

STATE OF ALASKA STANDARD OPERATING PROCEDURE Division of General Services	S.O.P. # DGS-07-06	PAGE 1 of 1
SUBJECT: Construction in Leased & State Owned Office Space	EFFECTIVE DATE: 03/22/06	
APPROVED BY: VERN JONES, CPO	SUPERSEDES S.O.P. #	DATED REVISED:

PURPOSE: This provides guidance to State agencies that want to procure construction in leased and state owned space.

AUTHORITY: The Chief Procurement Officer granted authority as permitted under AS 36.30.005.

POLICY: The Division of General Services must approve of all construction in leased and state owned (managed by Department of Administration) office and warehouse space.

PROCEDURE: For DGS to approve construction in leased space, a State agency must provide the following to the DGS Leasing Contracting Officer responsible for the specific region of the request.

- Building address, suite number, State agency, and lease number
- Construction drawings and/or specifications
- Construction schedule
- Contractor's name and address
- Contractor's Certificate of Insurance naming the State as additional insured
- Contractor's confirmation of complying with the Little Davis-Bacon Act, AS 36.05, if the construction cost exceeds \$2,000
- Lessor's written approval of your requested construction

In addition, State agency must provide documentation that it solicited the minimum level of competition as required by AS 36.30 and 2 AAC 12.

However, many Lessors require a specific contractor ("preferred contractor") for all construction in their building. Under these circumstances, if the construction cost is \$5,000 or less, the State agency may accept the single bid or informal proposal from the preferred contractor if considered to be reasonable and adequate.

If the construction cost is \$5,001 or more, the State agency will need to submit an exception to unanticipated amendment limitation RAP to DGS for approval. A letter from the Lessor specifying the requirement to use a preferred contractor must be included with the RAP. This RAP grants the State agency the authority to procure the construction from the preferred contractor without competition.

