

FEDERAL-AID PROJECTS

Procurement, Management, and Inspection Procedures

Borough of Merchantville

Origination Date: March 10, 2014

Revision Date:

Approved:

Borough Engineer

Date

Approved:

Borough Council

Date

TABLE OF CONTENTS

1.0	SCOPE AND APPLICABILITY	4
2.0	ACRONYMS	4
3.0	PERSONNEL DUTIES AND FUNCTIONS	5
3.1	Responsible Charge	5
3.2	Project Designer	6
3.3	Project Engineer	6
3.4	Construction Inspector	7
3.5	Administrative Assistant	8
3.6	Grant Manager.....	8
3.7	Consultant Selection Committee.....	8
4.0	CONSULTANT SELECTION PROCESS	9
4.1	Qualification Based Selection Process	9
4.2	Request for Proposal (RFP) for Professional Services.....	9
4.3	Advertisement Requirements	10
4.4	Receipt of Proposals.....	10
4.5	Proposal Evaluation Criteria	10
4.6	Evaluation, Ranking, and Award Process	10
5.0	CONSULTANT MONITORING AND ADMINISTRATION	11
5.1	Consultant Oversight.....	11
5.2	Consultant Invoice Payments	11
5.3	State Reimbursement Requests	11
5.4	Consultant Contract Changes	12
5.5	Consultant Performance Evaluation.....	12
6.0	PROJECT DESIGN CONSIDERATIONS	12
6.1	Utilities	12
6.2	Right of Way and Relocation Assistance.....	13
6.3	NEPA Compliance	14
7.0	CONSTRUCTION BID AND AWARD	14
7.1	Notice of Request for Bids (NRFB).....	14
7.2	Advertisement	14
7.3	Bid Package.....	15
7.4	Receipt of Bids	16
7.5	Bid Opening and Bid Tabulations.....	16
8.0	PRE-CONSTRUCTION ACTIVITIES	17
8.1	Pre- Construction Conference	17
8.2	Proposed Training Program	18
8.3	Initiation of Construction	18
9.0	CONSTRUCTION INSPECTION	18
9.1	Contractor Oversight	18
9.2	Source Documentation	18
9.3	Daily Inspection Reports	19
9.4	Project Diaries	20

9.5	Prevailing Wage Rate.....	20
9.5.1	Posters.....	20
9.5.2	Contractor Payroll Submissions.....	21
9.5.3	Monthly Certification of Contractor’s Payroll.....	21
9.5.4	Wage Rate Interviews.....	21
9.5.5	Record Maintenance.....	21
9.6	ADA Compliance.....	22
9.7	Buy America Compliance.....	22
9.8	DBE/ESBE/SBE Compliance.....	23
9.8.1	Contractor Compliance.....	23
9.8.2	LPA Monitoring.....	23
9.9	Training Reports.....	24
9.10	Work Zone Safety and Traffic Control Measures.....	24
10.0	CONSTRUCTION CONTRACT CHANGES.....	25
10.1	Contract Changes/Change Orders.....	25
10.1.1	Notification.....	25
10.1.2	Negotiated Cost.....	25
10.1.3	Change Order Approvals.....	25
10.1.4	Timeliness.....	26
10.2	Contract Completion Date and Liquidated Damages.....	26
10.3	Time Extension.....	26
10.4	Change Order Protests.....	27
11.0	PAYMENTS.....	27
11.1	Progress Payments.....	27
11.1.1	Monthly Item Summary Sheet.....	27
11.2	NJDOT Reimbursement of Funds to LPA.....	28
11.3	Final Payment and Project Closeout.....	28
12.0	DATA AND RECORDS MANAGEMENT.....	29
12.1	Physical Records.....	30
12.1.1	Project File.....	30
12.2.2	Inspection Field File.....	30
12.2	Digital Records.....	30
12.2.1	Email.....	31
12.2.2	Plans, Specifications.....	31
12.3	Record Retention.....	31

1.0 SCOPE AND APPLICABILITY

Construction projects funded in whole, or in part, with Federal-Aid highway program (FAHP) funds will be administered in accordance with all applicable federal regulations, including Federal- Aid Construction and Maintenance requirements, contained in Title 23 CFR 635. The Borough of Merchantville has enacted the following written policies and procedures in order to successfully implement future Federal Aid construction projects.

2.0 ACRONYMS

ADA- Americans with Disabilities Act of 1990

CFR – Code of Federal Regulations

CO- Change Order

DBE/SBE – Disadvantaged Business and Small Business Programs

DBRA - Davis-Bacon and Related Acts

FO - Field Order

FAHP- Federal Aid Highway Program. It is an umbrella term referring to activities administered by the FHWA.

FHWA – Federal Highway Administration. FHWA provides oversight to the NJDOT and is the source of funding.

LPA – Local Public Agency. The Local Public Agency is the recipient of federal funds, generally through a State agency, for specific projects and purposes. In this case, the LPA is meant to be the Borough of Merchantville.

NEPA- National Environmental Policy Act

NJDOT – New Jersey Department of Transportation. NJDOT provides oversight to the LPA and approves reimbursements to the LPA for funds spent.

NRFB- Notice of Request for Bids

NRFP - Notice of Request for Proposal

P,S,&E – Plans, Specifications & Cost Estimates

RE- Resident Engineer; used interchangeably with Project Engineer in this document.

ROW- Right-of-Way is a general term denoting land or property acquired for or devoted to a public use

RFP – Request for Proposals; it is the document that solicits proposals, identifying the specific requirements needed to have proposals considered and evaluated.

3.0 PERSONNEL DUTIES AND FUNCTIONS

LPAs receiving Federal-Aid funds must be adequately staffed and suitably equipped to undertake Federal-Aid construction projects; to provide the supervision and inspection required to complete each project in accordance with the approved Scope of Work, plans and specifications, and to ensure that federal requirements are met. Therefore, the following identifies the duties and functions of each of the project team members for Federal Aid Projects.

3.1 *Responsible Charge*

Title 23 CFR 635.105(c) (4) requires the LPA to provide a full-time employee to be the person in responsible charge of Federal-aid construction projects. The full-time employee designated the responsible charge of the project will be accountable for the project and is expected to perform the following duties and functions:

- Administer inherently governmental project activities, including those dealing with cost, time, adherence to contract requirements, construction quality, and scope of Federal-aid project;
- Maintain familiarity of day to day project operations, including project safety issues;
- Make or participate in decisions about changed conditions or scope changes that require change orders or supplemental agreements;
- Visit and review the project on a frequency that is commensurate with the magnitude and complexity of the project;
- Review the project's financial processes, transactions and documentation to ensure that safeguards are in place to minimize fraud, waste and abuse;
- Direct project staff and/or consultant to carry out project administration and contract oversight, including proper documentation;
- Is aware of the qualifications, assignments, and on-the-job performance of any project staff member or consultant at all stages of the project; and
- On the jobsite for the time needed to verify and ensure that the project receives adequate supervision and inspection to ensure that the work is accomplished in conformance with approved plans and specifications.

The responsible charge need not be an engineer. There must be a responsible charge even when a Consultant is providing design, contract administration, or construction engineering services on a project. Federal regulations do not preclude the sharing of these duties and functions among a number of LPA employees, nor do the regulations preclude one employee from being the responsible charge of several projects and directing staff or consultants assigned to specific projects. In most instances, the Public Works Superintendent will be designated the Responsible Charge. He or she may share, or assign, one or more of the aforementioned duties to other Borough employees.

