



The California State University

CONSTRUCTION MANAGEMENT

PROJECT ADMINISTRATION REFERENCE MANUAL

Prepared by:
OFFICE OF THE CHANCELLOR
CAPITAL PLANNING, DESIGN AND CONSTRUCTION

www.calstate.edu/cpdc

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PROJECT ADMINISTRATION REFERENCE MANUAL

1.00 ADMINISTRATION

1.01 General

This Project Administration Reference Manual provides a condensed version of the Construction Management Procedures Manual, which contains the California State University (CSU) construction management policies and procedures that apply to a project. Each construction administrator (CA), project manager, inspector of record, campus representative, and design professional shall use this manual as appropriate during the construction administration of a project.

Construction Phase Manual (CPM)

All campus and Chancellor's Office staff involved in construction management use the CM Procedures Manual; it is in loose form and is routinely updated. The Project Administration Reference Manual describes in summary form some of the policies and procedures for administering a project, and complies with the State University Administrative Manual (SUAM).

State University Administrative Manual (SUAM)

The SUAM, in part, contains an overview of all the policies and procedures of Capital Planning, Design and Construction associated with the capital outlay process from start to finish. It is revised periodically. All CAs should read and be conversant with Section XII, and especially any article specifically herein referenced. SUAM is available on the CPDC website: www.calstate.edu/cpdc.

1.02 Construction Management Authority

SUAM Sections 9711 and 9712

“9711 CONSTRUCTION MANAGEMENT AUTHORITY

The Board of Trustees of the CSU, under the powers granted to it by the Legislature, has direct and sole responsibility for the contract management of public works projects funded from state funds appropriated to the CSU for public works projects, Public Contract Code, Section 10700 *et seq.* It is the contracting party for all public works projects. Construction contracts awarded by the Trustees are managed either by CPDC through the Construction Management unit or by the campus. This management role will hereinafter be identified generically as Construction Administrator. The construction administrator shall have thorough working knowledge of the appropriate contract general conditions prior to advertisement of any project.

9712 ADMINISTRATION OF PUBLIC WORKS PROJECTS (CONSTRUCTION MANAGEMENT)

The Trustees administer construction for any public works project through one of the following:

- the campus via certification in accordance with Executive Order No. 672;
- the campus via a Memorandum of Delegation (MOD);
- the Construction Management unit of CPDC.”

1.03 Construction Management Method

General

These procedures outline the construction management policies and procedures of The California State University, Office of the Chancellor, Capital Planning, Design and Construction (CPDC). The project design professional, as part of his/her professional services contract, will provide the technical direction for the project construction, and assist in the administration of the project. Normally personnel assigned through a construction phase service agreement will perform on-site project management and construction inspection under the direction of the CA. Testing laboratories and soils engineers will perform materials and soils testing usually under separate service agreements administered by the CA.

Trustees' Official

The Trustees' representative on the campus (as identified in each campus management plan approved by the Certification Board) or in the Chancellor's Office (the Chief of Construction Management) who oversees the capital outlay process.

Project Design Professional

During the plan generation phases the project team, generally led by the campus architect, works with the design professional commissioned by the Trustees to design and provide construction documents for the construction of the project. From commencement of the bidding phase through the completion of construction, the CA assumes a leadership role for the construction phase. During the construction phase the project design professional makes technical decisions regarding the work, and the CA performs the overall construction administration. The project design professional approves or recommends approval of all required tests, materials, equipment, schedules, substitutions of materials, colors, textures, adequacy of work, payments, change orders to the contract, time extensions and final acceptance of the project.

Project Manager and Construction Inspector

Project managers/construction inspectors are normally employees of a firm selected to provide construction services personnel and are assigned to a particular project or projects. They may be campus employees when they possess the specific skills to meet the needs of a specific project or projects (refer to SUAM Sections 9785-9786, relating to the selection of and award of service agreement to firms to supply soils and materials testing labs, and project management and inspection services).

1.04 Project Manager

The Project Manager's Status

The project manager is the CA's on-site assistant, and provides on-site coordination and communication. The project manager shall have signature authority for correspondence in administering the project with the general contractor, the design professional, the campus, and the testing laboratories. On projects that do not have a designated project manager, the construction inspector and CA will share these duties as assigned by the CA (refer to SUAM Section 9792, Duties and Responsibilities During Construction Phase).

Limits of Authority

The project manager shall NOT have the authority to enter into contracts or agreements or to make changes to any of the contracts or agreements on behalf of the Trustees. Such authority is reserved to the Trustees and requires the specific written approval of the CA.

Duties of the Project Manager

Reference SUAM Section 9792.04, Project Manager's Duties and Responsibilities During Construction Phase

Provide on-site construction administration, inspection (if designated); coordinate the construction inspectors; and provide coordination and communication between the campus, the CA, the contractor, and the design professional. The project manager shall provide documentation and prepare reports.

Construction Administration

- a. Review all contract documents and ensure all appropriate CSU procedures are used. Recommend revisions or new procedures as necessary.
- b. Monitor overall budget and schedule, and advise the CA of any trends that affect the timely procedures and cost effective completion of the project.
- c. Attend weekly and special construction meetings to evaluate and control progress, quality, budget, and other items for which action may be needed.
- d. Review and coordinate all services provided by testing and inspection firms for compliance with service agreement requirements. Review and approve all invoices submitted by these testing and inspection firms and then submit recommendations to the CA for final approval. Review and initial the daily diary of the construction inspector.
- e. Monitor design professional submittal log to assure all submittals are approved in a timely manner (this includes resubmittals). Request design professional to distribute a final submittal log which demonstrates acceptance of all submittals.
- f. Evaluate and make recommendations to the CA regarding proposed contract changes and resolution of all claims. As directed by the CA, participate in or conduct negotiations to resolve claims or disputes.

- g. Maintain a change order log that includes a cumulative total of changes to the contract, and reconcile change order costs with contractor payment requests.
- h. Coordinate final acceptance, inspection, and scheduling of occupancy.
- i. Monitor completion and turnover of operation and maintenance data and record drawings. Monitor required operating texts and training required by contract. Execute the Certification of Completion form. Complete and transmit the Project Closeout Checklist to the CA.

Inspection

- a. If designated, and in conjunction with the construction inspector, observe, check, and measure items placed in the work for compliance to project documents and directives from the design professional.
- b. Review and coordinate the activities of the construction inspector in the performance of the construction inspector's duties as detailed in Duties of the Construction Inspector.

Documentation

- a. Develop procedures to initiate and maintain document files.
- b. Maintain daily diary describing general events, noting problems and unusual events, decisions and directions given to the contractor by the design professional, the campus, or the project manager. The diary should complement the daily diary of the construction inspector and need not duplicate in any area.
- c. Submit weekly and monthly written reports to the CA and the design professional to reflect new and unresolved issues, schedule, quality control, submittal review, budget control including contingency balance, and any other pertinent issues. Project progress reports shall reflect completed work versus contract time.
- d. Review and initial the construction inspector's daily diary, and weekly and monthly report (if not combined with the project manager's weekly report).

Additional Duties

The project manager may assume other responsibilities as directed in writing by the CA and as approved by the Trustees' Official.

1.05 Construction Inspector

The Construction Inspector's Status

The construction inspector is administratively supervised by the project manager, if one has been assigned, otherwise, the CA. The construction inspector is the Inspector of Record for the project and receives technical direction from the design professional. The construction inspector ensures that all inspections and tests required by the contract documents are completed and is required to certify that the project is completed in accordance to the contract documents. The construction inspector must have appropriate credentials: ICBO, OSHPD, DSA or equivalent certifications, or be a California licensed or registered architect, engineer, or equivalent. Labor Code Section 1720 requires inspectors to be paid a minimum of prevailing rate wages.

Limits of Authority

The construction inspector shall NOT have the authority to enter into contracts or agreements or to make changes to any of the contracts or agreements on behalf of the Trustees. Such authority is reserved for the Trustees and requires the specific written approval of the CA.

