

# 102 Contract Policies

## 102 CONTRACT POLICIES

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### 102.1 Legal Requirements:

#### 102.1.1 Legal Review:

Parishes, schools, and other related Archdiocesan entities shall contact Gallagher Evelius & Jones LLP, Archdiocesan Legal Counsel (ALC), for preparation and review of all contracts, leases, and any documents related to the alienation of property, including deeds, use agreements, licenses of property interests, title documents, surveys and/or other items to be recorded, unless expressly authorized to proceed without ALC review by the Policies and Procedures for New Construction, Renovations, and Capital Maintenance Projects.

#### 102.1.2 Corporate Titling:

Legal title to all buildings and real property (all land and improvements) shall be in the name of a corporation or other limited liability entity, as approved by DMS.

#### 102.1.3 Handicapped Accessibility:

All new construction and renovation projects must fully comply with all applicable laws, regulations, codes and ordinances regarding accessibility for persons with disabilities and with all accessibility guidelines and policies set forth by the Archdiocese, United States Catholic Conference of Bishops (*e.g.*, Built of Living Stones) or other Roman Catholic governing bodies. Every reasonable and practical effort shall be made to bring all existing buildings and properties into full compliance.

## **102.1.4 Compliance with Environmental Laws:**

All new construction, renovation, and maintenance projects shall comply fully with all applicable environmental laws and regulations.

### **Procedure:**

A) Because of stringent federal and state laws regarding hazardous materials, any workers involved with demolition, additions, or renovations must be notified of those areas of any building that contain such materials.

B) DFREM must be contacted in advance for consultation on projects involving hazardous materials.

C) In school buildings, asbestos-containing materials are clearly indicated in the Asbestos Management Plan (AHERA Plan), which is kept on file by the principal and DFREM and available for inspection. The Asbestos Management Plan must be updated if asbestos material is discovered or removed. Copies of any asbestos-related work documents must be filed with the DFREM and, if applicable, with the principal for updates to the Asbestos Management Plan.

D) Qualified professional personnel should carefully examine any suspect building material before it is disturbed.

## **102.2 Contract Policies:**

### **102.2.1 Authorized Contract Signer:**

Contracts over \$300,000 and all contracts for professional services (architect, engineer, planner, etc.) may only be signed by the Archbishop. Contracts under \$300,000 may be signed by the pastor, Vicar Bishop, or PLD once all approvals required by these Policies and Procedures for New Construction, Renovations, and Capital Maintenance Projects have been obtained.

## **102.2.2 DFREM Review of Certain Contracts:**

The following contracts must be submitted to DFREM for review by DFREM and ALC:

- Category I, III, and IV contracts;
- Contracts for soil investigation and engineering evaluation services during the design process;
- Contracts for mandatory code inspection and testing services during the construction process; and
- Contracts for independent onsite construction inspection or management services not required by code during construction process.

## **102.2.3 Professional Services Contracts:**

Professional services contracts should follow the applicable amended American Institute of Architects (AIA) form or other approved form.

## **102.2.4 Change Orders:**

All changes to any contract resulting in change of scope, credits, or extras, must be documented by a written Amendment or Change Order prepared by the Contractor, Architect or Project Manager, and accepted by the pastor and the Contractor or Architect as necessary. Any amendment substantially altering the terms of a contract should be reviewed by DFREM and ALC.

## **102.3 Method of Delivery:**

Projects shall be delivered by the Design-Bid-Build method. Alternative methods of delivery, such as Construction Management or Design Build, are permitted only with written permission from the Archbishop.

## **102.4 Bonding and Insurance:**

The following bonding and insurance requirements apply to capital projects as follows:

- All Category IV Projects must have Contractor Performance and Payment Bonds for the full value of the project in the formats stipulated in AIA Document A312. The bonding company must be approved by the Division of Risk Management.
- Bidders for Category IV Projects may be required to obtain Bid Bonds of a required percentage of TPC, guaranteeing that the contractor will enter into the contract for the amount of the bid.
- Builder's risk coverage shall be provided by the contractor on all projects. This amount will vary by project and will be determined by the Division of Risk Management.
- General liability coverage naming the Archdiocese as an additional insured shall be required of all contractors doing work on any Archdiocesan or parish/school property, in an amount determined by the Division or Risk Management.
- Professional liability coverage naming the Archdiocese as an additional insured shall be required of all architects doing work for any Archdiocesan, or parish/school project.

The detailed insurance coverage requirements for capital projects are available [here](#).

## **102.5 Applicability of Contract Policies:**

A spreadsheet summarizing the applicability of the foregoing contract policies is available [here](#).

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