

M. CONTRACTING

CONTRACT TYPES

Contracts entered by the Greater Lafourche Port Commission (“Port”) are generally categorized as follows:

- A. Public Works Contract – Agreement covering the erection, construction, alteration, improvement, or repair of any public facility or immovable property owned, used, or leased by the Port (La.R.S. 38:2211A.(12))
- B. Materials and Supplies – Agreement covering the lease, sale or purchase of equipment, materials, supplies or other movable assets
- C. Professional Services – Agreement covering the provision of services such as consulting or design by a person or business possessing special knowledge and/or experience in providing such services
- D. Cooperative Endeavor Agreements – Agreements defining a goal common to the parties and the contributions/commitments of each party toward the achievement of said goal
- E. Real Estate Agreements – Agreements granting certain rights in real property, such as sales, leases, rights of way and rights of first refusal.
- F. Funding Agreements – Agreements defining funding commitments to the Port and stipulations or assurances to be met by the Port in exchange for said funding

TYPES OF SERVICES REQUIRING WRITTEN CONTRACTS

Contracts for Public Works, Materials and Supplies and Professional Services shall be reduced to writing when such is required by law. All Cooperative Endeavor Agreements, Real Estate Agreements and Funding Agreements shall be reduced to writing.

STANDARD TERMS AND PROVISIONS

The following terms and provisions shall be incorporated into written contracts (these are minimum requirements and may be added upon based on the nature of the contract):

- A. Scope of Work – This section shall include the following:

- a. Clear definition of the services, materials or supplies to be provided under the contract
 - b. Expected quality or standard of performance
 - c. Identification of location from which the services will be performed
- B. Contract Price – This section shall include the following:
- a. Total compensation to be paid in exchange for the services, materials or supplies, set forth in numerals and words;
 - b. Invoicing terms including, but not to, method of invoicing, documentation required on or with invoices and frequency of invoicing
 - c. Payment terms including, but not limited to, acceptable method(s) of payment, payment due dates, applicable interest for late payment(s)
- C. Contract Term – this section shall set forth the timeframe within which the services must be performed, or materials/supplies delivered, set forth in both numerals and words. Timeframe may be set forth in terms of definitive commencement and completion date(s) or a commencement date and number of days to perform/deliver. In the event the latter is used, the contract shall clearly define whether “working days” or “calendar days” apply.
- D. Indemnity – This section shall set forth the following:
- a. Definition of parties and third persons protected or indemnified
 - b. Definition of party affording protection/indemnification
 - c. Definition of types of liabilities/damages covered
 - d. Definition of types of occurrences giving rise to indemnity obligation
- E. Insurance – This section shall include the following:
- a. Types of insurance coverage required
 - b. Limits of insurance coverage required
 - c. Requirement that the Port be named as additional insured and have subrogation waived in its favor under certain policies of insurance

- d. Requirement that the Port be provided with a certificate of insurance showing required coverage prior to commencement of work or performance under the contract.

LEGAL REVIEW

Prior to execution, all contracts and change orders or amendments thereto shall be reviewed by General Counsel.

CONTRACT APPROVAL PROCESS

Contracts shall be approved as follows:

A. Public Works Contract

- a. In excess of the “Contract Limit” defined by Louisiana’s Public Contract Law (the “Contract Limit”) or less than the “Contract Limit” but not within the current Port budget shall be approved by the Board of Commissioners and executed in accordance with a resolution of the Board of Commissioners (ie. President of the Board of Commissioners or Executive Director)
- b. Less than the “Contract Limit” but within the current Port budget shall be approved and executed by the Executive Director

B. Materials and Supplies

- a. Purchases within Port budget shall be approved and executed by the Executive Director
- b. Purchases not covered by Port budget shall be approved by the Board of Commissioners and executed in accordance with a resolution of the Board of Commissioners (ie. President of the Board of Commissioners or Executive Director)

C. Professional Services contracts shall be approved and executed by the Executive Director.

D. Cooperative Endeavor Agreements shall be approved by the Board of Commissioners and executed in accordance with a resolution of the Board of Commissioners (ie. President of the Board of Commissioners or Executive Director)

- E. Real Estate Agreements shall be approved by the Board of Commissioners and executed in accordance with a resolution of the Board of Commissioners (ie. President of the Board of Commissioners or Executive Director)
- F. Funding Agreements shall be approved by the Board of Commissioners and executed in accordance with a resolution of the Board of Commissioners (ie. President of the Board of Commissioners or Executive Director)

MONITORING PROCESS

Following execution, contracts shall be monitored as follows:

- A. A contract file shall be created and stored in custody of the Legal-Project Assistant. The contract file shall contain the executed contract, change orders and amendments (if any) and related correspondence, invoices, copies of cancelled checks, monitoring reports and any other documentation related to the contract.
- B. A contract list shall be maintained by the Legal-Project Assistant. The list shall include the following information for each contract:
 - a. Vendor/Contractor name and contact information
 - b. Starting date of contract
 - c. Ending date of contract
 - d. Type of services/materials/supplies to be received
 - e. Cost of services/materials/supplies
 - f. Employee responsible for monitoring the contract terms and conditions
- C. A Contract Manager shall be designated for each contract. The Contract Manager shall be accountable for the following:
 - a. tracking budgets
 - b. comparing invoices and charges to contract terms
 - c. verifying and accepting/rejecting deliverables

- d. withholding vendor payment until deliverables are met
 - e. approving invoices
 - f. maintaining all documentation supporting payments to the vendor
 - g. closing out the contract
 - h. communicating the status of each contract for to the Executive Director for updating the Board of Commissioners at its monthly board meetings
- D. The Legal-Project Assistant shall maintain a checklist for each type of contract to formally document monitoring.
- E. Payments to vendors or contractors shall only be recommended for approval by the Board of Commissioners after verifying with the contract manager through DocStar that the related work, goods or services have been received or performed in accordance with the terms of the contract.
- F. Following termination of the contract, the Legal-Project Assistant shall review the established checklist to confirm that all requirements of this policy have been met. Legal-Project Assistant shall also confer with General Counsel to ensure that any legal requirements have been satisfied.