

## CHAPTER 5: PROCUREMENT

### 5.01 CONSTRUCTION PROCUREMENT DELIVERY METHODS

- A. The Owner's standard method of construction procurement for delivery of capital improvements is Design/Bid/Build. The State Building Commission (SBC) may approve alternative delivery methods in accordance with SBC Policy and Procedures. Basic Services guidance and requirements for the Design/Bid/Build method begin in section 5.02.
- B. For alternative delivery methods the Designer may serve as an advisor to the Owner's evaluation team by reviewing proposals, attending team meetings, and providing input.
- C. Design documents required for alternative delivery methods.
  - 1. Best Value Option 1:
    - a. Prior to receipt of proposals, Bidding Documents or pre-proposal design information is distributed through the Owner.
    - b. After short-listing, Bidding Documents are issued directly to proposers.
  - 2. Best Value Option 2 is not typically used. If used, consult with the Owner.
  - 3. Best Value Option 3 is not typically used. If used, consult with the Owner.
  - 4. Construction Manager / General Contractor (CM/GC):
    - a. Prior to issue of RFP, the designer provides early design information, e.g. brief schematic narrative and illustrations, and is distributed through Owner.
    - b. After CM/GC selection and as design process progresses, documents are provided to enable CM/GC consultation services, trade bidding, and eventual execution of agreement with amendments as needed for partial or full construction.
  - 5. Design/Build is not typically used. If used, consult with the Owner.

### 5.02 INITIATION OF THE BIDDING PHASE

- A. Discuss with the Owner the status and arrangements for the following.
  - 1. Completion of Bidding Documents
  - 2. Distribution of Bid Packs and Addendum
  - 3. Pre-Bid Meeting and the use of the A52 Pre-Bid Meeting Agenda provided in Appendix 1
  - 4. Bid opening and tabulation
- B. Bid Opening Time, Date, and Place: The Owner will inform the Designer of the time, date, and place for receipt and opening of bids.
- C. The Owner will advertise for bids in accordance with SBC Policy and Procedures.

### 5.03 PRE-BID MEETING AND ADDENDA

- A. Conduct the Pre-Bid Meeting using the A52 Pre-Bid Meeting Agenda provided in Appendix 1.

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- B. In Alternative Delivery methods through RFP, a similar pre-proposal meeting will be called and managed by the Owner; however, on CM/GC Trade bidding, it will be a pre-bid meeting called and managed by the CM/GC.
- C. Respond to questions and requests for clarifications from potential bidders during the bidding period. Do not provide verbal responses that modify the Bidding Documents. Make needed interpretations, clarifications, or changes to the Bidding Documents by means of addenda, preferably prepared according to CSI format guidelines.
- D. Provide draft addenda to the Owner for approval before releasing to Bidders of Record.
- E. Prepare addenda to meet the following requirements.
  - 1. Normal practice is that no addenda affecting pricing will be issued less than three working days before bid opening date.
  - 2. Identify by a sequential number and date.
  - 3. Identify the project by its full title and the SBC Number.
  - 4. Identify the Designer as source, sign, and seal.
  - 5. Include an appropriate introductory statement identifying the previously issued Bidding Documents by date and instructing bidders to acknowledge the addenda in the Bid Form.
  - 6. Be self-descriptive as to number of pages and attachments.
  - 7. List changes in the order of appearance in the Bidding Documents, except for previous addenda which are listed first.
  - 8. Express a change only once and then refer to the addendum whenever necessary. One expressed correction should serve for all repetitive changes.
  - 9. Identify each change precisely. For changes to drawings provide a written description and identify the drawing number(s). For changes to text identify the document and paragraph/subparagraph title/number to the lowest level. Follow the word “delete” by the word(s), line(s), paragraph(s) to be changed, followed by the word “insert”, which should precede the modification.
  - 10. Indicate a digital electronic (not cut and paste) revision on a drawing by a revision “cloud” and a numbered triangle symbol and update the drawing’s revision block accordingly. As subsequent revisions occur maintain previous revision clouds and triangles on the drawing.
  - 11. Use wording to change alphanumeric information in drawings. For example, describe in words a change to a floor-to-floor dimension (rather than making a drawing revision).
  - 12. If an addendum changes the Bid Form, the addendum should identify the changes, and an entire replacement Bid Form reflecting the changes should be issued as an attachment to the addendum.
  - 13. Pre-Bid Meeting notes, minutes, Q&A lists, and other like documents are not suitable for inclusion in addenda unless organized into proper addendum format as described above.
  - 14. Pre-Bid Meeting attendance sheets can be issued in addenda as a Section 00 35 13 Available Information on Pre-Bid Meeting Attendance.

