

## Texas A&M AgriLife Research Procedures

### 51.04.01.A0.01 | Minor Construction Projects

Approved: October 15, 2002

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### PROCEDURE STATEMENT

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Texas A&M University System (TAMUS) Policy 51.04, *Delegations of Authority on Construction Projects*, and System Regulation 51.04.01, *Chancellor's Delegations of Construction Authority on Construction Projects*, establish the chief executive officer's (CEO) authority and set cost limits for minor construction projects.

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### REASON FOR PROCEDURE

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The procedures contained herein will be used by Texas A&M AgriLife Research (AgriLife Research) for the preparation, execution and administration of all minor construction and maintenance projects.

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### PROCEDURES AND RESPONSIBILITIES

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#### 1.0 PROJECT INITIATION

An AgriLife Research Minor Construction Project shall be started by the Initiator who may also select a Unit Representative. They shall prepare a written project request and route for approval of the Contracting Officer. Information furnished shall include a description of the proposed work, justification, preliminary cost estimates and the proposed source of funding. Sketches may be used to aid in describing the work. Questions should be checked with the Engineer at this point or as early as practicable.

#### 2.0 PROJECT DESIGN AND DEVELOPMENT

A. Upon written notification of initial project approval, the Engineer shall:

1. Schedule a meeting with the Initiator/Unit Representative to establish requirements for the project.
2. Notify the Texas A&M AgriLife (AgriLife) Fiscal Officer or designee to coordinate assignment of an AgriLife Research Project Number.

B. If necessary, the Engineer shall prepare a Request for Construction Project, TAMUS Form C-1, and route for initial approval and source of funding from the Contracting Officer. This Form C-1 shall detail anticipated costs for design, program of requirements (POR) and/or surveys as well as information included in the original request.

Upon approval of the TAMUS Form C-1, a copy shall be routed to the AgriLife Fiscal Officer who will initiate the transfer of the design and POR/survey funds authorized by the Form C-1 to the designated project.

C. The Engineer shall then proceed with the preliminary design phases to determine if the project requirements can be met within the estimated costs. The Engineer may choose to engage an outside architect/engineer (A/E) or consultant (after due selection in accordance with state law), System Policy 51.02, *Selection of Architect/Engineer Design Team, Design Build Team and Construction Manager at Risk Firm*, System Regulations 25.07.03, *Acquisition of Goods and/or Services*, AgriLife Research Procedure 33.99.16.A0.01, *Contract Workforce*, and AgriLife purchasing guidelines.

Projects are subject to the requirements of The Texas Engineering Practice Act, Texas Occupation Code, Title 6, Subtitle A, Chapter 1001 unless contemplated expenditure for the completed project does not

exceed the amounts set forth therein. This requires that “. . . engineering plans, specifications and estimates shall be prepared by, and the engineering construction shall be executed under the direct supervision of a licensed professional engineer . . .” authorized to practice in the State of Texas, or the Provisions Affecting Only Architects, Texas Occupation Code, Title 6, Subtitle B, Chapter 1051, as appropriate.

- D. If it is determined that the project cannot be successfully completed within the estimated costs, the Engineer shall report this to the Contracting Officer as well as to the Initiator/Unit Representative.
- E. The Contracting Officer shall make the final decision on the funding level of the proposed project. His decision will be forwarded to the Engineer who will proceed in the following manner:
  - 1. If additional funds have been authorized, the Engineer shall prepare the final design for the project along with the appropriate bid documents.
  - 2. If no additional funds have been authorized, the Engineer may attempt to reduce the scope of the project by working with the Initiator/Unit Representative. The Engineer shall then prepare the final design along with appropriate bid documents.
- F. Project Design and Bid Documents shall include the following, as appropriate to the specific project.
  - 1. Project design
    - a. Detailed drawings
    - b. Specifications
    - c. Time schedule
    - d. Cost estimate based on final design
  - 2. Bid documents
    - a. Invitation to Bid
    - b. Instructions to Bidders (TAMUS Form C-3)
    - c. Bid Bond (TAMUS Form C-2)
    - d. Proposal (TAMUS Form C-4)
    - e. HUB Subcontracting Plan with attachments—Required for contracts estimated to exceed \$100,000 or obtain a waiver from Agency HUB Director
    - f. Contract (TAMUS Form C-5a and C-5b)
    - g. Performance Bond (TAMUS Form C-6a) —Required for contracts estimated to exceed \$100,000. Refer to TAMUS Form C-8, General Conditions, 3.4.
    - h. Payment Bond (TAMUS Form C-6b) —Required for contracts estimated to exceed \$25,000. Refer to TAMUS Form C-8, General Conditions, 3.4
    - i. Uniform General and Supplementary Conditions (TAMUS Form C-8)
    - j. Special Conditions
    - k. Prevailing Wage Schedule
    - l. Rainfall Table
    - m. Technical Specifications
    - n. Appendix—Include photos, geo-technical report, etc., as necessary.
  - 3. Compliance with building codes, other than applicable federal and state laws, is not mandatory; however, the following codes and industry/association publications (latest edition) serve as guidelines for construction projects within TAMUS.
    - a. International Building Code.
    - b. American Society of Heating, Refrigeration and Air Conditioning Engineers, Handbook (ASHRAE).
    - c. National Fire Protection Association.
    - d. National Electric Code.
    - e. Life Safety Code.
    - f. American Concrete Institute.