Duties of the Construction Inspector

Reference SUAM Section 9792.05, 9792.06, and 9792.07, all of which describe the Construction Inspectors duties during the construction phase of the project.

- a. Be familiar with the plans and specifications and the general contractor's operations at all times.
- b. Personally observe, check and measure items placed in the construction for compliance to the contract documents, technical instructions from the design professional and directives from the CA.
- c. Supervise and/or perform on-site testing and ensure that all required tests are performed by the testing laboratory, the contractor or the design professional as specified in the contract documents. Check and report

all failed tests to the project manager, the CA, the contractor, and the design professional and request instructions as to further procedure. Assist the project manager in checking billings from the testing laboratories to see that billings reflect only tests actually performed and requested, and that unit rates match personnel used and tests performed.

- d. Prevent installation of any related work until shop drawings have received final approval from design professional.
- e. Inspect all materials immediately upon their delivery to the site to ensure that they comply with the specifications and approved submittals and shop drawings, and are in good condition, new, undamaged, etc. Mark, segregate, and remove condemned materials.
- f. Receive samples which are required to be furnished at the job site; record date received and from whom, notify design professional of their readiness for examination, record design professional's approval or rejection; and maintain custody of approved samples.
- g. Record the design professional's, or his/her consultant's verbal instructions during field supervision trips, in the construction inspector's daily diary for that day or on a field instruction report. Whenever contacting a consultant directly, the inspector shall review the situation with the design professional before issuing instructions. Should there be any question by the construction inspector as to the consultant's instruction, he shall consult the design professional whose decision shall govern.
- h. Assist in relaying instructions from the CA and the design professional to the contractor and in relaying problems from the contractor to the design professional and CA for solution. Actively assist in securing decisions and clarification from the design professional in a timely manner.
- i. Monitor design professional submittal log to assure all submittals are approved in a timely manner (this includes resubmittals).
- j. Review the contractor's work on the required record drawings weekly to ensure that they are accurately marked up as required. Report any non-compliance at project meetings.
- k. Check the contractor's estimate of work completed for partial payments based on the approved cost breakdown.
- l. Monitor progress schedule to reflect work completed vs. actual time.
- m. Advise the project manager, the CA, and the design professional of circumstances surrounding requested changes in the work.
- n. Maintain a daily diary describing the general work performed, noting problems, rejections and unusual events. The diary should be completed daily, and factually. The diary should reflect the contractor's activities each day, and include weather conditions and personnel working. The diary shall be signed in ink below the last entry; if the diary is electronic in form, print out each day's diary, sign in ink below last entry, and maintain signed copy in a file (refer to SUAM Section 9800.05, Official Project Diary). Fill out and transmit to the CA a report of injury whenever there is an accident. Provide a weekly report on the form provided. The weekly report may be combined with the report of the project manager.
- o. Assist the CA, the project manager, and the design professional in the final inspection and project acceptance phase.
- p. Upon completion of the project, review with the project manager and the design professional any and all guarantees, keying, operating instruction, completion of final punch list items, etc., that are called for in the project documents. Confirm that these are received before certifying the completion of the work in writing.
- q. Execute the Certification of Completion form, at completion of construction, that the project was constructed in accordance to the project documents.
- r. Complete and transmit the Project Closeout Checklist to the CA.
- s. Enforce the restrictions peculiar to the project.
- t. Report to the CA and the project manager poor performance or any acts prejudicial to the Trustees' interests. This report shall be in writing, verifying a telephone call to the CA whenever such conditions may come to inspector's attention.

- u. Assume the duties normally performed by a project manager as assigned by the CA when no project manager is assigned.

Conduct of the Construction Inspector

The construction inspector in the conduct of his/her duties, must:

- a. Maintain an effective working relationship with the contractor, the design professional, the campus, and the project manager, so as to safeguard the interest of the Trustees;
- b. Be tactful, firm, and fair in his/her insistence to the adherence of the intent of the contract documents;
- c. Review and inspect work and materials in a timely manner so as to avoid, as much as possible, disruption to the schedule or work already in place;
- d. Rely on the design professional to solve technical problems that arise during construction;
- e. Exert extreme care that verbal and written communications to the contractor cannot be misinterpreted as changes in the scope of the work, or a change in the contract amount, unless the communication has the written approval of the CA.

Restrictions on the Construction Inspector's Authority

The construction inspector in the exercise of his/her authority:

- a. Shall rely on the design professional for technical interpretations of the contract documents. This includes approval of shop drawings and samples.
- b. Shall not authorize deviations from the project documents.
- c. Shall not avoid conducting any tests required.
- d. Shall not interfere with the responsibilities of the contractor and its field staff.
- e. Shall not advise on, or issue directions relative to any aspect of the building technique or sequence unless a specific technique or sequence is called for in the specifications.
- f. Shall not advise the campus to occupy the project, in whole or in part, prior to final acceptance of the building without approval from the CA.

2.00 PREBID, BID, AND AWARD PHASE

2.01 Prebid Meeting

Reference: SUAM Section 9721, Prebid Meeting

Shortly before advertising is to begin (when the construction documents are in plan check), the CA will notify the project team, the campus, and the design professional of the prebid meeting. The project team, led by the CA, identifies any constraints or restrictions required by the campus, for example, shutdown requirements, phasing requirements, utility interface, access restriction, etc. The CA reviews with the design professional the state laws concerning proprietary products and substitutions, specifically addressing deadlines for submittals of equal products and substitutions. The CA also reviews the following with the design professional: chairing project meetings and producing minutes, response times to shop drawings and requests for information, any special requirements, Division One requirements and language. See Prebid Meeting Agenda. It is recommended that the provisions of SUAM Section 9721, Prebid Meeting, and all of its subsections be reviewed and addressed as appropriate at this meeting.

2.02 Prebid Meeting Agenda

- a. Review the special requirements of campus, such as phasing, deadlines, equipment installations, occupancy, and temporary utilities from campus or utility company, sub-meter, lump sum fee, etc. (project should pay its own way for temporary utilities), and have design professional incorporate them into the Division One specifications.

- 1) Phasing: review phasing requirements in detail.
 - 2) Schedule: review any milestones and deadlines (i.e. required occupancy or use of any part of the project).
 - 3) Utilities
 - (a) Shutdowns: discuss length of notice required and any special times (i.e. weekends only or when campus is closed).
 - (b) Chargebacks: discuss whether contractor is to be billed or if contingency is to cover costs, etc.
 - 4) Determine owner-supplied equipment.
 - 5) Contractor access and work area.
- b. Review the contract time of performance and liquidated damages for contract overrun (refer to SUAM Sections 9721.04, Liquidated Damages, and 9721.05, Contract Time).
 - c. Discuss the alternatives, allowances and/or unit price policies. Determine if any are to be included, and how covered in Division One and on bid proposal form (refer to SUAM Sections 9721.07, Alternatives, including all subsections, and 9721.08, Bid Allowance).
 - d. Plan the coordination of the project construction with other developments underway or proposed during the construction phase of the subject project.
 - e. Set the bidding date and the amount of the plan deposit, and decide where bidders may secure plans or review them. Complete the Construction Bid Information Form, including contract time and liquidated damages.
 - f. Discuss the issuance of addenda.
 - g. Explain the duplication and delivery of contract documents for bidding purposes. Explain the need to get competitive bids for printing or have justification for selection of printer.
 - h. Explain the procedures and responsibilities for conduct of the project bidding and award of contract.
 - i. Explain prequalification of bidders and the control for issuing proposal forms by the CA.
 - j. Outline the testing procedures and explain the project management and construction inspection services. Discuss project management and construction inspection staffing expectations, and temporary facilities (SUAM Section 9721.06, Temporary Office and Equipment for Project Manager/Construction Inspector of Record). Discuss including temporary facilities in Division One.
 - k. Discuss federal and other requirements of the project with federal funding, if applicable.
 - l. Brand or trade names and proprietary specifications (refer to Public Contract Code Section 3400 and SUAM Sections 9721.01, Brand or Trade Name, and both subsections, and 9721.02, Proprietary Specifications).
 - m. Discuss other items pertinent to this project, for example, all campus-required restrictions shall be discussed and incorporated, if in the best interest of the Trustees.

