



Facilities and Plant Operations

Public Works Projects Quick Reference

Insurance: General Liability Insurance / Automobile Liability / Worker's Compensation:

Insurance requirements are listed in Insurance Requirements for Contractors. The coverages are:

| | |
|-------------|---|
| \$1,000,000 | Commercial General Liability |
| \$1,000,000 | Automobile Liability |
| | Workers' Compensation and Employers Liability as required by the Labor Codes of the State of Louisiana. |

The contractor (vendor) must obtain these coverages in order to work for the State of Louisiana. Some contractors (vendors) will need to purchase or increase current coverage to these limits. Any additional costs are borne by the contractor (vendor).

Insurance: Builder's Risk / Flood Insurance:

If a project adds new space (adds square footage) or renovates existing space with a total cost that is more than \$50,000 to the extent that it will significantly increase building value, or if there is a high probability of criminal mischief, the contract (vendor) will be required to purchase and maintain Builder's Risk. Flood insurance is provided by the State of Louisiana through the National Flood Insurance Program (NFIP). Contractor (vendor) will be responsible for the \$5,000 deductible.

Contracts:

1. Contracts are required on all projects costing \$5,000 or more.
2. All contracts include an Affidavit of Non-Collusion which must be sealed by a Notary Public. Any expense associated here is borne by the contractor (vendor).
3. A performance bond may be required on projects costing less than \$25,000. This requirement is on a project-by-project basis. If required, it will be declared when the project is issued for proposals. The cost of this bond is likewise borne by the contractor (vendor).
4. Performance and Payment Bonds are required for all projects costing \$25,000 or more. ***This requirement cannot be waived.*** Cost for these bonds is borne by the contractor (vendor).
 - a. Note: Each agency has the ability to require or to waive a Performance Bond up to a contract amount of \$50,000, at which point it becomes required. The same ability exists for a Payment Bond, but the threshold is \$25,000 instead. However, sureties will rarely write a payment bond without attaching a performance bond. For simplification and protection of the agency's interests, Northwestern makes it a policy to require both bonds on all contracts equaling or exceeding \$25,000.
5. All contracts written for \$25,000 or more will be filed with the Natchitoches Parish Clerk of Court by NSU.
Contractors: Do not include recording or certificate fees in your administrative overhead value.
6. For all filed contracts, 10% of the contract value will be retained after completion of a project until a 45-day lien period has elapsed. Depending on court dockets, the "clear of liens" certificate may not be ready for up to 10 days from the date of the certificate was ordered by Northwestern.

Default Liquidated Damages Schedule:

Unless otherwise directed in project documents, the following liquidated damages will be set by default:

| <u>Contracts Amounts:</u> | <u>Default Liquidated Damages:</u> |
|---------------------------|------------------------------------|
| \$5,000 up to \$10,000 | \$50/Day |
| \$10,000 up to \$15,000 | \$75/Day |
| \$15,000 up to \$25,000 | \$100/Day |
| \$25,000 up to \$50,000 | \$150/Day |
| \$50,000 up to \$75,000 | \$200/Day |
| \$75,000 up to \$150,000 | \$250/Day |
| \$150,000 and above | 0.2% of the contract sum/day |