

Exemptions to the Indefinite Delivery/Indefinite Quantity (ID/IQ) Policy and Procedure Guide for State Funded Contracts and Work Orders

Exemptions to the ID/IQ Policy and Procedure Guide are referenced below by Section

OVERVIEW OF THE NORTH CAROLINA DEPARTMENT OF TRANSPORTATION (NCDOT)

- ID/IQ contracting is synonymous with the On-Call contracting method that Divisions have utilized for some time to supplement NCDOT staff with small construction and maintenance work and projects. Some in NCDOT may refer to On-call contracting as Annual Needs contracting. At a high-level, these three terms are considered equivalent to the same method of contracting.

APPROVAL OF AND AMENDMENTS TO FORMAL PROJECT AGREEMENTS AND AUTHORIZATION TO PROCEED (630.106)

- **Authorization to Proceed from FHWA** is required only for projects/work orders that are federally funded. This authorization to proceed is not necessary for state funded projects/work orders. Regardless of funding, the WBS must be released prior to making work order assignments and sufficient funding should be available on the WBS to complete all work under the work order assignment.
- The **NEPA process** is a requirement of federal funded project. Projects delivered under contracts with state provisions and state funded work orders must meet SEPA, unless permitting requirements dictate NEPA requirements to be met.

ISSUANCE OF WORK ORDERS

- The **PS&E Project Agreement Checklist** is required to be completed for all STIP projects (state and federally funded) delivered under an ID/IQ (On-call) contract. The PS&E Project Agreement Checklist is a tool that can be used for other projects delivered with ID/IQ contracts to confirm that all necessary items are complete and that the project is ready for assignment. The **PS&E Checklist for Division Let Projects** is to be used for Division Let STIP Projects that are project specific advertisements based on direction from the Chief Engineer in the [January 25, 2021](#) memo.

- The **Work Order Assignment Forms** are not required for use when assigning work orders that are state funded and are being assigned under a contract that does not include federal provisions, except as noted below for Work Orders requiring Payment & Performance Bonds.
 - Work Orders requiring bonds: The Work Order Assignment form must be used for assignments that require contract payment and performance bonds. The Work Order Assignment form functions as the ‘award letter’ for the bonding company. Note – some bonding companies may require a formal ‘award letter’ from NCDOT for the work order to provide bonds.
- The Contract Administrator is required to maintain a log of work and project assignments to Contractors which hold a purchase order under a State Multi-Award Contract. The Contract Administrator must document assignments and also assignments that are not accepted by a Contractor under a State Multi-Award Contract. A log can be used to record assignments under a State Single-Award Contract, but it is not required.
- **RR, ROW, and Utility Certifications** are required to be completed for all STIP projects (state and federally funded) based on direction from the Chief Engineer in the [January 25, 2021](#) memo. These Certifications are a tool that can be used for other projects to confirm that all necessary items are complete and that the project is ready for assignment.

PRICE ESCALATIONS AND CONTRACT EXTENSIONS

- ID/IQ (on-call) Contracts that are specifically utilized to augment NCDOT staffing will use a 3% annual price escalation rather than the CPI index. A contract to provide manpower to operate moveable span bridges is an example. All other contracts will utilize the CPI index for annual cost escalations.

OTHER PROCEDURES TO ENSURE COMPLIANCE WITH OTHER FEDERAL REQUIREMENTS

- ID/IQ Contracts that are let as **Small Business Enterprise (SBE)** contracts, do not require bidders to be prequalified. Bidders are required to be SBE Certified prior to bid opening. SBE contracts can be used to deliver federally funded projects as long as all federal requirements are met.
- **Disadvantaged Business Enterprise (DBE)** provisions are necessary only for Contracts containing federal provisions. ID/IQ Contracts with state provisions will utilize the provisions for Minority Business Enterprise (MBE) and Women Business Enterprise (WBE).

OTHER EXEMPTIONS

- On-Call contracts that utilize Fully Operated Rental Equipment (FORE) are exempt from the ID/IQ Policy & Procedures. Snow & Ice Contracts are an example.