3.2 Project Designer

A licensed Professional Engineer, typically a consultant, is responsible for the project design and preparation of construction documents. The Project Designer is typically responsible for the following tasks:

- review of any existing documents and studies for the project;
- conduct field surveys, geotechnical engineering, utility engineering, traffic studies (if needed);
- preparation, and pursuit of, right of way documents, environmental clearance documents, permits, approvals, cost estimates, and plans and specifications, special provisions for the construction contract;
- bidding process and award of contract;
- design support for construction; and
- Track and expedite requests for information (RFI) between contractor, designer, owner.

The Project Designer is responsible for the following deliverables:

- NEPA Documents (i.e., approved environmental documentation, and SHPO review and approval (if applicable))
- County, State and/or Federal Permits and Approvals
- Plans, Specifications & Estimates (P,S,&E)
- Engineer's Estimate
- Approved Design Exceptions (if applicable)
- Designer Certification
- ROW Certification
- Utilities Certification
- Railroad Certification
- Bid proposal, including required Federal contract provisions, bidding instructions, and bid form
- Shop drawings, working drawings
- As-built drawings

3.3 Project Engineer

A licensed Professional Engineer, also known as a Resident Engineer (23 CFR 635.105), supervises field inspection services during construction. He or she, typically a consultant, ensures conformance with approved plans and specifications, and state and federal documentation requirements. The Project Engineer takes required action to correct problems that may arise.

The Project Engineer is typically responsible for the following tasks:

- Notification to residents, businesses, and stakeholders of construction activity;

- Review and analysis of contractor change orders. Preparation of independent estimate to evaluate contractor's change order;
- Maintenance of Change Order Log; track percentage of change orders to base bid;
- Review and analysis of contractor's project progress;
- Review and analysis of contractor claims;
- Review contractor certificates of insurance, certified payroll, monthly manning reports, material data sheets, etc. with copies to Administrative Assistant;
- Monitor 'Buy America' compliance;
- Preparation of monthly completion and acceptance of work, and recommendations for issuance of monthly contractor payments;
- Preparation of progress reports to NJDOT Local Aid office with copies to Administrative Assistant;
- Final inspection of the constructed project;
- Deliver project files/construction documentation to Administrative Assistant at close of project; and
- Participate in federal and state audits for the project, if any.

The Project Engineer may share some duties (that do not require engineering experience) with other LPA personnel, such as the Grant Management Consultant for the Project, including:

- Monitoring and compliance with federal -aid funding agreements, federal statutes and regulations, including:
 - prevailing wage rate compliance,
 - DBE/EBE monitoring and compliance;
 - Training Goals monitoring and compliance.

3.4 Construction Inspector

The LPA's authorized representative, typically a consultant, who is responsible for detailed construction inspection activities. He or she inspects the construction work for conformance to the contract, and as defined by the NJDOT 2007 Standard Specifications for Road and Bridge Construction in accordance with Title 23 CFR 635.105. He or she prepares the proper records and documentation that will be used as the basis for payment of completed work and reimbursement of Federal-Aid funds.

The Construction Inspector is typically responsible for the following tasks:

- Detailed daily inspection of the construction progress; timely communication of any deficiencies and possible solutions with Contractor, Project Engineer, and Responsible Charge;
- Performs visual examination or physical measurement of an item for comparison against applicable requirements. The characteristics of a product or item are assessed using both visual observations and measurements;

- Collection, creation, and maintenance of all Source Documentation, including maintaining a detailed diary of all work performed at the site, confirmation of dimensional characteristics of any work, documenting inspections, delivery verifications, quality of materials, and work performance, documenting contractor's work force and wage rate inspections that take place; *see Section 9.2, Source Documentation, below*;
- Arrangement and performance of material sampling/ testing required by contract documents for quality assurance;
- 'Buy America' Compliance;
- ADA Compliance;
- Arrangement of Work Zone Safety and Traffic Control;
- Coordination of final inspections;
- Recommendation of final payment; and
- Coordination with Project Engineer relative to final as-built quantities and coordination with Project Designer relative to as-built plans.

The Construction Inspector may share one or more of the aforementioned duties with the Project Engineer on the Project.

3.5 Administrative Assistant will be the Responsible Charge

This person assists the other team members in carrying out their duties, including but not limited to: preparation of correspondence, proposals, bid packages, payments, attends bid openings and consultant selection committee meetings, and maintains the central file for project. In most instances, this person will be the Borough Clerk.

3.6 Grant Manager

The Borough may utilize a Grant Manager, typically a planning consultant, to assist with grant contract management duties, including applying for grants, assisting with grant contract administration, as well as assisting the Project Engineer with Federal- Aid compliance requirements compliance, such as Prevailing Wage Rate and DBE/ESBE/SBE, etc.

3.7 Consultant Selection Committee

The Consultant Selection Committee, typically comprised of Mayor, Borough Clerk, Public Works Superintendent, and one or more members of Borough Council, conducts design and engineering consultant selection process by reviewing the proposals for qualifications to complete the work identified in the RFP and making a recommendation to Borough Council to negotiate a fair and reasonable contract with the mostly highly qualified firm.

4.0 CONSULTANT SELECTION PROCESS

4.1 Qualification Based Selection Process

The Borough will follow a competitive negotiation process for engineering and design related services that use FAHP funding, as required in 23 USC 112(b)(2)(A) and 23 CFR 172.5(a)(1). It is a qualifications based selection process (as specified in 40 USC 1101-1104 (Brooks Act)). This selection process can be broken down into three basic steps:

1. Issue a RFP;
2. Select consultant based on qualifications; and
3. Negotiate a fair and reasonable cost and contract terms with the selected consultant.

If the Borough and the selected firm are unable to negotiate a fair and reasonable contract, the Borough may terminate negotiations and undertake negotiations with the next most qualified firm, continuing the process until an agreement is reached.

4.2 Request for Proposal (RFP) for Professional Services

The Responsible Charge, with the assistance of members of the Consultant Selection Committee, shall prepare a Notice of Request for Proposal (NRFP) and RFP. The RFP must include, at a minimum:

1. Instructions for submitting proposals, including the deadline and address for proposals to be submitted, proposal page limits, contact for questions, the cost proposal must be separately sealed from qualifications proposal, schedule for the review of the proposals, notification procedure, approved by DOT;
2. Statement that indicates this is a Federal-aid Project and that all pertinent federal regulations apply, including that it is a qualifications-based selection process;
3. a detailed scope of work, including project description, project limits, and complexity of project;
4. all qualifications, responsibilities, and deliverables required;
5. estimated schedule for the performance and delivery of the services;
6. method of contract payment to be used (i.e., Cost plus Fixed Fee), including project cost and work hour proposal form as an attachment;¹
7. criteria that will be used to rank responding consultants during consultant selection process;
8. DBE/SBE/ESBE goal, if applicable; and
9. Proof of insurance

¹ To ensure the consultant contract is compliant with FAR cost principles when using Federal-Aid funds, only NJDOT approved overhead rates will be used. Consultants that do not have approved NJDOT overhead rates must be approved in accordance with NJDOT Procurement policies and procedures.