2.03 General Make-up of Bidding Documents

Reference: SUAM Section 9731.01, Preparation and Contents of Bidding Documents

Bidding documents consist of the project plans and specifications, both generated and prepared by the project design professional. The working drawings shall comply with Public Contract Code Section 10720. The Trustees have only limited standard guide specifications for the technical portion of the work. It is preferred that technical specifications are printed on 8-1/2 x 11-inch sheets bound on the left side into book format. Printing on both sides of each sheet is preferred in order to make a thinner volume. The Trustees do have standard contract general conditions and other legal requirements that must be included in the bidding documents. A copy of these documents is furnished by the CA to the design professional for reproduction and inclusion in the specification book.

The following material must be bound into the volume containing the specifications:

- a. Cover and title page, prepared by the design professional
- b. A general index of the volume, prepared by the design professional
- c. The notice to contractors, prepared by the CA

- d. The proposal form, prepared by the CA, with “sample” overlay
- e. Contract general conditions, furnished by the CA, including sample forms for contract, bonds, etc.
- f. Supplementary general conditions, furnished by the CA, if any
- g. Prevailing wage rates, furnished by the CA
- h. Federal forms, furnished by the CA, for projects with federal grants, interest subsidies, or loans (if required)
- i. Federal program guidelines, furnished by the CA, if required
- j. Division one general requirements, prepared by the design professional and approved by the CA; may include provisions tailored to meet campus needs, i.e. issuing keys, traffic and parking control
- k. Special Conditions: if not included in Division One, campus may include provisions tailored to meet campus needs herein, must be approved by CA
- l. Technical specifications, prepared by the design professional.

2.04 Role of the Design Professional During Bidding Phase

Reference SUAM Section 9731, Design Professional’s Duties and Responsibilities During Bidding Phase

The responsibilities of the design professional during bidding phase include:

- a. Reproduce the plans and specifications and furnishing them for distribution to bidders;
- b. Answer all questions from bidders relative to the project in an appropriate manner;
- c. Review submitted “or equals” per Section 3400 of the Public Contract Code (the law and contract reads submit no later than 35 days after award, unless otherwise specified in the Supplementary General Conditions, but likely will require review prior to bid);
- d. Issue all addenda after obtaining approval from the CA;
- e. Attend at the formal bid opening;
- f. Evaluate any bid overrun;
- g. Submit a complete listing of all tests required in accordance with the project specifications.

2.05 Role of the Campus During Bidding Phase

Reference SUAM Section 9730, Campus’ Duties and Responsibilities During Bidding Phase

During the bidding phase of the project, the responsibilities of the campus include:

- a. Make all arrangements required to accommodate the prebid walkthrough.
- b. Coordinate delivery of the project plans and specifications to the designated distribution location, and ensure that both the plans and specifications are numbered consecutively.
- c. Ensure that a record is kept of all plans and specifications issued, by number of bid set and name of contractor receiving that bid set, along with contractor’s address, phone and fax numbers.
- d. Ensure that deposits from bidders withdrawing plans are obtained.
- e. Notify the CA if additional sets of plans are needed for bidders.
- f. Periodically throughout the bidding period, furnish the CA and the design professional with the names of all contractors who have withdrawn plans.
- g. Ensure that all addenda issued are attached to the plans and specifications on hand and that copies are mailed to all plan holders.
- h. If applicable, return deposits to all plan holders who return plans within the time stipulated and then deposit the balance with the project funds in order to defray printing costs.
- i. Ensure that copies of the plans and specifications are placed in the plan rooms selected during the prebid meeting.

- j. Direct all questions regarding the project and the bidding procedures to the design professional.
- k. Issue bid packages to prequalified bidders, unless project is administered by CPDC. To ensure that bidders are prequalified, construction administrator must verify bidder's license (using CSLB web site), prequalification rating and expiration date by either requiring bidders to submit a copy of the prequalification letter issued to them by the Trustees' prequalification coordinator in CPDC, or by requesting prequalification status from the prequalification coordinator directly. Note that the bidder's prequalification rating will be the maximum amount of a contract or contracts that the bidder may undertake with the Trustees. The Trustees shall disregard any bid received either from a bidder that is not currently prequalified, or from a bidder that is prequalified but the rating is not high enough to accommodate its bid. Two or more bidders wishing to bid as a joint venture on a single project must file an affidavit of joint venture with the Trustees on a form prescribed by the Trustees. The affidavit of joint venture will be valid only for the specific project for which it was filed. Each party to the joint venture must be prequalified as above, one day prior to the bid opening date.
- l. Handle all public information releases concerning the project through appropriate campus channels.
- m. Apprise the campus staff of the project and the conduct required of them during construction.
- n. Make all arrangements required to accommodate the construction.
- o. Advise the students of their responsibilities during the construction period.
- p. Prepare and conduct the formal bid opening at the campus; accurately record all bids received on the official Abstract of Bids form. Fax bid results to CPDC facility planner and prequalification coordinator.

2.06 Design Professional-Client Relationship

The design professional, under terms of his/her agreement, is obliged to furnish three copies of the plans, specifications, and an estimate of costs to the campus. The design professional will be reimbursed at cost for all copies of plans and specifications over the three called for in his/her agreement. The campus, after reviewing and approving the plans, specifications and estimate of cost, will submit a copy to the CPDC facility planner who will secure additional approval to proceed to construct the project, if necessary (see SUAM Section 9002, Decentralized Capital Outlay Process).

2.07 Advertising for Bids

Reference: Public Contract Code Section 10742, and SUAM Section 9723, Advertising for Bids, and all subsections.

The CA is responsible for placing advertisements soliciting bids in appropriate trade papers and newspapers in accordance with the provisions of the contract laws that apply to the California State University, including an advertisement in a newspaper that reaches disabled veteran business enterprises (DVBE). Advertisements for bids are placed approximately four weeks prior to the bid opening date; the bid openings are normally held either on Tuesday, Wednesday or Thursday, and usually not the day after a holiday or a vacation break, i.e. Christmas week. Bidder prequalification could be compromised if this bid opening recommendation is not followed. An advertisement is also placed in the California State Contracts Register, an online document published by the Procurement Division of the Department of General Services.

At this time the CA directs the design professional to produce project plans and specifications and arrange for delivery of them to the campus' designated distribution location, usually by the day of the first advertisement date. The design professional shall seek bids for the printing and select the most economically responsive bid. One set of project plans and specifications shall be directed to the CA in CPDC (if administered by CPDC), and the design professional shall keep adequate sets for his/her own use. If federal funds are involved, one additional set must be forwarded to the appropriate federal agency.

2.08 Distribution of Project Plans and Specifications

Reference SUAM Section 9730.01, Distribution of Project Plans and Specifications to Bidders and Section 9730.02, Plan Distribution Record.

The campus shall coordinate the distribution of project plans and specifications, ensuring that the sets of plans and specifications are numbered consecutively and issued as sets, with the number on the plan agreeing with the number on the specifications book. A written record of the distribution of plans and specifications shall be kept, and shall

include name, address, phone and fax number of company withdrawing plans; numbers on the plans and specifications issued; amount of deposit; and date of issue. It is necessary to maintain this information throughout the bidding period so that copies of each addendum issued may be forwarded to all bidders accordingly.

As a service to any contractors that may not be prequalified, the CA will furnish copies of the prequalification forms to any contractor requesting them. These forms must be submitted by the contractors to the Chancellor's Office, Capital Planning, Design and Construction, Attention: Prequalification Coordinator, for evaluation (see SUAM Section 9740, Prequalification of Bidders for Construction Contracts) to become prequalified to bid.

