



**2017-2018**  
**INLAND VALLEY DEVELOPMENT AGENCY**  
**(IVDA)**

**CONSTRUCTION PROCEDURES MANUAL**

Updated October, 2017



## INTRODUCTION

This manual is intended to be a guide to the Inland Valley Development Agency (IVDA) best management practices, and procedures during capital improvements, procurement of professional services, and management of construction projects.

The IVDA is a regional joint powers authority, formed pursuant to federal Public Law 100-526 and pursuant to the California Government Code as a base reuse Local Redevelopment Authority (LRA) for the specific purposes set forth in the 1990 Joint Powers Agreement by and between the IVDA, the County of San Bernardino, the City of San Bernardino, the City of Colton, and the City of Loma Linda to effectively convert to civilian reuse the former Norton Air Force Base in San Bernardino, California.

The methodologies proposed herein have been developed to improve the staff's effectiveness by clarifying responsibilities, enhancing communications, eliminating duplication of effort and improving consistency in reporting. Establishing standard procedures for diverse activities on any project that are well understood and documented allows IVDA staff to manage projects more effectively and coordinate more succinctly with management and stakeholders. To this end, the manual also provides guidelines and examples for planning, scheduling, monitoring, budgeting and controlling projects. The manual's objective is to facilitate the management of all IVDA planning or capital improvement projects regardless of size or funding type. Requirements specifically focused on projects that are funded federally through the U.S. Department of Commerce, Economic Development Administration (EDA) grants can be found in Appendix II. Any additional grants from other federal or state agencies received and accepted during the balance of the fiscal year, shall conform to protocols and requirements pursuant to those grant agreements. For the purposes of this manual, the term "project" shall mean both planning and capital improvement projects.

This manual is updated regularly to reflect the changing environment of the IVDA or regulatory items. The Construction Procedures Manual is presented periodically to the IVDA Board for formal review.

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**Appendix I- Sample Forms**

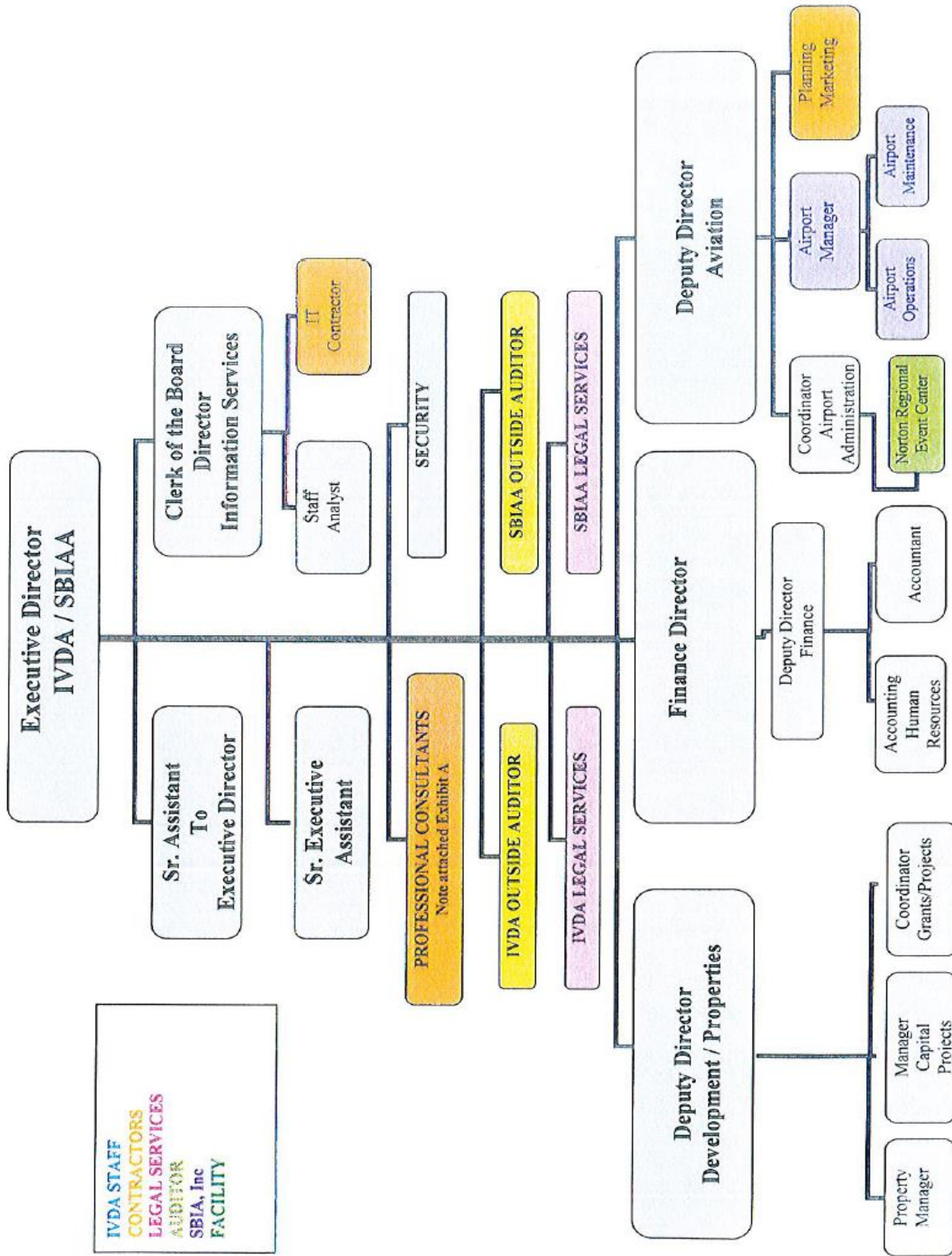
**Appendix II- EDA Funded Project Procedures**

## **Construction Procedures Manual**

### **EXHIBITS**

EXHIBIT A - IVDA Organizational Chart (on following page)

# IVDA BOARD OF DIRECTORS / SBIAA COMMISSION





## CHAPTER 1 – GENERAL INFORMATION

### ARTICLE 1

#### ORGANIZATION OF THE MANUAL

The information in this document is organized in the order of a project life cycle:

- **Chapter 1. General Information**  
Consists of manual's contents, roles and responsibilities of the IVDA, and the Uniform Filing System format.
- **Chapter 2. Project Development Process**  
Includes project development from conception to inclusion on the capital plan, annual capital budget, selecting projects from the strategic plan, determining and applying for project funding and project development.
- **Chapter 3. Design Phase Development**  
Guidelines for project management during the design phase including procedures for entitlement, feasibility/assessment reports, rights of way or easements, and property acquisitions.
- **Chapter 4. Construction Procurement**  
Guidelines for project management during the solicitation, procurement and selection of contracts for the construction phase.
- **Chapter 5. Construction Phase Management**  
Project construction management guidelines.

This document is the primary reference for project management of IVDA projects. This manual is intended to be a resource for guidelines, and it is important that it be updated regularly to reflect changes in the IVDA's procedures and reflect new procedures and procurement requirements. All EDA funded projects shall follow the procedures identified in Appendix II to this manual. Any changes or additions require approval by the Executive Director, and will be reported to the IVDA Board as appropriate.

### ARTICLE 2

#### IVDA ORGANIZATION AND PROJECT COMMUNICATION

An organizational chart indicating approved positions and reporting structure for the IVDA is attached as Exhibit "A." However, each project is unique and project specifics, such as funding sources, regulatory agencies, and project location, can change the dynamics of the roles and responsibilities. Each project's specific requirements should be reviewed by IVDA Staff with the Deputy Director of Development and Properties, or their designee at project conception. The procedures identified within this manual shall be used for all IVDA Capital Projects.

### ARTICLE 3

#### CODE OF ETHICS

It is the IVDA's practice to maintain the highest ethical standards and comply with all applicable laws, rules, and regulations. The IVDA Board established a Code of Ethics,

and these procedures were developed in accordance with and furtherance of those and other IVDA Board policies.

## **Compliance with Applicable Laws and Regulations.**

### **Environmental**

The IVDA is committed to full compliance with all federal, state and local laws and regulations, including environmental standards and guidelines. Environmental compliance is required for all projects, and is an important component of IVDA's obligations to its stakeholders and the community. It is essential that each employee involved with regulated air emissions, water discharges, hazardous materials, or other regulated pollutants know and comply with all applicable environmental laws and guidelines. IVDA employees and agents may not participate in concealing an improper discharge, disposal, or storage of hazardous materials or other pollutants.

### **Safety**

Employee and job site safety are of the highest priorities on all IVDA projects. Strict adherence to job site safety procedures, rules, and regulations in place at that location is required at all times. Each employee, contractor, or agent must be aware of the project safety program that incorporates all of the applicable health and safety laws and guidelines and follow all applicable procedures. When visiting construction sites, each employee is responsible for ensuring they are aware of the site specific safety requirements and that all reasonable safeguards and precautions are taken at the job site including the use of personal protective equipment. If any employee has any safety related concerns, he or she should report these concerns to the Executive Director.

