

6.1 SITE CLEARANCE

6.1.1 General Requirements

Regional Real Estate (RE) property managers are responsible for right of way site clearance activities. After an acquisition and immediately upon vacancy, working to avoid any delays in construction activities, the RE property manager arranges for buildings and other site improvements to be removed from the property acquired so the land is clear and ready for construction to begin. All demolition and removal processes and related activities must take into consideration the health and safety of the public. Varying safety precautions, to include special notifications, permits and signage, etc. will be required depending on the situation. Demolition and removal activities are carried out under the terms and conditions of razing and removal contracts governed by <u>Chapter 84, Wis. Stats</u>.

6.1.1.1 Police & Fire Training Policy on WisDOT Property

WisDOT gets requests occasionally for police and fire departments to use our vacant buildings for purposes of police and fire training activities. The Wisconsin Department of Transportation (WisDOT), by way of an authorized regional representative (Real Estate supervisor or above), will review formal requests from local police and fire agencies to consider use of WisDOT-owned property for purposes of police and fire training activities. In doing so, WisDOT must receive a written request of the training plan from the police and fire agency, and all agencies must have written permission granted by an authorized WisDOT representative prior to using any WisDOT property for police and fire training purposes. In addition, no training exercises will be allowed that involves open flames or burning of any structure. Only WisDOT-owned property will be considered; property located within an easement area will not be considered, nor will any WisDOT-owned property that is part of an existing highway right of way. See the full text of our policy and procedure in detail by reviewing our Police and Fire Training Policy on WisDOT Property w/Signature Agreement attached. As a general statement and in summary, it is very difficult to meet the requirements and gain approval from WisDOT for police and fire training activities on WisDOT-owned property.

6.1.2 Site Clearance Process, Roles and Responsibilities

Planning needs to begin early for site clearance activities. Ideally, the RE property manager should be informed of what structures will likely need to be acquired for a project shortly after the relocation plan is approved. It is imperative, however, that RE property managers remain in close communication and collaboration with the RE acquisition and relocation agent throughout the acquisition and relocation process. The RE property manager needs to know what structures are being acquired, the basic features of the structure(s), and when they will become available (vacated). They also need to know what miscellaneous items, if any, are not being retained by the owner (i.e., deck, pool, shed, etc.) and therefore need to be included early in site clearance discussions and informed of final decisions. They also need to know if there is a well and septic on the property or any other unique items or features associated with the property that may

create the need for additional or special planning or that could cause potential difficulties in clearing the property. Property managers, in turn, need to remain in close communications with regional PDS staff, managers, etc. regarding their progress and any issues that could cause potential difficulties in clearing the property in time for construction to begin.

• The RE relocation agent is responsible for completing the final vacancy inspection and will notify the RE property manager that site clearance work can begin.

See <u>Razing & Removal Contract Checklist</u>. Property managers are encouraged to use this checklist for planning and tracking site clearance activities; this checklist can be a useful tool in putting together a razing and removal contract. The RE property manager works directly with and through the Division of Transportation System Development/Bureau of Project Development/Proposal Management Section-Proposal Management Unit (DTSD/BPD-PMU) in preparation for site clearance through execution of razing and removal contracts as governed by <u>Chapter 84, Wis. Stats</u>. Detailed steps are as follows:

- Wisconsin Department of Natural Resources (DNR) mandated asbestos inspections must be performed on every structure. Typically, asbestos inspection work is hired and paid for with purchasing contracts per <u>Chapter 16/Sub IV – Purchasing</u>, <u>Wis. Stats</u>. RE property managers should work through your regional purchasing staff for help in putting together and executing an asbestos inspection contract (view completed Example <u>1</u>). Inspections should be performed as soon as possible after the acquisition, relocation and vacancy (a copy of the appraisal is helpful for bidding purposes by the asbestos inspectors). These inspections are mandatory and will provide abatement cost estimates needed to prepare the engineer's estimate for BPD for the razing and removal contract. See <u>DNR Asbestos</u> <u>Program</u> website for additional information.
- 2. If any buried fuel tanks are known or suspected to exist on the site, testing for contaminated soil or groundwater and the removal of the tanks shall be done prior to acquisition by an environmental consultant as described in the Facilities Development Manual (FDM). Razing contractors are generally not licensed to perform this work. Contact your regional environmental coordinator to schedule buried fuel tank removals by consultants under contract with the state and as administered by that office.
- 3. Wage Rate information:
 - For residential properties:

If the demolition involves more than two dwelling units <u>**OR**</u> the cost of the demolition is at or above \$100,000, a wage rate determination from DWD is needed.

If the demolition involves two dwelling units <u>**OR**</u> if the cost of the demolition is less than \$100,000, no wage rates are needed.

