

SUBJECT: Contractor's Estimates

GENERAL:

The Project Engineer will prepare an estimate for any month in which the Contractor will receive a net payment of \$500 or more for work performed, **after** any applicable retainage is withheld. Estimates will be forwarded to the Controls Section – Office of Construction (OOC).

PURPOSE: To provide standard procedures for preparation of Contractor's Estimates.

PROCEDURE:

Staggered estimate schedule **Assigned Office (AO)**

- **Submit** on the 7th of each month. Districts 6 & 7
- **Submit** on the 14th of each month. Districts 3 & 5
- **Submit** on the 21st of each month. District 4 and Office of Traffic and Safety
- **Submit** on the 28th of each month. District 1 & 2, Office of Environmental Design, and Office of Bridge Development.

Estimates will be due by the close of business on the scheduled due date. If the submission date falls on a Saturday or Sunday, all estimates will be due on the Friday **prior** to the submittal date. If the submission date is on a holiday, the estimates will be due the day **before** the holiday. Any deviation from this schedule must have the prior approval of the Team Leader-Controls Section (OOC).

Estimates will be submitted in either an electronic or handwritten format. All projects that have a computer will submit their estimate in an electronic format, using the MCMS (Maryland Construction Management System) program. All other projects will submit a handwritten estimate using the TRNS*PORT Construction Report.

Electronically Transmitted Estimates

Make sure all quantities have been entered into MCMS for the month, including stored materials. Generate a draft copy of the estimate worksheet. The Project Engineer should review the quantities for accuracy. When satisfied that the quantities are correct, the draft copy of the estimate worksheet should be forwarded to the Contractor for his review. After all parties have agreed that the monthly quantities are correct, lock out the estimate in MCMS.

CONSTRUCTION DIRECTIVE 07220.100.01

PROCEDURE: (continued)

Regenerate the estimate worksheet, which will now have a pay period ending date at the top of each sheet. If this is a #01 estimate, write the "Notice to Proceed" (on or before date) and "Time Charges Start" date at the top right-hand corner of the signature sheet. Have the Project Engineer and the Contractor sign the worksheet in the spaces provided. The Contractor **must** sign and date the Little-Miller Act statement at the bottom of the "Estimate Summary" sheet. Signatures should be obtained **prior** to transmitting the estimate file.

Note: Unsigned estimates will not be processed!

To transmit the estimate, open MCMS and select File/Transmit/Send Estimate. This will transmit the estimate via modem to a computer located in the Controls Section, OOC. If you encounter problems during this procedure, contact your MCMS representative immediately.

Immediately after transmitting your estimate, fax the **signed** copy of the estimate worksheet to the Team Leader – Controls Section, OOC. Forward the hard copy of the estimate worksheet to the **AO**.

Handwritten Estimates

For contracts not having access to a field computer and MCMS, the Project Engineer will submit a handwritten estimate using the TRNS*PORT Construction Report and an estimate worksheet (Form OOC36).

Estimate Worksheet (Form OOC36)

The estimate worksheet is a handwritten summary of the monthly quantities due for payment to the Contractor.

The following information is necessary when completing the estimate worksheet:

Contract Number – Enter contract number, as it appears on the proposal, at the top of page.

Estimate number – Enter the next sequential estimate number. This should match the estimate number on the construction report.

Date – Enter the pay period ending date.

Item number – Enter the item number, including the suffix, if the item has been created by change order. (7001-1, 7002A, etc.)

Code number – Enter the TRNS*PORT category code (0101, 0201, etc.) found on the construction report to the right of "Cat. No.". This is necessary for multiple funded items.

Description – Write a **brief** description of the item.

CONSTRUCTION DIRECTIVE 07220.100.01

PROCEDURE: (continued)

Unit of Measure - (SY, LS, EA, etc.)

Unit Price – Enter the unit price for each item/code. Do not use the total unit price for lump sum items that appear in more than one category.

Quantity (O) – Enter the pay quantity up to the authorized amount. Show lump sum quantities as a decimal, not to exceed three decimal places. (9.6% = .096)

Quantity (OV) – Enter the pay quantity that exceeds the authorized amount. Lump sum payments should **never** exceed 100%.

Total Quantity – Total of Quantity (O) + Quantity (OV).

\$ (O) – Enter dollar amount (Quantity (O) X Unit Price).

\$ (OV) – Enter the dollar amount (Quantity (OV) X Unit Price).

\$ (O) + (OV) – Enter the total dollar amount \$(O) + \$(OV).

All negative quantities and dollar amounts shall have the word “MINUS” written over the entry, a minus sign preceding it, and be boxed in **red** to ensure that they are not overlooked.