## **ARTICLE 4**

### **UNIFORM FILING SYSTEM**

Below is the uniform filing system that was developed for capital projects of the IVDA. The needs of each project will be different, so the categories listed below should be reviewed, reduced, or expanded based on respective project requirements when establishing the filing system.

### **IVDA Project Filing System**

#### **1.0 PROJECT LEGAL**

- 1.1 Grant Application (if applicable)
- 1.2 Financial Assistance Award (if applicable)
- 1.3 Legal Reviews
- 1.4 Environmental
- 1.5 Special Conditions
- 1.6 Land Acquisitions
- 1.7 Right-of-Way

- 1.8 IVDA Approvals
- 1.9 Public Meetings
- 1.10 Architect/Engineer Agreement
- 1.11 Other Consultant Agreements
- 1.12 Staff Reports
- 1.13 Government Performance and Results Act (GPRA)/ Quarterlies (if applicable)

## **2.0 PROJECT MANAGEMENT**

- 2.1 Architect and Engineer (A/E) and Construction Management (CM) Selection
- 2.2 Plans & Specs
- 2.3 Project Reports
- 2.4 Project Budget
- 2.5 Design Meeting Minutes
- 2.6 Construction Meeting Minutes
- 2.7 Correspondence
- 2.8 Photos/Maps
- 2.9 Miscellaneous

## **3.0 BID & AWARD**

- 3.1 Advertisement
- 3.2 Bid Documents
- 3.3 Request for Bidder's Information (RFBI's)
- 3.4 Addendums
- 3.5 Pre- Bid Walk
- 3.6 Plans Holders and Vendors Lists
- 3.7 Results and Recommendations
- 3.8 Notice of Award/Proceed
- 3.9 Correspondence

## **4.0 CONSTRUCTION**

- 4.1 Executed Contract(s)
- 4.2 Submittals
- 4.3 Project Schedules
- 4.4 Request for Information (RFI's)
- 4.5 Requests for Change Orders
- 4.6 Change Order(s)

- 4.7 Payment Requests
- 4.8 IVDA Approvals
- 4.9 Lien Notices
- 4.10 Correspondence
- 4.11 Furniture Fixtures and Equipment (FF&E)
- 4.12 Photos

## **5.0 CLOSE-OUT**

- 5.1 Punch Lists
- 5.2 Photos
- 5.3 Final Acceptance Report
- 5.4 Notice of Completion (NOC)
- 5.5 Warranties/As-Builts
- 5.6 Operations and Maintenance (O&M) Manuals
- 5.7 Lien Releases
- 5.8 Certificate of Occupancy/Inspection Permits

## **CHAPTER 2 – PROJECT DEVELOPMENT PROCESS**

### **ARTICLE 1**

#### **CAPITAL PROJECTS PLAN**

In 2015, the IVDA adopted a Strategic Plan (the “Strategic Plan”). The Strategic Plan codifies a forecast and allocation of resources for projects and programs that are necessary based on the market-based and operational needs of the IVDA, its project area, and in furtherance of its military base reuse Airport obligations. The IVDA Capital Plan consists of all projects included in the five-year and ten-year Strategic Plan elements which are categorized through five primary strategic priorities, as originally set forth in the IVDA Redevelopment Plan, as amended (hereinafter referred to as “Capital Plan”). These core strategic priorities serve as a roadmap, which will be updated within the 2014/15 evaluation and review period of the Strategic Plan and Capital Plan, and in furtherance of achieving military base reuse goals and obligations. The five primary strategic priorities set forth in the current Strategic Plan are as follows:

- San Bernardino International Airport
- Infrastructure
- Economic Development
- Environmental
- Housing

When it has been determined that a project will be included in the Agency’s Capital Plan and annual capital budget, the project can then be funded using various funding mechanisms.

### **ARTICLE 2**

#### **PROJECT SELECTION**

Based on the obligations and needs of the IVDA, projects are selected from the five-year and ten-year horizon of the Capital Plan, which includes specific funding obligations to the San Bernardino International Airport Authority, a duly formed, recognized, and separate public joint powers authority (“SBIAA”). Projects are selected based on a priority assessment for inclusion in the Capital Plan, and submitted to the Executive Director and the IVDA Board for consideration through the annual budget process, as follows:

- Projects for Economic Development and Job Creation
- Projects that Enhance Aeronautical Operations and Help to Create a Safe and Sustainable Public Airport
- Projects that Include Required or Preventative Maintenance for existing facilities pursuant to Base Reuse Obligations
- Projects that Achieve Job Creation, Economic Development, Airport Development, or Regional Benefits through Direct, Indirect, or Regional Grant Opportunities.

When it has been determined that a project will be selected for implementation, from the Capital Plan, funding for the project must be secured. Once a funding source has been identified, the project should be recommended for inclusion in the IVDA's annual budget, mid-year budget, or project-specific appropriation. In many cases, the project may be funded using various funding mechanisms, which include Federal, State, and Local grants, IVDA Successor Agency Redevelopment Property Tax Trust Funds (RPTTF), IVDA Joint Powers Authority (JPA) revenues, inter-agency, inter-governmental agreements, and other legally available funds.

### **ARTICLE 3**

#### **PROJECT FUNDING**

Several funding sources are available to the IVDA, including inter-agency agreements, development contracts, Joint Powers Authority Revenues, base reuse funds, proceeds from taxes, and the use of local, state, and federal grants. The IVDA also serves as the Successor Agency for all matters related to redevelopment funds as defined in existing State statutes (as set forth below). See Appendix II for requirements relating to Federal EDA funded grant projects, which are currently recognized funding and reporting sources.

In 2011 and 2012, the State of California adopted ABX1 26 and subsequently AB 1484, which may result in dissolution of approximately 400 State of California Redevelopment Agencies (RDA's). IVDA has previously filed litigation with respect to the applicability of these statutes as they pertain to the IVDA and have since obtained concurrence from the State of California, Department of Finance (DOF), with regard to the continued existence of the IVDA as a duly formed and existing public military base reuse joint powers authority. In recognition of the on-going discussions with DOF, the IVDA has continued to serve in the capacity of Successor Agency to the IVDA with respect to exercise of its redevelopment powers, and has continued to comply with all applicable requirements of ABX1 26 and AB 1484 pursuant to its stipulation with DOF and others. Any additional changes in State of California law governing agencies with similar functions which have or have had redevelopment powers may further determine future project planning and selection methods of the IVDA.

Entities subject to ABX1 26 and AB 1484 compliance are required to prepare and to submit recommended actions to a duly established Oversight Board for approval. Upon such Oversight Board approval, such actions are transmitted to the DOF and other responsible agencies. A periodic Recognized Obligation Payment Schedule (ROPS) using the DOF approved forms, which may be amended from time-to-time are also required for submittal for each six (6) month reporting interval. In furtherance of IVDA's Successor Agency related obligations as set forth above, the IVDA ROPS submittals are unique and identify projects that are currently underway and/or constitute binding contractual obligations of the IVDA, both in its roles as a military base reuse JPA and in its dual function as acting as Successor Agency to the IVDA. The Oversight Board of the IVDA (acting as Successor Agency) meets regularly and serves as an approving entity for each ROPS prior to submittal to DOF, the State Controller, the County Chief Executive Officer, the County Auditor-Controller, and other responsible agencies,

including the IVDA base reuse JPA. The first four IVDA ROPS were approved by the Oversight Board and DOF through December 31, 20134, with additional ROPS submittals required every six (6) months thereafter. Once approved by the Oversight Board of the IVDA (acting as Successor Agency), the DOF has ultimate responsibility for review and approval of each ROPS. In the event that specific items are questioned or rejected by DOF, current statutes provide for a Meet and Confer process, whereby the IVDA can address DOF staff directly regarding disputed items.

Each of the projects identified in the IVDA Strategic Plan (and Capital Plan) are considered to be enforceable obligations to achieve successful base reuse and have been or will be identified in the IVDA's ROPS or other agreements. The Executive Director of the IVDA will continue to inform the IVDA Board and other responsible agencies regarding the pending litigation, updates to State legislation, and projects approved through the ROPS process as applicable to the IVDA.

### **CHAPTER 3**

#### **DESIGN PHASE DEVELOPMENT**

##### **ARTICLE 1**

##### **PROFESSIONAL SERVICES SELECTION PROCESS**

Once a project has been selected through the Project Funding Process, as set forth above, the procurement of professional services may be required. Examples of professional services which may be procured include: planning, preliminary design, detailed design preparation of construction plans and specifications, engineering, survey, construction management, geotechnical, entitlement, or environmental services.

