vendor's invoice for the purpose of clarity.

8. If items that are being submitted as stored material are intermixed with other items on a vendor's invoice, the claimed items must be highlighted or underlined.

9. Requests for payment may not exceed eighty-five percent (85%) of the price of the item as indicated on the approved Schedule of Values.

10. When a vendor's invoice lists two or more separate items that are component parts of a single line item previously submitted on the Schedule of Values, a "Supplemental Schedule of Values Sheet" must be submitted and approved prior to payment for the individual items. Line items with differing unit prices must be shown as separate items on the Supplemental Cost Breakdown Sheet. Each component part must be shown as an individual item.

11. The completed Stored Materials Form, submitted with the Invoice, must also have the following documents attached:

    a. Vendor's Invoice
    b. Photographs of material and its location
    c. Fire and theft insurance policy rider for the materials
    d. Evidence of payment, or when payment has not been made, a letter on the DBC's letterhead authorizing payment to be made jointly to the DBC and the supplier.
    e. Power of Attorney (from bonding company)

E. Payroll Affidavit, DBC's Affidavit and Statement of Surety Company / Power of Attorney

1. A Final Invoice must be accompanied by a completed Payroll Affidavit, DBC's Affidavit and Statement of Surety Company / Power of Attorney. If this Form is not submitted with the Final Invoice, the sum of $500 will be withheld until the form is submitted.

2. The Payroll Affidavit section of the form need not be completed, if the prevailing minimum wage scale does not apply. However, a statement must be made by the DBC on the reverse side of the Payroll Affidavit, indicating that the prevailing minimum wage scale does not apply.

3. A copy of this form should be retained by the DBC, and a copy must be forwarded with the Invoice. A copy of the Power of Attorney must be attached to each Statement of Surety Company section.

G. SDB/VBE Utilization Report

1. An SDB/VBE Utilization Report must be submitted within thirty (30) calendar days prior to submitting an invoice. If this Report is not submitted as noted, you will not be able to submit an Invoice. Time for payment does not start until such time as an acceptable invoice is submitted to the Department.

H. For Each Invoice

1. DBC shall update the invoice in e-Builder based upon work completed since last invoice. Prior to submission of the Invoice by the DBC in e-Builder, the following documents shall be included as attached documents in e-Builder in this order:

    a. Prevailing Minimum Wage Certificate or WH-347

    b. SDB/VBE Utilization Report – This is submitted prior to an invoice and is a check box when starting an invoice process. If an SDB/VBE Utilization Report has not been submitted within 30 days of an invoice process, the invoice will not be accepted by the Department and time for payment will not start until the DBC submits the SDB/VBE Utilization Report.

    c. Stored materials information (if applicable)

        1. Vendor's Invoice
        2. Photographs of material and its location
        3. Fire and theft insurance policy rider
        4. Evidence of payment, or when payment has not been made a letter on DBC's letterhead authorizing payment to be made jointly to the DBC and the supplier.

    d. Payroll Affidavit, DBC's Affidavit and Statement of Surety Company / Power of Attorney (if Final Invoice).

    e. Notarized LLC-25 for Commonwealth funded projects or WH-347 for federal funded projects (if Final Invoice).

2. Upon Final Inspection, the monetary amount to be retained shall be adjusted to reflect the actual amounts retained, as set out in the various sections of the General Conditions of the Design-Build Contract. The pertinent pages of the punch list, including the DBC's Retained Professional's Certificate detailing the uncompleted items and value, pending credit change orders, liquidated damages, claims, etc., must be attached to the Invoice in e-Builder. The items indicated on the punch list shall not be paid until completed in their entirety. As the paperwork items are completed, change orders and extensions of time are approved, claims resolved, the retained amount may be reduced accordingly. The pertinent pages of punch list shall be attached with a strikethrough the items acceptably completed and/or approved. The adjusted retained amount should then be calculated, inserted and highlighted on the copies of the punch list attached to the Invoice in e-Builder. The adjusted retained amount must equal the amount shown on the schedule of values.

ADMINISTRATIVE PROCEDURE NO. 8

CHANGES IN CONTRACT WORK
(FIELD ORDERS/CHANGE ORDERS)

A. **Any change to Project Contract must be documented by issuance of a Change Order**. All Change Orders are to be started and processed in the e-Builder Construction Change Order process. All information and required fields for the Change Order process shall be completed by the initiator prior to submitting it.

B. A Change Order may be commenced by the DBC's Retained Professional, DGS Personnel, and under limited circumstances, the DBC.

C. The DBC's SDB and VBE participation percentages will apply to Change Orders if the work that is the subject of the Change Order is the type of work already being performed by an SDB or VBE on the Contract.

D. DGS reserves the right to require SDB or VBE participation on change orders for additional work not already subject to an SDB or VBE commitment.

E. The DBC's Retained Professional is required to provide an opinion as to the reason that the Change Order is required. The DBC's Retained Professional must select one of the causes listed in e-Builder and provide detailed explanation supporting that choice.

F. The DBC's Retained Professional's cause choice is the opinion of the DBC's Retained Professional and may or may not represent the views of DGS. DGS will review the Change Order and make a final determination on cause based upon on all applicable factors including input provided by the DBC's Retained Professional.

G. Professional's Cost Guesstimate

1. The DBC's Retained Professional must provide their best estimate of the cost to perform the subject Change order work. DGS secures Project Funds based on the DBC's Retained Professional's estimate amount, so the DBC's Retained Professional should use whatever means are necessary to provide the most accurate estimate possible.

2. In the event the DBC's Retained Professional disagrees with the need or legitimacy of the subject Change Order, they are still required to provide an estimate cost to perform that work. That estimate shall be based solely on the cost value of the work. The legitimacy of the Change Order request shall have no bearing on this estimate cost figure. DGS reserves the right to secure funds at the DBC's cost breakdown figure in lieu of the DBC's Retained Professional's Guesstimate cost figure for any DBC originated Change Order request disputed by the DBC's Retained Professional.

H. A detailed cost breakdown shall be attached to the Change Order in e-Builder by the DBC for any changes to the DBC's scope of Work utilizing the format established by the sample change order included in this Administrative Procedure.

1. **Material Costs** - The Cost Breakdown shall list, as a minimum for each material item used, the material description, the unit, (U) used to detail quantity, the quantity, (Q) showing the total amount of that unit, the unit cost, (MU) and the individual cost total, (Q x MU). The Cost Breakdown shall then include the total of all the individual cost totals which is defined as the pre-mark-up cost total. The DBC may optionally provide (but is not required to provide) the applicable labor hours per material unit (HU) and the respective labor extension for that unit (Q x HU). If the DBC chooses to provide unit labor information in the material section, the total hours of labor shown must match the total labor hours shown under the LABOR section of the cost breakdown. The total material cost will be the sum of the pre-mark-up material cost total plus the sales tax mark-up plus the overhead, general support and profit mark-up.

i. DGS will not acknowledge or honor any separate line items in the Cost Breakdown for freight charges.

ii. The DBC is entitled to and may claim the following mark-up for material listed on the Cost Breakdown:

a. state and local sales tax equal to the applicable sales tax rate times the pre-mark-up material cost total listed;

b. mark-up material cost total plus the sales tax, mark-up overhead, general support, and profit equal to 10% times the sum of the pre-mark-up material cost.