The total amount of the estimate shall be entered at the bottom of the last page. The estimate worksheet shall be signed by the preparer and a telephone number listed, where they can be reached, in case problems are encountered in processing the payment.

TRNS*PORT Construction Report

The TRNS*PORT Construction Report will be used to submit monthly estimates in the event that the MCMS program is not available. The first page of the construction report is the lead sheet and is used to supply essential information for the processing of the payment voucher.

When preparing an estimate, it is not necessary to enter the estimate number on the lead sheet, as this is already provided. The following information must be entered in the upper right-hand corner of the lead sheet:

- Estimate Total
- Pay Period Ending Date
- Total Days Charged to Date
- Notice to Proceed (on or before) Date (#01 estimate only)
- Time Charges Start Date (#01 estimate only)
- Time Charges Stopped Date (when applicable)
- Check (M) for Monthly

CONSTRUCTION DIRECTIVE 07220.100.01

PROCEDURE: (continued)

All subsequent sheets of the construction report contain a listing of the contract pay items, broken down by funding category. Each funding category contains a description of the funding and the percent of participation.

Post the pay quantities from the estimate worksheet on the right hand side of the construction report, next to the corresponding item. If the items are multiple funded, be certain that the quantity is posted in the proper category. All quantities should be carried out to two decimal places. Lump sum items should be posted as a decimal, not to exceed three decimal places. All negative quantities shall have the word "MINUS" written over the entry, a minus sign preceding it, and be boxed in **red** to ensure that they are not overlooked.

Since the construction report is generated during voucher processing, change order items approved after the last voucher date will not be included. It is not necessary to post these items on the construction report. These quantities will be inputted directly from the estimate worksheet.

After the estimate has been compiled, allow the Contractor sufficient time to review the pay quantities. After verifying that the quantities are correct, have the Contractor sign in the **two** spaces provided on the lead sheet.

The Contractor must sign the "Little-Miller Act" statement before a payment can be processed. In the event the Contractor is unavailable, fax the lead sheet to the Contractor's office for signature. To expedite processing, have them return it to you by fax.

The Contractor may elect to prepare a "Little-Miller Act" statement in lieu of signing the lead sheet. If this is the case, the Contractor must include the following information:

- Contract Number
- Contract Description
- Estimate Number
- Little Miller Act statement, word for word, without qualifications
- Company Representative's Signature
- Company Representative's Title
- Date

After obtaining the Contractor's signatures, the Project Engineer shall sign in the place provided on the lead sheet. The TRNS*PORT Construction Report, Estimate Worksheet and "Little-Miller Act" statement should then be forwarded to the Controls Section, OOC for processing.

CONSTRUCTION DIRECTIVE 07220.100.01

PROCEDURE: (continued)**Reports**

After processing, the payment voucher and construction report files are electronically transmitted to the **AO** for printing and distribution. After receiving these printouts, the Project Engineer will check the data printed on the payment voucher for accuracy. Should there be any **major** discrepancies in the pay items or time charges, the Project Engineer will immediately advise the Team Leader – Controls Section, OOC. If no problems are found, the copy of the voucher should be filed and maintained with the project records. The current copy of the construction report should be filed for future use. The construction report will be necessary in the event computer failure renders the MCMS program unusable.

Semi-final Estimates

Upon completion of the project, the **AO**, in accordance with TC-7.05 (b) (1) **2001 edition** or GP-9.03 (b)(1) **1993 edition** of the Standard Specifications, at the request of the Contractor and with consent of surety, may elect to run a semi-final estimate. This process, which involves the reduction of retainage, will be handled by the Sketchbook Engineer of the **AO**. All estimates from this point on will be processed at the **AO** level.

To process a semi-final estimate, the following documentation **must** be provided to the Controls Section.

- A letter from the Contractor requesting a semi-final estimate.
- Consent of Surety (not required for contracts under \$100,000.00).
- Power of Attorney (required when submitting Consent of Surety).
- Little-Miller Act statement signed and dated, including the contract number, Contractor's name and representative's title.
- The **AO** Memo requesting preparation of a semi-final estimate. This memo should contain the following payment breakdown:

Earned this Estimate:

Earned Prior:

Total Earned to Date:

Less Previous Payments:

Less Retainage:

Less Liquidated Damages:

Amount Due:

CONSTRUCTION DIRECTIVE 07220.100.01

PROCEDURE: (continued)

- TRNS*PORT Construction Report – The following information must be posted on the construction report for entry into the TRNS*PORT system:

Pay Period Ending Date

Money Earned, Retainage Released, Total Money Due – Post in upper right hand corner

Days Used to Date**Time Charges Stopped Date**

FMIS Charge Numbers – should be included for payments or credits on all maintenance contracts.