- g. Manual of Steel Construction, American Institute of Steel Construction.
  - h. Occupational Safety and Health Administration Codes (OSHA).
  - i. Texas Energy Conservation Design Standards for New State Buildings.
  - j. Texas Accessibility Standard (TAS) and Americans with Disabilities Act (ADA).
4. Construction work performed for a state agency is exempt from the requirements of municipal ordinances requiring building permits. Compliance with local/municipal building codes is not required.
  5. The initiator/Unit Representative shall review and sign off on the bid documents prior to advertising for bids.

### 3.0 PROJECT CONTRACTING AND AWARD

- A. The Engineer shall survey the construction industry in the locale of the project to determine the most advantageous method of handling the construction. The Engineer determines the best method to contract for the construction project requirements by either a bid process, competitive sealed proposal, construction manager at risk, or job order contracting (JOC) process.
  1. If determined to Bid competitively, follow construction bid guidelines established by purchasing
  2. If it is determined to use a competitive sealed proposal, the Engineer shall evaluate the proposals and may request the assistance of others to determine best value.
  3. If it is determined to use a construction manager at risk, the Engineer shall select the best firm to manage the project and may request the assistance of others in the selection.
  4. If determined JOC process is best value, the Engineer selects a JOC available from TXMAS, or Cooperative Contracts which best meets the needs of the Agency and Unit

- B. If it is determined that several unrelated phases are involved and that these phases have no significant interaction, the Engineer may choose to bid the project in more than one phase, as authorized by Article VI of the State of Texas Uniform General Conditions in Construction Contracts

- C. Subsequent to final approval by the Contracting Officer, the project shall be advertised in accordance with policies established by AgriLife Research and the Board of Regents, depending upon the estimated cost:

For Projects > \$25,000—As a minimum, the Notice of Project shall be published in the Electronic State Business Daily, found at the comptroller's Window on the State Government Web site.

For projects > \$100,000—In addition to publishing in the Electronic State Business Daily, the notice of project shall be published in a minority-focused media of general circulation.

- D. Bid Opening

1. The Engineer or designee and the Initiator/Unit Representative shall be present at the place named in the Notice of Project to receive bids up to the time stipulated. Proposals received after the advertised time shall be returned to the bidder unopened.
2. Before opening any bids, the Engineer shall first make sure the following documents, if required, are enclosed:
  - a. Proposal Guarantee (bid bond or cashier's check).
  - b. Certificate of Good Standing (for corporate bidders only, issued by the State Comptroller's Office).
  - c. HUB Subcontracting Plan.

Preferably, these documents should be enclosed in a separate envelope attached to the sealed bid and may be examined as soon as received. If, after a cursory examination, these documents are found to be completed in good order, the accompanying bid shall be approved for opening. Any bids with documents determined to be not in good order shall be returned unopened.

3. The Engineer shall publicly open all approved bids at the assigned time and place. After all bids are opened and before any are read, all bids shall be examined by the Engineer to determine if they are in proper form and properly signed. If an error or omission is discovered and classified by the Engineer as a technicality which the Board of Regents has reserved the right to waive, the bidder's representative may be permitted to make the appropriate correction. Any such correction shall be announced and explained to the others present for the bid opening. A bid which cannot be made eligible for consideration under this procedure shall not be read nor the bid prices thereof revealed and the bid shall be returned to the bidder with appropriate written explanation.
4. Bids found to be eligible for consideration shall then be read aloud, tabulated, and the apparent low bidder announced. Under no circumstances shall a bidder be permitted to alter his bid after the bids have been opened and read.
5. If only one bid is received, the Engineer shall consult the Contracting Officer, who shall decide whether to open the bid and take appropriate action or to return the unopened bid to the bidder.
6. The Engineer, in consultation with the Initiator/Unit Representative and others involved, shall review all opened bids along with any required submittals. Together they shall decide how best to proceed on the basis of the funds available.
7. After the bids are opened, but before proceeding further, the HUB Subcontracting Plans of all eligible bids shall be reviewed by the HUB Coordinator to determine if they are indeed acceptable. If not, the HUB Coordinator shall document all deficiencies and the affected bidder(s) will be so notified in writing.
8. If, after the bids have been opened, the low bidder claims he has made an error in the preparation of his bid and can support such claim with evidence satisfactory to the System General Counsel and the Contracting Officer, he shall be permitted to withdraw his bid. His bid guarantee shall be returned, and he shall be disqualified from bidding again on the project in the event additional bids are taken. In such event, action on the remaining bids shall be considered as though the withdrawn bid had not been received.
9. Proposal Guarantees of the three lowest bidders may be retained until after the Contract and Bonds have been executed. All other Proposal Guarantees shall be returned within four (4) working days after opening of proposals. (Refer to TAMUS Form C-3 Instructions to Bidders 5.4)