2. **Labor Costs -** The Cost Breakdown shall include for each labor classification listed, the number of workers, duration of work for each worker, the total labor hours (H), the classification description, the hourly base wage rate paid (BR), the total hourly wage rate paid (WR), the base rate individual cost (H x BR) and the wage rate individual cost (H x WR). The Cost Breakdown shall then include the total of all the individual base rate costs (TBR) and the total of all the individual wage rate costs. (TWR) The hourly base wage rate (BR) is defined as the rate of wages paid by the employer directly to the employee. The total hourly wage rate (WR) is defined as the total rate of wages paid by the employer including wages paid directly to the employee (BR) plus any employer participation or contribution to employee benefits paid on behalf of the employee. DGS acknowledges that for certain DBCs the base rate (BR) and the wage rate (WR) are equivalent. The total labor cost will be the sum of the total wage rate cost (TWR) plus the total mandated burden mark-up (TMB) plus the overhead, general support and profit mark-up.

i. DGS will not accept or reimburse line items for travel, lodging and per-diem. Exceptions may be made on a case-by-case basis for instances including use of a specialty out-of-state, or non-local Sub-Contractor for Change Order Work, or in the event that the Change Order Work is being issued after Project Final Completion and the DBC claims travel and lodging costs in lieu of remobilization costs.

ii. The DBC is entitled to and may claim the following mark-up for labor listed on the cost breakdown:

a. mark-up for mandatory labor burden costs including (and limited to) social security, federal and state unemployment taxes, workmen's compensation insurance and public liability insurance. The allowable mark-up for each is equal to the applicable social security, unemployment compensation tax, workmen's comp. insurance, or public liability insurance rate times the total base rate cost (TBR) not the total wage rate (TWR). DGS will disallow any excessive burden mark-up calculated as a percentage of the TWR (excepting those instances where the TBR and TWR are identical). DGS will also not honor any mark-up for types of labor burden additional to those listed;

b. mark-up for overhead, general support and profit equal to 15% times the sum of the total wage rate cost (TWR) plus the total mandated burden mark-up (TMB). The total mandated burden mark-up is defined as the total of all the allowable individual burden costs for social security, unemployment compensation tax, workmen's compensation insurance and public liability insurance.

3. **Equipment Costs** The Cost Breakdown shall include for each piece of equipment used to perform the subject work, the description of the piece of equipment used, the quantity of that particular piece used, the duration the piece of equipment was used, the rental rate for the duration used and the total rental cost. DGS expects the DBC to procure/provide the most economical rental rate available over the duration of the work performed. For example, if the piece of equipment was used over a four week period, DGS will expect a monthly rate in lieu of a daily or weekly rate, if the monthly rate is more economical than the other two rates.

i. DGS will not pay equipment costs for any piece of equipment not specifically identified, or for any tools such as hand tools used in the everyday performance of contract work.

ii. The DBC may claim sales tax paid for any piece of equipment rented from an outside (non-DBC owned) rental agency provided that a receipt showing the sales tax paid amount accompanies the cost breakdown. DGS will disallow sales tax for any rental item without such proper verification.

iii. The DBC may claim mark-up for overhead, general support and profit equal to 10% times the sum of the total rental costs plus the total applicable sales tax. The total rental costs are the sum of all the

individual rental costs. The total applicable sales tax is the sum of all the individual verified sales taxes

4. **Subcontractors** – A detailed cost breakdown or acceptable alternate quote from the subcontractor is required for any detailed cost breakdown from the DBC showing that any or all of the Change Order work is being performed by the Sub. An acceptable alternate quote is defined as a lump sum cost quotation provided by the Sub-Contractor on Sub-Contractor letterhead paper which details the exact scope of work to be done by the DBC including detailed information of quantities and description of material items installed. DGS will consider the lump sum cost to be inclusive of all material, labor and equipment costs including all applicable markups for overhead, profit, general support, total mandated burden, taxes and bond adjustment to which the Sub-Contractor is entitled as defined within this manual section. For breakdowns containing work performed by one or more Sub-Contractors and the DBC, the Prime is responsible for clarifying somewhere in the breakdown, the exact scope of work being performed by the Prime and each Sub-Contractor. In the absence of such clear definition of work scopes, DGS reserves the right to disallow any Prime DBC labor hours charged for Change Orders where it appears that all of the work is being performed by the Sub-Contractor.

   i. The DBC may claim mark-up for overhead, general support and profit equal to 10% times the sum of the total costs realized by the Prime's Sub- in performance of the work. Any Sub- receiving work from the Prime (or another Sub-) who in turn subs that work to another Sub-Contractor may claim mark-up for overhead, general support and profit equal to 10% times the sum of the total costs realized by the Sub's Sub- in performance of the work.

5. **Verifications** -In order for DGS to verify the individual wage rates, mandated burden rates and bond rates claimed by the DBC, the DBC will provide the following to be attached to the detailed cost breakdown accompanying the **first Change Order** for each Contract: The verification documentation listed above comprises what DGS considers to be the standard for verification of a given rate. DGS will consider for submittal, alternatives to those standards provided that those alternatives furnish the same conclusive, independent substantiation provided by the replaced standard. Acceptance of alternative verification documentation will be made exclusively by DGS Bureau of Capital Projects Construction and will be reviewed on a case-by-case basis.

   i. **Base Rate -** The DBC shall provide a copy of a Certified Payroll which shows total wages, hours worked and resulting wage rate being paid directly to the DBC's employee for each DBC's labor classification being used in the performance of the Change Order work. DGS considers the Certified Payroll to be the LIPW-128 Form or equivalent. The DBC has the option to submit BASE RATE VERIFICATION for all DBC labor classifications at the time the first Change Order is submitted or individual BASE RATE VERIFICATIONS may be submitted with subsequent Change Orders as labor classifications unique to those used in performance of the first Change Order are required for performance of those subsequent Change Orders. In lieu of proper verification, DGS will apply as DBC's Base Rate, the Prevailing Wage Hourly Rate as determined in the Specifications.

   ii. **Wage Rate** - The DBC shall provide to DGS, written documentation showing the dollar per hour rate of employer contributions made on behalf of the employee towards the employee's benefits. DGS will accept as such documentation, either a written excerpt from a labor contract/agreement identifying mandatory benefits, or a certified statement from the DBC's independent Auditor which outlines actual costs for benefits. This Employee Benefit Rate (EBR) contribution must represent moneys that are not paid directly to the employee but are paid to a separate source maintaining the benefits. This documentation should itemize all individual benefits contributed to by the employer. The documentation should list the employer dollar per hour contribution to each individual benefit and the total dollar per hour contribution for all the benefits combined. The total dollar per hour contribution is the employee Benefit Rate (EBR). Upon receipt of such acceptable documentation, DGS will consider the DBC's Wage Rate (WR) to be equal to the DBC's verified Base Rate (BR) plus Employee Benefit Rate (EBR). This can be represented mathematically as: WR = BR + EBR. In lieu of proper verification, DGS will apply as DBC's Wage Rate, the Prevailing Wage Total Rate as determined in the Specifications.

   iii. **Unemployment Tax Rate -**To substantiate the State Unemployment Tax (SUTA) employer contribution rate, the DBC shall submit a copy of the effective Contribution Rate Notice issued from the

Department of Labor & Industry. Any claimed Federal Unemployment Tax (FUTA) employer contribution will be consistent with the rate as determined in the current I.R.S. Circular 'E', Employer's Tax Rate Guide. Since the FUTA employer contribution is applicable only for the first few thousand dollars of annual employee wages (currently the first $7,000), DGS reserves the right to ask for verification of the employee's annual wage records if FUTA is claimed by the DBC.

iv. **Workmen's Comp Rate -** The DBC shall submit a copy of the Workmen's Compensation Insurance Policy that shall verify the basic rate, all individual discounts (such as premium and payment), modifier(s) and resulting final adjusted rate.

v. **Public Liability Insurance -** The DBC shall submit a copy of the paid insurance premium which shows the total premium paid, the total payroll on which the premium was paid and the resulting rate.

vi. **Bond Rate -** The DBC shall submit an invoice from the Surety Company showing the total bond paid, the total contract amount on which the bond was paid and the resulting bond rate.

vii. **Subcontractor's Rates -** Generally, DGS will not require the DBC or Sub-Contractor to submit verification of rates claimed (in Sub-Contractor's Cost Breakdown) by any of the Prime's Sub-Contractor's performing work for a given Change Order. However, in the event that a certain Sub-Contractor is being used continually by the Prime to perform Change Order work and/or if that Sub-Contractor's rates appear excessive to DGS, DGS reserves the right to ask the Prime Contractor to procure and submit to DGS, verification of rates used by the Sub-Contractor in question. This information shall be submitted to DGS only upon DGS request.