4.3 Advertisement Requirements

The draft NRFP and RFP will be reviewed, revised (if needed), and approved by the NJDOT Local Aid Office prior to publication. Once the NRFP and RFP are approved, the Borough Clerk shall advertise a Notice of Request for Proposal (NRFP) in two (2) newspapers, one with local and one with statewide distribution. Generally, the two (2) newspapers will be the Retrospect and Courier Post. The advertisements will run for one (1) day a week for three (3) consecutive weeks. Affidavits will be requested and received from the two (2) newspapers confirming the advertisements for the duration identified. Direct mailing and posting on websites may be used to supplement the public announcement or advertising.

4.4 Receipt of Proposals

Proposals are received in the Borough Clerk's office and will be immediately clocked in by the automatic date/time stamp. **No proposals shall be accepted after the advertised scheduled receipt date & time.** The Administrative Assistant shall be present at the scheduled receipt date and time to accept proposals and to be responsible to disseminate copies to the Consultant Selection Committee.

4.5 Proposal Evaluation Criteria

The Proposal Evaluation Form shall generally consist of the following, (but it may be modified to be more project specific):

- Experience of firm in similar work (20%)
- Qualifications/experience/ability of key personnel (20%)
- Understanding of the scope of work and project needs (30%)
- Project approach (20%)
- Experience of firm in Merchantville/Camden County/NJDOT/FHWA procedures (10%)

4.6 Evaluation, Ranking, and Award Process

The consultant selection committee will evaluate and rank the proposals, using the evaluation form included in the RFP. The committee may request clarifications or presentations as necessary to complete the qualifications evaluation. The cost proposal of the most highly ranked qualified firm will be opened. If the qualification proposal and cost proposal of the highest technically ranked firm is acceptable, the Committee will make a recommendation to Borough Council to negotiate a fair and reasonable contract with the most highly qualified firm.

In the event no agreement can be reached with the highest ranking firm, the committee will open the cost proposal from the next most qualified proposal and recommend Council negotiation as necessary for award. They shall continue through the ranked proposals until a fair and reasonable price has been agreed upon or determination has been made to re-advertise the project with a revised RFP as necessary.

Once a consultant is selected, the Borough Clerk will proceed by preparing a Council Resolution of Award subject to concurrence of NJDOT, and a memorandum summarizing the evaluations and recommendation. Once the Council Resolution of Award has been adopted, a copy of the resolution will be forwarded to the consultant and NJDOT.

5.0 CONSULTANT MONITORING AND ADMINISTRATION

5.1 Consultant Oversight

The Responsible Charge and members of the Project Team will monitor the Consultant throughout the life of the contract.

5.2 Consultant Invoice Payments

Consultant invoices will be reviewed to ensure costs are consistent with FAR cost principles, contract terms, and progress of consultant work and payment.

1. The Consultant will submit invoice with supporting documents to the Responsible Charge for review and approval.
2. Once approved, the Responsible Charge will submit the invoice with supporting documents for review and approval to the Finance Department for review and processing.
3. If acceptable, it will be acted upon at the next available Council meeting and paid.
4. If discrepancies are found or additional information is required, the documents will be returned to the consultant for corrections.

5.3 State Reimbursement Requests

The Borough will periodically, but not less than quarterly, prepare payment reimbursement packages for submittal to NJDOT. The Responsible Charge will prepare the package consisting of the following:

1. Completed State of New Jersey Payment Voucher (Voucher);
2. Copies of paid consultant invoice(s) including:
 - a. Backup documentation;
 - b. Consultant and LPA Progress reports for each billing period;
 - c. Status of DBE goal percentage, if applicable; and
 - d. Copies of cancelled checks to the consultant.

The package will be reviewed for completeness and sent to Finance for review, Voucher signature, and submission to NJDOT.

5.4 Consultant Contract Changes

When work outside of the original scope of work is necessary, the following procedures will be followed:

1. The consultant will be requested to submit a detailed additional scope of work along with a cost proposal and a revised project schedule for review.
2. Once an additional scope of work is negotiated and acceptable to the Responsible Charge, will submit the change order to NJDOT for concurrence.
3. Once approved by NJDOT, the Borough will award the additional Scope of work by a Borough Resolution at which time the consultant will be allowed to commence with the approved additional scope of work.

5.5 Consultant Performance Evaluation

After project completion, the consultant's performance will be evaluated generally based on the following:

1. Quality of work
2. Communication and Cooperation during project
3. Timeliness of Deliverables
4. Project Management
5. Record Keeping

6.0 PROJECT DESIGN CONSIDERATIONS

6.1 Utilities

During the course of design, the Project Designer shall perform extensive coordination with each utility company to identify utility conflicts and develop relocation plans utilizing a six step process as follows:

1. As soon as existing conditions base maps are available, an initial contact letter will be sent to all major utilities that may be affected by the proposed project to advise them of the proposed project scope and schedule.
2. Once the proposed preliminary horizontal alignment for the project is established, a copy of the proposed plan will be forwarded to the respective utilities to highlight potential utility relocations.
3. The Project Designer will work with each of the utility companies to develop the most reasonable and cost effective scheme for dealing with utility conflicts. Once relocation

schemes have been worked out, specific responsibilities of the respective parties will be included in the project plans and specifications. Copies of the draft utility relocation plans and specifications will be forwarded to each utility for review and comment.

4. Upon completion of the plans and specifications, copies of the appropriate plan sheets and specifications sections will be forwarded to each utility with a request that they respond in writing approving or commenting on same. Estimated durations for utility relocations will be included in the specifications along with a general utility sequence of operations.
5. The Project Designer will attend field meetings with each utility company to ensure that all relocations are adequately coordinated and receive written approval/agreement if not received under 4 above prior to project federal authorization and advertising the project for construction bidding.
6. Upon award of the construction projects, the Project Engineer will hold a pre-construction conference with the contractor and will invite all the affected utility companies. During this meeting, the Project Engineer will reiterate the necessary utility relocations with each of the utility companies, their agreed relocation schedule, and how that schedule works into the project's construction schedule and duration.

The objective of the above process is to identify, locate, and accommodate all utility facilities impacted in any way during the course of a roadway, bridge, intersection, drainage, or other improvement project, in order to provide for the most efficient completion of the project with the least disruption to the traveling public.

6.2 Right of Way and Relocation Assistance

The Project Designer will identify properties where temporary or permanent easements or acquisitions are needed, and whether the project will require temporary or permanent relocation of the occupants. Additionally, the Project Designer will identify any needed or desired relocation of site improvements, such as signage or lighting within a property.

All ROW acquired must conform to the rules and regulations under Title III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (*Uniform Act*). The Uniform Act applies whenever federal dollars are used in any phase of a project. Title II of the Uniform Act must be followed when the acquisition of property causes any person to be displaced from the property or to move their personal property from the acquired property.

If an acquisition is needed, the Borough will follow its standard procedures for seeking an appraisal, authorizing offers, negotiating prices with property owners, and/or condemning the property under the doctrine of eminent domain if a price cannot be agreed upon. Where relocations are required due to displacements of occupants, the Borough will provide any relocation assistance that may be required in accordance with all federal regulations. All

residents to be relocated will be provided with a federal relocation brochure explaining their rights under the federal relocation assistance program.

