

## **\*\*CONTRACTOR ANNOUNCEMENT\*\***

### **New Electronic Contract Award Process Effective with the June 4, 2021, Bid Letting**

For all construction contracts awarded that are let in the June 4, 2021, bid letting and all subsequent bid lettings, fully electronic contracting will be implemented.

The prime contractor of a project is responsible for ensuring that its authorized representatives and its surety agent's attorneys-in-fact are registered users of MDOT's digital signature appliance. Digital signatures and software are provided by MDOT at no cost. Instructions on how to acquire and use MDOT's digitally encrypted electronic signature can be obtained at [www.michigan.gov/MDOT-esign](http://www.michigan.gov/MDOT-esign).

MDOT, Contract Services Division (CSD) will continue to upload contracts and bonds to ProjectWise following our existing procedure. An e-mail notification including a link to ProjectWise will be sent to the contractor's e-mail address on file with CSD.

Once notification of an available contract document is received, **the prime contractor must follow these steps:**

- 1) Export the contract package document file and send to Desktop or another location from which the document can be easily retrieved.
- 2) Open the contract package document but do not sign the contract at this point. **It is very important that the prime contractor signature is the last signature applied to the contract documents before submission to MDOT.**
- 3) Extract and retain all additional pages from the contract package document such as the information cover sheet, Insurance Requirements, cover letter, unit prices, and 1273. **Award of your contract will be delayed if these documents are returned as part of the contract package.**
- 4) If there is a pass-through warranty (PTW), extract the PTW contract and bond pages and **save to your computer as "Subcontractor Name PTW.pdf."** Once extracted and saved, you should have one PTW document that contains the PTW contract and PTW bond **for each PTW.**
- 5) E-mail the contract package document to your surety agent. The contract package document should now consist only of the following:
  - a) Contract cover page
  - b) Agreement signature page
  - c) Bond cover page
  - d) Performance Bond
  - e) Lien Bond
  - f) Endorsement
  - g) Warranty Bond (when applicable)

- 6) The surety agent must follow these steps:
- a) Insert an electronic or digital power-of-attorney (POA) authorization form **behind the endorsement and / or behind the warranty bond (when applicable)**. This authorization cannot be a scanned copy; the dates should be electronically entered (rather than handwritten and scanned) and it must contain either: (1) the surety's electronically applied seal; or (2) a mechanical and/or facsimile seal, provided the form contains a statement that the surety has authorized the use of such seals.
  - b) The surety's attorney-in-fact must use the MDOT-approved [digital-signature appliance](#) to sign the performance bond, lien bond, endorsement, and warranty bond (when applicable). **The bond forms must contain the surety's electronically applied seal.**
  - c) The date of the attorney-in-fact's digital signature **must** match the bonds and POA.
  - d) Scans, copies, and documents containing manual or non-approved digital signatures or seals will be rejected.
  - e) E-mail the contract package document back to the prime contractor.
- 7) E-mail the PTW document(s) to your PTW subcontractor(s). The PTW subcontractor(s) must e-mail the PTW document(s) to its surety agent(s). **The PTW surety agent(s) must follow these steps:**
- a) Insert an electronic or digital POA authorization form **behind the PTW bond**. This authorization cannot be a scanned copy; the dates should be electronically entered (rather than handwritten and scanned) and it must contain either: (1) the surety's electronically applied seal; or (2) a mechanical and/or facsimile seal, provided the form contains a statement that the surety has authorized the use of such seals.
  - b) The PTW surety's attorney-in-fact must use the MDOT-approved [digital-signature appliance](#) to sign the PTW bond. **The bond forms must contain the surety's electronically applied seal.**
  - c) The date of the attorney-in-fact's digital signature **must** match the bonds and POA.
  - d) Scans, copies, and documents containing manual or non-approved digital signatures or seals will be rejected.
  - e) E-mail the PTW document back to the PTW subcontractor.
  - f) The PTW subcontractor should ensure their surety agent signed the proper page(s) and inserted the POA behind the PTW bond(s). The PTW subcontractor should now sign the PTW contract(s) and bond(s) and e-mail the PTW document back to the prime contractor.

- 8) Once the prime contractor receives the contract package document and / or PTW contract(s) and bond(s) back from the surety agent(s) and the PTW subcontractor(s), ensure the surety agent(s) have signed the proper pages and inserted the POA(s) behind the endorsement, warranty bond (when applicable), and / or PTW bond(s). Also ensure the PTW subcontractor has signed the PTW contract(s) and bond(s).
- 9) After ensuring all documents requiring a signature have been signed by the proper parties, the prime contractor may now sign the agreement page of the contract document package, bond and endorsement pages, and warranty bond and PTW contracts, when applicable.
- 10) The contract document package should be in the correct order of:
  - a) Contract cover page
  - b) Signed Agreement page
  - c) Bond cover page
  - d) Signed Performance Bond
  - e) Signed Lien Bond
  - f) Signed Endorsement
  - g) POA
  - h) Signed Warranty Bond (if applicable)
  - i) Warranty Bond POA (if applicable)

If applicable, separate PTW document(s) should contain the following in the correct order of:

- i) Signed PTW contract
- ii) Signed PTW bond
- iii) PTW POA

**If the contract document package or PTW documents are out of order, the contract document package and / or PTW documents will be rejected and sent back for revision.**

- 11) Once the contract package document is complete and ready to be submitted back to CSD, the prime contractor must drag and drop the contract package document, in addition to any PTW document(s), into the ProjectWise **Awards** folder under the proper Region|TSC|Job Number.
- 12) Right-click on the contract package document and PTW document(s), when applicable, and select Change State|Next.
- 13) An e-mail for each document selected *may* then be auto-generated already addressed to [MDOT-ProjectwiseConst@Michigan.gov](mailto:MDOT-ProjectwiseConst@Michigan.gov) and [MDOT-Awards@Michigan.gov](mailto:MDOT-Awards@Michigan.gov). There is no need to alter the text in the e-mail.
- 14) If an e-mail is not auto-generated, manually send an e-mail to [MDOT-Awards@Michigan.gov](mailto:MDOT-Awards@Michigan.gov) stating the contract document, in addition to any PTW document(s), are completed and ready for MDOT review. Be sure to include the Contract ID in your e-mail.

15) Send the e-mail(s) and the “state” of the contract package document in ProjectWise will be automatically changed to “Awards – Prime Contractor Completed.”

The current award notification process remains unchanged. There is no longer a need to mail any hard copy contract documents to MDOT.

If you have any questions or concerns, please contact [MDOT-Awards@michigan.gov](mailto:MDOT-Awards@michigan.gov).

Lansing, MI

5/21/2021