EXAMPLE COMPLETED COST BREAKDOWN

ABC Design Build Contractor

MATERIAL

QTY. (Q)	UNIT (U)	DESCRIPTION	UNIT COST (MU)	COST TOTAL (Q x MU)	LABOR HOURS (OPTIONAL) HOURS/UNIT (HU)	TOTAL HOURS (Q x HU)
8000	S.F.	1/2" GYPSUM WALL BOARD	$0.15	$1,200.00	.008	64
15	EACH	DOUBLE HUNG WINDOWS	$120.00	$1,800.00	.800	12
		PRE-MARK-UP MAT'L. COST TOTAL		$3,000.00	TOTAL LABOR HRS.	76
		6% SALES TAX		$180.00		
		SUBTOTAL		$3,180.00		
		10% OVERHEAD, GEN. SUPT. & PROFIT(ON SUBTOTAL)		$318.00		
		TOTAL MATERIAL COST		$3,498.00		

LABOR

NUMBER OF WORKERS	DURATION	HOURS (H)	CLASSIFICATION	HOURLY BASE RATE (BR)	TOTAL HOURLY WAGE RATE (WR)	BASE RATE COSTS (H x BR)	WAGE RATE COST (H x WR)
2	38	76	CARPENTER	$20.27	$30.59	$1,540.52	$2,324.84
TOTAL LABOR HOURS		76		TOTAL BASE RATE COST (TBR)		$1,540.52	
					TOTAL WAGE RATE COST (TWR)		$2,324.84

RATE	MANDATED BURDEN		
7.65%	SOCIAL SECURITY (ON TOTAL TBR)	$117.85	
12.39%	UNEMPLOYMENT TAXES (ON TOTAL TBR)	$190.87	
8.90%	WORKMEN'S COMP. INS. (ON TOTAL TBR)	$137.11	
2.46%	PUBLIC LIABILITY INS. (ON TOTAL TBR)	$37.90	
	TOTAL MANDATED BURDEN (TMB)	$483.73	$483.73
	SUBTOTAL LABOR COSTS (TWR + TMB)		$2,808.57
	15% OVERHEAD, GEN. SUPT. & PROFIT(ON SUBTOTAL)		$421.29
	TOTAL LABOR COST		$3,229.86

EQUIPMENT

DURATION	QTY.	EQUIPMENT	RENTAL RATE FOR DURATION	RENTAL COST
N/A	1	N/A	N/A	N/A
			% SALES TAX (IF RENTED)	
			SUBTOTAL EQUIPMENT COST	
			10% OVERHEAD, GEN. SUPT. & PROFIT(ON SUBTOTAL)	
			TOTAL EQUIPMENT COST	$0

SUBCONTRACTORS (IF APPLICABLE)

COMPANY	*Total Cost From Attached Sub-Contractor's Detailed Breakdown	*TOTAL COST
XYZ Paving		$31,973.26
	SUBTOTAL	$31,973.26
	10% OVERHEAD, GEN. SUPT. & PROFIT(ON SUBTOTAL)	$3,197.33
	TOTAL SUBCONTRACTS	$35,170.59

SUMMARY

TOTAL MATERIAL	$3,498.00
TOTAL LABOR	$3,229.86
TOTAL EQUIPMENT	N/A
TOTAL SUBCONTRACTS	$35,170.59
LESS DEDUCTS (Explain Separately)	N/A
SUBTOTAL	$41,898.45
2.0% BOND COST ADJUSTMENT(ON SUBTOTAL)	$837.97
TOTAL PROPOSAL	$42,736.42

DBC's Signature

XYZ PAVING (SUB-CONTRACTOR)

MATERIAL

QTY. (Q)	UNIT (U)	DESCRIPTION	UNIT COST (MU)	COST TOTAL (Q x MU)	LABOR HOURS (OPTIONAL) HOURS/UNIT (HU)	TOTAL HOURS (Q x HU)
4900	S.Y.	3" BITUM. ASPHALT PAVING	$4.50	$22,050.00	.0196	96
		PRE-MARK-UP MAT'L. COST TOTAL		$22,050.00	TOTAL LABOR HRS.	96
		6% SALES TAX		$1,323.00		
		SUBTOTAL		$23,373.00		
		10% OVERHEAD, GEN. SUPT. & PROFIT(ON SUBTOTAL)		$2,337.30		
		TOTAL MATERIAL COST		$25,710.30		

LABOR

NUMBER OF WORKERS	DURATION	HOURS (H)	CLASSIFICATION	HOURLY BASE RATE (BR)	TOTAL HOURLY WAGE RATE (WR)	BASE RATE COSTS (H x BR)	WAGE RATE COST (H x WR)
1	8	8	LAB. FOREMAN	$16.91	$24.80	$135.28	$198.40
7	8	56	LABORER	$16.16	$24.05	$904.96	$1,346.80
4	8	32	OPERATOR	$21.03	$31.69	$672.96	$1,014.08
TOTAL LABOR HOURS		96			TOTAL BASE RATE COST (TBR)	$1,713.20	
					TOTAL WAGE RATE COST (TWR)		$2,559.28

RATE	MANDATED BURDEN		
7.65%	SOCIAL SECURITY (ON TOTAL TBR)	$131.06	
11.91%	UNEMPLOYMENT TAXES (ON TOTAL TBR)	$204.04	
10.23%	WORKMEN'S COMP. INS. (ON TOTAL TBR)	$175.26	
3.17%	PUBLIC LIABILITY INS. (ON TOTAL TBR)	$54.31	
	TOTAL MANDATED BURDEN (TMB)	$564.67	$564.67
	SUBTOTAL LABOR COSTS (TWR + TMB)		$3,123.95
	15% OVERHEAD, GEN. SUPT. & PROFIT(ON SUBTOTAL)		$468.59
	TOTAL LABOR COST		$3,592.54

EQUIPMENT

DURATION	QTY.	EQUIPMENT	RENTAL RATE FOR DURATION	RENTAL COST
1 DAY	1	ASPHALT PAVER 130 H.P.	$1200.00/DAY	$1,200.00
1 DAY	2	STEEL WHEEL ROLLERS	$230.00/DAY (EACH)	$460.00
1 DAY	1	PNEUMATIC WHEEL ROLLER	$225.00/DAY	$225.00
			6% SALES TAX (IF RENTED)	$113.10
			SUBTOTAL EQUIPMENT COST	$1,998.10
			10% OVERHEAD, GEN. SUPT. & PROFIT(ON SUBTOTAL)	$199.81
			TOTAL EQUIPMENT COST	$2,197.91

SUMMARY

TOTAL MATERIAL	$25,710.30
TOTAL LABOR	$3,592.54
TOTAL EQUIPMENT	$2,197.91
LESS DEDUCTS (Explain Separately)	N/A
SUBTOTAL	$31,500.75
1.5% BOND COST ADJUSTMENT(ON SUBTOTAL)	$472.51
TOTAL PROPOSAL	$31,973.26