Once all ROW and temporary or permanent easements or acquisitions have been secured, notification of the project status will be forwarded to NJDOT local aid office, together with copies of recorded deeds, easements, or declarations of taking. The engineer will then issue a ROW clearance so that the Borough can proceed with the project. Construction will not commence before NJDOT issues a ROW clearance.

6.3 NEPA Compliance

LPAs may not proceed with final design, right of way acquisition, or construction until full compliance with the National Environmental Policies Act (*NEPA*) and other applicable laws have been completed and approval has been received by NJDOT and FHWA. Failure to do this will make the project ineligible for FHWA participation in funding (*i.e., no reimbursement*). To the fullest extent possible, all environmental investigations, reviews, and consultations shall be coordinated as a single process, and compliance with all applicable environmental requirements should be reflected in the environmental document. (*23 CFR 771.105(a)*). Public notice and public hearings may be required and projects may require various federal, state, and local permits, approvals, or concurrences. See <http://wsfrprograms.fws.gov/subpages/toolkitfiles/nepa-q2s.pdf> for guidance.

7.0 CONSTRUCTION BID AND AWARD

7.1 Notice of Request for Bids (NRFB)

Once NJDOT Local aide office gives the Borough authorization to proceed to the construction phase, the Borough shall solicit bids for construction work in accordance with all federal and state laws, rules, and regulations applicable to public bidding. The Borough typically follows NJ Local Public Contract regulations, and any updates from NJ Department of Community Affairs, Division of Local Government Services, And Local Finance Notices. However, the Borough shall also follow federal bidding regulations, including those specified in 23 CFR 635.112-114.

7.2 Advertisement

Prior to advertising, a draft of the proposed advertisement of the NRFB and three proposed advertisement dates will be submitted to the Local Aid District Office for approval. The Notice of Request for Bids (NRFB) will be advertised in two (2) newspapers, one with local and one with statewide distribution. It shall state the date, time

and place to submit the bids. Generally, the two (2) newspapers will be the Retrospect and Courier Post. The advertisement will run for one (1) day a week for three (3) consecutive weeks. Affidavits of publication will be received confirming the advertisements for the duration identified. In accordance with 23 CFR 635.112, the advertisement and approved plans and specifications shall be available to bidders a minimum of 3 weeks prior to opening of bids, except that shorter periods may be approved by the FHWA Division Administrator in special cases when justified.

7.3 Bid Package

The bid package for the construction contract shall include, at a minimum:

1. Instructions to Bidders;
2. Summary of Work;
3. Approved Plans and Specifications for the Project;
4. Environmental Clearance Documents (typically a categorical exclusion) and any permit requirements;
5. Estimated Project Schedule, including the project milestones, and the applicability of Liquidated Damages for failure to complete work within the specified contract time;
6. Notice that project is federally funded and that all pertinent federal regulations apply, including 'Buy America,' prevailing wage rate requirements, DBE/ESBE goals, and any training requirements that are established for the project by NJDOT Civil Rights office;
7. General Conditions;
8. Copy of Notice and Advertisement to Bidders;
9. Form of Proposal;
10. Prevailing Wage Rate Determination;
11. Disclosure of Contributions to NJ Election Law Enforcement Commission;
12. Non-collusion Affidavit;
13. Equipment Certification that bidder owns, leases or controls any necessary equipment;
14. Hold Harmless agreement;
15. Equal Employment Opportunity Language;
16. Affirmative Action Certification;
17. Proposed Form of Contract between LPA and Contractor;
18. Performance and Maintenance Bond Requirements;
19. Certificate from Surety Company Requirement, pursuant to NJSA 40A:11-22;
20. Stockholder Disclosure Certification Requirement, pursuant to NJSA 52:24-24.2;
21. Request for List of all Subcontractors, Contractor's and subcontractor's business registration, pursuant to NJSA 52:32-44, and Public Works Contractor Registration for the contractor and each subcontractor, pursuant to NJSA 34:11-56.48; and
22. Request for bank references.

7.4 Receipt of Bids

In accordance with the bid opening date in the advertisement, proposals are received in the Borough Clerk's office and will be immediately clocked in by the automatic date/time stamp. No proposals shall be accepted after the advertised scheduled receipt date & time. The Responsible Charge shall be present at the scheduled receipt date and time to collect proposals and is responsible for disseminating copies to the Project Designer and/or Borough Engineer.

7.5 Bid Opening and Bid Tabulations

All bids received, in accordance with the terms of the advertisement, will be publicly opened and announced either item by item or by total amount. Failure to comply with the identified bidding requirements shall make the bid nonresponsive and not eligible for consideration. If any bid received is not read aloud, the name of the bidder and the reason for not reading the bid aloud will be publicly announced at the letting.

1. The Project Designer performs the following duties:
 - a. Conducts bid tabulation and analysis of all bids received showing unit prices and amounts for each construction item. *For guidance, see FHWA's "Guidelines for Preparing Engineer's Estimate, Bid Reviews, and Evaluation," dated January 22, 2004;*
 - b. Reviews the low bidder documents and verifies low bidder or subcontractors are not on the debarred list;
 - c. Verifies DBE/ESBE contractors are on the NJ certified list;
 - d. Verifies that the DBE/ESBE requirements are being met;
 - e. Bonding companies are reviewed to ensure they meet the financial requirements of the contract documents and that they are authorized to issue bonds in the State of New Jersey;
 - f. The lowest responsible bid shall be further evaluated based on the accepted standards of the Wisconsin DOT Unbalanced Bid Analysis; and
 - g. Any discrepancies are immediately brought to the attention of the Borough Solicitor.
2. Federal-aid contracts for construction shall be awarded only on the basis of the lowest responsive bid submitted by a bidder meeting established criteria of responsibility. Once a contractor is selected, the Borough Clerk shall prepare a Council Resolution of Award, containing a clause that it is subject to concurrence of NJDOT, and the Project Engineer shall prepare a memorandum summarizing the analysis and award recommendation.
3. If Borough Council rejects the bid award, the Borough must notify the DOT Local Aide Office in writing, explaining why the bids were rejected as per Federal Aid Policy Guide. The FHWA has to be notified prior to the Borough re-advertisement of the project, as per 23 CFR 635.114.

4. If the low bid is higher than the authorized amount, the Borough shall provide written notice the DOT Local Aid Office prior to award of contract.

6. An award concurrence request will be submitted to NJDOT, including:
 - a. Letter requesting award concurrence;
 - b. Copies of affidavits of advertisements;
 - c. DBE, ESB and Bid analysis;
 - d. Certified copy of the bid tabulation summary (bid item details for at least the low three acceptable bids and total amounts for all other acceptable bids);
 - e. Award recommendation memorandum;
 - f. Certified copy of the Resolution awarding the contract.

7. Construction contract award will be finalized once NJDOT concurs with the award. This must occur within 4 months of NJDOT's Notice-to-Proceed. Not awarding construction contract within 4 months of NJDOT's Notice-To-Proceed may result in withdrawal of FHWA funding authorization on the project in question. This may mean that the program will have to be reprogrammed in the Transportation Improvement Program (TIP) and Statewide Transportation Improvement Program (STIP) and could result in significant delays.

