

Department of Transportation

D I R E C T I V E

D 51-30

Effective Date:

May 26, 1993

/s/ James Buss
Assistant Secretary for Operations

**Contracts for Highway Maintenance and
Construction Activities When
Administered by District Maintenance**

I. Introduction

A. Purpose and Scope

To provide guidance concerning the administration of highways maintenance and construction contracts for projects with a preliminary estimate not more than \$50,000.

Two other means to do such work not within the scope of this document but very closely related are state force work and state purchasing regulations. If a project is estimated at under \$30,000, the District Administrator (or delegatee) has the option to have the work done by state forces in lieu of a contract (see RCW 47.28.030).

For projects estimated under \$7,500, the less formal procedures in M 72-80, "Purchasing Manual," are an option; however, neither the estimate nor the accumulated contract cost may exceed \$7,500.

B. Supersession

D 51-30, "District Level Contracts for Highway Maintenance Equipment Rental Materials, Supplies, or Operating Services Under \$50,001," June 9, 1992

C. References

1. RCW 47.28.030, "Contracts--State Forces--Monetary Limits. . ."
2. RCW 47.28.050, "Call for Bids"
3. WAC 468-14-010, "Small Business and Minority Contracts"
4. WAC 173-14, "Permits for Developments on Shorelines of the State"
5. WAC 197-11, "State Environmental Policy Act (SEPA) Rules"
6. M 13-01-14, "Contract Administration and Payment System (CAPS) Manual"

7. D 27-02, “District Level Contracts . . .Construction Projects”
8. M 72-80, “Purchasing Manual”

D. Definition

SEPA: State Environmental Policy Act; see WAC 197-11

II. Rules

A. Maintenance—On State System (M-2)

1. In the administration of Maintenance—On State System (M-2), District Administrators are delegated authority and are responsible to award and execute contracts for the performance of work or to contract for furnishing equipment, materials, supplies, or operating services including the rental of equipment with or without operator, provided that:
 - a. the estimated cost of the contract is not more than \$50,000.
 - b. the district has validated the contractor's license number (Department of Labor and Industries [L&I] SCAN 321-6085).
 - c.1. for contracts estimated under \$7,500, telephone quotes from three or more local contractors are documented. If three contractors are not available locally, document why less than three quotes were obtained. DOT Form 520-001 “Contract Not More Than \$50,000” (Appendix 1) may be used to document the telephone quotes.

OR

- c.2. for contracts estimated over \$7,500, sealed bids are utilized; bids are solicited informally from three or more contractors. DOT Form 520-001 “Contract Not More Than \$50,000” (Appendix 1) is used as both the bid and the contract document.
 - d. a bid or performance bond is optional; the authority delegated to the District Administrator includes the authority to determine, on a case-by-case basis, when that option is used.
 - e. the Contract Administration and Payment System (CAPS) may be used to assign a contract number and to process payments. The CAPS system **must** be used if a bond, insurance or retainage is required.
2. Further delegation in writing is authorized.

B. Non-Interstate Preservation and Non-Interstate Bridges

1. In the administration of state funded highway construction projects in Program A, Non-Interstate Preservation, or Program H, Non-Interstate Bridges, District Administrators are delegated authority and are responsible to award and execute contracts for the performance of work or to contract for furnishing equipment,

materials, supplies, or operating services including the rental of equipment with or without operator, provided that:

- a. the work is categorically exempt as defined in the State Environmental Policy Act (SEPA) rules (see WAC 197-11).
 - b. the work is exempt from substantial development permit requirements as defined in the Shorelines rules (see WAC 173-14).
 - c. all the provisions given in Rules A1, A2, C, D, and E in this document have been applied.
 - d. the Contract Administration and Payment System (CAPS) must be used to assign a contract number and to process payment.
- C. If the lowest responsible bid exceeds \$50,000 by more than 20 percent, the district will:
1. reject all bids.
- OR
2. the District Administrator must advise the Assistant Secretary for Operations of the decision to award prior to the award and execution of the contract.
- D. The assignment of a contract number and, if and when applicable, all accounting and payment requirements in accordance with M 13-01-14, "CAPS Manual," is the responsibility of the district.
- E. Any necessary "change order" will be administered by the district within an accumulated contract cost of \$65,000. Outside this limit, change orders will receive the written concurrence of the Assistant Secretary for Operations.

III. Appendices

1. DOT Form 520-001, "Contract Under \$50,001"

8:Dir5

Appendix 1 DOT Form 520-001, "Contract Under \$50,001"



Contract Under \$50,001

**TO: WASHINGTON STATE
DEPARTMENT OF TRANSPORTATION
OFFICE OF DISTRICT ADMINISTRATOR**

_____, Washington

FROM:

In accordance with the provision of RCW 47.28.030, I will furnish the materials, supplies, equipment with or without operator, or operating services as described below and at prices given below:

Item No.	Description of Equipment and/or Material	Quantity	Unit	Unit Price	Amount
Total					

At _____ in _____ County, Washington, District No. _____

In compliance with RCW 39.12, the hourly minimum wage rates to be paid under this agreement are as follows:

WAGE RATE	FRINGE BENEFITS	CLASSIFICATION
_____	_____	_____
_____	_____	_____
_____	_____	_____

The State of Washington Standard Specifications for Road and Bridge Construction, current edition, except Sections 1-02, 1-03, 1-04, 1-09 and 2-04 are hereby incorporated in this agreement by reference thereto. Section 1-07.23(3) of said Standard Specifications (shall) (shall not) apply.

This work shall be completed in accordance with the provisions of Section 1-08 of said Standard Specifications within _____ working days.

The offeror agrees that the figure in the "Total" column (is a binding lump sum price for the work described herein) (is subject to the provisions of Section 1-02.3 of said Standard Specifications).

It is understood that the offeror is authorized to do business in the State of Washington and agrees to comply with the special provisions, attached hereto, of any, and all applicable Local, State and Federal Laws.

It is further understood that the agreement shall not be effective until such time as it has been accepted and signed by the District Administrator (or designee) and a copy thereof returned to the offeror.

The offeror agrees to release and to save and hold the State harmless from any and all causes of action, suits at law or equity, or claims or demands, or from liability or loss of any nature arising out of the performance of or failure to perform the terms of this agreement by the offeror, its employees or its agents.

It is further provided that no liability shall attach to the State by reason of entering into this agreement, except as expressly provided herein.

Accepted as Agreement No. _____ Date _____

**WASHINGTON STATE
DEPARTMENT OF TRANSPORTATION**
Duane Berentson, Secretary of Transportation

By _____
District Administrator or Designee Date _____

Print Name of Offeror

Address

Address

Telephone Contractor's Registration Number

Signature of Offeror Date