Bid Phase (PE)

- Engineering Study
- Preliminary Design
- Final Design/PS&E
- Bid Phase

Section #15
Bid Phase

Prior to beginning

- PS&E package approved by NHDOT
- Construction Engineer approved by NHDOT
- “Received Authorization to Solicit Bids”

or “RATS” work is ineligible!!
5 Bid Phase Steps

1) Advertising for Bids
2) Bidder Pre-Qualification
3) Bid Opening
4) Bid Analysis
5) Submit to NHDOT for review and approval to award
Step #1 - Advertising for Bids

The basics

- The Law – Title 23 CFR 635.112
- Competitive sealed bidding required except for Public Interest Findings (PIFs) (previously discussed in Final Design)
- Advertise for a minimum of 3 weeks prior to opening

Section #26
Advertising for Bids
Outreach required

- Can’t just use the local paper
- Newspapers with significant regional or statewide distribution
- Internet (Sponsor’s website)
- Contractor agencies / Plan Houses
- Clearly specify date/time of bid opening

Section #26
Addenda

- Answers all bidder questions in writing as **Addenda** publicly issued to all bidders
- May need to issue revised plans or specifications as part of Addenda
- NHDOT approves addenda prior to issuing
- Bidders need time to respond to Addenda, minimum 5 days
- May need to extend bid opening date
Public noticed meeting for bidders to view project/ask questions

- Can be mandatory for bidding
- Questions during Pre-Bid Meeting answered as written Addenda
- Minutes become part of Addenda if answers were given during meeting

Section #26
The bidding process shall include procedures that ensure the contractor is capable of completing the project.

3 Options:
- NHDOT’s pre-qualified list
- Sponsor’s own documented procedures
- Bid documents require references

NHDOT verifies/approves process
Bidder Pre-Qualification

Pre-Qualification basics

- Cannot restrict competition
- Cannot give geographical preference
- Shall review contractor’s status relative to debarment/suspension on previous federal-aid projects
- Shall disqualify bidders who have a conflict of interest with the Sponsor

Section #26
1) Log date and time all bids received  
2) Safely store sealed bids until time of bid opening  
3) Open in public forum and read bidders names out loud  
4) Review each bid initially for basic requirements – is bid signed? and are bonds included?

Section #26
5) Reject any obvious non-responsive bids

6) Read all responsive bid amounts out loud (either item by item or total amount)

7) Identify lowest apparent bidder out loud
Step #4 - Bid Analysis

Who does it?

- Sponsor
- Sponsor’s attorney if necessary
- Bid Phase Engineer

If low bid is unsatisfactory, then Sponsor may use next lowest bidder ... if NHDOT concurs with Sponsor’s justification.
Bid Analysis

Does it meet all the requirements?

- Verify contractor is “Responsible” (qualified to perform work)
- Verify bid is “Responsive” (filled out correctly)
- Verify Addenda acknowledged
- Verify bonds, insurance, and certifications are documented per the bid documents
Bid Analysis

Non responsive bid examples:

- Bid without signature
- Bid bonds not included
- Unit bid price missing
- Total bid price missing
- Bid not prepared in ink
- Non-collusion affidavit missing
- Conditions, additions or language that makes the bid ambiguous

Section #26
Multiply unit prices x quantities to verify each item’s cost

Add items for overall contract price

Check numerical numbers vs. written words (written word governs)

Verify total is still lowest bid
Bid Analysis

Unit Price analysis

- Compare bidders unit prices with Engineer’s estimated unit prices and with industry average unit prices
- Look for large variations
- Look for unbalanced bids

Section #26
Fatal flaws

- Answering questions without Addenda
- Addenda not uniformly issued
- Zero responsive bids received
- Zero responsible bidders
- Bidding prior to NHDOT authorization
- Awarding bid prior to NHDOT authorization
- Negotiating bid price with contractor
Step #5 – Submit to NHDOT
Prepare recommendation to award letter including:

- Summary of Bid Process/Advertisement
- Summary of Bid Analysis
- Bid Item Tabulation for all bidders including Engineer’s estimate
- Copy of the low bidders bid form
- Sponsor’s letter head request to award to lowest responsible and responsive bidder

Section #26
Submit to NHDOT

NHDOT reviews:

- Request to Award Letter
- Advertising Documents
- Bid Documents
- Addenda
- Bid Analysis
- Bid Tabulation
- Overall Costs (Bid, CE, Testing) compared to authorized amount

Section #26
Know your limits

- Low bid cost
- + Add alternates cost (if applicable)
- + Construction Engineering (CE) cost
- + Material Testing cost

Must be less than PS&E authorized amount
Submit to NHDOT

If insufficient funds, then NHDOT Project Manager must:

- Ask NHDOT Program Manager if additional funds are available?
- Seek authorization of additional funds from FHWA (if available)
- Seek assurance from the Sponsor that any matching funds necessary will be available for the increase
Submit to NHDOT

If NHDOT concurs with Bid Analysis and Request to Award:

- NHDOT issues a written notice of approval to award construction contract
- Construction phase begins on the date the Sponsor executes Construction Contract (PE is over!!)
- Sponsor arranges for the Pre-Construction Meeting

Section #26
5 Bid Phase Steps

Re-Cap:

1) Advertising for Bids
2) Bidder Pre-Qualification
3) Bid Opening
4) Bid Analysis
5) Submit to NHDOT for review and approval to award
End of Bid Phase

Project Status

- Project Agreement ✓
- Consultant Selection (QBS) ✓
- Scope and Fee ✓
- Engineering Study ✓
- NEPA Complete Memo ✓
- Preliminary Design ✓
- Final Design ✓
- PS&E Plans & Certifications ✓
- Construction Engineer ✓
- Low Bid Award ✓
- Preconstruction Meeting is scheduled ✓
Questions?

Next Up: Office of Inspector General (OIG)