##### **SECTION 1.01 WRITTEN SOLICITATION FOR PROFESSIONAL SERVICES**

The IVDA uses written selection procedures for solicitation and procurement of professional services by the Development and Properties staff preparing the Request for Qualifications (RFQ) or Request for Proposals (RFP)). These written procedures shall ensure that all solicitations:

1. **FOR THE PROCUREMENT OF PROFESSIONAL SERVICES:** Incorporate a clear and accurate description of the Professional Services being procured. The Scope of Work (SOW) includes the projects objectives, final use or a broad summary of services to be provided.

**FOR THE PROCUREMENT OF MAINTENANCE EQUIPMENT, MATERIAL OR SERVICES.** Staff shall prepare a detailed SOW detailing the technical requirements for specific materials, products, or services being procured. Such descriptions shall not, in competitive procurements, contain features that unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured, and when necessary, shall set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "a minimum of three brand names or equal" description may be used as a means to define the performance or other salient product requirements. The

specific features of the named brand which must be met by offerors shall be clearly stated; and;

2. Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

All procurement solicitations cannot prohibit the use of statutorily or administratively imposed in-State or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. When contracting for architectural and engineering (A/E) services, geographical location may be a selection criteria provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

The following steps should be followed when preparing a solicitation for professional services:

- A scope of work is prepared by IVDA staff.
- Each solicitation for services (RFP/RFQ or Instruction to Bidders) shall include a detailed outline of the selection method being used on each project. Due the complexity and variables on each project, this process may differ slightly based on project specifics and sources of funding.
- IVDA Staff prepares solicitation (Request for Qualification (RFQ) or Request for Proposals) to select an Architect Engineer or consultant using a sample format previously approved by our legal counsel.
- Deputy Director Development/Properties reviews the solicitation.
- If required, a copy of the RFQ is emailed to the regulatory or co-applicant agency for review and approval.
- If the services being solicited are expected to exceed the \$150K limit set forth in the purchasing procedures, IVDA staff prepares a Board Action (staff report) to request authorization to advertise solicitation. (Board Meetings are held every 2nd Wednesday of the month). The limit noted above is consistent with the EDA (2 CFR Part 200) requirements for expedited purchase of materials or services.
- IVDA Board approves the RFQ and authorizes IVDA staff to go out to advertise the project.

#### **SECTION 1.02 ADVERTISEMENT**

Procurement solicitation by means of formal advertisement and sealed proposal is required on all contracts over \$150K. The solicitation should appear in publications of general circulation a minimum of four (4) times within a 30-day period prior to the opening of solicitation response. Additional circulation of the solicitation is encouraged if it is necessary to obtain the additional coverage needed to secure competitive bids.

The advertisement should include the following:

- Project description, project specifics, and special requirements.
- Date of pre-proposal conference.



- RFP/RFQ or Bid opening date.
- Location and method of obtaining bid documents.
- Any other information deemed pertinent to competitive solicitation.

Staff submits advertisement to the Clerk of the Board/ Director of Information Services (“Clerk of the Board”) for review and approval. The Clerk of the Board reviews/ verifies their availability for dates stated, and approves publication.

Staff submits advertisement through the respective publication(s)’ website(s).

The advertisement is run in a minimum of two (2) local newspapers for a minimum period of four times in 30 days. The submittal deadline for the ad is three (3) days before ad run date. The solicitation packet along with all Architect/Engineer (A/E) requirements are posted on the IVDA website on the day the ad starts. A copy of the advertisement is also faxed to prospective consultant engineers that may have a specific desired capability or satisfactory history providing general engineering services. The advertisement period noted above is consistent with EDA advertisement requirements.

### **SECTION 1.03 PRE-PROPOSAL MEETING**

Depending on the specifics of the project, a Mandatory or Non-Mandatory Pre-Proposal Meeting can be specified. See Appendix II for EDA requirements. The pre-proposal meeting is held while the solicitation is being advertised. The date and location of this meeting shall be included in the advertisement. If the date of this meeting is changed, an addendum must be posted on the IVDA website and if applicable, sent to any current plan holders. At the meeting, the project team should discuss the project specifics and if necessary conduct a job walk. Requests for bidder information (RFBI) received at the meeting are submitted to the IVDA (or its selected representative) in writing and published on the IVDA website.

### **SECTION 1.04 ADDENDA**

Any changes or clarifications to the solicitation (RFP, RFQ, and Instruction to Bidders for construction or maintenance project), or bid documents (plans and specifications) must be made via an addendum to the original documents. The addendum/addenda shall be posted on the IVDA website. Any significant changes in the project specifications or scope of work must be made seventy-two (72) hours prior to the advertised solicitation (RFP, RFQ, and Instruction to Bidders) opening date. If any addenda are issued within seventy-two (72) hours of the opening date, the date of the opening must be extended.

### **SECTION 1.05 RECEIVING PROPOSALS**

Proposals are received by the Clerk of the Board on the due date indicated in the solicitation. The received proposals are dated and time-stamped to insure compliance with the solicitation. The proposals are also entered into a log by IVDA Staff with the Manager of Capital Projects, Clerk of the Board and IVDA staff, or other designees as witnesses. Any proposal received after the date and time indicated in the solicitation are returned, un-opened to the company representative. If a public opening is being conducted or is required, the Clerk of the Board, Deputy Clerk of the Board, Staff Analyst, Project Manager, and Manager of Capital Projects, or other designee (serving as witnesses) will gather the interested public once all proposals are received. The Clerk of

the Board will then open the proposals with the public present and read the names and proposal amounts received from each firm. If no public opening is required, the Clerk of the Board turns proposals over to the Manager of Capital Projects or their designee once received and logged. The Manager of Capital Projects gives proposals to IVDA staff to enter them into a matrix noting whether minimum qualifications have been met. Such matrix is subject to further review by IVDA Staff.

See Appendix II for EDA Funded project requirements for solicitation openings.

#### **SECTION 1.06 CONSULTANT SELECTION AND NEGOTIATIONS**

Each solicitation for services (RFP/RFQ or Instruction to Bidders) will include a suitably detailed description of the selection method being used on each project. Due the complexity and variables on each project, this process may differ slightly based on project specifics and sources of funding. A typical selection process is as follows:

Once the proposals are received and reviewed for compliance with the solicitation, a selection committee is formed with a minimum of three (3) members. For the purposes of this Construction Procedures Manual, the term “selection committee” shall refer to a multi-jurisdictional group of professionals, which are always intended to include, wherever feasible and practicable, a combination of IVDA Staff and other joint powers authority member entity staff, or other responsible agency professional participants possessing expertise in projects of a similar nature. In some cases, specialty third-party consultants can be employed to assist the IVDA as participants in the selection committee functions. Based on selection committee reviews and evaluations, the proposals found to be in compliance with the minimum requirements set forth in the solicitation are then reviewed by the selection committee. The selection committee will grade each proposal based on a series of pre-established and published parameters outlined in detail within in the solicitation. Based on the evaluation of each member of the selection committee, a shortlist of the top-qualified firm(s) will be formed. The shortlisted firms are then requested by IVDA to participate in an interview for the services solicited. Each interview is to last approximately 45 minutes to an hour and will cover a brief presentation by the shortlisted firm followed up with a question and answer session with the selection committee. Generally, a list of questions will be distributed to each shortlisted firm prior to the interview, and additional questions will be asked by the selection committee at the interview. Each member of the selection committee will rank the firms based on their respective assessments of the candidate interviews.

Once interviews are completed, the selection committee will meet and discuss the individual rankings of each firm. The highest- ranked firm will be selected to and offered an opportunity to enter into negotiations. If two or more firms are ranked highest by the selection committee, or if further evaluation is needed, the firms may be asked to provide additional information such as a cost proposal or estimate for the solicited work. The selection committee will then select a firm to enter into negotiations based on the best value that that firm represents for the IVDA and the project in question. For professional services solicitations, determining criteria can be qualifications, price, or a combination of the two, the sum of which shall represent the greatest value proposition to the IVDA for the respective project, as determined by the process set forth above. Once negotiations are reached with the selected firm with respect to contract terms and

conditions, the selection is recommended to the Deputy Director Development/Properties and to the Executive Director for approval. If negotiations are not successful with the top ranked firm, the IVDA may choose to either enter into negotiations with the then next ranked firm, or may elect in exercise of its discretion to reject all proposals and re-issue a solicitation for the same or similar services.

### **SECTION 1.07 APPROVALS**

Once negotiations have been completed and the Executive Director has concurred with the selection, IVDA staff will prepare an IVDA Board action (a Staff Report along with supporting documentation) recommending approval of the award to the selected firm. If the IVDA Board approves the award, a contract will be drafted for legal counsel review and concurrence. The Project Manager will then issue the approved form of contract documents to the selected firm for execution. Once the signed contract documents are returned, along with all bonds and/or insurance certificates, and other assurances, the contract is then executed by the Executive Director, and a copy of the executed contract is submitted to the Clerk of the Board/Director of Information Services, and to consultant/contractor.