8.0 PRE-CONSTRUCTION ACTIVITIES

8.1 Pre- Construction Conference

Upon NJDOT's concurrence of construction contract award and authorization to proceed with the construction phase of the project, and after the parties finalize the construction contract, a pre-construction meeting will be scheduled. All LPA staff members and consultants involved in the construction phase of the project shall attend this meeting with the contractor, utilities, and other governmental departments. NJDOT Local Aid office will be invited to attend.

The Project Engineer typically conducts the pre-construction meeting and is responsible for the preparation and distribution of the agenda and minutes. The pre-construction meeting is intended to review the contractor's construction schedule, materials questionnaire (DC-2891 or its equivalent), list of suppliers, mix design reports, utilities, any potential construction issues, discuss CO/FO procedures, the contract time, excusable delays, and potential for liquidated damages. Liquidated damages are the daily amount set forth in the contract to be deducted from the contract price to cover additional costs incurred by the local public agency because of a contractor's failure to complete work within the specified contract time.

Additionally, the contractor will be reminded that this is a Federal-Aid project and all federal requirements detailed in the project special provisions and FHWA attachments apply, including, but not limited to:

- Civil rights responsibilities
- DBE/SBE goal
- Apprentice/Trainee goal
- Buy America
- Source Documentation
- Prevailing Wage Rate

8.2 Proposed Training Program

At or just after the Pre-construction meeting, the contractor will submit a proposed training program, which includes the proposed training positions, standard program hours per position, minimum available hours per position, estimated start date per position, which training to be provided by the contractor or sub-contractor. The Responsible Charge reviews the proposal and forwards it to NJDOT Local Aide. The signed and submitted Training Guidelines for all positions and the Part A Memorandum for all candidate trainees will be submitted by the contractor, to the LPA for submission to Local Aid for submission to NJDOT Civil Rights for review and acceptance of the proposal. The Training Guidelines and Part A Memorandum require concurrence by the NJDOT-DCR/AA.

8.3 Initiation of Construction

No construction work shall be initiated on the project until: a pre-construction meeting is held, the progress schedule is approved, the right-of-way limits, and limits of the construction, environmentally restricted areas have been laid out, the engineer has issued a ROW clearance, and all environmental agencies that issued permits and NJDOT local aid office has been notified.

9.0 CONSTRUCTION INSPECTION

Construction projects funded in whole, or in part, with Federal-Aid Highway funds will be administered in accordance with the requirements of Construction and Maintenance, 23 CFR 635. 105 and CFR 635. 123

9.1 Contractor Oversight

There will be a Construction Inspector at the construction site when there is work being performed, deliveries received, or contractor or his subcontractor(s) are on site.

9.2 Source Documentation

The Construction Inspector is responsible for the source documentation to ensure that the number, size, and characteristics of materials delivered match the plans and specifications. Source documentation is the single most important form of documentation that substantiates quality and quantities and provides the required basis for payment to the contractor. Source documentation consists of notes/documentation of: counts; measurements (length, width, depth and slope); calculations of area, volume, weights, etc.;

sketches; a statement of compliance with contract plans and specifications; field changes; comments; and delivery tickets collected and initialed by the inspector at the point of unloading.

The Project Engineer, or his designee, shall review submittals provided by the Contractor. Submittals are required for all major pay items (HMA mix designs, concrete mix designs, inlet castings, etc). The contractor shall provide 5 copies of all submittals, which shall be stamped with the Submittal Stamp, reviewed and marked accordingly. The Project Engineer, or his designee, shall sign all submittals. Two (2) copies will be returned to the contractor, one (1) will go to the Construction Inspector, one (1) will go to the NJDOT Federal Aid Representative, and one (1) will go into the main project file. At the end of every work day the inspector shall give all documents, received or completed for that day, to the Administrative Assistant so that copies can be made and included in the project binder.

9.3 Daily Inspection Reports

The Construction Inspector shall complete Form DC-29a (or its equivalent) for Daily Inspector Reports. The instructions on the form shall be followed. DC-29s shall be supplemented with field notes/diary and photographs that tie the work being done to the plans, specifications and related contract documents. They must be legible, signed (print and sign), and dated by the Construction Inspector. The Project Engineer reviews and signs the daily inspection reports. At a minimum, it shall provide:

- Description and location of item of work completed;
- Date, time, weather conditions, name of contractor/subcontractor(s) or their crew, including the number and type of personnel on the jobsite at the time of inspections;
- Trainee documentation (if applicable);
- Type of work performed, a sketched diagram of work completed, and measurements (note length, width, and height) taken if applicable (example: ADA Handicap accessible ramp);
- Verification of compliance to Traffic control plan;
- Materials testing, ie slump test result for concrete batch;
- Asphalt/Concrete tickets have been collected and on file with the DC-29a;
- Inspection, verification and approval of forms prior to pouring of concrete (refer to Sec. 504.03.02 of 2007 NJDOT Standard Specifications for Road and Bridge Construction.) A note on the inspector's form should say "Authorization to pour...";
- Detailed documentation of Placing of Hot Mix Asphalt (refer to Sec. 401.03.03 – of 2007 NJDOT Standard Specifications for Road and Bridge Construction); and
- Equipment and number of workers onsite; subcontractor workers onsite. Appropriate supervision is being provided.

9.4 Project Diaries

In addition to the Daily Inspection Reports (DC-29s), the Construction Inspector shall keep Project diaries of field notes. The diaries will log daily observations for correct procedure and be as detailed as possible, including information such as:

- Weather conditions;
- Items of work;
- Estimated vs. Final Quantities;
- Contractors, workforce and equipment on site;
- Materials delivery;
- Work Zone and Traffic Control measures;
- NPDES/environmental compliance;
- Field Testing/Sampling;
- Compliance and non-compliance issues;
- Precise location of work;
- Measurements and method of measurement;
- ADA Compliance;
- DBE Compliance;
- Wage rate interviews;
- Pay quantities;
- Important decisions made on-site;
- Documentation of accidents occurring within the project limits; and
- Site Visitors (Borough staff, other Inspectors, Contractor Representative, Resident, etc.)

9.5 Prevailing Wage Rate

23 U.S.C. 113 requires all laborers and mechanics employed for construction work on Federal-aid projects to be paid wages at rates not less than those prevailing wages as determined by the Secretary of Labor under Davis-Bacon and related acts (DBRA). The US DOL requires that a current wage decision be included in Federal-aid construction contracts, if appropriate. See “*NJDOT Construction Procedures Handbook, Contractor’s Compliance with Labor, EEO, and Training Requirements, dated February 10, 2012*” at <http://www.state.nj.us/transportation/eng/construction/pdf/Sec5SubSecA.pdf> for more details.

9.5.1 Posters

Every employer performing work covered by the labor standards of The Davis-Bacon and Related Acts shall post a notice (including any applicable wage determination) at the site of the work in a prominent and accessible place where it may be easily seen by employees. The Division of Civil Rights and Affirmative Action Wage Rate and EEO posters must be posted by the LPA’s Responsible Charge in the office. Posters must also be posted at the project site by the Contractor in conspicuous locations (where employees congregate), and

if possible in the contractor and/or subcontractor's office. The Responsible Charge shall periodically verify the Contractor has the required information posted.

