



## Montana Department of Transportation Contract Final Process

### □ Acronyms

AWPR, AASHTOWare Project  
CAS, Contract Administration Section  
CASS, Contract Administration Section Supervisor  
CC, Certificate of Completion  
DCE, District Construction Engineer  
DEES, District Environmental Engineering Specialist  
DEO, District Engineering Officer  
DMS, Document Management System  
ECS, Engineering Contract Specialist  
EPM, Engineering Project Manager  
FHWA, Federal Highway Administration  
MICO, Materials Inspection Certification Office  
OCR, Office of Civil Rights

### □ Process

#### A. 90% Complete Memo

When the contract time has reached 90% or the contractor payments have reached 90% of the contract amount, an email is system generated and sent to the EPM.

- 1) The 90% Complete Memo is completed
  1. The EPM estimates the remaining contract costs, adds to the memo, and emails the memo to the DEO.
  2. The DEO provides the pending District Engineering costs to the memo and saves to the SiteManager Contracts Folder on the District share drive.
  3. The DEO enters the Informational date (AWPR).
  4. The DEO emails the original memo to the Engineering Contract Specialist in CAS. The ECS saves the memo to the SiteManager Contracts Final Forms Folder on the HQ share drive.

#### B. Preliminary Field Walk-through (MDT-CON-105\_17\_1A)

The EPM conducts a preliminary walk-through of the project site. There is no set timeframe, but this would occur between the completion of the seal coat and the final striping.

- 1) The EPM conducts a preliminary walk-through and identifies:
  - Contract items that will need to be completed
    - ❖ Items that need corrections
    - ❖ Other site work that will required (unfinished work)
  - Accuracy of stockpiled materials and close-out stockpiles
  - Contract specific warranties for Seal Coat, Landscaping, Concrete, etc.
    - ❖ If the warranty has expired, ensure the correct inspection form is completed.
  - Contract milestones applied for incentives and/or disincentives
  - Document BMP repairs if DEES not able to attend walk-through
  - Material items and certifications that are deficient or missing (use reports listed below)



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- ❖ *Sample Records Report (AWPR Global)*
  - ❖ *Contract Deficiency Report (Jasper)*
  - ❖ *Sampling and Testing Checklist (SM)*
  - ❖ *Contract Materials Acceptance Report (AWPR Global)*
  - Labor Compliance deficiencies (Certified payrolls)
    - ❖ Overdue Payroll Exceptions Report (AWPR Global)
    - ❖ Complete the Final Payroll Audit form (MDT-CON-005) or Final Payroll Review for electronic payroll projects.
- 2) The EPM provides the list of deficiencies to the Contractor to resolve the material and labor certification items.
  - 3) The EPM starts filling out the Final Walk-through Checklist.

### C. Preliminary MPDES/NPDES Permit Walk-through (MDT-ENV-105\_17\_1A)

- 1) The DEES conducts a preliminary walk-through and identifies:
  - Existing BMPs that will need to be repaired or corrected
  - BMPs that will need to be removed
  - BMPs that will need to be changed, replaced, or added
    - ❖ This is for information purposes only. MDT will not direct the addition or removal of temporary devices at this time. Those items will be identified during the final MPDES/NPDES permit walk-through.
- 2) Deficient paperwork for the MPDES/NPDES permit
- 2) The EPM gives the list of deficiencies to the Contractor for informational purposes. The Contractor has the choice of resolving the items then or with the final punch-list.

### D. Stop Time or Actual Completion Date

The EPM suspends contract time when the site work is complete (just have punch-list items and need to do a final walk-through) and enters the Stop Time or Actual Completion Date (AWPR).

- ❖ This date documents the necessity of liquidated damages and ends Recurring Time records associated with active construction (e.g., bulletin board, schedule, etc.).
- ❖ This date is required regardless of the type of contract time.

### E. Final Walk-through Process

If project conditions exist that do not allow complete inspection of the work, the final walk-through may be postponed. For example, snow covered conditions.

#### 1) Final Walk-through Request (MDT-CON-105\_17\_1B)

When all physical work is complete, the Contractor requests the final walk-through. The EPM enters the Informational date.

#### 2) Final Walk-through Inspection (MDT-CON-105\_17\_1C)

The project site is inspected by the EPM, DCE, DEE, and Contractor. A list of deficiencies for the punch-list is developed, including the following items:

1. Contract items not completed
2. Site work deficiencies
3. Contract specific warranties for Seal Coat, Landscaping, Concrete, etc.
  - ❖ If the warranty has expired, ensure the correct inspection form is completed.