Standard procedure is to issue plans and specifications for bidding on deposit as follows: general contractors are allowed refunds for a maximum of two sets of plans and specifications each; subcontractors, one set each. Plan deposits are refundable upon return of the plans and specifications unmarked and in good condition, within 30 days of bid opening. Any plan deposits on hand thirty days after the notice of award of contract must be forwarded to the CA. The funds from these deposits are to be used for defraying the advertising, printing and distribution costs of the project. The bidder awarded the contract normally is furnished the available remaining sets of plans and specifications at no cost. The plan deposits of the successful bidder are also refunded without return of plans. Subcontractors who have withdrawn plans and who are listed by the general contractor who was awarded the contract must return their plans to secure their plan deposits unless the general contractor authorizes the listed subcontractor to retain its set as though from them. Otherwise, all subcontractors must secure any plans they need in their work from the general contractor.

Plan rooms in the vicinity of the campus are furnished with a set of plans and specifications, at no cost or without deposit, since it is to the advantage of the Trustees to have plans on file in such places for the use of subcontractors. All other requests for these documents must be accompanied by a plan deposit.

2.09 Bid Proposal Package

After the first advertisement is placed, the CA's staff will have bid proposal packages ready to issue to contractors requesting them. Bid proposal packages are issued only to prequalified contractors, who have the appropriate license and prequalification rating for the project (see 2.05-k). The CA's staff maintains a bid proposal registry.

2.10 Addenda During Bidding

Reference Public Contract Code Section 4104.5 and SUAM Section 9747, Addenda During Bidding.

The design professional is the only person who may clarify the contract documents and answer questions from bidders or other interested parties during the bidding period. The campus must direct all questions concerning the project to the design professional, other than those questions relative to withdrawing plans, etc., which are not technical. As the result of these questions and design professional review of the plans, the need for clarification or additional information sometimes becomes necessary. The design professional will then contact the CA for authorization to prepare and issue an addendum to the plans and specifications. The design professional will also send to the campus sufficient copies of the addendum for mailing to all plan holders and attachment to any remaining plans and specifications. Faxing addenda may be done to expedite delivery, but mailing must always also be done.

The CA must first clear addenda changes requested by the campus before they will be approved for issuance. Public Contract Code Section 4104.5 requires a 72-hour time extension for the bid opening if an addendum of addition, deletion, or material change is issued within 72 hours of bid opening. "Material change" is defined as a change having substantial cost impact on the total bid. Addenda must be issued in sufficient time for bidders to react to them, and three days is deemed by law the minimum time for this. CPDC policy is five days.

2.11 Prequalification of Bidders

Prequalification of bidders is done for all projects in excess of the value of a minor capital outlay project (defined in Public Contract Code Section 10108) by the Prequalification Coordinator in CPDC, in accordance with a standard means of evaluating bidders' financial and experiential abilities to perform the work. It will not be expanded upon here. Reference Public Contract Code Section 10760 and SUAM Sections 9740-9745, regarding prequalification.

2.12 Bid Opening

Reference SUAM Sections 9750-9770.02, all relating to bid opening.

Location, Time and Date, and Preparation for Bid Opening

The bid opening is held at the campus, under the auspices of the campus official responsible for Business Affairs. It is recommended that the bid opening be held in the Administration Building or near the room where plans and specifications were issued during the bidding period. A room large enough to hold at least twenty seated persons is required, and should contain a counter or table at one end, a wall clock, and a telephone.

For maximum success, bid openings are usually scheduled for 2:00 p.m. on a Tuesday, Wednesday or Thursday. No bid opening should be scheduled on the day preceding or following a holiday or a vacation break i.e. Christmas week. Bidder prequalification could be compromised if this bid opening recommendation is not followed. It is recommended to avoid morning bids and bids held on Monday and Friday.

On the morning of the bid opening, the campus should place signs directing bidders to parking as well as to the bid opening room. Approximately ten parking spaces (or at least as many as the number of bid packages distributed) should be made available, and a member of the campus security force should be at the parking area to direct last-minute arrivals. The bid opening room should be open to bidders approximately one and a half (1-1/2) hours prior to bid opening. It is most desirable to have numerous telephones, public or otherwise, near the room where the bid opening will be held, for the sole use of bidders from 12:30 p.m. until the bids are open. The availability of telephones for the bidders will result in more favorable bids, as subcontractors quote new prices until just before the bids are opened.

Responsibilities and Duties of Personnel Conducting Bid Opening

The bid opening shall be conducted by three staff members who shall act as facilitators and who will not answer questions, officially. They will be required approximately from 1:00 p.m. to 2:30 p.m. The facilitators should have the following supplies available on the table or counter: scissors, letter opener, stapler (with staples), staple extractor, scotch tape, pens, and copies of the Abstract of Bids form for the project. One of the facilitators shall serve as a monitor, one as the bid announcer, and one as the recorder. The recorder need not be present until ten minutes prior to bid opening, the others need to be available as soon as the room is open to bidders.

Bids received by courier, overnight mail service or by mail are brought into the bid room by the monitor, who places them on the bid table but retains custody of them until they are opened. The announcer presides over the bid opening and receives all bids submitted at the bid room and places them in the custody of the monitor until the bid opening. Ten minutes before the bid opening the recorder must make a telephone check on the room clock and adjust it if it is not accurate. It is recommended that the recorder then announce the time at intervals until the scheduled bid opening time is reached. As a clarification, if the time for receiving bids expires at 2:00 p.m., then all bids must be submitted prior. When the clock strikes 2:00, the time is up--no bids may be received after this time. A very effective and accurate way of announcing the exact time is to have a speakerphone with the time announced continually during the final five minutes. When the scheduled bid opening time is reached, the recorder must notify the announcer, who is responsible for signaling the end of the bid acceptance period promptly with a bell or gavel and announcing "The period for accepting proposals by the Board of Trustees of The California State University for the work of Contract Number (state project number and name) is closed in accordance with Section 10766 of the Public Contract Code. Bids will now be publicly opened and read." It is mandatory that no bids tendered after the audible signal of the bell or gavel be accepted. Acceptance of a bid after this signal could result in a protest by a bidder, which would lead to rejection of all bids submitted.

The actual bid opening shall be as follows: Monitor will open one sealed envelope with the bid and hand it to bid announcer, table center, who will extract the bid from the envelope and read Contractor's name and state whether or not a bid security is attached, the subcontractors are listed, small business preference is requested, and the nonresident contractor (local contractor preference) is requested claimed. Bid announcer will then announce the amount of the bid with any additive or deductive alternatives that are listed. The recorder will record this information on the Abstract of Bids form. Opened bids will be given to the monitor who will stack them separately from unopened and withdrawn bids. This procedure shall be repeated until all the responsive bids are read. Announcer will also state the number of bids that have withdrawal requests, but nothing else concerning these bids. After all the responsive bids are read and tabulated, announcer will state: "The tabulation will be checked, and the apparent low bidder announced." Facilitators will then check the tabulation against the bids while at the bid table. If a bidder who is certified as a Small Business by the Office of Small Business & DVBE Certification (OSDC) requests a five percent (5%) bid advantage for small businesses and has enclosed a fully executed copy of Small

Business Preference and Certification Request with bid, they will be given a five percent (5%) preference up to a total of \$50,000 in accordance with Government Code Section 14838. The application of the five percent small business bidding preference is also extended to any non-small business that commits to subcontracting at least 25% of its net bid price to California certified small businesses and/or microbusinesses. When the bids have been checked, the announcer will make an audible signal and state "The apparent low bidder is (state name, address, bid price). The apparent second low bidder is (state name, address, bid price). These two apparent low bidders need to submit the expanded subcontractor list to the construction administrator within 24 hours of bid opening and all required DVBE forms to the DVBE Program Advocate within two working days of this bid opening." The listed subcontractors for the two lowest base contract bidders are then read. The announcer then closes the bidding procedure with "The receiving of bids for Project No. (state project no.) is closed, and the bids submitted will be taken under advisement by the Trustees." The Abstract of Bids shall be carefully reviewed for accuracy, and the recorder shall sign it in ink.

