GENERAL SUBJECT: SUBCONTRACTING

SPECIFIC SUBJECT: APPROVAL OF SUBLET REQUESTS

DATE: August 1, 2013

SUPERCEDES: CD-2008-12

APPROVED: Signature On File

Mark E. Cacamis, P.E., CCM
State Construction Engineer

DATE: August 1, 2013

DIRECTED TO - DISTRICT ADMINISTRATORS

The authority to approve sublet requests on contracts which incorporate the Road and Bridge Specifications is delegated to the District Administrator or their designee(s). The primary contract specification concerning subcontracting is the Road & Bridge section titled Subcontracting.

Unless otherwise permitted in the contract, all sublet requests require the written consent of the District Administrator or his designee. The Form C-31 “Subletting Request” is to be used by the Prime Contractor to request approval of proposed subcontractors, and by the Department to evaluate the request and grant approval, if appropriate.

The District Administrator may delegate in writing the authority to approve sublet requests to the designees they deem appropriate. The review and approval process can be done either by a single person or by multiple persons.

Single Person – The designee is responsible for all of the review steps necessary to ensure the sublet request is complete and ready to approve and then to also approve the sublet request. No recommendation for approval signature would be necessary on the C-31.

Multiple Persons – One designee is responsible for either some or all of the review steps necessary to ensure the sublet request is complete and ready to approve and then to sign the C-31 recommending approval of the sublet. Another designee is responsible for any additional review necessary and for actually approving the sublet request.
The designee(s) should verify that the C-31 is complete and that the following information is verified prior to approval of the sublet request:

1. Contractor’s name and vendor number
2. Subcontractor’s name and vendor number
3. Other information at the top of page one of the C-31
4. Items, item codes, and unit prices
5. Extensions and total amount
6. Request has original signature of company officer (Both Prime Contractor and Proposed Subcontractor). If transmitted by fax or electronically to the Department, a sublet request can be approved so long as the original with original signatures is subsequently received and kept in the Department’s files.
7. Evidence of insurance in accordance with Section 103.06(f) of the Specifications
8. Cumulative percentage of all sublets is within contract requirements
9. Subcontractor is currently either prequalified or registered with the State Corporation Commission (SCC), as appropriate. If a subcontractor is currently shown on the Construction Division’s on line prequalified list, it is not necessary to check on their SCC registration or standing. If prequalification is not required on the item(s) to be sublet (and the firm is also not currently prequalified), then the firm must be registered with the SCC to do business in Virginia and also be in good standing with the SCC. The Construction Division Prequalification Office should be contacted for assistance in determining the SCC status of a firm.

If the sublet request is approved, the appropriate sublet number should be assigned by the designee on the C-31, notification of the approval given to the Contractor in writing as soon as possible, a copy sent to the Contractor. If necessary, verbal authorization for the subcontractor to work on the project may be given to the Contractor immediately after the C-31 is approved in writing. If the sublet request is denied, the Contractor should be notified of the denial as soon as possible along with the reason(s) for the denial.

In accordance with the specifications on subcontracting, there are instances when prequalification is not required. The attached table can be used for guidance to determine the minimum submission and approval necessary for each condition listed. These conditions are not all inclusive and they do not supersede specific contract requirements.

Whether there is an approved Form C-31 or not, firms performing work on the contract may be subject to all contract requirements including insurance, EEO, payroll, and labor rates.
<table>
<thead>
<tr>
<th>Condition</th>
<th>Prequal. Required</th>
<th>Approved C-31 Required</th>
<th>Notification of Firm’s Name &amp; Items of Work</th>
<th>Engineer’s Written Approval</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacture or Supply of Material</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
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<tr>
<td>Hauling of Material</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
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<tr>
<td>Service Rental (Such as barrels or barrier)</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
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<tr>
<td>Regular Contract Line Items</td>
<td>YES</td>
<td>YES</td>
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<tr>
<td>Lower Tiers (Items or parts of an item on a previously approved sublet)</td>
<td>NO</td>
<td>NO</td>
<td>YES</td>
<td>YES</td>
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<tr>
<td>Professional Services (Such as construction surveying or wave equations)</td>
<td>NO</td>
<td>NO</td>
<td>YES</td>
<td>YES</td>
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<tr>
<td>Professional Services</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
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<tr>
<td>Asbestos or Lead Abatement</td>
<td>NO*</td>
<td>YES</td>
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<tr>
<td>Specialty Items Marked in Contract</td>
<td>NO</td>
<td>YES</td>
<td>---</td>
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<tr>
<td>Sublets $25,000 or less on State Funded Contracts in accordance with Copied Note</td>
<td>YES</td>
<td>YES**</td>
<td>YES</td>
<td>VERBAL</td>
</tr>
</tbody>
</table>

* Must have the appropriate license to perform the specified work.

** To document “Verbal Approval” process