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4. Outstanding claims or Legal holds
  5. Material items and certifications that are deficient or missing (use reports listed below)
    - ❖ *Sample Records Report (AWPR Global)*
    - ❖ *Contract Deficiency Report (Jasper)*
    - ❖ *Sampling and Testing Checklist (SM)*
    - ❖ *Contract Materials Acceptance Report (AWPR Global)*
  - Labor Compliance deficiencies (certified payrolls)
    - ❖ EPM completes the Final Payroll Audit form MDT\_CON\_005 for paper payroll projects or completes the Final Payroll Review for electronic payroll projects.
    - ❖ EPM runs the Overdue Payroll Report (AWPR Global) to verify all contractor payrolls have been submitted.
    - ❖ EPM runs the Contractor Work Dates Report (Jasper)
- 3) Final MPDES/NPDES Permit Walk-through (MDT-ENV-105\_17\_1B)**
- Permit compliance issues are identified at this same time but on a separate form. This can vary based on the complexity of the project and the amount of ground disturbed i.e., one or more acres. The EPM, DEES and Contractor conduct a final walk-through and identify:
1. Existing BMPs that need to be repaired or corrected.
  2. BMPs that need to be removed by the contractor.
  3. BMPs that need to be changed, replaced, or added.
  4. Deficient paperwork required for the storm water permit to be terminated or transferred.
- Note: If applicable, invite the Maintenance Superintendent, District Biologist, Reclamation Specialist, and county or city personnel.
- 4) Punch-list Developed/Submitted**
- The EPM has 30 days to submit this to the Contractor from the date the final walk-through was requested by the Contractor.
- a. The EPM completes the punch-list, including all the material certification and payroll deficiencies, and/or items that must be fixed.
  - b. The EPM submits the final punch-list and the environmental checklist assembled by the DEES to the Contractor.
  - c. The EPM saves any supporting correspondence for the Punch-list in the project Final\_Forms\Field folder.
  - d. The EPM enters the Recurring date.
- 5) Contractor submits MPDES/NPDES package**
- When the contractor has completed any required and/or requested modifications to the BMPs and has all necessary paperwork correct and up to date, they submit the MPDES/NPDES permit package to the EPM. The EPM sends the package to the DEES.
- 6) Final Walk-through Verification Request (MDT-CON-105\_17\_1D)**
- The Contractor requests a verification that all punch-list items are complete and contract deficiencies have been corrected when all paperwork is submitted, the MPDES/NPDES permit package has been submitted. The EPM enters the Informational date.
- 7) Punch-list work verified**
- a. The EPM reviews the list of deficiencies to ensure that everything is complete and submitted.



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- b.
- c. The DEES reviews the site to ensure all site work modifications have been completed. The DEES reviews the MPDES/NPDES permit package to verify that it is complete and up to date.

### 8) Conditional Final Acceptance (MDT-CON-105\_17\_1E)

The EPM has 30 days to grant a Conditional Final Inspection from the day the Contractor requested the punch-list verification. It is called “conditional” at this time because the Final Acceptance will not be granted until all contract-specific warranties, materials certification, labor certification, and corrective actions, are resolved.

1. If all items are corrected to the EPM’s satisfaction, there is no further action needed.
2. If there are deficiencies that were not resolved by the end of the 30 days, Conditional Final Acceptance is given and the EPM deducts money from the estimate as appropriate.

The EPM enters the Recurring date when the deficiencies are resolved, but no later than 30 days. A system generated email notification is sent to other areas involved in the finalization process.

- ❖ Note: Conditional Final Acceptance can be issued even if the Permit Transfer Notification (PTN) has not been completed.

### F. The following steps are occurring simultaneously:

#### a. Seal Coat Warranty Inspection (MDT-CON-409\_03\_8)

The EPM completes the Seal Coat Warranty Inspection form after the warranty period has expired and enters the appropriate Informational date.

- ❖ If there are warranty issues, the contractor performs any corrective actions and requests a verification of the warranty work. The EPM enters the “Seal Coat Warranty Inspection (issues exist)” Informational date, which sends an email to the DEO, CAS, Civil Rights, Materials Bureau, and DEES so they can determine if any changes are required in their respective areas.
- 1. If there are warranty issues, the EPM contacts the Help Desk or CAS, who will move out the projected date of the Final Acceptance.
- 2. If there are no warranty issues, the EPM enters the “Seal Coat Warranty Inspection (no issues)” Informational date.

#### b. Contract Specific Warranty (MDT-CON-105\_15\_1)

The EPM will arrange the inspection of the contract specific warranty, a milestone, or defined phase or unit of construction, upon notice of completion. For Design Build warranties, EPM sends the Warranty Guarantee letter to the Contractor for signature.

