

STATE OF LOUISIANA

US 90 (I-49 SOUTH)
ALBERTSON'S PARKWAY TO
AMBASSADOR CAFFERY
DESIGN-BUILD PROJECT

LAFAYETTE PARISH

STATE PROJECT NO. H.010620
FEDERAL AID PROJECT NO. H010620

REQUEST FOR PROPOSALS
CONTRACT DOCUMENTS

DB SECTION 103
PARTNERING, BONDS, AND
NOTICE TO PROCEED



DB SECTION 103

PARTNERING, BONDS, AND NOTICE TO PROCEED

DB 103-1 PARTNERING

It is the Louisiana Department of Transportation and Development's (LA DOTD) policy to use the principles of partnering to guide the management of this Contract within the parameters covered by the laws, regulations, and other policies that govern work in the public sector.

These partnering principles are intended to promote quality through continuous improvement at all stages of design and construction. The goal of the LA DOTD is to complete this Project in the most efficient, timely, safe, and cost effective manner to the mutual benefit of the Design-Builder and the LA DOTD, meaning a quality Project delivered on time, within budget, and without significant disputes.

None of the actions identified as part of, or taken in the course of, partnering will be construed to alter, modify, delete, or waive any of the provisions or requirements of the Contract Documents or any applicable laws or regulations.

The LA DOTD and the Design-Builder will manage the Contract in a cooperative manner utilizing the following principles of Project partnering:

- A) Establish communications with all involved parties early in the partnering process;
- B) Establish a relationship of shared trust, equity, and commitment;
- C) Develop strategies for identifying mutual goals;
- D) Develop strategies for timely communications and decision-making;
- E) Establish a process for timely response to changes or variations in field conditions;
- F) Solve potential problems at the lowest level before they negatively impact the Project;
- G) Encourage the use of products, technology, and processes that provide a demonstrated level of improved quality; and
- H) Develop a plan for periodic joint evaluation based on mutually agreed goals.

This Contract is to be implemented in an equitable fashion that recognizes the problems that are inherent in design and construction, addresses the different-than-expected field conditions, resolves disputes in an open communications manner, and makes Contract adjustments in a timely and fair manner consistent with the terms of the Contract. This Contract is intended to fairly allocate risk, resulting in a balanced contractual approach to risk-sharing.

The Design-Builder shall be responsible for creating and implementing, with input and comment from the LA DOTD, a partnering program for use during this Project. The costs of such partnering program will be borne by the Design-Builder. The LA DOTD and Design-Builder will consider the incorporation of partnering into the coordination and cooperation required with third parties such as Subcontractors, suppliers, utility owners, railroads, and other Stakeholders.

DB 103-2 PAYMENT, PERFORMANCE, AND RETAINAGE BONDS

At the time of execution of the Contract, the Design-Builder shall furnish the following bonds on the form provided by the LA DOTD (*see* Appendix 103A – Payment, Performance, and Retainage Bonds Form):

- A) A Payment Bond in a sum equal to 100% of the Lump Sum Contract Price (\$____ **[Insert the total contract amount]**_____);
- B) A Performance Bond in a sum equal to 100% of the Lump Sum Contract Price (\$____ **[Insert the total contract amount]**_____); and
- C) A Retainage Bond in a sum equal to five percent of the Lump Sum Contract Price, unless an election is made to have the LA DOTD withhold five percent of the Lump Sum Contract Price (\$____ **[Insert an amount equal to five percent of the total contract amount]**_____).

The bonds must be written by a Surety or insurance company that is in good standing and currently licensed to write surety bonds in the State of Louisiana by the Louisiana Department of Insurance and conform to the requirements of Louisiana Revised Statutes Section 48:255(D).

All signatures on the Payment, Performance, and Retainage Bonds Form must be original signatures, in ink, and are not to be mechanical reproductions or facsimiles.

DB 103-3 NOTICE TO PROCEED

The LA DOTD will issue the Design-Builder Notice to Proceed (NTP) on or about ____ **[Insert the date that NTP is anticipated]**_____.

STATE OF LOUISIANA

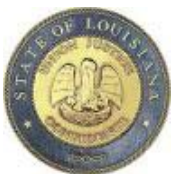
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**APPENDIX 103A
PAYMENT, PERFORMANCE, AND
RETAINAGE BONDS FORM**



APPENDIX 103A

PAYMENT, PERFORMANCE, AND RETAINAGE BONDS FORM

Be it known that _____ as Principal and _____ as Surety(ies), authorized to do business in Louisiana, hereby bind themselves, in solido, to the Louisiana Department of Transportation and Development (LA DOTD), and other potential claimants, for all obligations incurred by the Principal under its Contract for the construction of State Project No. H.010620, in 100% of the full Lump Sum Contract Price (\$_____) for the Payment Bond, in 100% of the full Lump Sum Contract Price (\$_____) for the Performance Bond, and in five percent of the Lump Sum Contract Price (\$_____) for the Retainage Bond. The obligations of the Principal and Surety under these Payment, Performance, and Retainage Bonds must continue in full force and effect until all Materials, Equipment, and labor have been provided, and all requirements contained in the Contract have been completed in a timely, thorough, and workmanlike manner. The parties acknowledge that these Bonds are given under the provisions and limitations contained in Louisiana Revised Statutes 48:250, et seq.

By this instrument(s), the Principal and Surety(ies) specifically bind themselves and their heirs, successors, and assigns, in solido, under the following Bonds:

PAYMENT BOND. To the Louisiana Department of Transportation and Development and all "Claimants," as defined in Louisiana Revised Statutes 48:256.5, in the full sum of \$_____ (100% of the Lump Sum Contract Price), in order to secure the full and timely claims under the US 90 (I-49 South) Design-Build (DB) Project (Project). The parties agree this Bond is statutory in nature and governed by Louisiana Revised Statutes 48:256.3. Claims pursuant to Louisiana Revised Statutes 48:256.5 must be made to the Undersecretary, LA DOTD, Headquarters Administration Building, Room 302G, 1201 Capitol Access Road, Baton Rouge, LA 70802.

PERFORMANCE BOND. To the Louisiana Department of Transportation and Development in the full sum of \$_____ (100% of the Lump Sum Contract Price), in order to secure the full and faithful performance and timely completion of the Project according to the Contract, inclusive of overpayments to the Design-Builder and stipulated damages as assessed.

RETAINAGE BOND. To the Louisiana Department of Transportation and Development in the full sum of \$_____ (five percent of the Lump Sum Contract Price) in lieu of the sums required to be withheld from progress payments under the provisions of Louisiana Revised Statutes 48:256.1, inclusive of overpayments to the Design-Builder and stipulated damages as assessed.

DESIGN-BUILDER OPTION: RETAINAGE

I, Principal, elect to exercise my option to have five percent Retainage withheld from all payments in lieu of the above Retainage Bond

By: _____
Principal

Louisiana Department of Transportation and Development

In witness whereof we have signed this instrument as dated.

Design-Builder

_____ By _____ Date
Witness Principal

Surety

_____ By _____ Date
Witness Attorney-in-Fact (Seal)

Surety

_____ By _____ Date
Witness Attorney-in-Fact (Seal)

A copy of the Contract and subsequent correspondence/communication from LA DOTD or the contracting agency with respect to the Contract Bonds should be directed to:

_____ SURETY

_____ SURETY

_____ Local Agent or Representative

_____ Local Agent or Representative

_____ Address

_____ Address

_____ Telephone Number

_____ Telephone Number

_____ Facsimile Number

_____ Facsimile Number