

MEMORANDUM

State of Alaska

Department of Transportation & Public Facilities
Statewide Design & Engineering Services Division

TO: Distribution

DATE: April 27, 2009

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FAX: 465-2460

TEXT TELEPHONE: 465-3652

FROM: Roger Healy, P.E.
Chief Engineer



SUBJECT: **Chief Engineer Directive-
Statewide Special
Provision for Highways
and Airports, ARRA
Reporting and Contract
Provisions**



Effective immediately, incorporate Statewide Special Provision ES 16 into all Highway construction projects with American Recovery and Reinvestment Act of 2009 (ARRA) funding.

~~ES 16~~ 107-1.05 Federal Aid Provisions. Requires the Prime Contractor to submit a
Should read- ES 17 Monthly Employment Report on Form 25D-1589, and to include
Required Contract Provisions in all subcontracts.

Effective immediately, incorporate Statewide Special Provision A 18 into all Airport construction projects with ARRA funding.

~~A 18~~ 70-05 Federal Provisions. Requires the Prime Contractor to submit a
Should read- A 15 Monthly Employment Report on Form 25D-1589, and to include
Required Contract Provisions in all subcontracts.

Effective immediately, incorporate Form 25D-1589 into all construction projects with ARRA funding.

Attachments: as noted in text

Distribution:

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SECTION 107-1.05

FEDERAL AID PROVISIONS

Add the following after paragraph two:

Monthly Employment Reports. Submit Monthly Employment Reports on Form 25D-1589. The Contractor shall submit both a hard copy with signed certification statement, and an electronic file copy in excel spreadsheet format, to the Engineer.

Each Monthly Employment Report is due at 5:00 pm five calendar days after the last Friday of the reporting month.

For each occurrence where a Monthly Employment Report is not submitted on or before the due date, the Department will deduct liquidated damages from the monies owed the Contractor in the amount of twenty-five hundred dollars (\$2,500). In addition to any damages for failure to report on-time, the Department will withhold one hundred percent (100%) of payment for all progress payments due the Contractor, until all Monthly Employment Reports which are due but have not been submitted are complete and delivered to the Project Engineer. No interest will be paid on amounts withheld due to Contractor's failure to submit Monthly Employment Reports on time and as required in this subsection.

Submit Monthly Employment Reports that include:

- Contractor's name and address.
- Reported Month: *mm/yyyy*.
- Certification Statement:
"Any intentional misrepresentation or omission made in connection with the attached Monthly Employment Report may be cause for suspension, a determination of non-responsibility on future bids, and may be cause for revocation of award, default, or debarment. The person or entity making the false statement or omission is subject to any and all civil and criminal penalties available pursuant to applicable state and federal law.

I certify the information contained in the attached Monthly Employment Report is true, correct, and complete. (Signature and printed name of the person preparing the Monthly Employment Report, and Date)"

Each month the Contractor shall provide all information required by the Form 25D-1589. Each Form 25D-1589 Monthly Employment Report shall include:

- Report Month: *the month and year covered by the report, as mm/yyyy. The reporting month includes the Saturday following the last Friday of the preceding month to and including the last Friday of the reporting month.*
- Contracting Agency: *"State"*
- Federal-Aid Project Number: *the federal-aid project number included on the title sheet of the plans.*
- State Project Number: *the AKSAS project number included on the title sheet of the plans.*
- Project Location: *"Alaska"*
- Contractor Name and Address: *The name and address of the Contractor, including street address, city, state, and zip code.*
- Contractor DUNS Number: *The Contractor's unique nine-digit number issued by Dun & Bradstreet. Followed by the optional 4 digit DUNS Plus number.*