- Estimate Worksheet (Form OOC36) – Include payments to change order items on estimate worksheets. New items **do not** have to be written on the construction report.
- Change Orders – Include an **approved** copy of new change orders to be added for processing of the semi-final estimate.
- Time Extensions – Make sure that the last estimate processed reflects all time extensions to date. If not, supply a copy of all change orders with time extensions so that they can be posted to TRNS*PORT.
- **Notes:** Check the “Days Allowed” and “Days Used to Date” on the last estimate processed to see if they are correct. If there is a discrepancy, contact the Controls Section prior to submittal.

Final Estimates

After all work has been completed and accepted, all quantities computed and agreed upon, pavements cored and checked for thickness, and agreement reached to make final and complete settlement, a final estimate will be prepared, in accordance with TC-7.06 (c) **2001 edition** or GP-9.04(c) of 1993 **edition** of the Standard Specifications. The Sketchbook Engineer of the **AO** will be responsible for this preparation.

CONSTRUCTION DIRECTIVE 07220.100.01

PROCEDURE: (continued)

The following information must be supplied to the Controls Section for processing a final voucher:

- Cover memo requesting processing a final voucher – The cover memo should contain the following payment breakdown:

Earned this Estimate:
Earned Prior:
Total Earned to Date:
Less Previous Payments:
Less Liquidated Damages:
Money Due:

- A draft copy of the District Engineer’s Certificate of Completion of Work (OOC3 form) with the following information:

Advertised Date
Bids Rec’d Date
Award Date
Execution Date
Notified to Proceed Date – date of “Notice to Proceed” letter.
Notice to Proceed “on of before” Date
Time Charges Began Date – first day that time was charged.
Work Started Date – the date the Contractor began working.
Contract Completed Date – last day that time was charged.
Project Accepted Date – final acceptance date.
Material Clearance Date – date of material acceptance letter.
Total Number of Change Orders – number of change order requests, including additional work requests.
Total \$ Amount of Change Orders – change order amount plus the awarded amount must equal the current contract amount.
Liquidated Damage Calculations – if applicable
Days – “Allowed”, “Charged”, “Under”, “Over”, etc.
Time Charges Breakdown – complete breakdown of “No Charge” days (work-day contracts).

- Additional information related to pavement type, thickness, core drilling, penalties, etc., if applicable.

CONSTRUCTION DIRECTIVE 07220.100.01

PROCEDURE: (continued)

- TRNS*PORT Construction Report – The following information must be posted on the construction report for entry into the TRNS*PORT system:

Pay Period Ending Date

Money Earned, Retainage Released, Total Money Due – Post in upper right hand corner

Days Used to Date**Time Charges Stopped Date**

FMIS Charge Numbers – should be included for all payments or credits on maintenance contracts.

- Estimate Worksheet (OOC36 form) – Include payments to change order items on estimate worksheets. New items **do not** have to be written on the construction report.
- Change Orders – Include an **approved** copy of new change orders to be added for processing of the semi-final estimate.
- Time Extensions – Make sure that the last estimate processed reflects all time extensions to date. If not, supply a copy of all change orders with time extensions so that they can be posted to TRNS*PORT.

***Notes:** Check the “Days Allowed” and “Days Used to Date” on the last estimate processed to see if they are correct. If there is a discrepancy, contact the Controls Section prior to submittal.

Check for any lump sum conversion items. These items carry an item number such as 0001, 0002, etc. These items were created during the conversion to TRNS*PORT to balance items that were paid beyond a tenth of a percent. Each lump sum conversion item will include the original item in its description. When the original item is paid 100%, the corresponding lump sum conversion item should be ZERO.

The final voucher will be returned to the Sketchbook Engineer of the **AO** after processing is complete to obtain the required signatures. It will contain the following attachments:

- **Final Estimate Attachment**
- **FMIS Charge Breakdown Sheet**
- **Funding Description Sheet**
- **Signature Sheet**

These attachments are **not** to be removed from the final voucher.

CONSTRUCTION DIRECTIVE 07220.100.01

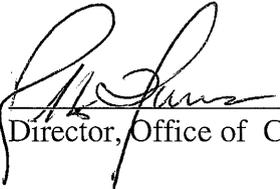
PROCEDURE: (continued)

After obtaining the Contractor's, and **AO** signatures, the final voucher and all supporting documentation will be returned to the Controls Section for processing of the final payment.



Chief, Construction Inspection Division

APPROVED:



Director, Office of Construction