

## LAFAYETTE CONSOLIDATED GOVERNMENT

NUMBER 050-2	EFFECTIVE DATE JANUARY 24, 2000	REVISED DATE JANUARY 7, 2000
TITLE CONSTRUCTION PROJECT PROCEDURE		PAGE 1 OF 2
OFFICE PRIMARY RESPONSIBILITY PURCHASING	SUPERSEDES PPM 050-2 DATED JULY 15, 1996	

**Policy**

The processing of construction projects over the minimum dollar amount requirements set by state law from the point of submittal of bid specifications and instructions to the Purchasing Division to the point of final acceptance of the project and review by the Council shall follow the guidelines set forth below in order to have a uniform procedure.

**Procedure**

1. Upon receipt of bid specifications accompanied by any relevant special instructions, the Purchasing Division will prepare the complete bid package, unless otherwise stipulated, which includes the following sections: Advertisement for Bids, Instructions to Bidders, Proposal Form, General Conditions, Specifications, Certificate of Insurance Form, Affidavit of Non-Collusion, Contract Form, and the Performance Bond Form. Advertising dates and the bid date is then determined and a qualified bidder's list is developed. Bid packages are mailed and a contract file is established. Bidders are also requested to submit with their bids some type of bid security in the form of a bid bond or bid check. A bidder could be disqualified for failure to do this.
2. On the bid date, the Purchasing Manager (or representative) opens all bids received at an open public meeting. Bids are read aloud and recorded by a clerk. After the bid opening, copies of the proposal forms submitted by the bidders are inserted in place of the original Proposal Form which, along with the bid bond or bid check, is retained by the Purchasing Manager. The complete bid package is sent to the party responsible for evaluation of the bids.
3. The procedure itemized in Section 2.5 of PPM 050-1 (authorization of contracts) is to be followed.
4. After the contract is signed, copies are distributed by the Purchasing Division as follows:
  - a. One (1) copy is recorded at the office of the Clerk of Court.
  - b. Two (2) copies with recordation number and date for the Contractor.
  - c. Two (2) copies with recordation number and date for the Department Director.
  - d. One (1) copy with recordation number and date for the Project Engineer or Consultant.

- e. One (1) copy with recordation number and date for the Purchasing file.
  - f. Two (2) copies with recordation number and date for Community Development when federal funds are involved in the project.
  - g. Other copies are distributed as needed.
5. At this point, a "Notice to Proceed" order is issued by the engineer or consultant through the Department Director to establish the official contract period. During the contract period, the Department Director will be responsible for approval of all payments through the Budget Management Division where it is also processed, less an amount of 10% retainage (5% for contracts over \$500,000), through the Purchasing Division and through the Accounting Division for payment.
  6. When it becomes evident that a change order is necessary and the user department has obtained the signatures of the contractor, consulting engineer (if any) and Department Director, the process is as follows:
    - a. Change orders decreasing the cost of the project may be submitted directly to the Purchasing Manager, who will decrease the encumbrance for the project.
    - b. Change orders increasing the cost of the project will be submitted to the Budget Management Division for certification of funds prior to submitting the change order to the Purchasing Manager. The change order must identify the account number to be charged.
    - c. The Purchasing Manager will forward the change order through the Associate CAO - Finance & Management and CAO to the President for execution. Once authorized by the President, the Purchasing Manager will then have it recorded at the Clerk of Court's office and will add it to the contract folder.
  7. After the project is satisfactorily completed, the Department Director submits a Notice of Acceptance through the Purchasing Division. The Purchasing Manager will forward the Notice of Acceptance to the President, through the Associate CAO - Finance & Management and CAO for approval.
  8. At this stage, the status of the construction project falls within the category of the 45-day lien-free period. At the end of that period, the contractor furnishes to the Department Director a Certificate of Non-Mortgage and a request for final payment. The Department Director forwards the request to Budget Management where the funds are certified and processed for final payment.

Approved by:

 CAO