• For non-residential properties:

If the cost involving a single trade has an estimated cost at or greater than \$48,000 <u>OR</u> involves multiple trades at or greater than \$100,000, a wage rate determination from DWD is needed.

It is unusual for a project to be limited to one trade, but it could happen.

It is the Region's responsibility to apply for the wage rates and send with submittal of other documents. If wage rates are needed, go to the <u>DWD/Equal Rights - Prevailing Wage</u> website to apply for a <u>prevailing wage project determination</u>. You must use the online application. The wage rate determination webpages will become part of the razing and

removal contract; the rate determination webpages should follow the "Special Provisions" and precede the "Exhibits" pages. Remember that the total costs stated on the wage rate application should NOT be the same as the confidential engineer's estimate. See <u>FDM 19-10-25 Sample Proposal</u> for more about engineer's proposal; and reference <u>DWD/Equal</u> <u>Rights</u> website for information on potential law changes, current prevailing wages, FAQs, contacts for questions, necessary forms, etc.

- 4. Prepare razing and removal contract. Each of the documents/materials as listed below (a g) are required for ALL razing and removal contracts (h Wage Rates, may be optional; see criteria in step 3). Live links to blank "fill-ready" forms/documents/materials are included at beginning of the description for each step and again in a list at end (see 6.2.2 below). The order to which each document/material should be included in the demolition contract is as follows (see "a g" and "h" if applicable):
 - a. <u>Plan Letter</u> (view completed Example <u>11</u>): In the plan to BPD letter, state the location, address, date and time on which the bid letting will take place, and the number of bid proposal copies needed by the region for the letting. Note: If the region chooses to print their own copies of the bid proposal package, the region must send four (4) copies back to BPD/Proposal Management Section, Attn: Contracts Specialist, so the Recommendation to Governor for Contract and Bond Approval (DT25) can be signed and the contract processed.
 - Bid letting should be no earlier than eight (8) weeks from the date the documents/materials are sent to BPD. Never schedule bid opening on the second Tuesday of any month and keep the following timetables in mind when choosing the contract time for completion as stated on the Highway Work Proposal – Razing and Removing (<u>DT1502</u>) (also see FDM 19-30).
 - One residential parcel (house/garage) -- 5 calendar days.
 - Commercial buildings (depends on size/business function -- 10 to 14 calendar days.
 - Permit processing and utility disconnects -- 3 to 10 calendar days. Note: DNR requires 10 days for processing demolition permits and municipalities may have different time lines. Utility companies usually request at minimum 10 days for scheduling and completion of their work. Utility disconnects may also require written authorization from WisDOT during the months of November through April. Many times, utility disconnects are done prior to the razing contract by the RE property manager. Many utility companies do charge disconnect fees.
 - b. <u>Engineer's Estimate</u> (view completed Example <u>8</u>): Prepare Engineer's Estimate (try using prior contracts as examples or another possible reference could be the Marshall Swift Manual). Include the asbestos removal estimate from the asbestos inspection report. Do NOT share these estimates with potential contractors.
 - c. Recommendation to Governor for Contract and Bond Approval (<u>DT25</u>) (view completed Example <u>12</u>): Note: This is NOT a Real Estate form. WisDOT's estimate amount comes from Engineer's Estimate. Do NOT share that estimate amount with potential contractors.
 - d. Highway Work Proposal Razing and Removing (<u>DT1502</u>) (view completed Example <u>10</u>). For detailed guidance, see <u>FDM 19-10-25/25.1 Completing Form DT1502</u>. Note: This is NOT a Real Estate form.
 - e. <u>Special Provisions</u> (view completed Example <u>13</u>): Use the standard razing and removal Special Provisions language for all razing and removal contracts. Note: To ensure using the most current and up-to-date version, you should always obtain it electronically, using only the current posted copy. Be sure you work with BPD to ensure using the latest forms and templates. Complete the fields that describe the project, the parcels and the

buildings that will be razed (removed), contract time requirements, and the requirements of the contract bond.

