


VIRGINIA DEPARTMENT OF TRANSPORTATION

**CONSTRUCTION DIVISION**

**INSTRUCTIONAL AND INFORMATIONAL MEMORANDUM (IIM)**

<b>GENERAL SUBJECT:</b>  SUBCONTRACTING	<b>NUMBER:</b> IIM-CD-2019.01.01
<b>SPECIFIC SUBJECT:</b>  APPROVAL OF SUBLET REQUESTS	<b>DATE:</b> March 18, 2019
	<b>SUPERCEDES:</b> IIM-CD-2013.06.01
<b>APPROVED:</b>    Kerry A. Bates, P.E. State Construction Engineer	

**DIRECTED TO - DISTRICT ENGINEERS**

The authority to approve sublet requests on contracts which incorporate the Road and Bridge Specifications is delegated to the District Engineer or their designee(s). The primary contract specification concerning subcontracting is Section 105.06 of the 2016 VDOT Road & Bridge Specifications titled Subcontracting.

Unless otherwise permitted in the contract, all sublet requests require the consent of the District Engineer or their designee(s). 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 Engineer may delegate in writing the authority to approve sublet requests to the designee they deem appropriate. The review 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** – The designee assigns some or all of the review steps to another person (assignee). Once the assignee completes the review and ensures the sublet request is complete and ready to approve, the assignee signs the C-31 recommending approval of the sublet to the designee. The designee performs any additional review necessary and is responsible for approving the sublet request once all reviews are complete.

The following information on the C-31 must be reviewed and verified prior to approval of the subletting request:

1. The contract identification information on the top of Page 1
2. Contractor's name and vendor number
3. Subcontractor's name and vendor number (or SCC number if prequalification is not required)
4. Item numbers, item descriptions, and unit prices match the schedule of items in the contract
5. Extensions and total amount
6. Quantities and/or unit prices being sublet shall not exceed the contract quantity and/or the contract unit price.
7. An explanation is provided if the quantity and/or unit price being sublet is less than the contract quantity or unit price. This includes non-standard items or lump sum items that are performed by more than one contractor/subcontractor.
8. Request has the signature of company officers for both the prime contractor and the proposed subcontractor. Signatures can be by traditional "signed in ink" or electronically signed using digital signature processes. If traditional signatures are used the request may be scanned and electronically submitted to the Department.
9. Evidence of insurance in accordance with Section 103.06(f) of the Specifications
10. Cumulative percentage of all sublets is within contract requirements
11. 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 online 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.
12. For federal aid projects, FHWA-1273 provisions are required to be physically incorporated into each subcontract and subsequent lower tier subcontracts, and shall not be incorporated by reference. The FHWA-1273 does not have to be physically incorporated into subcontracts for design services, purchase orders, rental agreements, or other agreements for supplies or services. The subcontractor and prime contractor certify that the "Required Contract Provisions Federal Aid-Construction Contracts" are included in the actual subcontract for which the sublet request is made.

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 or electronically as soon as possible and a copy provided 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. Verbal authorization must be followed up by email for documentation purposes to ensure that no work is performed prior to the C-31 being reviewed and approved. 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.

<b>Condition</b>	<b>Prequal. Required</b>	<b>Approved C-31 Required</b>	<b>Notification of Firm's Name &amp; Items of Work</b>	<b>Engineer's Written Approval</b>
Manufacture or Supply of Material	NO	NO	NO	NO
Hauling of Material	NO	NO	NO	NO
Service Rental such as barrels or barrier (Shall not include contractors performing installation)	NO	NO	NO	NO
Regular Contract Line Items	YES	YES	NO	NO
Lower Tiers (Items or parts of an item on a previously approved sublet)	NO	NO	YES	YES
Professional Services such as construction surveying or wave equations that are a stand-alone line item in the contract)	NO	NO	YES	YES
Professional Services (Items that are not a stand-alone line item in the contract)	NO	NO	NO	NO
Asbestos or Lead Abatement	NO*	YES	NO	NO
Specialty Items Marked in Contract	NO	YES	NO	NO
Sublets \$25,000 or less on State Funded Contracts in accordance with Copied Note	YES	YES**	YES	VERBAL

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

\*\* To document "Verbal Approval" process.