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## MEMORANDUM

DATE: November 3, 2005

TO: All Contractors on Idaho Division of Public Works (DPW) Projects

From: Tim Mason, Administrator

RE: Off-site Storage of Materials

Off-Site Storage of Materials is governed by Section 9.3.2 of the General Conditions of the Contract for Construction, AIA document (A201 – 1997 ed.) as modified by the Supplementary Conditions.

Unless otherwise provided in the Contract Documents, payments shall be made on account of materials and equipment delivered and suitably stored at the site for subsequent incorporation in the Work. If approved in advance by the Owner, payment may similarly be made for materials and equipment stored off the site at a location agreed upon in writing. Payment for materials and equipment stored on or off the site shall be conditioned upon compliance by the Contractor with procedures satisfactory to the Owner to establish the Owner's title to such materials and equipment or otherwise protect the Owner's interest, and shall include the costs of applicable insurance, storage, and transportation to the site for such materials and equipment stored off the site. Off site storage will not be approved more than 30 miles from the project site or outside of the State. Any materials stored off site and paid for by the Owner shall be physically marked as being the property of the State of Idaho.

Further in accordance with Section 9.3.2, the following shall apply:

1. The Contractor must provide at least thirty (30) days advance written notice of its request to store off site. Such notice must include a description of the type, quantities, locations, and values of materials involved for the next billing cycle. All invoices must indicate the type, quantities, and value of materials or equipment for which payment is requested.
2. All materials stored off-site must be segregated and clearly marked with the DPW project number and as being the "Property of the State of Idaho."

3. The project architect and/or the DPW field representative must have unrestricted access to the stored materials during all business hours and may physically inventory all invoiced materials and may physically inspect the storage conditions.
4. The Contractor must provide written consent of surety to off-site storage of materials and equipment and to payment for such materials and equipment prior to incorporation in the Work. Consent must be of surety. Consent of local broker or agent is not acceptable.
5. The contractor must maintain and must provide to the project architect, upon request, a current log of stored materials and equipment, which reflects when materials are used or added.
6. The contractor must obtain and maintain on all materials and equipment stored off-site and in transit all risk property insurance at replacement cost, with the state of Idaho listed as loss payee.

End