Any approved changes to the scope of services provided by or modifications to the time in which work is to be completed by the consultant or professional services provider are referred to as a Contract Amendment. All proposed Contract Amendments, regardless of the project-funding source, must first be submitted for review and approval by the Executive Director of the IVDA. Any increase or change in scope of services or time in which work is to be completed, on a per phase or per contract basis, requires submittal of a request for Contract Amendment and is subject to review and approval by Executive Director of the IVDA. The request for Contract Amendment should include a detailed explanation for the change, a break out of labor and materials, including a summary of invoices for materials or equipment, and all necessary supporting statements, including labor estimates for the proposed additions to scope.

See appendix II for EDA requirements regarding A/E Contract Requirements and Approval.

## **ARTICLE 2**

### **PROJECT ENTITLEMENT**

For the purposes of this manual, “project entitlement” is defined as the permitting, approvals, and land acquisitions that may be required to complete the scope of a given project. While the entitlements are specific to each project, in general, environmental permitting compliance with the California Environmental Quality Act (CEQA) and/or the National Environmental Protection Act (NEPA) is required, along with permitting from other responsible or affected regulatory agencies. If the scope of the project is anticipated to be outside of existing public rights-of-way, easements, permits, franchises, or other property, acquisition of additional property rights may also be required. For

entitlements specific to EDA funded projects, including NEPA, please refer to Appendix II for these requirements.

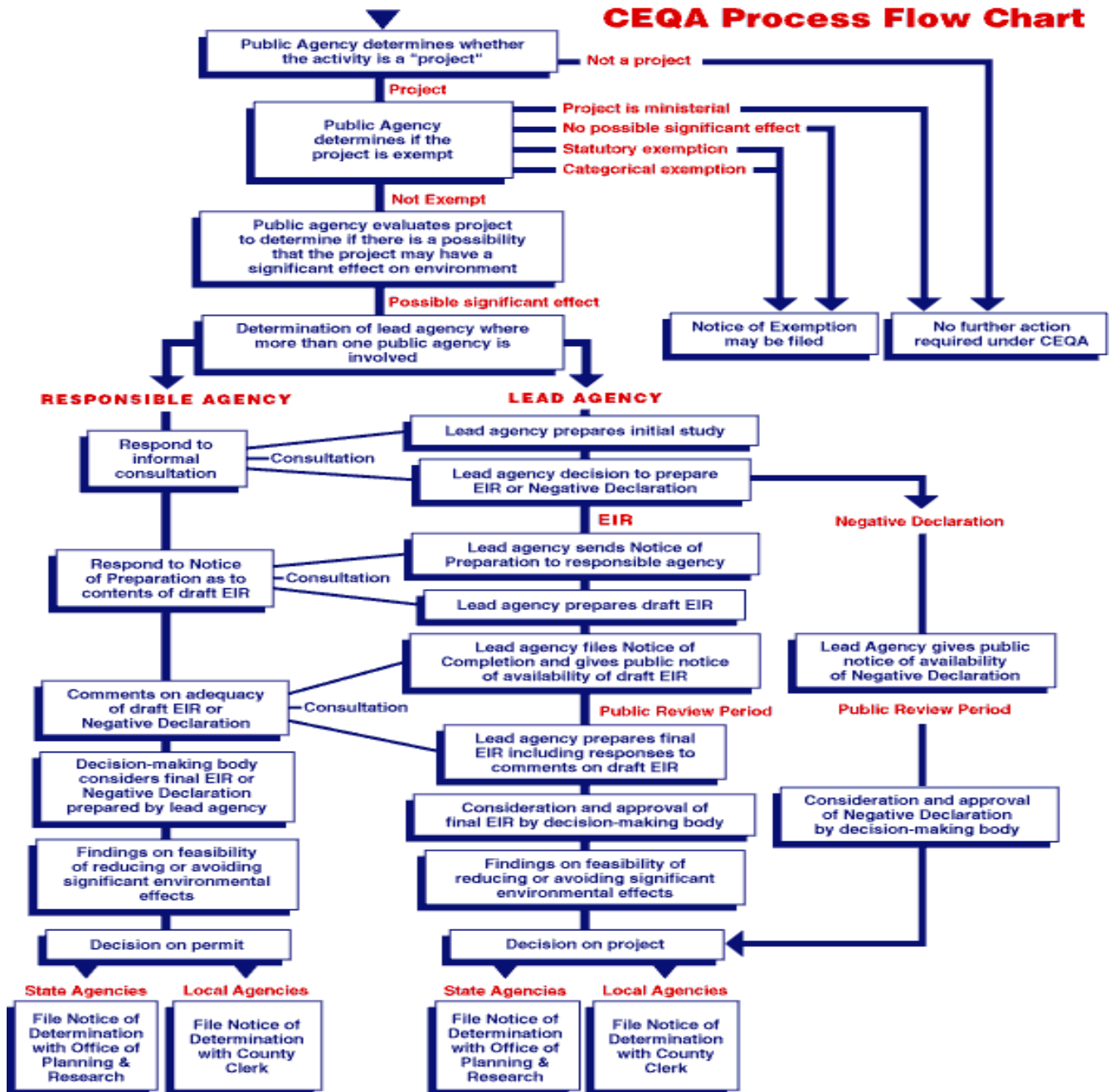
**SECTION 2.01 ENVIRONMENTAL PERMITTING**

All IVDA projects require compliance with the California Environmental Quality Act (CEQA). CEQA mandates actions that all state and local agencies must take to ensure environmental quality. Specifically, for any projects under CEQA jurisdiction with potentially significant environmental impacts, agencies and entities must identify mitigation measures and alternatives by preparing an Initial Study, indicating compliance through assessment for a Categorical Exemption, a Mitigated Negative Declaration, or an Environmental Impact Report, and must approve projects with feasible mitigation measures and the environmentally superior alternative, or in cases of an Environmental Impact Report, Statements of Overriding Consideration commensurate with the adoption of any official actions and adoption of specific findings. The California Resources Agency promulgates the CEQA Guidelines, and the California Code of Regulations Title 14 § 15000 et seq. detail the protocols by which state and local agencies comply with CEQA requirements.

The lead agency on the project is responsible for coordinating the CEQA process for the project. When more than one agency is involved in a project, the agency with primary responsibility for approving and or funding the project will assume the lead agency role for purposes of following the CEQA protocols. On projects where the IVDA is the lead agency responsible for environmental permitting, a consultant may be employed to manage this process. Refer to section 1.01 of this chapter for procurement requirements when soliciting an environmental consultant.

Below is a sample CEQA flow chart for reference:

# CEQA Process Flow Chart



## **SECTION 2.02 Property Acquisition, Easements, and Right of Way**

An easement is a certain right to use the real property of another without possessing it. An easement is considered as a property right in itself, at common law, and is treated as a form of property ownership in most jurisdictions. The rights of an easement-holder vary substantially among jurisdictions. IVDA projects often deal with easements, also referred to as rights-of-way. However, any of the three types of easements listed below may be applicable to a given project, depending on a project's specific parameters:

- Right-of-way (easements)
- Temporary Construction Easements / Rights of Entry (ROE)
- Easements of support (pertaining to excavations)
- Easements of "light and air" or "Aerial Easements"
- Avigation for SBIAA

If the scope of a project is not within property that is owned by the IVDA or within existing easements, acquisition of portions of the property or an easement may be required. This can be achieved through a negotiated sale with the property owner, or, depending on the project specifics and agencies having jurisdiction, can also be achieved using Eminent Domain (Condemnation). The term "condemnation" is used to describe the formal act of the exercise of the power of eminent domain to transfer title to the property from its private owner to the agency having jurisdiction for a qualified public purpose. Condemnation via eminent domain indicates the agency having jurisdiction is taking ownership of the property or some lesser interest in it, such as an easement or other property right. Once proper assessment of fair and just compensation is determined (following applicable laws requiring proper notice, coordination with legal counsel, title companies, and fair market value appraisals), the condemnation action can be filed. The property owner does have the right to challenge the condemnation procedure, so it is imperative that the rights and jurisdiction of the lead agency be established and confirmed prior to beginning the process. This process can be conducted by IVDA staff, depending on the specifics of the project and in coordination with legal counsel and proper authorization by the IVDA Board. However, a consultant is may be engaged to oversee this process and provide property acquisition services Refer to section 1.01 of this chapter for procurement requirements when soliciting a consultant and Appendix II for property acquisition, easements, and rights of way requirements on EDA Funded Projects.

## **ARTICLE 3**

### **PROJECT DESIGN**

#### **SECTION 3.01 DESIGN MANAGEMENT OVERVIEW**

The IVDA does not currently have the capability for in-house design. Therefore, management of the selected consultants during the design phase is critical to a project's success. Generally, once the design phase of a project begins, pre-design activities have been completed and basic project parameters, budget, and concepts have been established. As described in Chapter 2, these concepts and parameters have been put into a solicitation for A/E Services, and a consultant has been selected.

The Design Phase is the IVDA's opportunity to translate goals, requirements, and project parameters into defined spaces, structures, and systems. The Design Phase, and the resulting design documents, constitutes the bridge between the project team's ideas and the physical, three-dimensional reality of constructing the project.

