

## Bid Procedures

*(Minimum of 3 Bids Required)*

### Line Item Bids Only

Bidders are to submit their bids in one envelope containing the price proposal. The envelopes are opened at the date and time shown on the bidding document all bids will be returned to:

Barb Anderson  
179 Main St.  
Battle Creek, MI 49016

Bids are evaluated, and following approval by the project specialist, the finance director, and/or the CEO (if applicable), the Contract is awarded to the most cost effective Bidder who has been determined to meet all the requirements.

Community Action project specialists will keep on file a copy of all bids, summary sheet, purchase order and specifications.

### Basis of Proposal

Proposals are solicited for the **completion of all work as described in the specifications** and/or shown on the plans.

All bid proposals must meet the following criteria.

1. The Proposal Sum, to include: Hard rehab costs, plus any LEAD costs (if applicable) shall be included on the last page of all specification bids.
2. Proposals may be withdrawn by bidders prior to, but no later than, the time fixed for the opening of bids.
3. All bid proposals must be submitted on the provided specification sheets and in a sealed envelope as stated on the specifications. Bid documents must be signed and submitted by the "**Due by**" date, at which time bids will be opened and reviewed.

If the Owner does not accept the proposal within 45 days after the "**Due date**" stated on the specifications, Contractor may withdraw his/her proposal.

### Contractors

Contractors are required to submit the following documentation prior to being eligible to entering the bidding process.

- Contractor's License – copy must be kept on file
- Worker's Compensation – copy must be kept on file
- Liability Insurance – copy of must be kept on file
- Certification of Lead-Based Paint requirements
- Contractor is responsible for procuring all permits and obtaining final inspections necessary to meet the permit requirements before final payment will be released.

A copy of the contractor's social security number and tax ID number must be provided to Community Action finance department for IRS purposes.

## Specified Products

Line Item bids must be based upon use of items named in the specifications or approved equal substitutions. In certain cases, specific items have been named because of operational maintenance considerations; approval of equals or substitutions should not be allowed unless formally requested as outlined in the next paragraph.

Requests for approval of equals or substitutions must be made in writing and received approval by the project specialist at least 5 days prior to the date of bid opening.

After the award of Contract, no substitutions will be permitted unless approved by the project specialist and an approved price adjustment is agreed upon.

## Criteria for Submitting Proposal

1. Proposals must be in accordance with the following to be entitled to consideration:
  - a) All cost estimates inserted into provided specification sheet are to be legible, in text or numbers.
  - b) Shall be delivered in a sealed envelope marked "Bid for Project".
  - c) *Must be signed and dated in all appropriate places.*
2. All proposals will remain sealed until the time indicated for opening. The dollar amount of a bidder's proposal will be entered in the summary sheet.
3. Proposals received after the official time will not be reviewed.
4. Incomplete proposals will not be accepted.
5. Bidders are solely responsible for delivery of their proposal at the specific location and before the specified time established.
6. Should the successful bidder fail to enter into a Contract, the bid shall be forfeited and Community Action shall enter into a contract with the next responsible bidder or start the bidding process over.

## Responsible Bidder

It is the intent of Community Action to award a contract to the *RESPONSIBLE* bidder. In determining responsibility, Community Action may consider the following:

- Ability, capacity, and skill of bidders to perform the work;
- Bidders' ability to perform the work within the time specified;
- Quality of performance and communication with home owner on previous work;
- Bidders' previous, and existing compliance with permits, laws, and with requirements of the State of Michigan;
- Such other information having a bearing on the decision to accept the bid proposal.

## Contract and Order to Proceed

1. An order to proceed will be written with the successful bidder (the Contractor) for all the work outlined in the proposal.
2. No work can commence until all parties (Contractor, Home-owner, and Project specialist) have signed a rehabilitation contract, and any other contractual documents at the pre-construction meeting.

## Conflict of Interest

No employee of the Community Action may submit proposals on any project as stated in the Agency Personnel Policies.

## Change Orders

Construction change orders may be necessary during the course of construction to deal with **unforeseen** construction conditions. All changes involving a modification to contract cost **must** be documented with a Contractor Change Order, signed by the project specialist, contractor, and homeowner. All change orders must have the final approval of the Housing Manager or Housing and Support Services Director. In order to ensure compliance procedures have been outlined as follows:

1. Where Community Action desires to modify the requirements of the Contract to add, to delete from, or to alter the sequence of the work, Community Action will have the project specialist prepare a Contractor Change Order describing the requested change and asking that the Contractor submit a price proposal for accomplishing said change in the work.
2. Once the change order has been prepared it will be submitted to the housing manager for approval. All supporting documentation will be stapled to the change order.
3. Once approval has been granted the project specialist will meet with the Contractor and Homeowner for signatures. A new addendum will be filed with the county register of deeds for those cost associated with the rehabilitation work minus the identified lead items.
4. **No work** on any change order shall be accomplished without the approval of the Change Order.
5. No corrections will be made to the original bid submitted by the contractor. If a change is in order a change order will be submitted to the proper manager or director for approval.

## Payment

All partial draw requests must be accompanied with an invoice and a partial conditional lien waiver (if applicable).

Final payment will be based on a satisfactory inspection, home-owner sign-off, and receipt of all final permits at the end of the project. All unconditional lien waivers from the general contractor and his or her subcontractors must be turned in.

Community Action's Project Specialists reserve the right to make all necessary inspections of the progress at any phase of the project. In addition, Community Action may also call upon other experts such as local code inspectors to confirm project meets all requirements.

During the course of the projects all contractors will adhere to Lead Safe Work Practices; or for the first offense, will be suspended from the bidding process for a period up to 6 months; second offense up to 10 months; third offense will be removed from Community Action's contractor list.

## Questions

For questions related to these projects, please call: Kristie Cherry, Project Manager at (269) 441-1327.