

 Local Program Leadership Team (LPLT) Bulletin	<small>NUMBER</small> LP04-01B	<small>SUPERSEDES</small> New
	<small>EFFECTIVE DATE</small> December 6, 2013	<small>PAGE NUMBER</small> 1 of 3
	<small>REFERENCE</small> Local Program	
	<small>TARGET AUDIENCE</small> Procurement Office- Intergovernmental Agreements, Local Agency Liaisons, Statewide Programs Unit, Area Managers, Region Agreement Coordinators	
<small>SUBJECT</small> Third Notification required within 120 days of Second Notification	<small>CC</small> Oregon Local Program Committee (OLPC), Emily Ackland	

PURPOSE:

This bulletin discusses the issuance of Third Notification for federal aid construction projects. In order to ensure that this notification is issued in a timely manner, specific requirements have been added to the Intergovernmental Agreement (IGA).

SUMMARY INFORMATION:

- The IGA requires Third Notification to be issued within 120 days of Second Notification.
- Monthly reports will be required until Third Notification has been received.
- Consequences for non-performance will apply if the requirement is not met.
- Exhibit B of the IGA is modified to include definitions and Third Notification language.
- This information has been discussed with Local Liaisons, Construction, and Active Transportation.
- Tracking and reporting on Third Notification requirement will be done by Construction.

GUIDANCE:

Specific language that will be added to the IGA:

DEFINITIONS

1. "Project Completion" (Non-Construction Projects) means the project is 100 percent complete per Project Description in Exhibit B.
2. "Project Completion" (Construction Projects) means Final Acceptance of the Project and Final Payment to the Contractor has been made by the State.
3. "Second Notification" means a written acknowledgment by the Engineer or Project Manager that according to 00180.50(g) of the Oregon Standard Specifications for Construction, all on-site work is complete. Second Notification also establishes the end of Contract Time and lists remaining requirements for the Contractor to complete prior to Third Notification.
4. Contract Time – amount of time allowed for completing the bid item work under the Contractor contract.
5. "Third Notification" means written acknowledgement by the Engineer or Project Manager, subject

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to Final Acceptance, that as of the date of the notification the Contractor has completed the Project according to the Contract, including without limitation completion of all minor corrective work, Equipment and plant removal, site clean-up and submittal of all certifications, bills, forms and documents required under the contract.

6. "Establishment Period" means the time specified in the Construction Contract to assure satisfactory establishment and growth of planted Materials. Typically, this time frame will be anywhere from 45 days for seeding and up to 1 year for plants.
7. "Final Acceptance" means written confirmation by the Agency and the State that the Project has been completed according to the Contract, with the exception of any latent defects and Warranty obligations, if any, and has been accepted.
8. "Final Payment" means the final payment amount due to the Contractor calculated by the total amount due to the Contractor minus the sum of all payments previously made. Final Payment is made after Third Notification is issued.

Exhibit B Changes are shown in italics:

1. Monthly Progress Reports (MPR) – Agency shall submit monthly progress reports using MPR Form 734-2862, attached by reference and made a part of this Agreement. The Monthly Progress Report is due by the 5th day of each month, starting the first month after execution of this Agreement, and ***continuing until the issuance of Third Notification for construction projects. A copy of the Third Notification is required to be attached to the final Monthly Progress Report. The Monthly Report is due for Non-Construction projects until project is shown as 100% complete on the report.***
2. Project Completion Milestone for Construction projects has been removed from the Milestone Table and replaced by a Project Completion Milestone for (Non-Construction Projects).
3. **"Requirements for Construction Projects"** section has been added:

Second Notification –*Upon completion of on-site work Second Notification shall be issued. Second Notification is further defined in definitions. The anticipated and actual date for issuance of Second Notification shall be reported in the required monthly report as described in section 2, above.*

Third Notification – *Issuance of Third Notification must be received within 120 days from the issuance of Second Notification as stated above with the exception of any Establishment Period*

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noted in the Construction Contract. If Third notification is not issued within the required timeframe, Consequences for Non-Performance, paragraph 7 shall apply.

4. Paragraph 7 Consequence for Non-Performance has been modified, change is shown in bold/italics:

If Agency fails to fulfill its obligations in paragraphs No. 2 through No. 6, or does not assist in advancing the Project or perform tasks that the Agency is responsible for in this agreement, State's course of action through the duration of Agency's default may include: (a) restricting Agency consideration for future funds awarded through ODOT managed funding programs, then (b) withdrawing unused Project funds, and then (c) terminating this Agreement as stated in Terms of Agreement, Paragraphs No. 10a and 10b of this Agreement and recovery of payments pursuant to Special Provisions, Paragraph 1 of this Agreement. ***State may also choose to bill Agency or Consultant for expenses incurred by State for staff time to assist in completion of Third Notification.***

Documentation Location: <http://www.oregon.gov/ODOT/HWY/LGS/Pages/LPLT.aspx>

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