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15. Provide addenda automatically and simultaneously to all Bidders of Record.
16. On CM/GC procurements, addenda issued by the Designer affect the documents that will form the agreement between Owner and Contractor, and are not to include procurement documents between the Contractor and its prospective subcontractors. The CM/GC must produce and disseminate such documents itself.

### 5.04 BID TAB (TABULATION) PREPARATION

- A. Use the F54 Bid Tab form provided in Appendix 1. Modify as appropriate to meet project requirements and for use at the bid opening as described below.
- B. Submit a draft Bid Tab to the Owner for review approximately one week before the bid opening date.
- C. Inform the Owner of the names of prospective bidders approximately three days before the bid opening date.
- D. List prospective bidders on the Bid Tab in alphabetical order.
- E. Do not write the Target and MACC for the project on the Bid Tab yet.
- F. There shall be only one original and official Bid Tab; however, have a sufficient number of copies of the preliminary Bid Tab form to accommodate participants and spectators.

### 5.05 BID OPENING PREPARATION

- A. Review applicable provisions of the Bidding Documents, particularly the Instructions to Bidders.
- B. The Designer will act as the presiding official at bid openings unless otherwise approved by Owner. The presiding official is responsible for the bid opening, including preparations, smooth conduct, making a proper record, and associated actions delegated to others.
- C. The Owner may accept bids which arrive by mail, and provides them to the Designer when the Designer arrives. Gather bids received by mail or submitted in person prior to the bid opening. Arrive at the bid location sufficiently early to carry out this duty.
- D. Prior to bid opening privately confer with the Owner to determine if a bid target will be established and announced at the bid opening. If applicable, write the bid target on the official bid tab only. Do not reveal the bid target prior to or at the bid opening except as provided below in the case of alternates incorporated into the bid structure or as otherwise approved by the Owner.

### 5.06 BID OPENING

- A. Receiving Bids:
  1. Review bid envelopes informally for proper completion and sealing. If there is sufficient time, and an appropriate bidder representative is available, inform the representative of any apparent problems prior to officially receiving the bid.

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2. Record the time and date of receipt and by whom it was received on the face of the bid envelope. From this point on maintain the security of the bid envelope and its contents and do not return it to the bidder.
3. As each bid is received verify and/or complete Bid Tab information with the bidder name, city, license number, and subcontractors as shown on the bid envelope cover.
4. Evaluate the bid envelope cover:
  - a. Review any non-standard bid envelope to determine sufficient conformance to qualify for opening. Note a bid using a non-standard bid envelope as subject to later rejection.
  - b. Determine if the project and bidder name and address is sufficiently identified.
  - c. Review bidder contractor license number, classification, expiration date, and dollar limit. Accuracy need not be verified at the bid opening. If left blank or the bidder has indicated itself as unlicensed, seek to determine whether the bid amount might reasonably be under the licensing threshold and take one of the following actions.
    - 1) If it cannot be determined what the bid amount might reasonably be as compared to the threshold, allow the bid to be opened and note it as subject to later rejection.
    - 2) If it is determined the bid amount would reasonably be under the threshold, allow the bid to be opened and note it as subject to later rejection.
    - 3) If it is determined the bid amount would not reasonably be under the threshold reject the bid and do not open it.
  - d. Review for required names of subcontractors, regardless of work value or applicability of licensing law or performance by general contractor rather than subcontractor. If any subcontractor identification is absent, seek to determine whether there is such work and take one of the following actions.
    - 1) If it cannot be determined that such work is included, allow the bid to be opened and note it as subject to later rejection.
    - 2) If it is determined that such work is not included, allow the bid to be opened and note it as subject to later rejection.
    - 3) If it is determined that such work is included reject the bid and do not open it.
  - e. Review subcontractor license number, expiration date, and classification. Accuracy need not be verified at the bid opening. If left blank or the bidder has indicated a subcontractor as unlicensed, seek to determine whether the work amount might reasonably be under the licensing threshold and take one of the following actions.
    - 1) If it cannot be determined what the work amount might reasonably be as compared to the threshold, allow the bid to be opened and note it as subject to later rejection.