#### E. Bid Tabulation/Award

1. After completion and verification of the initial tabulation, the Engineer shall prepare and process for approval the appropriate Bid Tabulation/Award document.
  - a. Larger projects and those involving multiple disciplines of work shall typically be contracted using a formal contract (TAMUS Form C-5).
  - b. Smaller projects may be contracted with a purchase order. Typically, this should be used for projects with minimal disciplines of work.
2. If the low acceptable bid exceeds the funds previously authorized, the Contracting Officer may decide to:
  - a. Abandon the project and return any unexpended funds to their source account, or
  - b. Re-scope/redesign the project to conform to the funds authorized and rebid, or
  - c. Authorize additional funds for the project. If a TAMUS Form C-1 was used to approve initially, then an updated version will be required.
3. If the low acceptable bid is less than the funds previously authorized, the Engineer shall request a purchase order and/or initiate a contract and route for approvals along with the Bid Tabulation/Award document. An updated version of the C-1 may be required.
4. The source of funding shall be specified (on the C-1) by the Contracting Officer.

5. Projects can not be awarded until such time as adequate funding has been appropriated either by TAMUS Form C-1, written correspondence from/through the Contracting Officer or Board of Regents action.

#### 4.0 EXECUTION AND NOTICE TO PROCEED

- A. After the project has been awarded, the Engineer shall forward appropriate Contract or Purchase Order documentation to the Contractor for execution.
  1. For projects handled by Contract, the Contract documents shall include all applicable items and shall be bound. The minimum number of sets required includes the original for the Engineer's file, one set for the Contractor and one set for the Surety Agent if bonds are provided. Additional sets may be required depending upon the circumstances of the project. A purchase order will also be required for payment only.
  2. For projects handled by Purchase Order, the document shall consist of the purchase order issued by the AgriLife Purchasing Office.
- B. A Notice to Proceed letter authorizing the official construction start date and setting a Pre-Construction meeting shall be prepared by the Engineer and forwarded to the Contractor. Copies of the Notice to Proceed letter shall also be sent to the Initiator/ Unit Representative and others as required for information.
- C. The Bid Tabulation/Award document along with a Certified Purchase Request shall be transmitted to the individual Unit for submission to purchasing for a purchase order and vouchering.
- D. The Contractor shall not be allowed to begin physical work on any property of TAMUS until evidence has been provided that the required insurance (as shown in Item 5.2 General Conditions and/or specified otherwise) has been secured.
- E. The Contractor shall be furnished a Sales Tax Exemption Certificate. It is the Contractor's responsibility to see that each of his subcontractors and suppliers are provided copies as required.
  1. For Contracts, a Texas Sales Tax Exemption Certificate (Form 01-339), executed by the Engineer, shall be furnished.
  2. For Purchase Orders, the statement on the Invitation for Bid form should suffice, otherwise an exemption certificate can be furnished upon request.

#### 5.0 PROJECT INSPECTION AND CHANGES

- A. A Pre-Construction meeting will be held just prior to the start of the actual construction or soon thereafter to review the project and the expectations. Those present shall include the Engineer and/or designee, Initiator/Unit Representative, Contractor, key Subcontractors, and others involved.
- B. The Engineer shall be responsible for inspection of the work and materials used therein during the construction phase. Additional routine inspections shall be performed by the Initiator/Unit Representative.
- C. Contract changes, within appropriated funds, must be approved by the Engineer in consultation with the Initiator/Unit Representative. Changes which exceed appropriated funds and require additional funding shall be requested through the Contracting Officer.
- D. A copy of the change documents will be sent to the unit and the Purchasing Office for changes to the FAMIS purchase order for proper processing and payment.

#### 6.0 EXPENDITURE OF FUNDS

- A. All expenditures of the Construction Project Account Funds must have the approval of the Engineer or designee.

- B. The Unit is responsible for all payments, as outlined in the Instructions for Purchasing and Vouchering of AgriLife Research Minor Construction Projects (Attachment A), and in accordance with AgriLife guidelines.
- C. No payments shall be authorized until the work has been inspected and approved by the Engineer or his designee.