9.5.2 Contractor Payroll Submissions

The Contractor is required to submit weekly Certified Payrolls and Statements of Compliance for itself and each subcontractor on the project on CR347-2-Payroll Certification Form Statement of Compliance to the Responsible Charge with CR 347. (see <http://www.fhwa.dot.gov/programadmin/contracts/1273.cfm#V>). The Contractor must furnish the Project Engineer with an original (to be maintained in the project files) and one copy of the payrolls and weekly statements of compliance within **ten (10) days** of the date of the payment covered therein.

9.5.3 Monthly Certification of Contractor's Payroll

Each month, the Project Engineer or Responsible Charge shall complete and sign a Monthly Certification of Contractor's Payrolls Form DC-127 to verify that all Contractor and subcontractor payrolls have been received and reviewed as required. Within **15 days** after the end of the month (certification period), a copy of the completed Form DC-127 will be forwarded to the DCR/AA's Wage Rate Unit, along with a copy of all Wage Rate Inspections Form DC-126 conducted during the month (certification period).

9.5.4 Wage Rate Interviews

The Project Engineer, Responsible Charge, or other LPA designee shall conduct wage rate inspections based on a representative sampling for each craft employed by each contractor on the project. The inspections shall include an examination of payroll data and confidential interviews with employees (see 29 CFR § 5.6(a)(3)). Payroll inspections and interviews shall be conducted on at least one employee per craft for the Contractor and each subcontractor's employees, at least once for the duration of the project. The Project Engineer and/or Construction Inspector shall use Form DC-126, Wage Rate Inspection Form, to report wage rate inspections and submit them to the Division of Civil Rights/Affirmative Action's (DCR/AA) Wage Rate Unit. This submission is to be accompanied by submission of the Form DC-127 Monthly Certification of Contractors. The original completed Wage Rate Inspection forms shall remain in the project's files.

9.5.5 Record Maintenance

Covered contractors under DBRA must maintain payroll and basic records for all laborers and mechanics during the course of the work and for a period of three (3) years thereafter. Records to be maintained include:

- Name, address, and Social Security number of each employee
- Each employee's work classifications
- Hourly rates of pay, including rates of contributions or costs anticipated for fringe benefits or their cash equivalents

- Daily and weekly numbers of hours worked
- Deductions made
- Actual wages paid
- If applicable, detailed information regarding various fringe benefit plans and programs, including records that show that the plan or program has been communicated in writing to the laborers and mechanics affected

If applicable, detailed information regarding approved apprenticeship or trainee programs

9.6 ADA Compliance

In accordance with the Americans with Disabilities Act of 1990, all pedestrian facilities constructed or reconstructed must provide safe and easy accessibility for all users. It is the Inspector's responsibility to ensure that all sidewalks and ramps are constructed in strict accordance with contract plans. Slope is of critical importance, as are location, alignment, length, width, and depth. The Construction Inspector shall inspect all forms for consistency with plans (curb ramp type, crossing location, curb ramp running slope, curb ramp cross slope, etc.) and accept them PRIOR to concrete placement. All measurements, checks, approvals and findings, including pay quantities, must be clearly documented.

9.7 Buy America Compliance

Title 23 CFR 635.410 requires that all steel or iron products permanently incorporated into a Federal-aid project must be manufactured in the United States. This includes the application of coatings. This requirement does not apply to these products if they are intended for temporary use and are not required to be left in place by the Contract. Buy America requirements apply to the entire Federal-aid project. They apply to all utility relocation work (regardless of funding) that is part of a FHWA funded contract and to all federally funded standalone utility work. Steel or iron products purchased with non-Federal funds are not exempt from this requirement.

Waivers are permissible in rare cases as specified in 23 CFR 635.410(c)(1). Minimal use of foreign steel or iron is permissible if the costs of such materials does not exceed one-tenth of one percent of the total cost or \$2500, whichever is greater as specified in 23 CFR 635.410(b)(4).

The Construction Inspector is responsible for receiving the Buy America certification at the time of delivery and PRIOR to the steel or iron product being incorporated into the project. The Construction Inspector must sign and date the Buy America certification that is specific to the materials. No steel will be incorporated into the project without a signed Buy America certification. The Buy America certification from the manufacturer must state the country where the steel or iron product was melted and manufactured including application of coatings which enhance the value of the material. The certification must include a materials description, quantity of material represented by the certification, country of manufacture and notarized signature of a person having legal authority to bind the supplier. This will be documented in the daily inspection reports.

The Construction Inspector will maintain a log of all the steel and iron placed on the project; permanently incorporated, temporary, and temporary but must remain in place (stay in place forms, temporary sheeting left in place by the contractor).

9.8 DBE/ESBE/SBE Compliance

Title 49 CFR 26 requires that Disadvantaged Business Enterprises (DBE's) have an equal opportunity to receive and participate in Federal-aid assisted construction contracts. The Borough of Merchantville is responsible to award Federal-aid contracts to only those bidders who make a good faith effort to meet the DBE goals established by NJDOT's Civil Rights Contract Compliance Unit. As part of the bid packages, the contractor will commit to meeting the DBE goal established for the project and it is responsibility of the contractor to meet or exceed the goal as set forth in the project specifications. The LPA must continuously monitor DBE participation as the project progresses to ensure that the assigned DBE/ESBE/SBE the contract goals will be met at the time of contract completion. Failure to comply with DBE goal requirements may result in the loss of federal funding.

9.8.1 Contractor Compliance

Contractor, and any sub-contractors, prepare CR-257R - Monthly Employment Utilization Report, which is submitted on- line through the State of New Jersey portal. Contractor also prepares CR-267- Monthly Report, Utilization of Disadvantaged Business Enterprise/Monthly Report, Utilization of Emerging Small Business Enterprise. The Responsible Charge reviews it and submits it to the NJDOT Local Aide Office. Lastly, the contractor completes CR-268 Final DBE (or ESBE) Report/Final Emerging Small Business Enterprise Report. The Project Engineer reviews it, contractor signs and notarizes it. It is submitted to NJDOT Local Aide office.

9.8.2 LPA Monitoring

The Project Engineer (or other LPA staff/consultants) will continuously monitor DBE/ESBE/SBE participation as the project progresses, and is responsible for ensuring the DBE/ESBE contract goals will be met at the time of project completion. The Project Engineer shall:

- Check the "Recommendation to Award" memorandum and the "Schedule of Participation" ESBE/DBE/SBE Form CR-266 to determine status of subcontractors to monitor for compliance.
- Monitor true participation by comparing the DBE/ESBE/SBE goal commitments listed in the contract, Form CR-266, against each "Request for Approval to Sublet" Form DC-18, as well as cross checking the Daily Work Reports with each affected Form DC-18, the "Recommendation to Award" and the "Utilization of ESBE/DBE/SBE monthly report," Form CR-267.
- Use the Daily Work Report to document on-site monitoring of stipulated DBE work

items and contractor performing the work in order to ensure compliance.