- f. Exhibits (view completed Example <u>9</u>): Clearly indicate the project ID and parcel number at the bottom of each exhibit page. An exhibit for each parcel is required and shall contain:
 - 1) Additional information about the parcel and work that the contractor will perform;
 - 2) A detailed floor plan, photos, location map for each parcel; and,
 - 3) An asbestos inspection report for each parcel.
- g. <u>Bid Form Instructions w/Bid Proposal</u> (view completed Example <u>4</u>): For Options A (contractor to pay WisDOT) and Option B (contractor to receive payment from WisDOT).
- h. DWD Wage Rate Order: use the online version only at <u>http://dwd.wisconsin.gov/er/prevailing_wage_rate/apply_for_determination.htm</u> (view completed Example <u>7</u>): This may be required on razing and removal contracts. Attach DWD Wage Rate Order only IF required (see wage rate information above in step 3).
- 5. BPD's role in razing and removal contract processing. In the order listed above, submit the entire package to include all of the aforementioned documents/materials ("a - g" and "h" if applicable) along with the plan letter to BPD. Send everything electronically to the Proposal Management Section's mailbox (WisDOT/DTSD/BPD - Proposal Management Section) at DOTDTSDBPDProposalManagementSection@dot.wi.gov. All documents should be in a Word and/or PDF format, except the wage rates and exhibits can be PDFs. Any questions, call (608) 266-3985. BPD will review the PS&E package ensuring that the Highway Work Proposal – Razing and Removing (DT1502) and Special Provisions are complete and done properly. BPD may add additional contract documents/materials and additional special provisions, if/where needed. They will assemble the final bid proposal package for bid letting. BPD will also send the materials to DOA printing services for mass printing. Alternatively, if the region prefers to print their own copies for distribution to potential bidders, the entire proposal package can be sent back to the region for copying, but then the region will need to remember to send four (4) copies back to BPD. BPD will also prepare and send the advertisement for the bid proposal to the official and required publication in the "Daily Reporter." They will also post the advertisement and bid proposal materials on their Highway Construction Contract Information (HCCI) website at http://wisconsindot.gov/Pages/doing-bus/contractors/hcci/bid-let.aspx. The proposal on the website is for informational purposes only. The contractor is required to request the bidding documents from the Regional Contact for the project.
- 6. Bid letting process and handling of bid proposal materials. Regional RE property managers typically maintain a list of potentially interested razing and removal contractors to whom they will routinely send all bid packets. Once the entire bid proposal package has been sent back to the region, from BPD, and copies have been made, the RE property manager will mail a bid packet with a bid packet cover letter to all potentially interested contractors (view completed Example 3). Typically, you should figure to have 20-30 copies ready to mail to everyone on the list. BPD can make the copies for you (or the region may choose to make their own copies). If you are using a pre-established mailing list, it might be helpful to send letters of interest first, asking potentially interested firms to request a bid package from you if they are, in fact, interested in obtaining a bid packet for the current project. Either way, you must keep a record of the contractors to whom you send a bid packet. You will need to conduct the bid opening on the date and after the closing time indicated on the Highway Work Proposal – Razing and Removing (DT1502). You must conduct the bid opening in an official manner. Bidding for highway construction projects is conducted under the authority provided in Wisconsin Statutes 84.06(2)(a) Bids, Contracts. Contracts will be awarded to the lowest competent and responsible bidder as determined by the department. BPD (not

RE) has authority to make the official determination. See Standard Spec 102 as well as Facilities Development Manual (FDM). Note: Some points identified in these standards do not apply directly to razing contracts. Also, see Bid Opening Day Checklist & Bid Results List. Contractors may be present at bid opening, but not required. Incoming bids may be mailed or hand delivered. NO bids submitted or received after the time and date as designated on the Highway Work Proposal – Razing and Removing (DT1502) can be accepted - no exceptions! Be sure to work closely with your regional mail handler(s) to coordinate critical aspects for handling incoming bids. Emphasize to anyone potentially handling the bids packages to ensure the materials are NOT opened by anyone prior to the bid-opening day and time, and then opened only by the person(s) responsible for the official bid-opening event. In addition to the materials NOT being opened prior to the bid-opening day and time, all bid packages received also need to be time/date stamped. After the bidopening event, as early as possible (immediately is best), all bid materials received along with the proposal guaranty(ies) must be sent to BPD with a Bid Opening Memo and Bid Results List (view completed Example 2). Note: It is good practice to send the bid materials and results list on same day of bid opening or next day (at latest). BPD will review the materials and determine the winning bidder. They are required to determine the winner (to give authorization for the award) and to have the proposal guarantees (which come in the form of a money order, cashier's check or bank check) returned to the corresponding nonwinning bidders within two (2) business days of the bid opening. It is acceptable for those times when the RE property manager hosting the bid opening feels reasonably confident they know who will get the authorization and award (winning bid) to return the proposal guarantee checks to the other non-winning bidders present at the time of bid opening as long as you get a written receipt saying that they received it.