## 7.0 PROJECT CLOSE OUT

- A. When the Contractor has completed the work, he shall request a Pre-Final Inspection.
- B. The Engineer and/or designee shall make a detailed inspection of all work and furnish to the Contractor a list of any deficiencies.
- C. Upon notification that the deficiencies have been corrected, the Engineer and/or designee shall conduct a Final Inspection for verification purposes prior to authorizing Final Acceptance and Final Payment.
- D. Any unexpended funds shall remain in the Construction Project Account until such time final payment has been made on the project, and the Engineer requests the AgriLife Research Fiscal Officer to close out the account.

## 8.0 WARRANTY

The typical warranty for projects (in accordance with Article 13, General Conditions) specifies that the Contractor shall guarantee that the work performed under the contract is free from faulty materials and workmanship and will remain so for a period of one year from the date of the Final Acceptance. Final payment on the contract by the Owner shall not relieve the Contractor of this responsibility. In addition, extended warranty periods for specific items may be specified as deemed necessary.

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## **RELATED STATUTES, POLICIES, OR REQUIREMENTS**

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[System Regulation 25.07.03](#), *Acquisition of Goods and/or Services*

[System Policy 51.04](#), *Delegations of Authority on Construction Projects*

[System Regulation 51.04.01](#), *Chancellor's Delegation of Authority on Construction Projects*

[System Regulation 51.02](#), *Selection of Architect/Engineer Design Team, Design Build Team, and Construction Manager at Risk Firm*

[AgriLife Research Procedure 25.07.03.A1.01](#), *Acquisition of Goods and/or Services*

[AgriLife Research Procedure 33.99.16.A0.01](#), *Contract Workforce*

*Texas Education Code, Sections 51.778 through 51.784*

*Government Code Chapter 2254, Professional and Consulting Services*

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## **DEFINITIONS**

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The following definitions apply for all AgriLife Research Minor Construction projects:

*Agricultural Construction Engineer (Engineer)*—A licensed professional engineer authorized to practice in the State of Texas who has been designated by the Contracting Officer to administer the policies established by this procedure. The Engineer is also responsible for the design, construction and inspection of all projects covered by these procedures.

*Contracting Officer*—The Director or his designee through authority delegated by the Chancellor.

*Initiator*—The Associate Director, Resident Director or unit head who has a requirement for a minor construction project.

*Project Funds*—Funds approved for each project, either specifically by the Initiator, Director, the Chancellor and/or the Board of Regents, or by appropriation of funds in the AgriLife Research Annual Operating Budget.

*AgriLife Research Minor Construction Projects*—Includes projects with costs totaling \$5000 or more which are within the authority delegated to the Contracting Officer through the Chancellor. The projects include any work performed involving the construction, repair, renovation, rehabilitation or maintenance of buildings, parking/drives, irrigation systems, wells or other physical facilities of AgriLife Research. This includes any preliminary plans, feasibility studies or investigations which are anticipated to develop ultimately into such a project. (Equipment maintenance contracts/agreements excluded).

*Unit Representative*—The initiator or designee appointed by the Initiator to serve as the contact and representative of the unit and who is responsible for communicating basic design requirements of the project, including site location, space requirements, special construction needs, equipment lists, special utility requirements, etc.

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**CONTACT OFFICE**

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For questions concerning these procedures, contact the AgriLife Engineering Services Office at 979-845-2180.

## Texas A&M AgriLife Research Procedures

### 51.04.01.A0.01 | Minor Construction Projects

*Approved: October 15, 2002*

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#### **INSTRUCTIONS FOR PURCHASING AND VOUCHERING OF AGRILIFE RESEARCH MINOR CONSTRUCTION PROJECTS**

When bids are received and a project has been awarded, the AgriLife Research Construction Engineer will authorize the Unit to initiate a Certified Purchase Request or Spot Purchase Order as appropriate and will send the necessary documentation to the Unit. Documentation sent to the Unit will be:

1. Memorandum, Purchase Order Authorization for Minor Construction Project.
  2. A copy of the executed Bid Tabulation/Award form listing all bids and justification for award, if applicable.
  3. The AgriLife Research construction project number.
  4. One copy of these Instructions.
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- Follow the AgriLife Purchasing Guidelines
  - When a purchase order has been approved by the Purchasing Office, a copy will be forwarded to the Engineer who will place the order. This step differs from our usual ordering procedure because the Unit does not place the order directly.
  - All expenditures of the Construction Project Account Funds must have the approval of the Engineer.
  - If the Unit receives an invoice directly from the vendor, contact the Engineer for authorization to pay.
  - When payment is authorized by the Engineer, prepare and submit a voucher for payment to the AgriLife Fiscal Office.
  - No payments shall be authorized until the work has been inspected and approved by the Engineer or designee.