Question Period

A question period may follow the formal close of the bid opening procedure. Only the announcer may receive or answer questions. However, the announcer may consult with others conducting the bid opening, or the CA, if present. The announcer may only answer questions on the following subjects: bid amount of any proposal opened, list of subcontractors submitted by any bidder whose bid was opened, form of surety offered by any bidder whose bid was opened, or the announced bidders who have certified as a small business on Small Business Preference and Certification Request. Questions beyond these subjects should be parried with a statement that the question is irrelevant to the bid opening and should be submitted in writing to the CA.

Disposition of Bids

The bid room should be cleared as quickly as possible at the close of the question period, and the bids delivered to the CA.

If the project is administered by CPDC, the campus should keep a copy of the apparent two low bidders' bid packages, since subcontractors will call for information on who was named for various items of work. If the CA is not present, fax a copy of the abstract of bids, and transmit all bids by an overnight mail service, on the same day. If the campus administers the project, the CA shall fax the abstract of bids to CPDC (indicating cc: to facility planner and prequalification coordinator).

2.13 Withdrawal of Bids

Reference Public Contract Code 10767 and SUAM Section 9756, Withdrawal of Bids Prior to Bid Opening

A bid may be withdrawn prior to bid opening by submittal of a letter of withdrawal to the bid announcer. The announcer must make sure, by direct question, that it is a bid withdrawal letter, and the monitor must confirm this. The monitor must then open the letter, read it, and staple it to the bid that is to be withdrawn. This bid must be set aside, to be returned to the bidder unopened.

2.14 Rejection of Bids

Projects for which all bids are rejected may not be rebid until the plans and specifications have been re-evaluated and modified. The modification must be such that the scope is preserved, but the estimated construction cost is brought within the available funds or any ambiguity has been corrected.

2.15 Notice of Intent to Accept Bid

Upon the signing of the Approval to Award a Contract by the appropriate contract administrator, a notice of intent to accept bid may be faxed to the contractor by the CA. In any case, a written notice of intent to accept bid shall be sent to the contractor, and this notice transmits the agreement, bonds and other contract forms for execution. A copy of the notice is furnished to the campus (when administered by CPDC), the design professional, CPDC Architect (when administered by CPDC), facility planner (when administered by CPDC), and Financing and Risk Management (if non state funded).

The proposal tendered is valid for sixty days (unless changed in the documents) after the bid date. If a bid is to be accepted, the lowest responsible bidder's proposal must be accepted and a contract offered within that period. The CA is responsible for preparing and processing execution of the contract package in five counterparts, including bonds. Powers of attorney and attestations are provided by the contractor. Copies of the executed contract are

distributed to the CA, the Contractor, the design professional, the accounting department, and the Office of General Counsel in the Chancellor's Office.

2.16 Testing Companies

The CA shall arrange for testing by soils, materials and asbestos/lead testing laboratories for construction projects. These services are provided under a construction phase service agreement with the testing laboratories. During the bidding period, the CA requests the design professional to submit a list of the anticipated types of tests that will be required, with an estimate of the number of each type. The design professional is advised that requests for type and number of tests should be made judiciously, in accordance with accepted code requirements and project specification. Using this estimate of required testing, the CA then reviews the proposals submitted. Selection of a laboratory is based upon the qualifications of the laboratory and its personnel to perform the anticipated tests, estimated costs, and previous performance. The Trustees' policies in awarding a testing contract are to utilize at least three proposals from firms in the project area, keep testing costs at a level consistent with current industry practice, distribute the work among qualified firms as widely as is practical, and seek firms complying with DVBE goals (if possible). After approval of the construction contract, the selected testing laboratories are notified and offered service agreement(s). The CA is responsible for preparing the service agreement(s) and transmitting them to those laboratories.

2.17 Project Manager/Construction Inspector

Trustees' policy is to utilize an independent firm in the hiring of project managers and construction inspectors, based upon budget and the need of special expertise. The CA produces and maintains a plan for project management and construction inspection versus budget available for each project. This plan will include estimated project duration, required field construction management personnel, and the projected cost of the personnel. The Trustees' Official will review this staffing plan. The CA will then interview and select appropriate candidates supplied by those firms selected (short listed). The construction inspector must have appropriate credentials: ICBO, OSHPD, DSA or equivalent certifications, or be a California licensed or registered architect, engineer, or equivalent.

3.00 CONSTRUCTION PHASE

3.01 Preconstruction Meeting

The CA is responsible for scheduling a preconstruction meeting at the project campus at the time of execution of the contract with the successful prime contractor (normally prior to the Notice to Proceed). Attendance at this meeting includes the CA, campus representatives responsible for capital improvement, safety and affected facilities, and plant operations; the design professional; the contractor; and the project manager/construction inspector. The main duties and responsibilities of the persons filling these positions are outlined at this meeting. The CA shall chair this meeting, which will be based on the preconstruction meeting agenda.

3.02 Progress Schedule and Contract Bid Cost Breakdown

As specified and as required by the contract, the Contractor shall prepare a construction schedule and a contract bid cost breakdown, and submit copies to the project manager/construction inspector, the CA, and the design professional. The design professional, with input from the project manager/construction inspector and the CA or a scheduling consultant, will review and approve both the schedule and the breakdown. Responses shall be compiled by the design professional and returned to the Contractor with copies to the project manager/construction inspector and the CA. At the same time the Contractor is also required to submit to the CA the breakdown of the awarded contract value by completing the Uniform Building Systems Breakdown by Discipline form.

The project manager/construction inspector are responsible for reviewing the progress completion schedule on a monthly basis and alerting the design professional and the CA of any slip in the Contractor's performance of the approved construction schedule.

3.03 Contractor's Payment Request

The approved bid cost breakdown shall be used by the Contractor in the preparation of the regular monthly payment request on standard payment request forms.

The Contractor shall submit four sets of payment requests, all with original signatures. The project manager/construction inspector and design professional shall sign the payment request certifying that the completed

percentage of work is accurate. The certified payment request shall then be forwarded (all four sets) to the CA for approval, processing, and distribution.

3.04 Daily Diary

The project manager/construction inspector shall keep separate daily diaries in Trustees-furnished form. At the end of each day they shall sign and date the page directly under the last written line to prevent postdate entries. Diaries may also be maintained electronically. If the diary is maintained electronically, it is advised that at the end of each day the project manager/construction inspector print out that day's entry, and then sign and date the page directly under the last line of text to prevent postdate entries, and keep that signed page in a file. The daily diary is extremely important and must be properly kept. The project manager/ construction inspector shall attach a copy of their daily diaries to the weekly report submitted to the CA only. At the end of the project, the project manager/construction inspector shall submit the wet signature original of their daily diaries to the CA.

3.05 Structural Drawings and Log

The construction inspector shall keep a set of "working drawings" on which to indicate that the structural features of the contract work have been inspected. The method of indication that this inspection has been performed is left to the discretion of the construction inspector. The design professional shall review these structural check drawings to assure that adequate attention is given to inspection of structural features.

3.06 Record Drawings

The project manager/construction inspector and the design professional shall see that the contractor maintains "as-built drawings" during the course of construction as required by the contract. The contractor will transmit record drawings to the design professional as part of the completion documents. The design professional will correct his/her tracings at the completion of the contract in accordance with his/her design agreement.

These drawings shall show actual as-built conditions including changes of dimensions or locations of items from the plans. Each change order to the contract shall be shown by reference or sketch drawing on the "record drawings." Supplementary drawings and change order drawings shall become a part of the record package. Every sheet of the contract drawings that differs from the record condition shall be marked to reflect the actual conditions, and sheets so changed shall be noted on the drawing title sheet.

"Record drawings" shall be sufficiently exact and detailed so that any future work to the structure and adjacent areas may proceed with a minimum of difficulty.

3.07 Campus-furnished Items

The project manager/construction inspector shall be responsible for coordinating the delivery of project items to be furnished by the campus under a supply contract, if any.

3.08 Testing

At the beginning of each contract, the design professional will list the materials and the types of testing required by the contract. The CA will furnish the name of the testing laboratory that will perform the tests. All field samples of materials to be tested shall be taken by the construction inspector or by the laboratory in his/her presence. Complete records shall be kept of all samples taken and tested as well as the results of the tests. Testing laboratories shall have their on-site services verified by the project manager/construction inspector. Field tickets signed by the project manager/construction inspector shall be attached to laboratory payment requests or invoices as a services source document. Labor Code Section 1720 requires that contracted inspectors and related services be paid a minimum of prevailing rate wages (Operating Engineers).

