

Section 7.7

Payment and Recovery of Property Damage Costs

7.7.1 Purpose

To establish a uniform procedure for the administration of property damage caused by a third-party occurring within construction projects.

7.7.2 Authority

Sections 20.23(3)(a) and 334.048 (3), Florida Statutes, F.S.

7.7.3 Reference

Standard Specifications for Road and Bridge Construction
Section 4, Article 4-4
Section 7, Articles 7-11 and 7-14

Construction Project Administration Manual
Chapter 7 Section 3
Chapter 7 Section 4

Procedure No. 225-085-002, Submission and Recovery of Property Damage Claims
Procedure No. 850-000-005, Maintenance Responsibilities on Construction Projects

7.7.4 Payment

Repair cost associated with damage to existing property and for damage to installed materials caused by known and/or unknown third parties will be determined in accordance with **Articles 4-4, 7-11, and 7-14** of the **Standard Specifications for Road and Bridge Construction**. Payment for eligible repairs will be made in accordance with **Chapter 7, Section 3** or **Chapter 7, Section 4** of this **Manual**. The Federal Highway Administration will not participate in the payment for third party damages. Payment must be coded as Federal Aid Nonparticipating.

7.7.5 Recovery of Property Damage Claims

Resident Level Responsibilities

The Resident Engineer will initiate recovery of Department incurred costs including the deductible amount^[KL1] associated with repairs to existing property and/or installed materials caused by known and/or unknown third parties in accordance with **Procedure No. 225-085-002, Submission and Recovery of Property Damage Claims**. When submitting **Property Damage Claims** to the Office of General Counsel, the Resident Engineer shall provide contact information (i.e. Name, Address, Phone Number, Email Address) for the individual who can substantiate damages and costs and who may be contacted by the Office of General Counsel.

Upon notice of receipt and amount of recovery by the Office of General Counsel, the Resident Engineer shall coordinate an encumbrance of the necessary funds and make payment of the prorated portion of the recovery amount (as applicable) to the contractor on the next monthly estimate as a line item adjustment. Notice received after the contract is closed will require the contract to be reopened, funds encumbered, and payment of the prorated portion of the recovery amount (as applicable) made to the contractor as a line item adjustment.