- Notify the Responsible Charge and the contractor in writing of non-compliance and direct the contractor to comply with the DBE/ESBE/SBE project requirements. Revisions to the approved DBE/ESBE program can be made only upon the contractor submittal of the revised Form CR-266 and the review and approval of the revision by the NJDOT-Local Aid Office.
- In the event of failure of the contractor to comply, notify the person in Responsible Charge, NJDOT Local Aid Office, and DCR/AA in writing, presenting pertinent documents for their review and action.
- In the event, DBE/ESBE goal commitments are not fulfilled, documentation supporting adequate Good Faith Effort (GFE) must be promptly submitted by the Contractor with Form CR-268. GFE will be reviewed by DCR/AA based on the guidance set forth in 49 CFR Part 26, Appendix A.

9.9 Training Reports

The Contractor prepares CR-2 Bi-Weekly Training Report and submits it to the person in Responsible Charge for review and acceptance based on agreement with form DC-29 or alternate field reports. This must be submitted to the NJDOT Local Aide monthly. Also, the Contractor also prepares CR - 1409 Contractor's Quarterly Training Report and submits it to the Responsible Charge for review and acceptance. The Contractor prepares CR- 3 Training Certificate For Reporting Hours to NJDOT Certificate. IT is signed by Contractor, Trainee, and the LPA's Project Engineer and submitted to Local Aide office.

9.10 Work Zone Safety and Traffic Control Measures

In accordance with 23 CFR 635.105, the Construction Inspector, in conjunction with State Police, will be responsible for ensuring that the contractor is maintaining adequate Work Zone Safety and Traffic Control measures in compliance with construction plans and specifications at all times. The Construction Inspector shall ensure the following:

- Advance Road Construction Signs are posted as per Traffic Control & Detour Plan if required.
- Signs are visible at all times and free of obstructions
- Quality and Reflectivity of signs, drums & cones is as per Specifications (ATSSA - Quality Guidance for Temporary Traffic Control Devices)
- Drums and cones are in good and acceptable condition. Damaged items must be removed and replaced immediately.
- The route is as per the approved plans and is adequately signed.
- There is presence of traffic director/flaggers at site if needed.

- Access to pedestrians is provided during construction and meets ADA requirements (temporary sidewalk, sidewalk closures, signs prohibiting pedestrian access, etc.)

10.0 CONSTRUCTION CONTRACT CHANGES

10.1 Contract Changes/Change Orders

10.1.1 Notification

A contract change is any alteration to the original construction contract, including cost, schedule, design plans, and/or specifications. All contract changes are governed by the requirements of NJDOT Standard Specifications, Section 104.03, Title 23 CFR 635.120, and the procedure outlined below. Changes to the work will be made by written Field Order (FO) or Change Order (CO) in accordance with Section 104.03 of the specifications.

The Project Engineer shall coordinate with the Construction Inspector and Contractor to establish items, quantities, prices, and/or contract time to be adjusted. They shall notify the Responsible Charge and Design Engineer (if applicable) to verify the necessity for the change order. Once it is established that a Change Order is necessary, the Responsible Charge shall notify the Borough Clerk and NJDOT Local Aid Office and shall prepare a Federal Aid change order form, DC 173A. The form shall state the description of the change or extra work (costs and quantities), reason for the change, value of the change (credit or debit against the contract price), and will evaluate its impact on project schedule.

10.1.2 Negotiated Cost

The Contractor will provide to the Project Engineer a detailed cost proposal (materials, labor, equipment, overhead, etc.) for the change order. The cost will be reviewed by the Project Engineer and the Responsible Charge, documented, and negotiated with the Contractor. The negotiated costs will be included in the change order. If the price for extra/new work cannot be mutually agreed upon, the Borough will initiate work by force account as per Section 104.03 of NJDOT Standard Specifications.

10.1.3 Change Order Approvals

The Project Engineer shall coordinate with the Construction Inspector and contractor to establish items, quantities, prices and/or contract time to be adjusted and shall immediately notify the Borough Clerk and NJDOT Local Aide Office of the need of a CO. The Project Engineer shall prepare a CO on the Federal Aid Form, DC-I73A. The Contractor, Project Engineer, and Responsible Charge will sign the CO and it shall be submitted to Borough Council for a Resolution of Approval. Once the CO is approved by Borough Council, the Responsible Charge submits the CO to NJDOT Local Aide Office for approval. Once NJDOT approves the CO, the Project Engineer can authorize the contractor to proceed with the work.

10.1.4 Timeliness

Typically, the Borough obtains NJDOT approvals in writing before proceeding with construction work in order to avoid non-participating costs. Under unusual circumstances, the Project Engineer will notify NJDOT if during the course of construction, an inherent job condition should arise, and said condition, if not immediately corrected or changed, would unduly delay the contractor. Upon the verbal or email authorization of the NJDOT, the Contractor will be instructed by field order (FO), and the Borough will proceed with the documentation of the approval of the CO as outlined in the previous paragraphs. This type of unusual situation during a federal project must be clearly documented.

Any amounts in excess of the authorized contract amount cannot be expended until the CO is approved. Any amount per bid item cannot be paid until the CO is approved, or the amount above the bid item will be non-participating by NJDOT/FHWA.

10.2 Contract Completion Date and Liquidated Damages

The Contract time will be specified in the bid documents for all federal-aid projects and monitored by the Project Engineer each day and document. The contract time will be established based on the shortest practical durations. Schedule updates will be provided by the contractor in accordance with Section 153.03 of the specifications. The Responsible Charge and Project Engineer will schedule progress review meetings with the contractor periodically to evaluate the progress on the project.

If the Contractor falls behind the schedule, the contractor will be notified in writing and asked to take the necessary steps to improve the progress. If the Contractor fails to complete the contract within the contract time specified in the contract documents, the Contractor will be charged liquidated damages for each working day that the Contractor fails to complete the construction project in accordance with the "schedule of liquidated damages" included in the project specifications. Liquidated damages are the daily amount set forth in the contract to be deducted from the contract price to cover additional costs incurred by the LPA because of a contractor's failure to complete work within the specified contract time.

10.3 Time Extension

An Extension of the Contract Time will only be granted for excusable delays as specified in Section 108.11 of the NJDOT Standard Specifications occurs. A Contractor request for a contract time extension shall be fully justified, adequately documented, and submitted at the time the excusable delay occurred. A revised progress schedule will be submitted documenting how this delay affected the critical path of the project work. Contract time extensions need approval from NJDOT , FHWA and the Borough. The request for extension of time is submitted to NJDOT on Form DC-173A as a CO. An extension of time should be reviewed to determine if modifications are necessary to the federal and state

project contracts with the Borough.

10.4 Change Order Protests

The Borough will resolve protests to COs in accordance with 23 CFR 635.109 and Section 104.03 of the NJDOT Standard Specifications.

- If the Contractor disagrees with any terms and conditions of a Change Order or a Field Directive, a written protest must be submitted to the Project Engineer within 15 days of receipt of the Change Order in accordance with Section 104.03 of the NJDOT Standard Specifications.
- The Project Engineer will notify the NJDOT-Local Aid Office of the Contractor's written protest as soon as possible.
- Submission of written protest will not relieve the contractor from obligation to proceed with the work directed by the CO.

The Borough will pursue diligently a satisfactory resolution of disputed work issues or claims within a reasonable period of time as required by Standardized Changed Condition clauses per 23 CFR 635.109, NJDOT Standard Specifications and the project Supplementary Specifications. The Borough's costs to settle work disputes, contract claims, or court awards must be reviewed by NJDOT prior to reimbursement as per 23 CFR 635.124. Any disputed work must be documented in the project records. Disputed work issues or claims must be resolved prior to close-out of the project.