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A. **Force Account Change Orders** - Force Account Records are required to substantiate time and material costs for all Force Account Change Orders which are initiated because quantities, exact scope and unit costs for work cannot be established prior to the performance of the work. The DBC and all Sub-Contractor's working under the Force Account Change Order must keep written, signed daily records of labor, material and equipment. Those records will be monitored and signed daily by DGS Personnel. The DBC completing the Force Account work shall identify as a minimum, the date of work performed, the contract number of DGS Project, the description (including location) of exact work performed under Today's Work. If known, the DBC may provide as an option, the date the work was authorized and the person authorizing the work DGS requires as verification of material unit prices and equipment use or rental unit prices that the DBC include receipts, invoices, truck slips, etc., along with the Force Account Daily Work Record Sheet for each material and equipment item listed on the sheet. In absence of such individual verification, DGS reserves the right to make its own determination of proper unit rate. DGS will make such a determination based on the most economical rate that can be applied to the total material quantities or total equipment rental/usage duration accumulated over the duration of the Change Order work. At the end of each day the DBC or Sub-Contractor shall submit to the Assistant Project Manager, the applicable FORCE ACCOUNT DAILY WORK RECORD Sheet(s). This sheet shall contain all completed information pertaining to duration of labor and equipment usage/rental and quantities of material. The submitted sheet should be signed by the DBC.

ADMINISTRATIVE PROCEDURE NO. 9

REQUEST FOR EXTENSION OF TIME CHANGE ORDER

A. All Requests for Extensions of Time shall be prepared and submitted through e-Builder's Construction Change Order process by the DBC.

B. The DBC must **verbally inform the Department at the first Job Conference after any alleged delay it has encountered.** No forms or correspondence are required at this time, however, the DBC should verify that the verbal notification of the alleged delay has been noted in the Job Conference Report. **Within ten (10) days** after the end of the alleged delay, the DBC must submit the EOT through e-Builder.

C. **Failure to submit the form within ten days may constitute a waiver of the request and result in the denial of the request.**

D. The DBC must enter all required information including but not limited to, beginning date of delay, the ending date of delay, number of days delayed, cause of delay, effect on construction progress, the item of work affected, and list work items that could have been done during the delay. The DBC must utilize the Project Schedule (updated and approved as of the date of the submission of the EOT request) to establish the critical activities delayed by the facts submitted with the EOT as discussed in depth in the Scheduling Article of the General Conditions. Omission of data or failure to answer any of the questions **will result in the EOT Change Order being returned** to the DBC for completion

E. Only one delay shall be submitted per Change Order.

F. If explanation of the delay is lengthy, the DBC may attach additional documentation to the Change Order. It is mandatory, however, that as much of a factual synopsis as possible be included with the submission.

G. Claims for weather related delays must be substantiated by Weather Data, which may be secured from local weather records and/or the National Oceanic & Atmospheric Administration, National Climatic Center, Asheville, North Carolina 28801.

H. The DBC's Retained Professional will review an extension of time change order request. The DBC's Retained Professional will attach any additional pertinent information and documentation required to justify and support the recommendation.

ADMINISTRATIVE PROCEDURE NO. 10

SUBMISSION GUIDELINES FOR
STEEL CERTIFICATIONS FOR DGS PROJECTS
PURSUANT TO THE STEEL PRODUCTS PROCUREMENT ACT
73 P.S. §1881, ET SEQ.

GENERAL INFORMATION CONCERNING THE STEEL PRODUCTS PROCUREMENT ACT AND STEEL CERTIFICATIONS

A. The DBC shall submit Steel Certification forms through e-Builder. Only one fully-executed certification form for each product must be submitted.

B. According to Section 1886 of the Steel Products Procurement Act (the Act), cast iron products are considered to be steel products. The appropriate certification form, therefore, is required to be submitted for cast iron products.

C. Aluminum and brass products are not steel products; therefore, steel certification forms are not required for such items.

D. Pursuant to Section 1884(b)(2) of the Act, DGS has created a list of exempt machinery and equipment steel products, which is posted on the DGS website at www.dgs.state.pa.us If a product to be utilized on the project appears on the exemption list, steel certification forms are not required.

E. Modification or alteration of the Steel Certification forms is strictly prohibited.

F. If the entity executing an ST form has a corporate seal, that seal should be impressed in the signature area of the form. The signatures on the ST forms do not have to be notarized, but they must be original signatures. Signature stamps are not acceptable; a form submitted with such a stamp will be rejected.

G. Questions regarding steel certification submissions and/or compliance with the Act shall be submitted **in writing** to the Assistant Project Manager as soon as possible after the Initial Job Conference. DGS will investigate and render a response in a timely fashion.

H. Nothing in this Administrative Procedure should be construed as relieving the DBC, subcontractor, supplier or fabricator from complying with the requirements of the Act. Steel Certification forms must be submitted and approved by Departmental personnel before a steel product arrives on site. The DBC entering into a purchase order for a "steel product" prior to submitting acceptable steel certifications does so at its own risk and faces penalties which include, but are not limited to, nonpayment, and/or replacement costs, and/or debarment. If steel products are incorporated into the project prior to the submission of proper certification, the DBC assumes the full risk of nonpayment, replacement costs and/or debarment if the products are not certifiable.

I. No Invoice containing steel products will be processed until the appropriate steel certification form(s) has been approved by the Department.

J. Domestic availability will be determined as of the date the ST-4 form is submitted to DGS for approval.

K. The forms that follow ST-1 through ST-4 - have been developed by the Department of General Services for use on the Department's projects alone. The Department assumes no responsibility or liability for any use of these forms on the public works projects of any other entity subject to the Act.

L. The North American Free Trade Agreement (NAFTA) does not supersede or preempt the Act.

ST-1

THIS FORM MUST BE FILLED OUT FOR EACH "STEEL PRODUCT" ON A DGS PROJECT UNLESS OTHERWISE NOTED.

SECTION A

Line #1 This is the DBC's formal business name. If a sub's name appears on this form, the form must be rejected and resubmitted.

Line #2 This is the prime DBC's business address.

Line #3 This is the prime DBC's business phone number.

Line #4 This is the date the ST form is submitted to DGS.

Line #5 This is the DGS contract number for the project.

Line #6 This is the DGS project description.

Line #7 This is the "steel product" being certified, such as an I-beam, angle, bolt, channel, etc. The DBC may not fill in the line with a description like "structural steel", heating unit" or "air conditioning system".

LINE #7 IS THE MOST CRITICAL PART OF THE FORM.
FAILURE TO PROPERLY FILL OUT LINE #7 ON EACH ST FORM
MAKES THE ENTIRE FORM INVALID AND A NEW FORM MUST BE SUBMITTED.

NOTE: The DBC does not have to submit a form for each **piece** of steel which is being put into the project. The DBC only has to submit an ST form for each **type** of steel product. For example, if the project needs 56 I-Beams of varying lengths, the DBC must submit **1 ST form** for "steel I-Beams" with a listing of the various sizes covered by that ST form. The DBC **does not** submit 56 ST-1 forms. If, on the other hand, only 30 of the I-Beams are identifiable (stamped) structural steel, the DBC submits an ST-1 form with Section B(1) marked off. The other 26 I-Beams are non-identifiable structural steel, so the DBC must also submit an ST-1 with Section B(2) marked off and attached the appropriate supporting documentation.

If the DBC is using different suppliers, each supplier must submit the appropriate steel form.

Line #8 This refers to the corresponding submittal number.