3.09 Safety

Safety shall be a prime consideration in every operation on a construction project. The project manager/construction inspector shall review the appropriate safety measures to be used by the contractor. A clean and safe job is a requirement of the contract, and adequate means are provided in the contract to enforce these conditions. Liability for safety shall be solely the responsibility of the contractor.

3.10 Field Instructions

Field instructions are the official written communication between the project manager/construction inspector and the contractor. Copies of all field instructions shall be sent to the design professional and CA.

Field instructions may be served or addressed to the contractor for:

- a. Emergency work including safety violations
- b. Outlining deficiencies and/or inspection corrections
- c. Design professional directions or clarification
- d. Directions to proceed with a change per Article 6.01 and 6.02 of the Contract General Conditions with the CA's authorization
- e. Directions to proceed with disputed work per Article 5.02 of the Contract General Conditions with the CA's authorization
- f. Other reasons requiring written communications.

3.11 Submittals

The project manager/construction inspector shall assist in timeliness by regular follow-up on all Requests for Information (RFIs) and all submittals of required materials and shop drawings to avoid delay in securing answers and approvals thereof. Materials shall be approved by the design professional before they are allowed to be placed, otherwise notification should be given to the Contractor that he is proceeding at his/her own risk. If the contractor claims that an RFI or submittal response is a change to the contract, the project manager/construction inspector and the design professional shall review the contractor's claim and make recommendations to the CA; if a change is intended or direction to proceed under protest is required, a field instruction signed by the CA shall then be produced and transmitted to the contractor.

4.00 CONTRACT CHANGE ORDER PROCEDURES

Reference: SUAM Section 9820

Contract General Conditions Articles 5.00 and 6.00 (included herein)
Project Data Entry Workbook from www.calstate.edu/cpdc/cm

Prior to the first change order, the CA shall request and receive the first two weeks of certified payroll and the Hourly Labor Rate Worksheet for the Contractor's workers and all subcontractors on the project. The CA may request additional weeks of certified payroll as necessary. This information is required to establish the Contractor's and subcontractors' labor burden. The CA shall also request that the Contractor submit a Subcontractor Status Report, which will assist in identifying whether a listed subcontractor is a subsidiary of the Contractor or whether the subcontractor is owned or partially owned by the Contractor (shared profits), and therefore, help CA safeguard against abuse of change order mark-ups.

The CA shall require that the Contractor shall use the Contractor Change Order Request Summary Worksheet and require his/her subcontractors to use the Subcontractor Change Order Request Summary for all change order requests.

4.01 General

When the proposed need for a change order is first known by the design professional, a change proposal shall be prepared. It is the conceptual approval form and should be prepared for each change as early as possible. A partial purpose of the change proposal is to eliminate unnecessary cost proposal requests to the Contractor and to control additional construction and design costs. Several tools are available to the CA for tracking changes: the Change Order Log and the Contingency Status Report. Both of these feed into the change order spreadsheet that is contained in the Project Data Entry Workbook, a document submitted to the CPDC Facility Planner when the project is complete.

All proposed or requested changes to the contract shall be discussed with the CA prior to or concurrent with a change proposal being prepared. The CA shall determine whether or not to proceed with the proposed or requested change. When so notified by the CA, the design professional shall proceed with the change proposal. No extra services are to be used by the design professional prior to the approval.

4.02 Normal Change Orders

- a. The need for a change order usually arises from one of the following reasons:
 1. Error in or omission from the contract documents;
 2. Unforeseeable job site conditions such as rock, expansive soil, unrecorded utility lines or similar circumstances;
 3. Change in the requirements of a regulatory agency, such as revisions in building codes, fire, safety or health regulations;
 4. A change originated by the campus;
 5. Changes in specified work due to the unavailability of specified materials.
- b. Design professional shall prepare a change proposal, in accordance with the following instructions which are keyed to the numbers on the form, and submit it to CA.

4.03 Change Proposal Procedures

- a. The design professional shall complete the heading block and Items 1 through 6 on the change proposal form. The design professional shall assign numbers to change proposals sequentially. Should a change proposal be voided or not used, then the change proposal log shall reflect that status.
 1. Description of Proposed Change: The design professional shall describe completely and definitively the change or changes proposed.
 2. Necessity for Proposed Change: The design professional shall state on the change proposal the condition, circumstance or occasion which makes the change proposal necessary. Be precise and specific. Indicate precisely what code change has been made, what condition was encountered, or what error or omission exists.
 3. Origin and Originator of Proposed Change: The design professional shall name the originator of the proposed change and identify the original proposer, i.e. design professional, Contractor, Inspector, campus Representative.
 4. Classification of Proposed Change: Circle the appropriate classification. If '4.6' or 'Other' is selected, it should clearly not fit any of the other classes and must be described. Classification '4.6' is not allowed on annual reports to the Trustees, so it is best to classify the change by primary class, '4.1' to '4.5.' If multiple classifications are necessary, split the proposed change into separate classifications, along with cost and other identifying information.
 - 4.0 Error in the contract documents.
 - 4.1 Omission from the contract documents.
 - 4.2 Unforeseeable job site condition such as rock, expansive soil, unrecorded utility lines or similar circumstances.
 - 4.3 Change in the requirements of a regulatory agency, such as revisions in building codes, safety or health regulations.
 - 4.4 A change originated by the University.
 - 4.5 Changes in specified work due to the unavailability of specified materials.
 - 4.6 Other, describe when applicable.
 5. Estimated Cost of Proposed Change
 - (a) Construction Cost (A/E Estimate): The design professional must provide an estimate of the additional cost or credit for the proposed change. If the design professional estimates a change proposal to be a no-cost change, the estimated cost should be indicated as \$0.

When the proposed change is originating from other than the Contractor, the cost estimate should be made by the design professional. The construction cost estimate should be of the "order of magnitude" or "probable cost" type. The design professional should obtain assistance in obtaining the estimated construction costs from the design professional's consultants, when

appropriate. The design professional should not discuss his estimate of the construction cost with the Contractor. At this stage there is no assurance a change will be approved.

When the proposed change originates from the Contractor, and the Contractor submits a cost, the design professional shall review the Contractor's cost, using, where appropriate, the design professional's consultants and shall recommend that the Contractor's cost is or is not a valid cost for the work done.

- (b) A/E Extra Service Compensation: The design professional must also provide an estimate of the extra A&E compensation required to make changes in the contract documents or produce additional drawings and/or specifications necessary to proceed with the execution of the proposed change. If the proposed change is Item 4.1 (error in or omission from contract documents), the estimated design cost shall always be indicated as \$0. The extra compensation requested by the design professional may be allowed if it is in accordance with the design professional's Agreement and is approved by the University Design Manager.

Failure to include extra compensation in the change proposal may preclude the design professional from claiming such extra compensation at a later date. Incorrectly quoted compensation may be revised upon submittal by the design professional of a complete description and substantiation for the additional compensation prior to approval of the proposed change order. A delay in this submission may result in a rejection of the amended compensation request.

If approved, a letter authorizing the extra services compensation will be sent to the design professional from the University Design Manager.

- 6. Preparation and Recommendation: The design professional must include his/her signature and date in the space provided, and then submit the change proposal to the CA. The CA will then secure the following reviews/ approvals. Again, the numbers are keyed to the numbers in the form.
- 7. Funding: This item shall be completed by the CA with consultation with the University Fiscal Manager, if necessary.
- 8. Recommendations: (those titles listed first herein reflect campus administration of the project. Those titles that are listed after the '/' reflect CPDC administration of the project)

- (a) CA/CA

Before recommending and/or authorizing the proposed changes, the CA shall review the contingency balance and shall ensure that funds are available to pay for the proposed changes. The contingency balance should take into account all approved changes, change proposals, all known possible claim costs and an allowance for future unknown costs. It is the CA's responsibility to ensure that the contingency balance is not exceeded nor excessively depleted and any nonessential change should not be approved, if in the CA's opinion, the contingency balance is not sufficient to complete the project. The CA shall keep the Executive Dean and the Project Team aware of the contingency balance on at least a monthly basis and shall immediately consult with the Executive Dean and Project Team, if the contingency balance is to be subjected to any large change order or claim costs.