- ❖ If the contract work is satisfactory, inspection will constitute the component inspection.
- ❖ If the inspection discloses unsatisfactory work, the EPM will instruct the Contractor on the necessary corrections. When the deficiencies are corrected, another inspection is done.
- ❖ The Contractor submits the completed Contractor’s Component Inspection form. The form states that:
  - The Department and the Contractor have completed a component inspection of the work, and the Contractor verifies that the work was completed in full accordance with the specifications and the requirements of the contract.
  - If applicable, the component has an associated incentive or disincentive, and they have been assessed.
  - If applicable, the component has an associated warranty and expiration date.



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- c. **Final Labor Certification** - The Labor Compliance Specialist has 60 days to complete the Final Labor Certificate from the date the Conditional Final Acceptance is granted.
  - ❖ The Labor Compliance Specialist generates the Final Labor Certificate, if applicable, and enters the Final Labor Certification Recurring date.
- d. **Final Material Certification** – MDT and the Contractor has 60 days to complete the Final Materials Certificate from the date the Conditional Final Acceptance is granted.
  1. MICO reviews the materials for any deficiencies and any comments or documentation.
  2. MICO sends a hit list to the EPM and enters the Materials Hit List Informational date.
  3. The EPM works with the Contractor resolves the deficiencies or sends any justifications to MICO.
  4. MICO generates the Final Materials Certificate and enters the Final Materials Certification date.
  5. The DMS has 3 days to review the Final Materials Certificate and enters the DMS approval date.
  6. The Materials Engineer has 3 days to review the Final Materials Certificate and enters the Materials Engineer approval date.
  7. If there are any outstanding materials estimate discrepancies/exceptions, MICO contacts the CASS to turn them off.
    - CASS or ECS turns off the discrepancies and notifies the EPM so they can approve the final estimate.
- e. **MPDES/NPDES Permit** – The DEES has 65 days to complete the termination or transfer of the permit. The MPDES package is submitted during the final walk-through process.
  1. The DEES reviews the package and site conditions.
  2. Action is taken depending on whether the request is to terminate or transfer the permit.

*Termination*

    - If the DEES agrees, the Contractor prepares the Notice of Transfer (NOT) and submits it to DEQ.

*Transfer*

    - The DEES prepares the Permit Transfer Notification (PTN) form and sends it to the contractor.
    - The contractor reviews and signs the PTN and returns it to the EPM with the transfer fee.
    - The EPM sends the form to Environmental.
    - The bureau chief reviews it and if agrees, signs it for MDT and submits it to DEQ.
      - ❖ The Contractor pays the permit fee for the termination or transfer.
      - ❖ If additional erosion control measures are necessary after the Conditional Final Acceptance while waiting for the permit to be terminated or transferred, MDT will pay the costs.
  3. When the notice of termination or transfer of the permit is received, the EPM enters the MPDES/NPDES Permit Term/Transfer date (contact the DEES to get information, if needed).
- f. **Contract Final Check**
  1. **Final Due to District** – EPM has 30 days to submit the final documents to the District from the date of the Conditional Final Acceptance is granted.
    - The EPM checks the project quantities and assembles all documents external to AWPR. This includes:
      - ❖ QA Suite test results



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- ❖ Payment for Agreed Price and/ or Force Account work
  - ❖ Surfacing history report (required on projects that have more than a half mile (continuous) of pavement or significant seal and cover)
  - ❖ Mileage comparison memo
  - ❖ Any plan comments (good or bad) and quantity changes (up or down) not covered by a change order in the Contract Documentation Summary, Plan Discrepancies tab (AWPR).
- The EPM generates a final estimate.
  - If the estimate amount is significant (typically less than or equal to \$500, not including the final mobilization), the EPM regenerates the estimate as a progress estimate and runs it through the normal approval process.
  - The EPM resolves any known estimate exceptions as best they can.
  - The EPM approves the final estimate unless there are outstanding materials discrepancies or item overruns.
    - ❖ The ECS will review the deficiencies during their final check and turn-off or override as appropriate, when the material certification is complete.
  - The EPM enters the Final Due to District Recurring date (AWPR).
  - The EPM notifies the DEO that their final check is complete, and the documents are now ready for the DEO to begin the final check process.
2. **Final Due to Helena** – DEO has 30 days to submit the final to Helena.
- The DEO checks the project final quantities and documents. Verifies the finalization dates in AASHTOWare Project tie to the corresponding final forms.
    - ❖ If corrections are required, the DEO works with the EPM to resolve them and regenerate the final estimate, as required.
    - ❖ The DEO works with the EPM to resolve estimate exceptions with a change order or proper documentation to support why the discrepancy occurred.
    - ❖ The DEO approves the final estimate unless there are outstanding material discrepancies or item overruns.
      - The ECS will review the deficiencies during their final check and turn-off or override as appropriate, when the material certification is complete.
    - ❖ The DEO enters the Final Due to Helena Recurring date.
    - ❖ The DEO notifies Helena that their final check is complete, and the documents are now ready for the ECS to begin the final checking process. CAS can start the final check, but it is not required at this time.
- G. **EPM sends 17-2 Final Acceptance Form to the Contractor (FNLACCEPTFORM).**
- 1) The EPM completes their portion of the form and emails the form to the Contractor when the Labor Cert, Material Cert, Warranties are completed and claims have been closed. The EPM enters the Recurring date.
- H. **Final Acceptance Requested – Contractor (FNLACCEPTREQ)**
- 1) The Contractor submits the completed form back to the EPM.
  - 2) The EPM saves the form in the SiteManager\_Contracts district share drive as a backup, if completed satisfactorily. The EPM enters the Informational Times date, this starts the