11.0 PAYMENTS

11.1 Progress Payments

Progress payments are compensation for the value of work performed during a covered period, as specified in Title 23 CFR 635.123. The Contractor submits request for payments, Construction Inspector verifies the work and quantities, and the Project Engineer reviews them for completeness.

11.1.1 Monthly Item Summary Sheet

The Project Engineer or Responsible Charge must keep a summary of pay quantities (either via spreadsheet or handwritten notes) of each material brought and placed on the jobsite. At the end of the month, a complete summary of all of the materials (based on daily quantity tallies) shall be tallied and used as a basis of payment to the contractor.

Specifically, the monthly payment estimates are prepared based on the field measured quantities recorded in the daily inspection reports, and the summary of the pay item sheets, and include payments for the quantities of work that have been fully completed and are

acceptable to the Construction Inspector, Project Engineer, and Responsible Charge. Quantities, unit costs and totals must be fully supported by the source documents. The Construction Inspector verifies the bid unit prices and quantities this payment period and signs the contractor's payment request documenting that the quantities have been measured, verified and agreed to by the contractor. The Project Engineer or Responsible Charge prepares a summary of pay quantities based on the daily inspection reports. He or she uses the summary of pay items to develop periodic pay estimates.

The Project Engineer or Responsible Charge must ensure proper payments are being made in accordance with the contract provisions. The Project Engineer verifies bid unit prices, quantities this payment period, previous quantities, previous payments and calculation of payment amount this period. Also, the Project Engineer verifies contractor submission of certified payroll, DBE utilization report (if applicable), monthly utilization report, and training report (if applicable) and notifies the contractor if any items are needed. The Administrative Assistant verifies the project account number, previous payments and calculation of payment amount this period. The Project Engineer reviews the contractor's request for payment and Borough voucher to determine if all items are satisfactory, and makes a recommendation to Borough Council.

Upon Council approval, the Payment request and a voucher is forwarded to the Finance Department for processing.

11.2 NJDOT Reimbursement of Funds to LPA

The LPA must issue an initial payment voucher to NJDOT for the construction project no later than three (3) months after NJDOT has concurred in the award of construction contract. The LPA must issue subsequent payment vouchers no later than three (3) months after the initial billing, and every three (3) months thereafter.

11.3 Final Payment and Project Closeout

Project will be complete when NJDOT performs final inspection, concurs with project completion, and approves final reimbursement.

1. Contractor shall notify the Project Engineer when all of the pay items of the project are complete.
2. The Responsible Charge, Project Engineer, and Construction Inspector, in the presence of the Contractor, will perform the final inspection. If determined to be incomplete, the Project Engineer will provide the contractor with a Punch List of items to be corrected within 30 days. If determined to be complete, the Project Engineer will notify NJDOT Local Aide office and request a final inspection.

3. The NJDOT-Local Aid staff will inspect the project site and inform the Borough of any necessary corrective action required.
4. The Project Engineer will request a final inspection and acceptance by NJDOT-Local Aid Office no later than 30 days after the Contractor has corrected the work included in the punch list (and the corrective action list developed by the NJDOT-Local Aid Office, if any).
5. Upon written notification that all corrective action has been completed, NJDOT will perform the final inspection and if the Borough and NJDOT deem all the work acceptable, the Project Engineer will prepare a final payment voucher (within six months of final inspection).
6. The Project Engineer and/or Responsible Charge submits the following closure documents to NJDOT-Local Aid Office within 2 months of receipt of acceptance by NJDOT.
 - Final Payment Voucher (Form PV) along with back up documentation to substantiate all project costs (two copies of backup documentation must be submitted);
 - Chief Financial Officer's Certification indicating that the final project cost is part of the annual single audit or the final project cost will be made part of the next annual single audit;
 - Engineer's Certification for Project Completion;
 - Federal Aid Change Order (Form DC-I73A);
 - List of As-built quantities;
 - Form FHWA-47 – Statement of Materials and Labor (for all NHS projects or projects over \$1 million in construction costs);
 - Evidence of contractors Payroll compliance;
 - Form DC-123 -Contractor's Final Certificate of Compliance (for wage rates);
 - Form DC-126 -Wage Rate Inspections;
 - Form DC-127 -Monthly Summary;
 - Form FA -7 -Statement of Compliance;
 - Evidence of contractor's EEO compliance;
 - Form CC-257 -Monthly Employment Utilization Report (electronically);
 - Supplement to Form CC-257- Monthly Employment Utilization Report;
 - Form FHWA-1391 -Annual EEO Report (only for active projects during July);
 - Release Statement from Agreement for Federal Aid.

12.0 DATA AND RECORDS MANAGEMENT

Data and Records Management can be divided into two categories: physical and digital. The **project number** shall be identified on all relative documents (correspondence, email, plans, etc.).

12.1 Physical Records

12.1.1 Project File

The Responsible Charge shall create and maintain a physical project file or binder for each individual federal-aid project. The project file may be organized into (1) pre-construction, (2) construction, (3) post-construction. The documents included in the project file are as follows, but not limited to:

- Notice of federal authorization to LPA (listing any conditions to authorization);
- Executed Federal-Aid Agreement;
- Contact Information (including Project Engineer and Responsible Charge);
- Contracts with any consultants;
- Permits/Approvals;
- Construction Bid Package;
- Pre-construction Meeting Minutes;
- Civil Rights requirements:
 - DBE – approved Form A CR266F-Schedule of ESBE/DBE Participation or CR266S-Schedule of SBE Participation and progress reports
 - Trainees – approved memorandum and progress reports
- Prevailing Wage Rates and wage rate inspection reports;
- Notice to Proceed;
- Daily Inspection Reports -outstanding issues from previous inspections; resolutions to problems previously reported;
- Material tickets (Form DC-2891), mix design reports, any certification such as “Buy America” certifications, testing reports;
- Project Schedule - duration, start date, substantial completion, and end date;
- Change Order(s) submitted on project;
- Payments.

12.2.2 Inspection Field File

The Construction Inspector shall create an Inspection Field File. The Inspection Field File shall be created at the time of the Pre-Construction Meeting. It shall be on-site with the Construction Inspector at all times. The Inspection Field File shall contain copies of the plans and specifications, the contractor’s bid form, all change orders and submittals, and shall have all source documentation, the daily inspection forms for the project as well as material slips received from the contractor.

12.2 Digital Records

Digital records include email, as well as all other digital documents created relative to the project.

12.2.1 Email

All email related to a project should contain the Project Number within the Subject Bar for ease of filing. All significant email between Responsible Charge, Principal Engineer, Contractor, and/or NJDOT Local Aide Office related to a particular project should be printed and the hard copy shall be filed by the Responsible Charge. (Printing can be done automatically through rule creation within Microsoft Outlook).

12.2.2 Plans, Specifications

All personnel shall create digital project files on the Borough network drive with appropriate subfolders created which may include, but not be limited to: Correspondence, DWG, Specifications, Design, etc.

12.3 Record Retention

Records must be retained for **three years** from project close-out (if any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration of the 3-year period, the records must be retained until that action is complete or until the end of the 3-year period, whichever is later). The As-built plans shall be on file in the Construction Office permanently.