As with most phases of a project-life cycle, clear communication during design is a key to success. Effective communication in the design phase needs to be open and orderly amongst all project team members. It is very easy to affect budget and schedule of a project with the decisions that are made during the design phase. For this reason, open and honest dialogue about the affects of those decisions and how they relate to the remaining project-life cycle are critical to the project's success.

### **SECTION 3.02 DESIGN KICK-OFF MEETING**

Design kick-off meetings are held to establish lines of communication, roles and responsibilities, and to set basic parameters and milestones on the project. During this meeting, the established project budget and schedule should be discussed in detail. Agenda and sign in-sheets should be distributed and retained for the project file. The consultant or IVDA Staff, as applicable, should record and issue meeting minutes from the kick-off meeting to all team members. In addition, future design progress meeting dates should be established in this meeting.

### **SECTION 3.03 DESIGN PHASE MEETINGS**

Meetings are an obvious means of communication on the project. The selected consultant (or IVDA Staff as applicable) will be required to organize, chair, and keep detailed minutes of these meetings.

Depending on the project, some of the meetings listed below can be combined based upon, project size, specific project needs, and dynamics. During the design phase, major meetings may include:

- Design kick-off meeting
- Design progress and schedule review meeting(s)
- Consultant coordination meeting(s)
- Plan check meeting(s) with regulatory agencies
- End-User meeting(s)

### **SECTION 3.04 DESIGN PROGRESS AND SCHEDULE REVIEW MEETING(S)**

Design Progress meetings are held to increase progress awareness, identify and resolve outstanding issues, and to update the entire project team on the project's progress. In addition, alternatives for various systems, components or materials, potential changes and their impact should be discussed. At a minimum, progress meetings should be held at each required design submittal. Design review meetings are held at each design submittal stage to confirm that the design meets scope parameters and to review design comments with the A/E. Typical design submittals are required as follows:

- SD - Schematic Design (30% Design)
- DD - Design Development (60% Design)
- CD - Contract Documents (90% Design)

The Design Progress meeting is a forum to evaluate the project specifications and A/E solicitation as defined in Chapter 2, and to ensure compliance with the design submittal requirements for each project. Additional meetings should be held on larger projects and as needed based on project specifics.

A project's schedule can be very fluid in the design phase, and it is important that schedule status be discussed at every meeting. If delays in the schedule occur, the entire project team needs to consider the impact of the delay on the schedule.

The consultant or IVDA Staff, as applicable, shall record and issue meeting minutes from the meeting to all team members. Meeting minutes must identify action items and assign resources, responsibilities, and deadlines.

### **SECTION 3.05 CONSULTANT COORDINATION MEETING(S)**

The A/E must have consultant coordination meetings to confirm that the various consultants' designs are coordinated in preparation for design progress meetings and overall project performance. IVDA staff participation in these meetings can be beneficial to ensure that coordination is taking place and provide our perspective. However, IVDA attendance at these meeting is not required and should take place on an as requested or as needed basis. It is essential that these meeting be conducted with the A/E and other project consultants to ensure that various disciplines are not in conflict in their design approach. Coordination meetings amongst consultants should be contractually required of all consultants regardless of IVDA attendance. The lead consultant (A/E or CM) should chair the meetings as well as take, and distribute meeting minutes to all team members.

### **SECTION 3.06 PLAN CHECK MEETING(S) WITH REGULATORY AGENCIES**

Obtaining regulatory agency approval is one of the least controllable aspects of project design and should also include concurrent permitting and status assessments with any affected public utilities. The IVDA should participate in preliminary design meetings with utilities, regulatory agencies and the A/E as show of solidarity and to be able to address any IVDA related questions that a regulatory agency may have. These meetings are often in addition to the architect's normal approach of holding review meetings upon document submittal and back-check review. The A/E is responsible to design the project according to the utility's and/or regulatory agency's requirements. The A/E should chair these meetings with the IVDA in attendance only in a support and informational role. The A/E should record and issue meeting minutes from the meeting to all team members. Meeting minutes must identify action items and assign responsibility and deadlines.

### **SECTION 3.07 END-USER MEETING(S)**

In the Design Phase, it should be contractually required that the A/E and project consultants hold meetings with the individuals that will be using the facility for their design input. The team should present design solutions for the end-users to review. If the end user is not IVDA or SBIAA (3<sup>rd</sup> party end-user), it is imperative that input of the end user be incorporated into the project. The given parameters of scope/quality, schedule and cost must be adhered to when meeting with third party end users, as these users may or may not be responsible for the project budget (i.e. amortized or pre-paid). The lead consultant (A/E or CM) should record and issue meeting minutes from the meetings to all



team members. Meeting minutes must identify action items and assign responsibilities and deadlines.

## **CHAPTER 4 – CONSTRUCTION PROCUREMENT**

### **ARTICLE 1**

#### **IVDA PURCHASING PROCEDURES**

All procurement for goods or services using public funds must follow California competitive bidding requirements and IVDA Purchasing procedures. The applicable section of these laws and regulations and IVDA Purchasing Procedures should be reviewed with IVDA staff consistent with guidance from IVDA legal counsel before entering into the procurement phase of the project. The public works competitive bidding laws are intended to eliminate favoritism, fraud, and corruption in the awarding of public contracts. The only work that is presently exempted from competitive bidding under California law includes emergency work, small contracts, and specialized personal services. In any instance of question or concern, IVDA Counsel should be consulted and should confirm the proper course of action prior to proceeding with the project.

The Purchasing Procedures is a separate manual adopted annually by the IVDA Board. These procedures should be followed for the procurement of all materials and services. However, depending on the funding source, additional procurement requirements may need to be followed. See Appendix II for specific procurement procedures for projects funded by the EDA.

### **ARTICLE 2**

#### **PROJECT DELIVERY METHOD SELECTION**

The specifics of a project, such as funding, time frame, or scope of work, may dictate the delivery method selected. However, this may also be dictated by the funding type or entity with jurisdiction, as some project delivery methods are not allowed by all agencies. For this reason, unless prior approval from the Executive Director is granted, only the traditional Design./Bid/Build, Construction Manager at Risk or Design Build project delivery methods should be used on IVDA projects.

#### **SECTION 2.01 DESIGN BID BUILD (TRADITIONAL)**

In the traditional method, commonly referred to as design-bid-build, the IVDA would contract directly with an architect or engineer (A/E) to produce design documents. This project delivery method is used to complete 99% of all projects where the IVDA is the lead agency. There are three main sequential phases to the design–bid–build delivery method:

- The design phase
- The bid and award phase
- The construction phase

In this method, the IVDA commonly has design input on the design documents and provides approval at the 30%, 60%, 90%, and final design phases. All regulatory permits and right-of-way acquisition that are required on the project would take place during the design phase either by IVDA staff, a sub-consultant of the A/E, or by other consultants contracted directly with the IVDA. Once design is complete and all permits are in place, the project would publicly bid and awarded to the lowest responsive bidder. The project would be built based on the design that was published for bid and any changes to that design during construction would be at an additional cost to the IVDA.

### **SECTION 2.02 CONSTRUCTION MANAGER AT RISK**

The Construction Manager at Risk (CMAR) delivery method entails a commitment by the Construction Manager to deliver the project in its entirety with a Guaranteed Maximum Price (GMP). The GMP is a price agreed upon by the IVDA and the Contractor after a competitive solicitation by the IVDA. The GMP is a maximum dollar amount, not a minimum, for the Scope of Work related to both pre-construction services and construction services.

CMAR is a project delivery method, which entails a commitment by the construction manager, or management team, to deliver the project within a Guaranteed Maximum Price (GMP). The management entity will act as the consultant to the IVDA in the pre-construction phase including portions of the development and design phases, but serves as the equivalent of a general contractor during the construction phase. In addition to acting in the owner's interest, the construction manager will manage and control construction costs to not exceed the GMP. A Pre-Qualification Program is required in the event that the IVDA elects to use the CMAR delivery method.

The CMAR entity is competitively procured in addition to following the guidelines established by CalTrans for this delivery method. This will be accomplished by issuing a Request for Qualifications (RFQ) seeking competent firms for these services. Once the firms are vetted through a qualifications only based review, the top ranked firms will be asked to provide a (GMP) for the specified services. The firm that is most qualified, with the lowest GMP will be recommended by IVDA staff for award of the project.

### **SECTION 2.04 DESIGN BUILD METHOD**

This method is the classic design build method where the Engineering/Architect is responsible for the design and also the construction. This method is only to be used where there is an extremely short time period imposed upon the project, or the work is so highly specialized that there is only one provider available.

### **SECTION 2.03 ALTERNATE PROJECT DELIVERY METHODS**

While the IVDA has considered the use of alternate project delivery methods, only the Design Bid Build, Construction Manager at Risk and Design Build methods are currently employed. As new methods are considered, the specific procedures would be brought to the IVDA Board. If approved, these updated procedures will be documented and included in future revisions to this manual, as appropriate.