- *Employment Data: The Contractor shall report the direct, on-the-project jobs for their workforce , and the workforce of all subcontractors, lower tier subcontractors, and owner-operators active during the reporting month. These jobs include all workers actively engaged in work on the jobsite or actively engaged in work directly related to the project occurring in the project office, in the home office or telework from a home or other alternative office location. This also includes any engineering personnel, inspectors, sampling and testing technicians, and lab technicians performing work directly in support of the project. This does not include material fabricator's, material suppliers such as steel, culverts, guardrail, and does not include engineering personnel, inspectors, sampling and testing technicians, and lab technicians employed by the Department or the Department's consultant. The form requests specifically:*
 - *Subcontractor Name: The name of each subcontractor, lower tier subcontractor, and owner-operator that was active on the project for the reporting month.*
 - *Employees: The number of project employees on the Contractor's workforce each month, and the number of project employees for each of the active subcontractors, lower tier subcontractors, and owner-operators for the reporting month. Do not include material suppliers.*
 - *Hours: The total hours on the specified project for all employees reported on the Contractor's project workforce that month, and the total hours for all project employees reported for each of the active subcontractors, lower tier subcontractors, and owner-operators that month.*
 - *Payroll: The total dollar amount of wages paid by the Contractor that month for employees on the project, and the total dollar amount of wages paid by each of the active subcontractors, lower tier subcontractors, and owner-operators that month. Payroll includes wages only, and does not include overhead or indirect costs.*
- *Prepared by:*
 - *Name: The person responsible for preparation of the form and their job title.*
 - *Date: The date that the Contractor completed the employment form. Reported as mm/dd/yyyy.*

ARRA Required Contract Provisions

Section 902 of the American Recovery and Reinvestment Act (ARRA) of 2009 requires that each contract awarded using ARRA funds must include a provision that provides the U.S. Comptroller General and his representatives with the authority to:

- (1) examine any records of the contractor or any of its subcontractors, or any State or local agency administering such contract, that directly pertain to, and involve transactions relating to, the contract or subcontract; and*
- (2) interview any officer or employee of the contractor or any of its subcontractors, or of any State or local government agency administering the contract, regarding such transactions."*

Accordingly, the Comptroller General and his representatives shall have the authority and rights as provided under Section 902 of the ARRA with respect to this contract, which is funded with funds made available under the ARRA. Section 902 further states that nothing in this section shall be interpreted to limit or restrict in any way any existing authority of the Comptroller General.

Section 1515(a) of the ARRA provides authority for any representatives of the Inspector General to examine any records or interview any employee or officers working on this contract. The contractor is advised that representatives of the inspector general have the authority to examine any record and interview any employee or officer of the contractor, its subcontractors or other firms working on this contract. Section 1515(b) further provides that nothing in this section shall be interpreted to limit or restrict in any way any existing authority of an inspector general.

The Contractor shall insert, in each subcontract, all of the stipulations contained in these ARRA Required Contract Provisions, and further require their inclusion in any lower tier subcontract or purchase order that may in turn be made. The ARRA Required Contract Provisions shall not be incorporated by reference in any case. The prime contractor shall be responsible for compliance by any subcontractor, lower tier subcontractor, and owner-operator, with these ARRA Required Contract Provisions.

(Note: Airport Special Provision was removed)

AIRPORT SPECIAL PROVISION

04/27/09

~~A 14~~ Should read- A 15

SECTION GCP 70-05

FEDERAL PROVISIONS

Add the following after paragraph two:

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Each Monthly Employment Report is due at 5:00 pm five calendar days after the last Friday of the reporting month.

For each occurrence where a Monthly Employment Report is not submitted on or before the due date, the Department will deduct liquidated damages from the monies owed the Contractor in the amount of twenty-five hundred dollars (\$2,500). In addition to any damages for failure to report on-time, the Department will withhold one hundred percent (100%) of payment for all progress payments due the Contractor, until all Monthly Employment Reports which are due but have not been submitted are complete and delivered to the Project Engineer. No interest will be paid on amounts withheld due to Contractor's failure to submit Monthly Employment Reports on time and as required in this subsection.

Submit Monthly Employment Reports that include:

- Contractor's name and address.
- Reported Month: *mm/yyyy*.
- Certification Statement:

"Any intentional misrepresentation or omission made in connection with the attached Monthly Employment Report may be cause for suspension, a determination of non-responsibility on future bids, and may be cause for revocation of award, default, or debarment. The person or entity making the false statement or omission is subject to any and all civil and criminal penalties available pursuant to applicable state and federal law.