7. Contract award, execution of award and notice to proceed. The contract award letter is drafted by and comes from BPD; as such, we do not offer a fill-ready copy as part of this REPM section (view completed Example 5). We will draft the Notice to Proceed letters. The RE property manager will make a recommendation of their top three (3) bidders and will send all the bids proposal materials received to BPD to review for compliance. Upon review. BPD will determine the winning bidder and give authorization for an award. BPD will return the proposal guaranty checks to the other, non-winning, bidders. BPD also sends the contract award letter to the winning bidder, which instructs them to comply within 14 days by: a) signing and returning the contract; and, b) submitting the appropriate bonding and insurance documentation. Next, BPD sends the contract to the Governor's office for execution. Note: An "awarded" contract should not be confused with an "executed" contract. The award letter that BPD sends to the contractor is NOT notice of an executed contract. A contract is officially executed only upon signature of the WisDOT Secretary and Governor's offices. Once the contract is executed, BPD will send the date of the executed contract to the regional office, which is their prompting and authorization to issue a written "Notice to Proceed." The regional office issues the "Notice to Proceed" letter, but regions must wait for the notice of executed contract date to come from BPD before sending the "Notice to Proceed" letter. NO work may begin until the contract is fully executed. Work performed by the contractor needs to be monitored for compliance and this is typically done by PDS staff. The regional RE property manager should contact PDS personnel to establish who will be taking the lead in monitoring the contract and progress on the project. The RE property manager, PDS staff and/or other regional contract compliance personnel should meet with the contractor prior to starting the project to clearly establish and communicate who will be the lead in monitoring contract compliance and progress on the project, and who should be the first point of contact in addressing any issues if any develop. This meeting is very important to clarify roles and responsibilities, to introduce the WisDOT personnel to the

contractor, and to review the contractor responsibilities. Periodic field visits are required per special provisions. See Special Provisions #20.

- <u>Contract Change Order</u> (view completed Example <u>6</u>). If additional work is required that is not in the original contract, a Contract Change Order is required. If/when needed, the RE project manager will submit a Contract Change Order to Madison/Hill Farms/Division of Business Management (DBM) - Expenditure Accounting Unit; 8th Floor, South.
- 9. Invoicing and payments. Each contractor will submit invoices using their own format, but invoices or requests for payments must come to WisDOT on the firm's letterhead or show the firm's logo. Once work is complete, the contractor will send their invoice that must include a copy of the first page of their original executed Highway Work Proposal Razing and Removing (DT1502) and the Bid Proposal to the regional RE property manager. The RE property manager will review the invoice and supporting materials for any discrepancies and, if okay, sign off as approving for payment. The RE project manager will send an authorization for payment along with the associated invoice and supporting materials inter-d to Madison/Hill Farms/ Division of Business Management (DBM) Expenditure Accounting Unit; Rm 851. All invoices should be date stamped or somehow indicate the date they were received because unless there is a letter of dispute sent, WisDOT has just 30 days from

date received to get payment to the vendor or we will be subject to late interest charges. If we are approaching the 30-day issue, the invoicing materials can be scanned and sent via email, but we generally try to send only the original invoice w/supporting materials for better clarity and to avoid duplication or confusion. Payment is sent directly to the contractor from DBM/Expenditure Accounting.

6.1.2.1 "Examples" Razing & Removal Forms/Docs/Materials - For Reference Only!

- Example 1: <u>Asbestos Inspection Contract</u>
- Example 2: Bid Opening Memo to BPD
- Example 3: Bid Packet Cover Letter
- Example 4: Bid Form Instructions w/Bid Proposal
- Example 5: Contract Award Letter
- Example 6: <u>Contract Change Order</u>
- Example 7: <u>DWD Wage Rate Order</u>
- Example 8: Engineer's Estimate
- Example 9: Exhibits
- Example 10: Highway Work Proposal Razing and Removing (DT1502)
- Example 11: Plan Letter
- Example 12: Recommendation to Governor for Contract and Bond Approval (DT25)
- Example 13: Special Provisions

6.1.2.2 "Fill-Ready" Razing & Removal Forms/Docs/Materials - As Needed/Required

- Bid Form Instructions w/Bid Proposal
- Bid Opening Day Checklist & Bid Results List
- Bid Opening Memo to BPD w/Bid Opening Results List
- Bid Packet Cover Letter
- Contract Change Order
- Engineer's Estimate
- Highway Work Proposal Razing and Removing (DT1502)
- Notice to Proceed Letter

- Plan Letter
- Police and Fire Training Policy on WisDOT Property w/Signature Agreement
- <u>Prevailing Wage Determination</u> (go to DWD website for online application)
- Razing & Removal Contract Checklist
- Recommendation to Governor for Contract and Bond Approval (DT25) Razing
- Special Provisions

Note: Staff and consultants must stay alert to upcoming changes to invoicing processes and expenditure accounting procedures to be affected by developments involving the STAR (State Transforming Agency Resources) project.