## **ARTICLE 3**

### **PROCUREMENT/SELECTION**

#### **SECTION 3.01 ADVERTISEMENT**

Once approved by the Board, IVDA Staff will prepare a “Notice Inviting Bids” for publication. The advertisement should include the project specifics, date of non-mandatory pre-proposal conference, bid opening date, location and method of obtaining bid documents, and any other information deemed pertinent to competitive solicitation. IVDA staff is required to submit the advertisement to the Clerk of the Board for review to certify that the advertisement is technically correct and consistent with the action(s) of the IVDA Board.. During such review, the Clerk of the Board will also review and verify availability for dates selected. Once the Clerk of the Board certifies the advertisement, IVDA staff will establish a chronological file related to the project to serve as the official documents of record for the Clerk of the Board files. IVDA staff then submits the advertisement through each publication’s website. The advertisement should appear in publications of general circulation a minimum of four (4) times within a 30-day period prior to the opening of the Bid. Additional circulation of the “Notice Inviting Bids” is encouraged if needed to obtain the coverage necessary to secure competitive bids. The “Notice Inviting Bids” is also posted to the IVDA website.

#### **SECTION 3.02 BID MARKETING**

While the project is “out to bid” potential bidders should be notified of the opportunity. This is commonly referred to as “bid marketing.” California public bidding laws are based on the concept of a “level playing field” wherein all bidders have exactly the same data upon which they base their bids. It is essential that all bidders receive the same information at the same time. For this reason, a single point of contact must be established to field all questions and disseminate information to prospective bidders. This person may be a selected IVDA staff member or an IVDA consultant (Project A/E or CM). Generally, the A/E or CM will take the lead in bid marketing and may be designated by IVDA staff to field questions from potential bidders.

Other than the formal advertisement and posting on the IVDA web site, the prospective bidders listed on the IVDA vendor list should be sent an email or fax of the “Notice Inviting Bids.” The IVDA vendor list is not a list of pre-approved vendors, rather a listing of firms that have previously proposed on specific types of IVDA projects, or firms that have expressed interest in being included on such list for future bids or proposals. All questions from prospective bidders must be submitted in writing, in the form of a Request for Bidder Information (RFBI). Responses to the questions will be in the form of an addendum and are distributed to all current bidders along with all future plan and specification requests, and made available on the IVDA website.

#### **SECTION 3.03 PRE-BID CONFERENCE**

The purpose of the pre-bid conference/job walk is to acquaint prospective bidders with the overall project scope, team members, project site, and to highlight any unique aspects, features or contract requirements. Generally, IVDA projects require a Mandatory Pre-Bid Conference to ensure that prospective bidders inspect the project site and have the same opportunity to develop questions and have those questions answered, either at or after the Mandatory Pre-Bid Conference. However, depending on the funding source and project

parameters, a non-mandatory pre-bid meeting may be desirable. See Appendix II for pre-bid conference requirements on EDA funded projects.

At the meeting, the project team should discuss the project specifics, and if necessary, conduct a job walk. Requests for bidder information (RFBI) received at the meeting are submitted to the IVDA (or its selected representative) in writing. The meeting agenda and sign-in sheet shall be posted on the IVDA website for public viewing.

### **SECTION 3.04 ADDENDA**

The objective of the addendum process is to provide a method of incorporating additional information into the bid documents after the bid documents are published but prior to the bid, then disseminating this additional information to all plan holders. Additional information may need to be added to the bid documents as a result of questions from bidders, last minute design or administrative changes, or because the A/E did not finish the work before publication of the bid documents. Any changes or clarifications to the solicitation (notice inviting bids) or bid documents (plans and specifications) or response to bidder questions must be made via an addendum (or addenda) to the original documents. The addendum/addenda must be issued to all current plan holders, posted on the IVDA website, and distributed with all future bid documents for the project. Any significant changes in the project specification or scope of work must be made seventy-two (72) hours prior to the advertised bid opening date. If any addendum/addenda are issued within seventy-two (72) hours of the opening date, the date of the opening must be extended.

### **SECTION 3.05 BID OPENING**

The objective of the bid opening process is to comply with all applicable rules and regulations of the IVDA and any other regulatory agency that is part of the project that may have special bid and award requirements. Bids are public documents that are generally required to be opened in a public forum and available to other bidders upon request. All IVDA staff present at the opening must remain neutral throughout the process. IVDA staff will not answer last minute questions and avoid casual contact with bidders. Proposals are received by the Clerk of the Board on the due date and at the time indicated in the solicitation. The bids are received and time stamped to insure compliance with the solicitation. The proposals are also entered into a log with the Clerk of the Board, Manager of Capital Projects, and related IVDA staff present as witnesses. Any bids received after the date and time indicated in the solicitation are returned, un-opened to the company representative submitting the proposal. If a public opening is being conducted or is required, the Clerk of the Board, Manager of Capital Projects and related IVDA staff (serving as witnesses) will gather the public once all proposals are received. The Clerk of the Board will then open the proposals with the public present and read the names and proposal amounts received from each firm. If no public opening is required, the Clerk of the Board turns proposals over to the Manager of Capital Projects once received and logged. For requirements on EDA funded projects, please refer to the EDA website.

### **SECTION 3.06 BID RECOMMENDATIONS/PROTESTS**

California public contract law requires that the contract be awarded to the lowest responsible bidder with a responsive bid. This requires the ranking of bidders to identify the lowest bid, determining whether the bidder is responsible, and determining whether the bid is responsive. If a bid does not comply with one of these points, the bid is no longer considered and an evaluation of the next lowest bid begins. In order to award the contract to the lowest responsible bidder with a responsive bid, the bid amount must be within the project's budget constraints.

In the event that an award recommendation cannot be made, all bids will be rejected. It is the responsibility of the selected IVDA staff, or IVDA consultant (project A/E or CM) to evaluate the bid and make a recommendation in writing for award or rejection. However, IVDA staff makes the final determination to accept or reject the consultant's recommendation and prepares a Board recommendation for award or rejection.

A bid protest must be filed within legal timeframes as specified in the Bid Contract Documents. Bid protests may result in re-bidding or incur other cost and scheduling impacts. A bid protest initiated by an unsuccessful bidder will usually be based on the responsiveness of a bid document, the responsibility of the successful or selected bidder, or the advertising and bidding process itself.

Upon receipt of a bid protest, IVDA Staff responsible for the project and IVDA legal counsel should be immediately notified, so as to evaluate the protest and assess the potential impact of the protest on the project's schedule and budget. For requirements on EDA funded projects, please refer to the EDA website.

### **SECTION 3.07 BOARD APPROVAL**

Once the bid evaluation process is complete, the bid protests have been cleared, and/or the protest period has passed, the recommendation for award will be presented to the IVDA Board for review and approval or disapproval. IVDA staff will prepare an IVDA Board action recommending approval of the award to the selected firm(s).

The following information will accompany the IVDA Board recommendation:

1. Original solicitation
2. Affidavit of advertisement.
3. Bid Log
4. Protest (if any)
5. Recommendation

Once reviewed and approved by the Board, the Project Manager will issue the contract documents in the form approved by IVDA legal counsel for that project to the selected firm for execution. The contract must be executed within a specific period after the notice of award is issued. IVDA staff will refer to the Contract Documents and Bid Documents for this period as it may vary on each project depending on the funding source and regulatory agencies involved. For requirements on EDA funded projects, please refer to the EDA website.

Any approved changes to the scope of services provided or time in which work is to be completed by the consultant or professional services provider are referred to as a Contract Amendment. All proposed Contract Amendments, regardless of the project-funding source, must first be submitted for review and approval by the IVDA. Any increase or change in scope of services or time in which work is to be completed, on a per phase or per contract basis, requires submittal of a request for Contract Amendment and is subject to review and approval by IVDA. The request for Contract Amendment will include a detailed explanation for the change, a break out of labor and materials, including a summary of invoices for materials or equipment, and all necessary supporting statements, including labor estimates for the proposed additions to scope.

## **CHAPTER 5 – CONSTRUCTION PHASE MANAGEMENT**

### **ARTICLE 1**

#### **OVERVIEW**

Success during the construction phase is enhanced by establishing and maintaining positive working relationships among the project team. IVDA, the contractor, the Architect and Engineer, and a variety of regulatory agencies are members of a typical project team. Each project team member has their own set of responsibilities and priorities on the project. Understanding the relationships and roles of each member will help the project team as a whole perform. The project team should work together toward the common objective of project completion and success.

This chapter is intended to be a guide through the Construction Phase outlining IVDA requirements, best management practices, and roles and responsibilities of key players during a typical Construction Project. For requirements on EDA funded projects, please refer to the EDA website.