I certify the information contained in the attached Monthly Employment Report is true, correct, and complete. (Signature and printed name of the person preparing the Monthly Employment Report, and Date)"

Each month the Contractor shall provide all information required by the Form 25D-1589. Each Form 25D-1589 Monthly Employment Report shall include:

- Report Month: *the month and year covered by the report, as mm/yyyy. The reporting month includes the Saturday following the last Friday of the preceding month to and including the last Friday of the reporting month.*
- Contracting Agency: "State"
- Federal-Aid Project Number: *the federal-aid project number included on the title sheet of the plans.*
- State Project Number: *the AKSAS project number included on the title sheet of the plans.*

- Project Location: “Alaska”
- Contractor Name and Address: *The name and address of the Contractor, including street address, city, state, and zip code.*
- Contractor DUNS Number: *The Contractor’s unique nine-digit number issued by Dun & Bradstreet. Followed by the optional 4 digit DUNS Plus number.*
- Employment Data: *The Contractor shall report the direct, on-the-project jobs for their workforce , and the workforce of all subcontractors, lower tier subcontractors, and owner-operators active during the reporting month. These jobs include all workers actively engaged in work on the jobsite or actively engaged in work directly related to the project occurring in the project office, in the home office or telework from a home or other alternative office location. This also includes any engineering personnel, inspectors, sampling and testing technicians, and lab technicians performing work directly in support of the project. This does not include material fabricator’s, material suppliers such as steel, culverts, guardrail, and does not include engineering personnel, inspectors, sampling and testing technicians, and lab technicians employed by the Department or the Department’s consultant. The form requests specifically:*
 - Subcontractor Name: *The name of each subcontractor, lower tier subcontractor, and owner-operator that was active on the project for the reporting month.*
 - Employees: *The number of project employees on the Contractor’s workforce each month, and the number of project employees for each of the active subcontractors, lower tier subcontractors, and owner-operators for the reporting month. Do not include material suppliers.*
 - Hours: *The total hours on the specified project for all employees reported on the Contractor’s project workforce that month, and the total hours for all project employees reported for each of the active subcontractors, lower tier subcontractors, and owner-operators that month.*
 - Payroll: *The total dollar amount of wages paid by the Contractor that month for employees on the project, and the total dollar amount of wages paid by each of the active subcontractors, lower tier subcontractors, and owner-operators that month. Payroll includes wages only, and does not include overhead or indirect costs.*
- Prepared by:
 - Name: *The person responsible for preparation of the form and their job title.*
 - Date: *The date that the Contractor completed the employment form. Reported as mm/dd/yyyy.*

ARRA Required Contract Provisions

Section 902 of the American Recovery and Reinvestment Act (ARRA) of 2009 requires that each contract awarded using ARRA funds must include a provision that provides the U.S. Comptroller General and his representatives with the authority to:

- (1) *examine any records of the contractor or any of its subcontractors, or any State or local agency administering such contract, that directly pertain to, and involve transactions relating to, the contract or subcontract; and*
- (2) *interview any officer or employee of the contractor or any of its subcontractors, or of any State or local government agency administering the contract, regarding such transactions.”*

Accordingly, the Comptroller General and his representatives shall have the authority and rights as provided under Section 902 of the ARRA with respect to this contract, which is funded with funds made available under the ARRA. Section 902 further states that nothing in this section shall be interpreted to limit or restrict in any way any existing authority of the Comptroller General.

Section 1515(a) of the ARRA provides authority for any representatives of the Inspector General to examine any records or interview any employee or officers working on this contract. The contractor is advised that representatives of the inspector general have the authority to examine any record and interview any employee or officer of the contractor, its subcontractors or other firms working on this contract. Section 1515(b) further provides that nothing in this section shall be interpreted to limit or restrict in any way any existing authority of an inspector general.

The Contractor shall insert, in each subcontract, all of the stipulations contained in these ARRA Required Contract Provisions, and further require their inclusion in any lower tier subcontract or purchase order that may in turn be made. The ARRA Required Contract Provisions shall not be incorporated by reference in any case. The prime contractor shall be responsible for compliance by any subcontractor, lower tier subcontractor, and owner-operator, with these ARRA Required Contract Provisions.