Line #9 This is the fabricator or supplier of the product listed on Line #7.

SECTION B

ONLY ONE OF THESE ITEMS CAN BE CHECKED AS APPLICABLE

_____1. Identifiable Steel Product

This type of steel product is limited to products which are stamped "made in the USA" or otherwise identifiable as U.S. Steel.

a) supporting documentation: The DBC only needs to submit the ST-1 form. DGS field personnel will verify the markings when product arrives on-site.

_____2. Non-identifiable Structural Steel Product

This type of steel product is limited to items of structural steel which are not marked as made in USA.

a) supporting documentation: The DBC must also submit, attached to the ST-1 form, bills of lading, invoices and mill certificates.

_____3. Non-identifiable, Non-structural Steel Product

This type of steel product is every product which is non-structural steel, including, but not limited to, doors, door frames, windows, machinery and equipment.

a) supporting documentation: Fully executed ST-2

b) NOTE: A steel product may not appear on any Invoice until such time as the ST-1 and ST-2 are accepted by DGS.

SECTION C

1. Language – **No modifications, cross-outs or alterations of any type may be made to the language of this certification paragraph.**

2. Signature – Two signatures are required on the ST-1 form. The DBC's President/Vice President must sign on one line **and** the Secretary or Treasurer must sign as a witness. The names should be typed or printed beneath the signature lines. Failure to type in the names **does not** invalidate the ST form.

ST-1 STEEL ORIGIN CERTIFICATION: DBC

This form must be executed by the DBC and submitted to the APM within 30 days from the date the DBC's Retained Professional approves a submittal listing a "steel product". No steel product may be delivered on-site unless DGS has received an ST form. A completed form is required for each type of steel product (e.g., beams, columns, stairways, etc.), from each supplier but not for each piece of steel product.

A. TO BE COMPLETED BY THE DBC:

1. Name of DBC's firm_____
2. Firm's address:_____
3. Firm's phone number:_____ 4. Date submitted:_____
5. Contract No._____ 6. Contract Title_____
7. Steel Product Certified:_____ 8. Submittal No.:_____
9. Name & Address of Supplier:_____

B. **TYPE OF STEEL PRODUCT** (Check and complete one (1) applicable category):

10. _____ **Identifiable steel product**: 100% of the steel in the product is identifiably marked as manufactured in the United States.
    a. Other documentation required: **NONE**
    b. Manner in which steel product is identifiable:
        (1) _____Stamped "Made in U.S.A."
        (2) _____Stamped "Made in _____."
        (3) _____Other: Explain:_____

11. _____ **Non-identifiable structural steel**: Less than 100% of the steel contained in the product is identifiable as provided above. Structural steel is defined as steel products used as a basic structural element of a project (i.e., steel beams, columns, decking, stairways, reinforcing bars, structural lintels, pipes, etc.)
    a. Other documentation **required:** Bills of lading, invoices and mill certificates that certify that the steel contained in the product was melted and/or manufactured in the United States.

12. _____ **Non-identifiable non-structural steel**: all other steel products including door and window frames, machines, equipment, etc.
    a. Other documentation **required**: Executed Form ST-2

CERTIFICATION: I, the undersigned office of the DBC, do certify that, to the best of my knowledge, the steel product listed above complies with the provisions of the Steel Products Procurement Act (73 P.S. § 1881, et seq., as amended). I understand that by signing this document I certify that the facts contained herein are true. I further understand that this document is subject to the provision of the Unsworn Falsification to Authorities (18 P.S. § 4904) and the Steel Products Procurement Act, which provides penalties including, but not limited to, debarment from bidding on any Commonwealth of Pennsylvania public works project for a period of five years. I agree to provide documentation supporting these facts if requested by the Commonwealth. The Commonwealth reserves the right to pursue any action deemed necessary to protect the Commonwealth's interest and ensure compliance with the laws of the Commonwealth.

WITNESS:

_____ _____(Seal)

Name: Name:
Secretary or Treasurer President or Vice President

ST-2

This form must be filled out for non-identifiable, non-structural steel products.

SECTION A **To be filled out by the Purchaser, the firm that pays the Fabricator**

Line #1 This is the name of the firm that is dealing directly with the Fabricator

Line #2 This is the purchaser's mailing address.

Line #3 This is the purchaser's business phone.

Line #4 This is the date the ST-2 form is sent to the fabricator.

Line #5 This is the DGS contract number or the project.

Line #6 This is the DGS project description.

Line #7 This is the "steel product" being certified, such as a chiller, condenser, hollow metal doors. The DBC may not fill in the line with a description like "structural steel", "heating unit" or "air conditioning Unit". The model number, if any, of the steel product must be listed as indicated.

LINE #7 IS THE MOST CRITICAL PART OF THE FORM.
FAILURE TO PROPERTY FILL OUT LINE #7 ON EACH ST FORM
MAKES THE ENTIRE FORM INVALID AND A NEW FORM MUST BE SUBMITTED.

Line #8 This refers to the corresponding submittal number.

SECTION B **To be filled out by the Fabricator, the firm that assembles the product listed on Line #7.**

Line #9 This is the Fabricator's name.

Line #10 This is the Fabricator's mailing address.

Line #11 This is the Fabricator's business phone.

Line #12 This is the date the Fabricator receives the ST-2 from the Purchaser.

Line #13 This is the Fabricator's Federal I.D. number.

SECTION C

1. Language – **No modifications, cross-outs or alterations of any type may be made to the language of this certification paragraph.**

2. Signature – Two signatures are required on the ST-1 form. The DBC's President/Vice President must sign on one line and the Secretary or Treasurer must sign as a witness. The names should be typed or printed beneath the signature lines. Failure to type in the names **does not** invalidate the ST form.

ST-2 STEEL ORIGIN CERTIFICATION:
NON-IDENTIFIABLE, NON-STRUCTURAL STEEL

This form must be executed by the Purchaser and the Fabricator of any item containing steel that is not structural steel. This form must be submitted to the APM within 30 days from the date the DBC's Retained Professional approved a submittal listing a "steel product". No steel product may be delivered on-site unless DGS has received the ST form. Structural steel is defined as steel products used as a basic structural element or a project (i.e. steel beams, columns, decking stairways, reinforcing bars, pipes, etc.). Purchasers of structural steel products (DBCs or subcontractors) **must** provide bills of lading, invoices **and** mill certifications that the steel was manufactured in the United States instead of this form. The Fabricator shall be herein defined as the firm that assembles the component parts of the product to be purchased. The Department of General Services will accept the certification of firms that are earlier in the chain of purchase (i.e. manufacturers of components, steel suppliers) in lieu of the Fabricator.

A. TO BE COMPLETED BY THE PURHCASER:

1. Name of purchasing firm: _____

2. Firm's address: _____

3. Firm's phone number: _____ 4. Date submitted to Fabricator: _____

5. Contract No. DGS _____ 6. Contract Title: _____

7. Steel Product Certified: _____ 8: Submittal No. _____

Model: _____

6. **TO BE COMPLETED BY THE FABRICATOR/MANUFACTURER:**

9. Name of firm: _____

10. Address of firm: _____

11. Firms phone number: _____ 12. Date Received: _____

13. Federal Employer ID. No: _____

CERTIFICATION: I, the undersigned officer of the Fabricator/Manufacturer, do certify that our firm assembled/fabricated the components to the steel products listed in Section A, Item 7, and that all steel components therein are comprised of steel that is melted and/or fabricated in the United States. I understand that, by signing this document, I certify that I have received assurances from the suppliers/manufacturers of the components that said components do not contain foreign manufactured steel. I further understand that this document is subject to the provisions of the Unsworn Falsification to Authorities Act (18 P.S. § 4904). I also understand that I am subject to the provisions of the Steel Products Procurement Act (73 P.S. § 1881, et. seq.) which provides penalties including, but not limited to, debarment from supplying any products for Commonwealth of Pennsylvania Public works projects for a period of five (5) years for violations therein. I agree to provide documentation supporting these facts if requested by the Commonwealth. The Commonwealth reserves the right to pursue any action deemed necessary to protect the Commonwealth's interest and ensure compliance with the laws of the Commonwealth.