### **ARTICLE 2**

#### **NOTICE TO PROCEED**

Once all bonds and insurance requirements are verified and accepted and the contract executed, a Notice to Proceed (NTP) is prepared by staff and includes the contract start date, duration (usually calendar days), and the completion date (See Chapter 1 Article 4 for a sample NTP). The dissemination of the NTP and contract are required to be delivered and executed in the specific timeframes set forth in the project specifications. IVDA staff must refer to the Contract Documents and Bid Documents for both of these dates, as they can vary on each project depending on funding source and regulatory agencies involved. IVDA staff must obtain the signature of the awarded firm on the NTP, retain a copy in the project files, and provide a copy of the executed contract and NTP to other team members, as needed. For requirements on EDA funded projects, please refer to the EDA website.

### **ARTICLE 3**

#### **CONSTRUCTION PHASE MEETINGS**

IVDA construction projects utilize formal Pre-Construction Meetings and weekly Progress Meetings to promote effective project communications. Other meetings, either formal or informal, are held as needed during the course of the construction period.

IVDA staff, or the selected consultant (project A/E or CM), will chair the meetings. The chair of the meeting is responsible for ensuring the meeting follows the established agenda, reviews general project issues prior to addressing individual concerns of the attendees, and allows time for attendees to bring up issues and provide the opportunity for additional input, as appropriate.

### **SECTION 3.01 PRE-CONSTRUCTION MEETINGS**

Pre-Construction meetings are scheduled soon after the award of contract and before the start of construction. The purpose of this meeting is to introduce the project team members to each other, to identify lines of communication, to clarify contract requirements and expectations, and to establish team goals.

IVDA staff, or the selected consultant (project A/E or CM), will chair the meeting. Typical attendees for this meeting are the contractor, the architect/engineer, regulatory agencies, and other key team members depending on project specifics. The Pre-Construction Meeting will be used to highlight and alert the Contractor to some of the critical early activities on which they must concentrate, such as:

1. Project Mobilization and Access
2. Development of the Critical Path Method (CPM) schedule
3. Developing critical submittals for long lead items

Standard agenda items for the Pre-Construction meeting include:

1. Organization and relationship
2. Communications
3. Weekly Construction meetings
4. Security Procedures
5. Safety – First Aid
6. Parking
7. Storage
8. Work Hours
9. Utilities and Services/Temporary Utilities
10. Field Office and Equipment
11. Inspections and Testing
12. Contractor's supervision
13. Construction Procedures Manual
14. Submittals/Shop Drawings and Long Lead Items
15. Substitutions
16. Clarifications
17. Change Orders
18. Inspection and Testing
19. Schedule Review
20. Scheduling and Payments

21. Record Drawings
22. Anticipated Start Date

### **SECTION 3.02 PROGRESS MEETINGS**

Construction projects utilize periodic progress meetings to review current progress, identify and resolve issues, and to enhance communication between project team members. These meetings are held on a weekly basis for the duration of the project but can be held at any interval needed based on project size, complexity, and specific requirements. IVDA staff or a selected representative (project A/E or CM) will chair these meetings and is responsible for recording meeting minutes. This meeting is attended by the IVDA representative, the Contractor, architect/engineer, the CM, and any other agency that may be involved with the project or required at that stage in the project. A meeting agenda should cover the following topics at a minimum:

1. Approval of previous meeting minutes
2. Safety
3. Construction progress update
4. Schedule review
5. Submittal review
6. RFI Status review
7. Coordination
8. Change Order review
9. Payment Status review
10. Review of agenda Items

The agenda may be expanded or rearranged to suit the individual project; however, standard topics such as approval of previous meeting minutes, construction progress update, schedule review, and safety should be discussed at each meeting. The agenda and meeting minutes should also include a responsibility column along with due dates. For a sample Progress Meeting agenda and minutes, please see Chapter 1, Article 4 of this manual.

## **ARTICLE 4**

### **PREVAILING WAGE AND CERTIFIED PAYROLL**

Prevailing wage is required for all construction undertaken for IVDA projects. For EDA requirements, please refer to the EDA website. Prevailing wage requirements apply to public works projects over \$1,000. The law does not permit jobs to be parceled in order to avoid the \$1,000 threshold. If the awarding body knows that total yearly project costs or projects awarded to the same vendor will exceed \$1,000, that vendor must be registered with the DIR as a public works contractor, and the contract for those projects should be registered using the PWC-100 form.

Prevailing wage rates change frequently, and the current rates at the time the project is bid should be listed in the project specifications. It is the prospective bidder's responsibility to account for any increases in the prevailing wage rate during the life of the project and include them in their bid. Current prevailing wage rates for the County of



San Bernardino can be found on the State of California Department of Industrial Relations (DIR) website.

Each Contractor must submit certified payrolls directly to the DIR for review. The IVDA Finance does require the collection of certified payrolls to accompany monthly pay applications. Additionally, awarding agencies are not required to submit the notice of contract award through DIR's PWC-100 system on projects that fall within the small project exemption. The small project exemption applies for all public works projects that do not exceed:

- \$25,000 for new construction, alteration, installation, demolition or repair
- \$15,000 for maintenance

### Awarding Body Responsibilities

- Register public works projects with DIR. Project registration must be completed within five days of awarding the contract.
- Obtain prevailing wage rates from DIR.
- Notify potential contractors that they must register with DIR and that the project is subject to enforcement by DIR.
- Require proof of public works contractor registration before accepting a bid or awarding a contract. To find actively registered contractors, use: Public Works Contractor Registration Search.
- Post or require contractors to post jobsite notices on public works requirements.
- Ensure that public works contractors pay prevailing wages and are in compliance with public works laws.
- Report any suspected public works violations to the Labor Commissioner.

For EDA requirements, please refer to the EDA website.

## **ARTICLE 5**

### **PAYMENT APPLICATIONS**

Vendors/contractors may submit payment requests on a monthly basis, or as needed, throughout the duration of the approved contract. Depending on the contract, payment requests should be submitted on a Schedule of Values (line item) basis, or in some cases, a pre-determined monthly value. In all instances, the vendor/contractor will be paid only for services and/or goods rendered at the time of the request. Vendors/contractors are generally allowed to submit monthly payment applications consistent with the payment schedule provide by the Finance Department. The contractor/vendor should submit the

pay application at least one week prior to the cut-off date to allow for review by either IVDA staff or the consultant.

Certified payroll reports are required for all payment applications for construction services (see Chapter 4, Article 4 for requirements). Payment applications will only be approved for payment when all requirements have been met, the work in question has been verified, IVDA staff or its authorized consultant (project A/E or CM) has approved the percentages listed on the application, and the requestor, Manager of Capital Projects, and Director of Finance have all signed the application request.

## **ARTICLE 6**

### **SUBMITTAL REQUIREMENTS**

The submittal process is intended to ensure that the product(s) specified in the bid documents are the same or equal to the listed product(s). Submittals are also used to select colors and finishes of products that were specified in the bid documents. Depending upon the field conditions, a specific finish may not be listed in the construction documents. In this case, the submittal process allows for the IVDA to select the appropriate finish. Generally, all IVDA construction contracts require the contractor to turn in submittals for approval prior to ordering or installing the product(s). The project specifications will dictate when submittals are required. Depending on the project size and complexity, submittals can be required as soon as ten (10) days after a Notice to Proceed is issued. The Project Specifications should describe when all submittals are required and what is to be specifically detailed. Projects will have submittals of various items required by the contract, and most will allow substitutions, subject to IVDA approval. Allowing substitutions can depend on the funding source or scope of the project. For requirements on For EDA requirements, please refer to the EDA website.

IVDA staff, or the selected consultant (project A/E or CM), are responsible for managing the submittal process effectively to help make the project successful.

## **ARTICLE 7**

### **RFI REQUIREMENTS**

The Request for Information (RFI) is a formal written method of communication between the Contractor, the Architect/Engineer, and IVDA staff to submit questions or request clarification on project specifics. During construction, RFIs are generated by the Contractor requesting a response to an inquiry. The inquiry may be for additional information, clarification related to the contract documents, or issues encountered in the field. A delay in the response or an unclear response to the RFI may prevent or delay the contractor from complying with their contractual responsibilities. RFI's are required by contract to be answered within a specific period upon receiving the request. The period for response can vary depending on the project size and complexity and can be found in the project specifications.

Because of the wide variety and complexity of contractor RFI's, an IVDA standard RFI form has been created and is recommended to be used on all construction projects. This

form can be found in Chapter 1, Article 4 of this manual and should be distributed to the contractor(s) at the pre-construction meeting or via the bid documents for their use throughout the project.

## **ARTICLE 8**

### **CHANGE ORDERS**

During construction of a project, after final construction contracts have been executed, the IVDA may change the plans, specifications, character or quality of the work of a project. Any change to a construction contract is referred to as a Change Order. The Change Order is the executed legal document that modifies a contract between the IVDA and the Contractor.