Note: The following is a recommended authority, but shall be specifically set in accordance with each campus signature authority and structure as identified in the University's approved Management Plan.

CA shall make a recommendation on all proposed changes and is authorized to approve changes not exceeding \$20,000 under the following circumstances:

- (1) The change is essential to the project and is not a change in scope, including change originated by the campus, or a change dealing with administrative items.
- (2) The design professional, and/or his consultant, agree to the need for the change, and, if possible, the estimated cost.

Note: A change "originated by the campus" is considered an "elective change" for the purpose of these recommendations.

- (b) University Facility Planner/CPDC Facility Planner
All proposed changes with a possible change in scope or costing over \$20,000 require the University Facility Planner's recommendation signature.
 - (c) University Design Manager/CPDC Architect
All proposed changes with a possible change in scope and/or design professional extra compensation or costing over \$20,000 require a recommendation signature by the University Design Manager.
 - (e) Executive Dean/Chief of Construction Management
All proposed changes costing over \$20,000, but less than \$100,000, require a recommendation signature of the Executive Dean.
 - (f) Vice President of Administration/Assistant Vice Chancellor
All proposed changes costing over \$100,000 require a recommendation signature of the Vice President of Administration.
9. Approval of Change Proposal: The CA shall indicate whether the change proposal is approved or rejected.
10. Request for Design Professional to Prepare a Cost Request Bulletin or Change Order: Once all recommendations have been received, it is incumbent upon the CA to resolve any differences in the recommendations. The signature of the CA will be the authorization for the design professional to prepare a cost request bulletin, or if the final cost is known, to prepare a change order.
- b. The CA then distributes copies of the change proposal form to the design professional, Project Manager/Construction Inspector.

4.04 Cost Request Bulletin Instructions

- a. Design professional, upon receiving an approved change proposal from CA, shall prepare a cost request bulletin describing work to be performed and submit it to the Contractor requesting the Contractor's cost for the work described. The cost of the change may already have been established by a change order request or other means. In this case, a cost request bulletin is not required.
- b. Contractor shall submit completed cost request bulletin with complete back-up material to design professional for his review, with copies to Project Manager/Construction Inspector and CA.
- c. Design professional, with consultation of the Project Manager/Construction Inspector, shall review the cost request bulletin and the back-up material for conformance to the contract. For costs greater than \$5,000, if the cost is within twenty percent (20%) of the approved estimated cost, design professional may prepare the formal contract change order. If the cost is more than twenty percent (20%) over the approved cost, a revised change proposal should be submitted to the CA for reconsideration.

4.05 Contract Change Order Procedure

- a. Design professional shall complete four original copies of the contract change order form, all four copies with original signatures (including the design professional's signature), attach to each copy all back-up materials, and send all four copies to the Contractor for signature. The design professional shall assign numbers to change orders sequentially. Should a change order be voided or not used, then the change order log shall reflect that status.
- b. Contractor shall review and sign contract change order and send all copies, each with back-up materials, to the CA for signature.

- c. CA shall review contract each change order for conformance to the approved change proposal(s) and review all attached back-up for completeness and conformance to the contract specifications. CA shall sign all change orders not exceeding \$20,000. If there are multiple change items on a single change order, the CA may sign the change order only if the absolute value of each separate item listed on the change order does not exceed his/her authority. If one or more of the items exceeds the CA's signature authority, regardless whether the total amount of the change order does not exceed \$20,000, the CA must secure a signature from someone with a higher level of signature authority, i.e. the Executive Dean or Vice President of Administration. CA's signature and/or initials signify that he/she has complied with all policies and procedures in the processing of this change order. Executive Dean may sign all change orders over \$20,000, but less than \$100,000. However, the same restriction on the CA's signature authority applies to the Executive Dean, in that he/she may sign a change order only if the absolute value of each separate item listed on the change order does not exceed his/her authority. Vice President of Administration shall sign all change orders over \$100,000, and any change order with multiple change items, if the absolute value of any separate change item listed on the change order exceeds the signature authority of the Executive Dean.

Note: specific levels of signature authority must be established on each campus; the levels of authorization specified herein are recommendations.

4.06 Emergency Change Orders

- a. Emergency change orders, as defined in the Contract General Conditions, Section 6.02, are those requiring immediate action to avoid a serious work stoppage, delay and/or extra costs.
- b. Design professional, Project Manager/Construction Inspector shall advise CA of the emergency situations and, if possible, estimate the cost of the change. University Facility Planner shall give verbal approval to all changes involving a change in scope, including a change originated by the University. A lump sum cost shall be agreed with the Contractor. If the agreement on cost is not reached, Contractor shall proceed on a time and material basis, with an "authorization limit", if required, and utilizing a field instruction or letter from the CA.
- c. CA shall direct Project Manager/Construction Inspector to issue Contractor a field instruction on which CA has authorized Contractor to proceed on the agreed lump sum cost or on a time and material basis, or on other agreed cost basis.
- d. Design professional shall immediately prepare a change proposal, including an estimate of the cost, as normal, and submit it to CA for approvals. When work is completed, the design professional shall prepare a formal contract change order. The design professional shall attach necessary documentation, including copies of time and material logs, if required, to the contract change order. Cost of the change may be according to an agreed lump sum, based on certified time and material costs, or a combination as appropriate.

4.07 Disputed Work

Should the Contractor dispute the changed work, the Contract General Conditions, Article 5.02, states:

“5.02 Issuance of Interpretations, Clarifications, Additional Instructions

Should the Contractor discover any conflicts, omissions, or errors in the contract or have any question concerning interpretation or clarification of the contract, the Contractor shall request in writing interpretation, clarification, or additional detailed instructions, before proceeding with the work affected. The written request shall be given to the Architect with copies to the Project Manager/Construction Inspector and the Trustees.

The Architect, with review as required by the Trustees, shall, within a reasonable time, issue in writing the interpretation, clarification, or additional detailed instructions requested.

Should the Contractor proceed with the work affected before receipt of the interpretation, clarification, or instructions from the Architect, the Contractor shall replace or adjust any work not in conformance therewith and shall be responsible for any resultant damage or added cost.

Should any interpretation, clarification, or additional detailed instructions, in the opinion of the Contractor, constitute work beyond the scope of the contract, the Contractor must submit written

notice thereof to the Architect within seven calendar days following receipt of such interpretation, clarification, or additional detailed instructions and in any event prior to commencement of work thereon. The Contractor shall send copies of such correspondence to the Trustees and the Project Manager/Construction Inspector. Within seven calendar days after the Contractor issues its written notice, the Contractor shall submit an explanation of how the interpretation, clarification, or additional detailed instruction constitutes work beyond the scope of the contract, along with a detailed cost breakdown and an explanation of any delay impacts.

The Architect shall consider such notice and make a recommendation to the Trustees. If, in the judgment of the Trustees, the notice is justified, the interpretation, clarification or additional detailed instructions shall be revised or the extra work authorized by contract change order or by field instruction with a change order to follow. If the Trustees decide that the claim is not justified, the Trustees shall give the Contractor a written order that the claim is not justified and direct the Contractor to perform such work.

The Contractor must proceed with the work upon receipt from the Trustees of a written order to do so, in accordance with the Architect's interpretation of the contract requirements, but within seven days of receipt of the order, the Contractor must notify the Architect and the Trustees, by letter, that it protests the decision. The Contractor shall have the right to have this claim later determined by a Claims Review Board pursuant to this contract (see Article 7.01, Claims Review Board). When performing disputed work, the Contractor shall prepare time and materials records for each day, and the Construction Inspector shall verify these records at the conclusion of each day. The Contractor shall have no claim for additional compensation because of such interpretation, clarification, or additional detailed instruction, unless he gives written notice to the Architect within seven calendar days as specified above."

