Updated LAPM Exhibits 14-F & 14-G

Utility Agreements and Utility Agreement Clauses

Exhibit 14-F: Utility Agreement form

OLD / LESS EXPLICIT

- No location for date
- Incomplete direction to include mandatory clauses in sections
- Buy America & Oil Company did not appear as a separate agreement section.

NEW / UPDATED

- Location for date
- Clause III-6, Travel Expenses and Per Diem, is identified as mandatory.
- Clause IV-3, Progress/Final Bills, is identified as mandatory.
- Clauses V-1 and V-2 are identified as mandatory, with the stated exception for V-2.
- Section VI, Oil Company, is added to the form.
- Section VII, Buy America, is added to the form.

14-G: Utility Agreement Clauses

OLD

- Several clauses used “STATE” where the agreement is administered by a local agency.
- Various additional language within clauses & notes subtracted
- Removal of Clause II-5, Prescriptive Rights. Section II renumbered.
- Selected payment periods were 90 days.
- Clause IV-3 contained mixed STATE/LOCAL AGENCY references and a 180/360-day final-bill option.
- Clause V-5 is rewritten
- Federal Aid & Buy America related clauses are removed in Section V

NEW

- References are revised to “LOCAL AGENCY” in affected clauses.
- Various additional language within clauses & notes added
- Updates to clauses name
- Selected payment periods are revised to 45 days, including lump-sum and owner-liability billing language.
- Clause IV-3 uses a 360-day final-bill framework and reinforces amendment/documentation controls.
- Clause V-5 is now split into two, A & B, with liability determining use.
- Clauses for Liability determination under water code is moved up and Greenhouse Gases clause added

New Section VII: Buy America clause selection

- First identify whether the project is a highway or a freeway/expressway.
- Then determine whether there is federal funding and whether a master contract applies.
- Use the Relocation Claim Letter date to select the applicable time period: before July 1, 2025, or on/after July 1, 2025.
- For on/after July 1, 2025: construction materials are identified for letters dated July 1 through September 30, 2025; manufactured products are identified for letters dated on/after October 1, 2025.
- All projects are directed to include Buy America clauses because of potential Federal Aid in any phase.

Buy America certification updates

SELF-CERTIFICATION (VII-3a)

- Owner sources compliant products and relies on supplier/provider certification.
- Covers iron, steel, manufactured products, and construction materials.
- Supplier certifications are retained in project files and made available upon request.

VENDOR / MANUFACTURER (VII-3b)

- Compliance may be supported by vendor certification, mill test report, or manufacturer letter.
- Records are retained for three years after final payment.
- Copies are submitted with the final invoice.

Updated de minimis threshold

PREVIOUS LANGUAGE

- Threshold referenced non-domestic iron and steel.
- Limit was 0.1% of the Utility Agreement amount or $2,500, whichever was greater.

UPDATED VII-5

- Applies to non-compliant products, including iron, steel, manufactured products, and construction materials.
- Value must be no more than the lesser of $1,000,000 or 5% of total applicable project costs.

Links

- Local Assistance Procedures Manual
- Local Assistance Procedures Manual Forms
- Caltrans Right of Manual

- Make sure to reach out to your Local Programs Coordinators for assistance!