WITNESS:

_____ _____ (Seal)

Name: Name:
Secretary or Treasurer President or Vice President

ST-3

2-STEP ELIGIBILITY ANAYLSYS:

BEFORE A DBC CAN SUBMIT AN ST-3,
THE FOLLOWING ANALYSIS MUST BE SATISFIED

STEP #1: The DBC must establish that the "product" **contains BOTH**:

- Steel melted in the USA

AND

- Foreign Steel

Note: Step #1 focuses upon the **content** of the "product".

Note: The % need not be close; it can be 99-1, so long as there is both foreign and domestic steel in the "product".

STEP #2: The DBC must establish that 75% of the **cost** of the "product" has been mined, produced or manufactured in the USA.

Note: Step #2 focuses upon the cost of the entire "product", not just the steel within it.

SECTION A

Line #1 This is the DBC's name.

Line #2 This is the DBC's business address.

Line #3 This is the DBC's phone number.

Line #4 This is the date the ST-3 is submitted to the fabricator.

Line #5 This is the DGS contract number for the project.

Line #6 This is the DGS project description.

Line #7 This is the "steel product" being certified, such as a chiller, condenser, hollow metal doors. The DBC may not fill in the line with a description like "structural steel", "heating unit" or "air conditioning unit". The model number, if any, or the steel product must be listed as indicated.

LINE #7 IS THE MOST CRITICAL PART OF THE FORM.
FAILURE TO PROPERLY FILL OUT LINE #7 ON EACH ST FORM
MAKES THE ENTIRE FORM INVALID AND A NEW FORM MUST BE SUBMITTED.

Line #8 This refers to the corresponding submittal number.

SECTION B **To be filled out by the Fabricator/Manufacturer, the firm that fabricates the product listed on Line #7.**

Line #9 This is the Fabricator's name.

Line #10 This is the Fabricator's business address.

Line #11 This is the Fabricator's business phone.

Line #12 This is the date the Fabricator receives the ST-3 from the purchaser.

Line #13 This is the Fabricator's Federal I.D. Number.

Line #14 The Fabricator must insert the percentage of the cost of the articles, materials and supplies which have been mined, produced or manufactured in the U.S. for the product listed on Line #7.

SECTION C

1. Language – **No modifications, cross-outs or alterations of any type may be made to the language of this certification paragraph.**
2. Signature – Two signatures are required on the ST-3 form. The Fabricator's President/Vice President must sign on one line **and** the Secretary or Treasurer must sign as a witness. The names should be typed or printed beneath the signature lines. Failure to type in the names does not validate the ST form.

NOTES on ST-3 Forms:

• It is not necessary to submit an ST-1 with the ST-3.

• **DGS reserves the right to request additional documentation to support the percentage specified on Line 14. If the Fabricator/manufacturer refuses to produce such documentation and/or DGS deems it to be in the Commonwealth's best interests, DGS may request the Office of Inspector General to investigate the submission of the ST-3 form.**

ST-3
75% U.S. MANUFACTURE CERTIFICATION

The Steel Products Procurement Act (73 P.S. § 1881, et. seq.) allows the use of steel products with **both** foreign and domestic steel **if at least 75 percent of the cost** of the materials (including steel, rubber, wood, plastics, etc.) in the product are manufactured or produced, as the case may be, in the United States.

This form must be executed by a Fabricator of any item containing BOTH U.S. AND FOREIGN STEEL. The fabricator shall hereby be defined as the firm that assembles the component parts of the product to be purchased. The Department of General Services will accept the certification of firms that are **earlier** in the chain of purchase (i.e., manufacturers of components, steel suppliers) in lieu of the Fabricator.

This form must be submitted to the APM within 30 days from the date the DBC's Retained Professional approves a submittal listing a "steel product". No steel product may be delivered on-site unless DGS has received an ST form.

A. **TO BE COMPLETED BY THE PRIME DBC (PURCHASER):**

1. Name of DBC: _____
2. Address of DBC: _____
3. Phone Number: _____ 4. Date submitted to Fabricator: _____
5. Contract No. DGS: _____ 6. Contract Title: _____
7. Steel Product Certified: _____ 8. Submittal No. _____

   Model: _____

B. **TO BE COMPLETED BY THE FABRICATOR/MANUFACTURER:**

9. Name of Firm: _____
10. Address of Firm: _____
11. Firm's Phone number: _____ 12. Date Received: _____
13. Federal Employer ID No. _____
14. Percentage of the cost of the articles, materials and supplies which have been mined, produced or manufactured in the U.S. for the product listed above on line 7: _____

CERTIFICATION: I, the undersigned Officer of the Fabricator/Manufacturer, do certify that our firm assembled/manufactured the components to the steel product listed in Section 7, that the steel in said product is both foreign and domestically manufactured, and that all the facts contained in this document are true. I agree to provide documentation supporting these facts if requested by the Commonwealth. I further understand that this document is subject to the provisions of the unsworn Falsification to Authorities Act (18 P.S. § 4904) and the Steel products Procurement Act (73 P.S. §1881, et seq.) which provide penalties including, but not limited to, debarment from supplying any products for Commonwealth of Pennsylvania public works projects for a period of five (5) years for violations therein. The Commonwealth reserves the right to pursue any action deemed necessary to protect the Commonwealth's interest and ensure compliance with the laws of the Commonwealth.

WITNESS:

_____ _____ (Seal)

Name: Name:
Secretary or Treasurer President or Vice President

ST-4

This form may be submitted in circumstances where the Prime DBC believes that the "product" on Line #7 is not made in sufficient quantities to satisfy the requirements of the contract.

The information submitted by the DBC is subject to verification by the Department. The DBC who executes a Purchase Order or other type of purchase agreement encompassing a "steel product" prior to receiving the Department's written determination that the "steel product" listed on Line #7 of the ST-4 form is not manufactured in sufficient quantity to meet the requirements of the project does so at its own risk and faces penalties including, but not limited to, non-payment for the product; removal and replacement of the product at its own costs; and/or an Office of Inspector General investigation which may lead to debarment.

Domestic availability will be determined as of the date the ST-4 form is submitted to DGS for approval

Line #1 this is the DBC's formal business name.

Line #2 This is the DBC's business address.

Line #3 This is the DBC's business phone.

Line #4 This is the date the ST-4 form is submitted to DGS.

Line #5 This is the DGS contract number for the project.

Line #6 This is the DGS project description.

Line #7 This is the "steel product" being certified, such as a chiller, condenser, hollow metal doors. The DBC may not fill in the line with a description like "structural steel", "heating unit" or air conditioning unit".

LINE #7 IS THE MOST CRITICAL PART OF THE FORM.
FAILURE TO PROPERLY FILL OUT LINE #7 ON EACH ST FORM MAKES THE ENTIRE FORM INVALID AND A NEW FORM MUST BE SUBMITTED FOR APPROVAL.

Line #8 This refers to corresponding submittal number.

Line #9 These four lines, (a) through (d), are to be filled out completely by the DBC. At least four suppliers/manufacturers must be contacted by the DBC to ascertain if the "product" on Line #7 is manufactured with domestic steel.