All proposed Change Orders, regardless of the project-funding source, must first be submitted for review and concurrence by the A/E and approval by the IVDA. Any increase or change in quantity or unit price that results in an overrun of the approved contract amount, requires submittal of a Change Order. If the Change Order is an alteration to the approved project's scope of work, the justification should include a detailed break out of labor and material including invoices for materials or equipment purchased or rented. The Change Order requests shall include all necessary supporting documents, including RFI responses, estimates, specifications, plans and whether or not a change in price or project time is involved.

Many construction projects are awarded with a contingency budget to accommodate minor adjustments to a project. If the form of contract approval (Contract or Purchase Order) included an approved contingency budget, the Change Order may be approved by the Executive Director (or designee), consistent with the IVDA Purchasing Procedures. A report regarding the approved Change Order is prepared for the Executive Director, documented in a Change Order Log, and forwarded to the IVDA Board as an informational item.

Change Orders for projects awarded without an approved contingency budget, or Change Order requests exceeding the approved contingency budget require review by the Executive Director and approval by the IVDA Board prior to execution. For EDA requirements, please refer to the EDA website.

### **SECTION 8.01 TIME AND MATERIAL CHANGE ORDERS**

A Time and Material (T&M) Change Order is one in which there is no pre-agreed lump sum price, and the cost is based on actual labor, material, and equipment utilized. This means that these expenses must be accounted for each day as they occur, in order to ascertain the cost of the change. In cases where a contract change requires the use of a T&M Change Order, it is prudent to only authorize the Contractor to proceed with a not-to-exceed amount. T&M Change Orders follow the same approval requirements as a typical change order. An effort should be made to have a not to exceed price negotiated prior to beginning the work. If a negotiated price cannot be reached, extreme care should be used to monitor the changed work to ensure that the contractor is not combining contract work with the change.

The following are three conditions that often require the use of T&M Change Orders:

1. When work is urgent and must be started immediately, such as correcting a safety hazard.
2. When work is urgent and must be started immediately, such as pre-ordering raw materials, or commencing work on other deliverables to maintain the project schedule, as determined by the Executive Director of the IVDA.
3. When work is encountered that is of unknown or indefinable scope, such as removal of unsuitable materials found during excavation or demolition.

### **SECTION 8.02 UNILATERAL CHANGE ORDERS**

When negotiations fail, the contract documents (in most cases depending on funding source) allow the IVDA staff to direct the Contractor to proceed at the IVDA estimated cost for the work, rather than as a time and material Change Order. Unilateral Change Orders may result in disputes and should be used as a last resort and avoided if possible.

However, if a unilateral change order has to be used, the contractor's signature is not required. The unilateral change order follows all the same approval requirements as a typical Change Order.

## **ARTICLE 9**

### **CONSTRUCTION SCHEDULES**

The schedule is an important tool that is available to the project team to manage the project. IVDA staff, or the selected consultant (project A/E or CM), is responsible for review and comment on the submitted project schedule. While all contractual requirements related to the schedule must be met, the project team should use judgment and perspective in using the schedule effectively. In addition to assigning dates to project activities, project scheduling is intended to match the resources of equipment, materials and labor with project work tasks over time. Good scheduling can eliminate problems due to production bottlenecks, facilitate the timely procurement of necessary materials, and otherwise insure the completion of a project as soon as possible. In contrast, poor scheduling can result in considerable waste, as laborers and equipment wait for the availability of needed resources or the completion of preceding tasks. The Project Specification must specifically detail any milestone dates or information for the Contractor to successfully build the schedule. The allowed number of construction days shall equal the number of days on the submitted schedule.

The most widely used scheduling technique is the critical path method (CPM) for scheduling software, often referred to as critical path scheduling. This method calculates the minimum completion time for a project along with the possible start and finish times for the project activities. IVDA staff may designate, from time-to-time, certain CPM media, which shall be included in the project specifications. .

Project schedules should be submitted within a specified time after the NTP is issued. The period for submitting the initial project schedule can vary depending on project size

and complexity. Schedule requirements such as initial schedule submittal date, schedule update frequency, and type of schedule, should be listed in the project specifications prior to bid. Scheduled updates should be required once a month (at a minimum) and should be submitted with payment applications.

## **ARTICLE 10**

### **INSPECTIONS**

Inspection is the primary means of ensuring that "quality assurance" and code compliance during construction is maintained. Quality assurance during construction can be defined as full compliance with contract documents. The contract documents detail the quality expected on the completed work. .IVDA staff should understand how the responsibilities of each team member relate to the regulatory requirements of each project. Each project will have different regulatory requirements from a variety of agencies. The contractor is contractually responsible for pulling permits with the various regulatory agencies prior to the beginning of construction and ensuring that the required inspections are performed. IVDA staff should also confirm the inspection requirements of each project during the Design Phase of the project and ensure that these requirements are addressed and responsibility assigned in the bid documents.

The Contractor is responsible for coordinating inspections by the local authorities. The project complexity may require obtaining the services of a third party inspection firm or by the A/E. The IVDA Project Manager shall determine quality assurance requirements and arrange to have the proper inspections completed.

## **ARTICLE 11**

### **PUNCH LIST**

When the contract is substantially complete, or at the appropriate time established by the IVDA, a "punch list" will be created by the project team. This is a list of any outstanding issues or minor deficiencies in the work that need addressing before the project is considered complete. The entire project team will meet at the project site and develop the list together in a systematic, well organized manner. The list will then be formatted into a spreadsheet with columns for completion dates, responsibility, comments, and signature. The list is then distributed to the responsible parties (contractors) to complete the items. IVDA staff must be intimately involved with this process as this is the last and final chance to ensure that the project was completed to the design intent and meets all the previously established contractual requirements. The project A/E or CM is responsible for verifying that each item has been satisfactorily completed. IVDA staff should verify all items in a second "completion walk" with the project team.

## **ARTICLE 12**

### **AS BUILT DOCUMENTS**

"As-built" documents are construction drawings and specifications that have been updated to reflect actual constructed conditions including all RFIs, Change Orders, and resolution of unanticipated conditions discovered during construction. As-built

documents are created to provide IVDA staff with a record of the final nature and details of construction and as a tool to use in the future when doing any work that may affect those then existing conditions. Having a set of accurate as-built documents may minimize Change Orders on future projects and facilitate in maintenance of the improvements in the future.

The responsibility for preparing and maintaining the as-built documents rests with the Contractor and the project Architect and Engineers (A/E). The Contractor is responsible for creating and updating the as-built documents during construction with review and acceptance by the A/E. The project A/E is responsible for taking the as-built set at the end of the project and transferring the updates to the CAD set of documents. If the as-built documents are not maintained during the progress of the project, the final set will probably not be a true finished work representation. The best way to ensure the Contractor maintains the as-builts is for the inspector to review the weekly construction progress and initial the changes. The Specification should also be specific that if the drawings are not kept current, the associated pay application will be delayed until the documentation is made current.

IVDA staff should emphasize to the Contractor the importance of maintaining the as-built documents, starting at the Pre-Construction Meeting. The project A/E is responsible for preparing the final sets of “as-built” documents. IVDA projects require a minimum of 4 sets of as-built and 1 copy of the updated CAD files on disk or in other suitable electronic media. However, this requirement can be changed based on project size and complexity. As-built requirements should be listed in the project specifications prior to bidding.

### **ARTICLE 13** **WARRANTIES AND MAINTENANCE**

All construction contracts require a form of warranties and maintenance manuals to be provided to the IVDA staff upon completion. The standard term is 12 months from the date of final acceptance. This applies to all work performed and equipment installed without exception. In addition to the standard 12-month warranty, additional warranties can vary depending on the scope of work performed or equipment installed. For example, a new roof warranty is typically 10-20 years, while a warranty on HVAC equipment might be 5 years. Maintenance periods can also vary based on the scope of work performed or equipment installed. Landscaping contracts are the only projects that usually have a mandatory maintenance period. However, maintenance terms can be added to any project. The project, A/E is responsible for specifying the warranty and maintenance information in the project technical specifications prior to bid.

They typical project has a one year warranty period. Good management practice requires a closeout meeting with the owner/occupant at the end of warranty period. The Contractor is required to make repairs to any deficiency found.

### **ARTICLE 14** **NOTICE OF COMPLETION**

Once a project is complete, the Notice of Completion process can begin. A Notice of Completion (NOC) is a legal document that publicly notices the completion and acceptance of the project. A NOC is filed and recorded with the County of San Bernardino and signifies that the IVDA has accepted the project. Usually, this also notifies the contractor that their retention (if any) that was withheld throughout the project can be released. However, before the NOC can be filed with the County, specific requirements must first be met. These requirements are as follows:

1. The project punch list is complete.
2. Final regulatory permits and certificates have been issued.
3. As-Builts have been received, verified, and approved.
4. All contractual disputes have been resolved and no claims are pending.
5. No labor disputes are outstanding with the contractor's performance on the project.
6. An Engineers Final Acceptance has been granted.
7. All Liens have been released on the project.
8. All warrantee and maintenance information required has been satisfied including training.