In the case of disputed work, the CA shall issue written notification to the Contractor either under Article 5.02 or Article 6 of the Contract General Conditions. Should the Trustees and the Contractor fail to agree as to cost of the added or deleted work, both the Contractor and the Trustees shall proceed according to Contract General Conditions, Article 6.01-d.

4.08 Time Extensions

- a. Contractor may request a time extension when submitting its cost for a change. A time extension may be allowed only upon justification in accordance with the Contract General Conditions for Major Capital Outlay Projects. Schedule impact of critical path work which will cause the project to complete later than the official completion date is the base criterion for a time extension.
- b. Time extensions should be reviewed by the design professional with consultation of the Project Manager/Construction Inspector prior to making recommendations to the CA. Acquire the CA's concurrence prior to including a time extension on a change order. Time impacts are often critical to academic considerations and must be reviewed seriously with mitigating cost impacts. To allow time may cause extended overhead cost, and to deny it may cause construction acceleration. (It may be prudent for CA to agree to a time extension in a letter to the Contractor, and reserve the right, per Contract General Conditions Article 4.16, to make up time through expediting review of critical path submittals, expediting review of shop drawings submittals, deleting critical path work, and/or directing acceleration on critical path work.)
- c. After completion of major construction milestones, i.e. foundation, structural steel, etc., if possible, and if it is in the best interests of the Trustees, CA shall settle all outstanding issues, reconcile time, and memorialize in a milestone settlement change order. If attempts to settle the issues fail, document the attempts and place in the project file. Doing this will lessen the burden of settling these issues at the end of the project and will prevent the snowballing of claims in these areas. See also SUAM Sections 9792.01, 9820-03 and 9833.

4.09 Scope

The CA must be careful to review the scope of every change order that may have regulatory review concerns. If any change fits this category it should be brought to the attention of the campus Deputy Building Official for a determination of the need to submit the change for review. This could involve the State Fire Marshal, DSA for handicapped access changes, County Health Department or others.

For the scope of changes that may be an elective cardinal change, caution is recommended. Refer to SUAM Section 9820.02 for cautions passed down from General Counsel, regarding scope changes that represent a new project.

5.00 CONTRACT COMPLETION PHASE

5.01 General

When a project is nearing completion in accordance with the Contract General Conditions, the first step for project acceptance shall be a check inspection. This check inspection is held to assure conformance to the contract requirements and to generate a punch list of work to be completed, adjusted, or corrected prior to the final inspection that verifies completion for acceptance. The project manager/construction inspector and the design professional will establish a date for this inspection of the contract work.

5.02 Attendance at Check Inspection

Present at the check inspection shall be the design professional, the project manager/construction inspector, the CA, other campus staff if appropriate, and the contractor.

The project manager/construction inspector shall coordinate punch lists of items that must be completed, adjusted or corrected to complete the contract work. The design professional will be responsible for a timely compilation of all consultant punch lists.

The contractor shall witness the inspection to receive information and instructions regarding the work to be done. A draft copy of the punch list may be given to the contractor after the inspection. Inspection should start promptly and continue until completed, and may be more than one day in some projects. If the work has not progressed as contemplated and is not ready for a check inspection, it may be canceled and continued when ready. The punch list should be transmitted to the contractor timely with copies to all parties.

5.03 Punch Lists

The project manager/construction inspector is responsible to assure that the contractor completes the punch list items. The project manager/construction inspector must be sure the contractor is aware of the extent of work required by each item and urge early completion of all items.

The project manager/construction inspector shall keep the design professional and the CA advised as to the status of the punch list items, in order that the earliest possible date for the final inspection of the project may be set. The punch list status should be included in the Weekly Report at this stage of the project. Any outstanding items on the Project Closeout Checklist shall be added to the punch list, as appropriate. This includes timely submittal of as-builts. The CA should aggressively remind the Contractor and the design professional of the need to timely submit as-builts. Contract funds will be retained from each until this submittal is satisfactorily complete.

5.04 Final Inspection

When the punch list items have been completed, a final inspection shall be held to inspect the completed work. The final inspection may end the contract time and transfer the project to the campus for occupancy and maintenance. The project manager/construction inspector shall coordinate the date and time for the final inspection of the project with the design professional and the CA. After the final inspection, all keys for the facility shall be turned over to the campus as well as all supplies and/or data required by this transfer of the facility to their responsibility. Appropriate transmittals shall be used regarding these transfers. The CA will officially notify the campus and the contractor of the acceptance of the facility.

5.05 Project Completion Report

The CA will prepare all appropriate documents at completion and execute the legal requirements. Both the project manager/construction inspector and the design professional shall state in writing to the CA that to the best of their knowledge the contractor has complied with the terms of the contract. The Trustees' Official (Executive Dean or campus official) acting in that capacity must also certify in writing that the project as completed complies with the scope as approved for construction, and is accepted by the campus. The Project Closeout Checklist must be completed by the project manager/construction inspector (as applicable) and submitted to the CA with the recommendation to accept the project and file a Notice of Completion.

5.06 Project Files

The project manager/construction inspector must maintain a project file for the project. This file shall be available for reference at all times by the design professional, and the CA. It shall be neatly kept and adequately protected. At the completion of a project, the project file shall be forwarded to the campus, and shall include all equipment brochures and other submittals. The daily diaries shall be sent to the CA. The project manager/construction inspector is responsible for transfers.

5.07 Occupancy Prior to Completion

The contract allows the Trustees to assume partial occupancy of all or a portion of a facility prior to completion. Partial occupancy requires permission from the CA and may require written certificates of occupancy from the appropriate regulatory agencies i.e. the Fire Marshal, the State Elevator Inspector, etc. There must be a written agreement change order between the Trustees and the contractor as to the date and extent of occupancy. If guarantees are to start on any portion of the occupied facility, the occupancy change order is a good vehicle to document such agreement. Documentation of contract milestones and occupancy of milestone portions of work require a change order (refer to SUAM Section 9830.02, Occupancy Prior to Acceptance).

The agreement with the contractor must detail the extent of release of his/her responsibilities, and the responsibilities to be assumed by the Trustees. The campus shall be advised of the conditions of occupancy.

Immediately prior to occupancy a check inspection shall be made and a detailed punch list prepared to record the conditions of the facility at occupancy in order to later determine to proper responsibility for any work remaining. Partial occupancy of uncompleted facilities is never recommended.

5.08 Work Performed Under Local Jurisdictions

Work performed on property adjacent to State property under local jurisdictions must be acceptable to the Trustees as well as the local authority. Inspection of that portion under other jurisdiction shall be delegated to that authority. Payment of such work under the contract shall be based upon compliance to the conditions of the contract.

5.09 Contract Time

The actual completion of the project must be reconciled with the contract time. If acceptance of the project as complete, and filing a Notice of Completion accordingly, does not occur within the contract time, then liquidated damages are due. Liquidated damages may be assessed by credit change order to the contract. Any negotiated settlement of delay claims which provides a time extension and thus waiver of liquidated damages needs adequate justification to be filed as back-up with the settlement change order which extends the contract time.

6.00 ITEMS TO COMPLETE

6.01 Description

Items to Complete (ITCs) are defined as work to be accomplished to complete a facility in order that it effectively fulfills its purpose. Items to Complete differ from change orders in that they are usually discovered too late in the construction phase to be accomplished without delaying the completion of the project. Also, modifications may be necessary to satisfy safety requirements.

6.02 Use of Items to Complete

If at all possible the work should be done under the construction contract as a change order. However, the contract should not be delayed, and the CA must avoid any action that could possibly form the basis for a delay claim against Trustees.

6.03 Preparing Items to Complete

Items to Complete are often performed with campus trades, but sometimes they are performed as minor contracts. If the campus has a "job order contractor," it will be a convenient alternative means of achieving the items to complete.

Unexpended project funds may be used for items to complete.

SAMPLE FORMS