

ENGINEERING DIRECTIVES AND STANDARDS

Volume : III
Chapter : 6
Section : 1
Directive : 5

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Subject : **PARTIAL AND FINAL INSPECTIONS, AND PROGRESSIVE
AND FINAL PAYMENTS FOR RAILWAY-HIGHWAY FORCE
ACCOUNT PROJECTS**

1. PURPOSE:

The purpose of this directive is to describe the procedure for partial and final acceptances and payments for railway-highway force account projects.

2. SCOPE:

This directive outlines procedures for partial and final inspections, progressive and final payments on projects being done by railroad companies under force account agreements with the DOTD. The procedure of partial acceptance applies only to those projects consisting of two or more readily identifiable parts or phases. Examples of projects on which partial acceptance may be allowed would be one consisting of flashing lights and rubber pads or one which has multiple locations.

3. ACCEPTANCE PROCEDURES:

Upon apparent completion of a project (for final acceptance) and notification by the Railroad the Project Engineer, the Project Engineer will advise the railroad, by certified mail or e-mail, that he will promptly arrange a final inspection upon receipt of three copies of the railroad's materials-used documents. When these documents are received, the Project Engineer will arrange an inspection date mutually agreeable to the Department, the Federal Highway Administration (on federally funded projects) and the railroad.

The materials document will be used at the final inspection to check that all materials used in the work are properly inventoried. After making any necessary additions or deletions to reflect the as-built condition of the work, each representative at the inspection will sign each copy of this inspection report. Each representative will retain a corrected and signed copy of the report. The project will then be recommended for final acceptance in accordance with EDSM III.5.1.5 and EDSM III.5.1.6.

4. PAYMENT PROCEDURES

The Project Engineer will verify all invoices submitted by the railroad company for reimbursement under the terms of the original agreement, and shall provide supporting documentation (when required), suitable for verifying the requested payments (see EDSM III.6.1.3). The Project Engineer will submit the checked and approved invoice along with Form 03-42-0650 to the Construction Audit Unit for audit and payment.

Stockpiled Material

Prior to payments for stockpiled material, the railroad shall submit invoices and authorized statements to the Project Engineer showing payment on invoiced material and/or for company stock items delivered to a specific stockpile in Louisiana for use on a specific project identified by state project number. Upon receipt of the proper documents, the Project Engineer shall perform such inspections he deems necessary in order to prepare a written statement for DOTD files certifying that major items have been delivered to the specified site in Louisiana as shown on the railroad's invoice. The quantity of material stockpiled for payment shall not exceed the total estimated quantity for the project. Upon approval of the railroad's invoices for stockpiled material, the DOTD will pay 100% of the respective invoices.

Partial Payments

Upon request and receipt of invoices, the Construction Estimates Section may make a progressive payment up to that of 75% of the estimated cost of the project total, after twenty-one days (21) if the Project Engineer has not provide approval. These progressive partial approvals are based on the original estimated cost in the agreement and should be marked, "Approved Subject to Audit".

Any request and receipt of invoices in an amount more than 90 75% of the original estimated cost must be forwarded to the Project Engineer. The Project Engineer should verify the payment request using his own records (See EDSM III.6.1.3) combined with field verification as necessary.

Final Payments

After the final (or partial final) inspection has been accomplished, the railroad will prepare a final materials invoice using the materials document which was checked and corrected at the final (or partial final) inspection and will include all past partial request as reference. This invoice may also optionally include labor and equipment billings; if it does not, the railroad will prepare and forward it to the Project Engineer at a later date. In either event, the Project Engineer will check and verify the material, labor and equipment invoices using his own records and his copy of material document which was corrected and signed at the final (or partial final) inspection. The approved invoices, a copy of the corrected and signed material report, all project records including project diaries, other supporting documentation and Form 650 will then be submitted to the Construction Audit Unit for audit and payment.

5. OTHER ISSUANCES AFFECTED:

This directive supersedes EDSM III.6.1.5 dated March 18, 1991. All directives, memorandum or instructions issued heretofore in conflict with this directive are hereby rescinded.

6. EFFECTIVE DATE:

This directive will become effective immediately upon receipt.

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CHIEF ENGINEER