CERTIFICATION

1. Language – **No modifications, cross-outs or alterations of any type may be made to the language of this certification paragraph.**
2. Signature – Two signatures are required on the ST-4 form. The DBC's President/Vice President must sign on one line **and** the Secretary or Treasurer must sign as a witness. The names should be typed or printed beneath the signature line. Failure to type in the names **does not** invalidate the ST form.

NOTE ON ST-4 FORMS:

- It is not necessary to submit an ST-1 form with an ST-4 form.

ST-4 NOT DOMESTICALLY MANUFACTURED: DBC

This form must be executed by the DBC and submitted to the APM within 30 days from the date the DBC's Retained Professional approves a submittal listing a "steel product". No steel product may be delivered on-site unless DGS has received, reviewed and provided written approval of the ST-4 form. An ST-4 form can only be submitted for approval when a steel product is not domestically produced in sufficient quantities. DGS will verify the accuracy of the information on the ST-4 form and will contact additional suppliers/manufacturers to ascertain the availability of a domestic steel product.

1. DBC:_____ 2. Address:_____

3. Phone Number:_____ 4. Date Submitted:_____ 5. Contract No. DGS:_____

6. Contract Title:_____ 7. Steel Product:_____ 8. Submittal No.:_____
9. Suppliers/manufacturers contacted by the DBC that claimed that the above product is not produced/manufactured with U.S. manufactured steel. At least four Suppliers/Manufacturers are needed. Manufacturers listed in specifications must be contacted.
10.

a. Firm Name:_____ Phone Number:_____
Address:_____
Person Contacted:_____ Date Contacted:_____

b. Firm Name:_____ Phone Number:_____
Address:_____
Person Contacted:_____ Date Contacted:_____

c. Firm Name:_____ Phone Number:_____
Address:_____
Person Contacted:_____ Date Contacted:_____

d. Firm Name:_____ Phone Number:_____
Address:_____
Person Contacted:_____ Date Contacted:_____

CERTIFICATION: I, the undersigned Officer of the DBC, do certify that I have contacted the firms listed in Section 9, and was informed that said firms do not produce/manufacture the steel product listed on Line 7 with U.S. Steel in sufficient quantities to complete the above-referenced project. I understand that this document is subject to the provisions of the Unsworn Falsifications to Authorities Act (18 P.S. § 4904) and the Steel Products Procurement Act, which provide penalties including, but not limited to, debarment from bidding on any Commonwealth of Pennsylvania public works project for a period of five years. The Commonwealth reserves the right to pursue any action deemed necessary to protect the Commonwealth's interest and ensure compliance with the laws of the Commonwealth.

WITNESS:

_____
Name:
Secretary or Treasurer

_____(SEAL)
Name:
President or Vice President

ST-4 FORM FOR DGS USE ONLY – CONTRCTORS – DO NOT WRITE ON THIS SIDE OF ST FORM

A. Field Personnel APM:_____

1. Date ST-4 submitted by DBC:_____
2.
3. Date ST-4 forwarded to Regional Director:_____

B. Regional Director

1. Date ST-4 forwarded to Harrisburg Bureau of Design:_____

C. Bureau of Design

1. Date received from the Region:_____

2. Referred to for review:_____
3. Additional Suppliers/Manufacturers Contacted to verify domestic availability:

a. Firm Name:_____ Phone:_____

Address:_____

Person Contacted:_____ Date Contacted:_____

b. Firm Name:_____ Phone:_____

Address:_____

Person Contacted:_____ Date Contacted:_____

c. Firm Name:_____ Phone:_____

Address:_____

Person Contacted:_____ Date Contacted:_____

D. Office of Chief Counsel Date received:_____ Action:_____

E. Deputy Secretary Date received:_____ Action:_____

Administrative Procedures
2020 Edition

ADMINISTRATIVE PROCEDURE NO. 11

FIELD DISPUTE FORM

A. **General Information on Dispute Process**

1. The Dispute Process is set forth in detail in the Disputes Article of the General Conditions of the Design-Build Contract.

2. The DBC shall use the Field Dispute Resolution Process in e-Builder.

ADMINISTRATIVE PROCEDURE NO. 12

UTILIZATION/OCCUPANCY INSPECTION
FINAL INSPECTION
CONCLUSION OF FINAL INSPECTION

A. **Utilization/Occupancy Inspection**

1. The Department may use or permit the Client Agency to use or occupy any completed or partially completed portion(s) of the Work in accordance with the General Conditions and this Administrative Procedure.

2. The request for partial occupancy by the Client Agency must be made, in writing, to the Construction Regional Director. If permission is granted, by the Department, the Construction Regional Director or designee will establish the date and time for an Occupancy/Utilization Inspection and will notify the following:

    a. Director of Bureau of Construction
    b. Bureau of Design, Project Manager
    c. DBC
    d. DBC's Retained Professional
    e. Project Site
    f. Client Agency
    g. Facility

3. **The Occupancy/Utilization Inspection will be conducted to evaluate the area(s) to be occupied or equipment to be utilized for conformity to the Contract Documents. The use and/or occupancy of the work does not constitute acceptance of any portion so taken or used. The Occupancy/Utilization Inspection must be attended by the Department, the DBC's Retained Professional, the DBC(s) and a representative of the Using Agency.**

4. The DBC's Retained Professional shall conduct the inspection, unless another party is designated by the Department.

B. **Occupancy/Utilization**

1. At the conclusion of the Occupancy/Utilization Inspection, the attendees shall review the responsibilities of the DBC for maintenance, heat and utilities, the remaining items to be completed or corrected.

2. A Punch List, prepared by the DBC's Retained Professional or designee, as determined by the Department, shall be generated and submitted through E-Builder. The Punch List shall indicate, in detail, all items requiring completion or correction. The failure to include an item on the Punch List will not relieve the DBC(s) of its responsibility to complete all Work in accordance with the Contract Documents.

3. The Client Agency shall not be permitted to occupy nor utilize any portion of the Work until directed by the Department.

4. **The date of** Occupancy/Utilization **by the Client Agency shall be the start date of any warranties or guarantees associated with the occupied area(s) or utilized equipment.**

5. Any damage subsequent to the inspection due solely to the use and/or occupancy of the completed or partially completed portion of the Work shall not be the responsibility of the DBC.

C. **Final Inspection**

1. The Final Inspection for the contract shall be requested and conducted in accordance with the General Conditions and this Administrative Procedure. The DBC's request for a Final Inspection **must be submitted in e-Builder.**

2. **Within five (5) days of receipt of the request**, the Department will determine if the Project is at substantial completion. If determined to be at substantial completion, the Final Inspection will be conducted within ten (10) days by the DBC's Retained Professional and observed by the Department and the following will be notified:

    a. Director of Bureau of Construction
    b. Bureau of Design, Project Manager
    c. DBC
    d. DBC Retained Professional
    e. Project Site
    f. Client Agency
    g. Facility

3. The Final Inspection must be attended by the Department, the DBC's Retained Professional, the DBC(s) and a representative of the Client Agency.

4. The DBC shall submit, at the Final Inspection, a Final Invoice for Payment to the Assistant Project Manager. The final Invoice should be completed and submitted in its entirety and in accordance with the e-Builder Invoice process.

5. The DBC's Retained Professional, in conjunction with the Department shall conduct the Final Inspection. The inspection shall include all aspects of the Contract(s), including any areas or equipment previously occupied or utilized by the Client Agency or Department. If the work is at "substantially completion", in accordance with the definition set forth in the General Conditions, a final inspection shall be conducted at which time a punch list shall be generated and processed in e-Builder.~~:~~

    If, through the course of the inspection, it is determined by the DBC's Retained Professional that the work is not "substantially complete" in accordance with the definition in the General Conditions of the Design-Build Contract, the DBC's Retained Professional shall notify the Department and the DBC, through e-Builder, substantiating the reasons for the denial.