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- 2) If it is determined the work amount would reasonably be under the threshold, allow the bid to be opened and note it as subject to later rejection.
  - 3) If it is determined the bid amount would not reasonably be under the threshold reject the bid and do not open it.
  - f. Determine if a bid modification is indicated on the bid envelope. Modifications to a bid may be written on the bid envelope or submitted separately and must be signed and indicate amount of increase or decrease but not the result.
  5. Upon determination that the bid envelope appears acceptable sign the bid envelope in the space provided.
  6. Record time and date of receipt of a modification to bid or a request to withdraw bid on the face of the document. Keep the document secure with the bid envelope. Do not return a withdrawn bid upon receipt of the request and do not open the withdrawn bid at the bid opening. Return to bidder unopened after the end of the bid opening.
  7. Arrange for a Designer or Owner representative to maintain an official Bid Tab record separate from distributed copies of the Bid Tab.
- B. Opening of Bids:
1. Make and distribute sufficient number of copies of the preliminary Bid Tab to accommodate bid opening participants and spectators.
  2. Distribute an attendance roster.
  3. At the appointed time and place the presiding official commences the bid opening by reading the Presiding Official Bid Opening Commencement Statement at the top of the Bid Tab.
  4. Only if Alternates are a part of the bid structure, take the following steps.
    - a. Ensure the Bid Target is accurately recorded on the official Bid Tab record only.
    - b. Announce the Bid Target.
    - c. Ensure these steps are taken prior to opening any bids.
  5. Open bids in the order on the distributed Bid Tab copy and open unlisted bidders last. Any bidder listed on the distribute Bid Tab copy that has not submitted a bid shall be announced as "No Response".
    - d. Review the bid envelope for the approval signature of the Designer or Designer's representative.
    - e. Review the bid form.
    - f. Announce bidder name and listed subcontractors.
    - g. Announce bidder completion of responses to the contract crime and diversity statements.
    - h. Announce bidder's Addenda acknowledgement.
    - i. Review submission of bid security in amount required.

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- j. Bid security obligee or payee should be the “State of Tennessee”.
  - k. Checks for bid security should be certified or cashier.
  - l. Bid bond for bid security should identify the project, bidder, and surety. The bid bond should be signed by the surety’s attorney-in-fact, and have certified, current power-of-attorney attached from same surety, empowering the same attorney-in-fact with no limitations affecting the bid.
  - m. Drug-Free Workplace Affidavit should be completed and notarized.
  - n. Announce enclosure of bid security, form (bond or check), drug-free workplace affidavit, the amount, and any observed irregularities.
  - o. Announce amounts of base bid and alternates as given in words and in figures. If words and figures differ, figures will prevail and words will be used for clarification at Owner’s discretion. For modified bids announce original amount and amount of modification. Show both amounts and resultant cumulative amount in applicable columns on the official Bid Tab record.
  - p. Announce unit prices and bid breakdown, if required. If there are many unit prices, discuss with Owner an option of announcing that unit prices may be reviewed in the public inspection opportunity after bid opening.
  - q. Record information on the official Bid Tab record.
- 6. Do not make conclusive statements as to bid opening implications or results of apparent nonconformance or irregularity. Rather, refer to such as “apparent” or “subject to review”.
  - 7. Announce that bids will be taken under advisement and their disposition determined later.
  - 8. Announce the end of the bid opening and that the bids are available for public inspection in the presence of the Owner’s representative.
- C. Determination to Waive Informalities: If any opened bid had an irregularity or did not strictly conform to the bid envelope requirements or the Instructions to Bidders, conduct a review with the Owner to verify each such bid’s validity for consideration.

### 5.07 COMMUNICATION OF APPARENT RESULTS

- A. Immediately after bid opening review results with Owner and communicate to bid opening attendees apparent results subject to further review of bids and determination of low bidder.
- B. Request Owner approval to communicate to appropriate plan rooms the apparent results subject to further review of bids and determination of low bidder.

### 5.08 DISPOSITION OF BIDS

- A. Evaluate bids and determine appropriate disposition of bids as soon as practicable after bid opening. In case of an apparent tie inform Owner and do not attempt to resolve without Owner instruction and direct oversight.
- B. Provide the following to the Owner after you receive a bid action letter. This letter will include the instructions on the following items:

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1. State the recommendation for the disposition of bids.
2. Enclose an official dated Bid Tab with Designer approval shown on the Bid Tab.
3. Enclose the original bidder submitted Bid Forms and Bid Envelopes.

### **5.09 AWARD OF CONTRACT:**

The Agreement form and related documents will be prepared and presented to the proposed Contractor by the Owner for processing.

### **5.10 DESIGNER EVALUATION FOR DESIGN AND BIDDING PHASES**

In accordance with State requirements, at the conclusion of the bidding phase the Owner may begin the process for evaluating the Designer's services for the design and bidding phases. A copy of the completed evaluation will be provided to the Designer with a request that the Designer sign and return the form as acknowledgment that this information has been shared. The Designer may provide its own comments with the returned form.

**END OF CHAPTER**