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30 days for the Final Checked by CAS. The EPM waits until the CASS has approved the final check before signing the form electronically.

- I. **Final Checked by CAS (FINAL INSPECTION)** - CAS has 30 days to complete the final check.
- 1) The CAS checks the project final documents.
  - 2) If corrections are required, the CAS works with the EPM to resolve them and regenerate the final estimate, as required.
  - 3) The CAS enters the "Final Checked by CAS" in Recurring Times date after the final check has been approved by the CASS.
  - 4) Final Inspection is complete.
  - 5) CAS notifies EPM Final Check is approved and proceed with the Final Acceptance.

- J. **Final Acceptance is granted (FNLACCEPT).**
- 1) The EPM enters the Final Acceptance date. Contract time is formally discontinued, and this begins the 90 days to release the final estimate.
  - 2) The EPM forwards the form or link to the DCE to obtain their signature and copies the DEO.
  - 3) The DEO forwards the signed form to the CAS electronically.
  - 4) The ECS saves the form on the Helena SiteManager\_Contracts share drive.

K. **Liquidated Damages**

The Claims Review Board processes liquidated damages, if applicable.

- If the liquidated damages are not disputed, they are submitted to the Transportation Commission.
- If the liquidated damages are disputed, the Contractor will have to go through the normal claims process (Standard Specification 105.16).

L. **Final Due to Contractor**

CAS sends the final estimate to the Contractor to for concurrence once everything is complete, including final certifications.

1. The ECS sends the draft final estimate to the contractor and copies the EPM and DEO.
2. The ECS enters the Final Due to Contractor Recurring date.

M. **Contractor Final Estimate Concurrence**

The Contractor has 10 calendar days to notify the EPM if there are any issues with the final estimate. Concurrence is assumed if there is no response within that timeframe. The EPM enters the Contractor Final Estimate Concurrence date when they receive notice from the contractor or concurrence is assumed and any issues with the estimate are resolved, if applicable.

- ❖ The ECS will notify the DEO that we have concurrence, and they need to approve the final estimate. CAS will approve the final estimate.

- N. **Final Estimate Released** – CAS has 10 days to release the final estimate after concurrence. The final estimate is released to the Contractor by Accounting. The CAS can request a special release to Accounting, if necessary, to meet the required timeframe.

- ❖ A negative estimate may be held until the monthly estimate cycle.



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### **O. Issuance of CC**

- 1) The EPM/DEO initiates the CC (Certificate of Completion) and enters the Issuance of CC Recurring date. The EPM saves the form on the SiteManager\_Contracts district share drive as a backup.
- 2) The EPM signs the form electronically and forwards to the DEO.
- 3) The DEO forwards the form electronically to the DCE.
- 4) The DEO forwards the form electronically to the DA.
- 5) The DEO sends the CC to the CAS electronically.
- 6) The ECS saves it on the Helena SiteManager\_Contracts share drive as backup.
- 7) The ECS collects the Construction Engineer's signature on the CC and enters the Certificate of Completion date.
- 8) Bid documents, if applicable to the contract, are released at this point.
- 9) Federal concurrence is requested if it is a PoDI contract.
- 10) Accepted Date (Commission Acceptance)
- 11) The CASS submits completed CCs for the month to the Transportation Commission. They give final acceptance at their next meeting. When accepted, the CASS enters the Commission Acceptance Informational Time date.

### **P. Close to Accounting**

The contract is closed to Accounting. The CAS enters the Close to Accounting Recurring Time date.

### **Q. The District completes the As-builts, if applicable.**

- 1) If the contract requires as-builts, they generate the as-builts and enter the As-built Plans-Required Informational Time date.
- 2) If the contract does not require as-builts, the DEO enters the Informational Time date for As-built Plans-Not Required.
- 3) The CAS ends Contract Authority for everyone (making sure that the final estimate has been approved).

### **R. CAS archives the District and Helena SiteManager\_Contracts folders.**