6. At the Department's discretion, the DBC's Retained Professional shall visit the site for the purpose of verifying and accepting Punch List work. The Department will be responsible for managing the punch list completion process and requesting the DBC's Retained Professional's presence..

<u>Conclusion of Final Inspection</u>

1. At the conclusion of the Final Inspection, the attendees shall review all of the remaining responsibilities of the DBC, the remaining responsibilities of the DBC's Retained Professional, the status of all pending change orders, the status of all pending Requests for Extension of Time Change Orders, the status of any pending claims

against the Department or any other DBC and any other obligations of any party necessary to fulfill the requirements of the Contract Documents. Upon completion of this review the DBC, Professional and the Construction Regional Director or designee shall approve the punch list containing these items to indicate their concurrence with the remaining responsibilities of each party.

2. The Punch List shall indicate, in detail, all items requiring completion or correction and a reasonable cost of completion plus one and one-half times the aggregate value of the items.

ADMINISTRATIVE PROCEDURE NO. 13

SMALL DIVERSE BUSINESS and VETERAN BUSINESS ENTERPRISE PARTICIPATION

A. **General Information:** The DBC must meet or exceed the participation percentages provided in Article 7 Small Diverse Business and Veteran Business Enterprise Participation in the Contract by the Final Inspection of the Contract on the Project. By entering the Contract, the Contractor acknowledged that the total percentages committed to Small Diverse Businesses and Veteran Business Enterprises are contractual obligations.

B. **DBC's Duty.**

a. The DBC must meet or exceed the participation percentages provided by the Final Inspection of the Contract as applied to the Contract Sum. This will be tracked by BDISBO through the Department's compliance management software.

b. The DBC shall update SDB/VBE payment information in the Department's compliance management software by the 15th of the following month in which payment was made to subcontractor/supplier.

C. **The DBC's Commitments Toward Their Participation Goal Percentages will be Calculated and Credited as follows:**

a. Only DGS-verified SDBs and DGS-verified VBEs can be credited toward satisfying the participation percentages.

b. SDB or VBE subcontractors performing at least fifty percent (50%) of the subcontract with their own employees will be credited toward the participation percentages at 100 percent of the total dollar value of the subcontract/supply contract. Any SDB or VBE subcontract, where the subcontractor performs less than 50% of the subcontract, will not be credited toward the participation percentages.

c. SDB or VBE manufacturers are credited at 100 percent of the total cost of the materials or supplies purchased from the SDB or VBE manufacturer. An SDB or VBE manufacturer is a firm that operates or maintains a factory or establishment that produces, on the premises, the materials, supplies, articles or equipment required under the contract and of the general character described by the specifications.

d. SDB or VBE stocking suppliers are credited at 60 percent of the total cost of the materials or supplies purchased. A stocking supplier is a regular dealer that owns, operates, or maintains a store, warehouse, or other establishment, in which the materials or supplies of the general character described by the specifications and required under the contract are bought, kept in stock, and regularly sold or leased to the public in the usual course of business.

e. SDB or VBE nonstocking suppliers are credited at only the amount of the fee or

commission charged by the SDB or VBE nonstocking supplier for assistance in the procurement of the materials and supplies provided the fees are reasonable and not excessive as compared with fees customarily allowed for similar services and under no circumstances shall the credit, for a SDB or VBE nonstocking supplier, exceed 10% of the purchase order cost. A nonstocking supplier does not carry inventory but orders materials from a manufacturer, manufacturer's representative or a stocking supplier. In order for a nonstocking supplier to receive credit, it must perform a useful business function by engaging in meaningful work (i.e., negotiating price; AND determining quality and quantity; AND ordering materials; AND paying for the materials) and the fee or commission must be provided with the purchase order and the SDB or VBE Utilization Report. Industry practices and other relevant factors will be considered.

f. The DBC is allowed to use contract amounts at any tier of supply or subcontracting; however, the dollar value of any commitment to a SDB/VBE cannot be double counted.

    i. If the DBC or any of its non-SDB or VBE subcontractors or suppliers makes a commitment to a SDB or VBE, the credit for the subcontract/purchase order commitment, regardless of the level or tier, shall be calculated as indicated in Subsections b.-e. and credited toward the DBC's participation percentages.

g. In the event that the SDB or VBE whose entire subcontract value is counted towards the DBC's participation percentages and then subcontracts a portion of the work or supplies associated with this subcontract to another SDB or VBE, the dollar value of the subcontract with/to this lower tier SDB or VBE is NOT counted in the DBC's participation percentages in order to prevent the duplicate counting of SDB or VBE commitment dollars. In this case, the dollar value of this subsequent SDB or VBE subcontract has already been included within the scope of work and dollar value of the SDB or VBE commitment already counted as a part of the DBC's participation percentages. **The SDB or VBE DGS verification to a lower tier sub-subcontractor must be current as of the date the work is to be performed by the SDB or VBE lower tier sub-subcontractor.**

h. A DBC's SDB participation percentage is calculated by adding all the dollar commitments (as described in this Section D) to DGS-verified SDB subcontractors of all tiers, DGS-verified SDB manufacturers, DGS-verified SDB stocking suppliers, and the fee or commission paid to DGS-verified SDB nonstocking suppliers and dividing that total amount by the total contract award price.

i. A DBC's VBE participation percentage is calculated by adding all the dollar commitments (as described in this Section D) to self-certified VBE subcontractors of all tiers, DGS-verified VBE manufacturers, DGS-verified VBE stocking suppliers, and the fee or commission paid to DGS-verified VBE nonstocking suppliers and dividing that total amount by the total contract award price.

D. **Remedies**

a. If the SDB/VBE Utilization Report is not submitted within thirty (30) days prior to the submittal of an Invoice, the Invoice will not be able to be submitted.

b. If after the first three months following Contract execution, the DBC fails to progress in achieving the SDB or VBE participation commitments (based upon the data supplied in the SDB/VBE Utilization Report), the DGS may withhold payments until the DBC and DGS discuss the reasons for lack of progress and achieve a resolution. The DBC is not entitled to interest on any funds withheld due to their failure to submit a properly completed SDB/VBE Utilization Report or their failure to progress in achieving the participation percentages.

c. The DBC's compliance with requirements of the SDB and VBE participation components, including the fulfillment of any SDB or VBE commitments in all subcontracts and purchase orders, is material to the contract between the DBC and the DGS. Any failure to comply with these requirements constitutes a substantial breach of the Contract. It is further understood and agreed that in the event the DGS determines that the DBC has failed to comply with these requirements, the DGS may, in addition to any other rights and remedies the DGS may have under the contract, any bond filed in connection therewith, or at law or in equity, impose remedies as applicable on the DBC. Remedies for breach of this component may include but are not limited to, withholding of payments; termination of the contract along with consequential damages; revocation of the prime contractor's SB, SDB, and/or VBE status; a determination that the DBC's SDB or VBE participation submittal be deemed non-responsible in future procurements; and/or any actions under the Commonwealth's Contractor Responsibility Program, up to and including suspension or debarment from future contracting opportunities with the Commonwealth. The remedies enumerated herein are for the sole benefit of the DGS and the DGS's enforcement of any provision or the DGS's indulgence of any non-compliance with any provision hereunder shall not operate as a waiver of any of the DGS's rights in connection with the Contract, nor shall it give rise to actions by any third parties, including any SDB or VBEs.