Public Works Contracts, Public Work Projects in accordance with Louisiana's Public Bid Law, R.S. 38:2211-2296

PO Type: PW - Public Works

Restricted to the Purchasing Office Only

Purchase Order is issued to vendor.

I. Overview

Public Works Contracts involve the **erection**, **construction**, **alteration**, **improvement**, **or repair** of public facilities or immovable property owned, used, or leased by a public entity. These projects are subject to Louisiana's **Public Bid Law** and typically follow the **design**–**bid**–**build** method using public funds.

- **Contract Limit:** Public works projects **not exceeding \$150,000** do **not** require formal advertisement or bidding.
- **Contract Threshold:** Projects **over \$150,000** must be publicly advertised and awarded to the **lowest responsive and responsible bidder**.

II. Advertisement Requirements

For contracts over \$150,000, advertisements must be placed:

- Once per week for three (3) consecutive weeks
- In the official journal of the state and the Natchitoches Times
- The **first ad** must appear at least **25 days prior** to the bid opening

III. Projects Under \$150,000

Projects estimated **below \$150,000** may:

- Be completed using university personnel, outside contractors, or
- Follow **simplified quote procedures** but must still follow Title 38 guidelines as deemed appropriate.

To determine total project cost, include:

- Cost of materials
- Cost of **labor**, including wages and benefits
- Supervision and overhead
- Equipment use

IV. Responsibilities and Required Approvals

Before initiating a project, the **Director of Physical Plant** and the **Director of University Affairs** will determine the method of procurement. Requests must be submitted to the **Director of Purchasing** and include:

- Full description of the project
- Approved **Banner Requisition** (if external contractor used)
- Total cost including labor, materials, and equipment
- Funding source and confirmation of availability
- Three (3) quotes are recommended for projects over \$5,000

V. Non-Competitive Procurement Under Title 38

If proceeding without formal competition:

- Obtain three written, signed quotes
- If over \$50,000, contractors must be **licensed** by the LA State Licensing Board (R.S. 37:2150.1)
 - o The license number must appear on all quotes

VI. Written Contract and Bonding Requirements

- Contracts over \$5,000 must be in written form and signed (R.S. 38:2241(A))
- Contracts **over \$25,000** require a **Performance and Payment Bond** (≥50% of contract value) (R.S. 38:2241)
 - Bond must be filed in the parish mortgage records within 30 days of work starting
- Surety bonds and insurance must comply with R.S. 38:2219
 - o Must be issued by a licensed LA company or one on the U.S. Treasury list
 - o Company must have A-rating or better from A.M. Best

VII. Change Orders

In accordance with **R.S. 38:2222**, change orders must be **recorded** when:

- The change adds $\geq 10\%$ and $\geq 10,000$ to the contract, or
- All changes **aggregate** \geq **20**% and \geq \$10,000

Record change orders and original contracts in the parish recorder's office.

VIII. Contract Filing and Close-Out

- File original signed contract and purchase order copy with the recorder of mortgages
- Request a Clear Lien Certificate 45 days after Notice of Substantial Completion
- Retainage may only be released after receipt of Clear Lien Certificate

IX. Additional Oversight and Facility Planning

When Performance Bonds, Project Recordation, and Lien filing are required, the **Director of Physical Plant** is responsible for full compliance. This includes:

- Oversight of architects/designers
- Construction management
- Issuance of Notice to Proceed
- **Project close-out** in accordance with State Facility Planning and Control rules

X. Approval Requirements for Large Projects

Projects over \$350,000 up to \$1,000,000 (R.S. 39:128(B)):

- Require Board of Regents and Management Board approval
- Cannot incur debt for projects not listed in the Capital Outlay Budget
- Projects over \$500,000 must be assigned a designer, architect, or engineer by the Architect & Engineer Review Board

PUBLIC WORKS CHECKLIST

What's Needed	Projects less than \$25K	Projects greater than \$25K	Projects greater than \$50K	Projects greater than \$250K
Requisition	YES	YES	YES	YES
Quote	YES	YES	YES	YES
Scope of Work	YES	YES	YES	YES
Drawings/Pictures/Plans	YES	YES	YES	YES
Certificate of Insurance	YES	YES	YES	YES
Performance & Surety Bond	NO	YES	YES	YES
Contractors License	Electrical over \$10K must have	YES	YES	YES
Secretary of State (Good Standing)	YES	YES	YES	YES

PUBLIC WORKS CHECKLIST

Contract	YES	YES	YES	YES
File Contract at Natchitoches Clerk of Court (COC)	NO	YES	YES	YES
Purchase Order	YES	YES	YES	YES
Notice to Proceed (Prepared by Physical Plant)	YES	YES	YES	YES
Issue Certificate of Completion & Acceptance to Vendor and File at COC	NO	YES	YES	YES
Clear Lien from Vendor (COC)	NO	YES	YES	YES
Original Invoice (Forward to Accts. Payable Dept.)	YES	YES	YES	YES