



BUILDING A CONTRACT PROPOSAL FOR BIDS

Before going on, one thing should be made clear, the bid proposal that is reviewed and approved by NCDOT should be the document that is advertised and should be the document (including any addendums) that becomes the executed contract. Audits have shown that some LGAs are having bidders sign a separate agreement after the award is made with a different document. This agreement is not seen by NCDOT and may not include all the information contained in the original approved document. The bid proposal should have a place for the bidder to sign, which after the award is made, is signed by the LGA and becomes the executed contract.

FHWA and numerous LGAs have requested that NCDOT provide additional guidance in preparation of bid proposals. While NCDOT is not attempting to take away from the uniqueness of each LGA, it will attempt to provide some uniformity for the FHWA audits. LGAs should not strive for their proposal to look different but uniform throughout the state, which should result in receiving lower bids, getting faster review times from the Department, and getting better results from an audit.

Unless otherwise directed, the Bid Proposal must be submitted to the Program Manager or Division Office for review and not directly to the CSDU. Project construction estimates less than \$2.5 million may be reviewed by the Project Manager in the NCDOT Division office. Projects estimated **greater than \$2.5 million** will require review and approval by the State Contract Officer as he will also do the Concurrence In Award.

When a municipality submits a proposal for review it must be complete. The bid proposals should contain all the information needed to construct the project. It should include a description of the all the work on the plans, contract times, any restrictions, all required permits, a list of bid items, required forms, and a place to for the bidder to sign.

The use of the NCDOT Specifications book is a requirement for all projects. The use of these specifications ensures to FHWA that all their requirements are met. Although some LGAs have their own local specifications, EJCDC, AIA, FTA, HUD, or State Construction Office Specifications, that may meet FHWA requirements, NCDOT specifications shall be used instead. The LGA is bound by the requirements that were established in signing the *Locally Administered Project Agreement* with NCDOT.

When an item is listed on the bid item summary sheet, and has a corresponding NCDOT section reference, do not copy that portion of the specification book into the bid proposal. The reference number on the bid sheets will suffice. NCDOT specifications are normally revised or added to each month. If it has been more than six months since receiving NCDOT approval of the bid proposal or there have been changes to the approved bid document and the project has not been advertised, please contact the NCDOT Project Manager for resubmittal.

The submission should be complete. This meaning the plans should have been approved, pay items finalized, liquidated damages established, road closure times determined, and provisions included to cover all items of work.

WHAT THE BID PROPOSAL SHOULD INCLUDE

This General Bid Proposal Lineup outline is provided as a guide to LGAs in developing their bid document. Many will find it similar to the NCDOT Division POC document with some revisions to make it more applicable to LGA work. This is only a guide but LGAs are encouraged to follow these basic recommendations.

Cover Sheet – Should include basic project data such as the LGA name, county, TIP number, brief project description, advertisement date, expected completion date, time and date of bid opening, where to return the bid, and the general notice as shown on the example. Many LGAs also include a place for the bidder's name and address.

Instruction to Bidders – Instructions are included for bidders to make them aware of the process to prepare and submit a bid. The LGA may use their own version as long as it does not add requirements to the project. Conflicting requirements, which NCDOT cannot approve, may include pre-approval by the LGA, pre-licensing, or adding local MBE/WBE requirements.

Table of Contents – Not required, but many LGAs include this, as does NCDOT.

Standard Notes - The list of standard notes that must appear in every Federal or State funded project. These notes shall not be changed or modified. The notes should be inserted as close to the front of the document. The notes do not take the place of any special provision that may be required but cover important information that all bidders should know.

General Provisions – This section includes provisions for: Dates of Availability, Completion Times, Intermediate Contract Times, Liquidated Damages, Delays of Entry on a parcel, Pre-Bid or Pre-Construction meetings, Permit Moratoriums, and possible conflicts with other construction in the area. This type of information is important to Contractor's operations and his bottom line. NCDOT tries to include these details near the front of the bid proposal so the information doesn't get lost among the technical provisions or in the back of the proposal.

This section may also include a list Major Items, Fuel & Asphalt Price Adjustments or a provision advising the bidders adjustments do not apply. There will also be a DBE (Federal) or MBE/WBE (State) provision with a goal for the bidder to attain. There are normally not pay items linked to the general provisions. Local administrative procedures would also be included in this section.

Roadway Provisions - There are many provisions available for use by LGAs, which have already been written by NCDOT. These are special provisions to cover items that are not covered in the NCDOT specifications book such as ADA compliant curb ramps, shoulder treatment, curbs, and other items listed as SP on the estimate. These provisions should always have an associated pay item or a statement that the work is included in other items of the contract. There is a link to the NCDOT Technical Provisions on the Main LGA Page.

Proprietary items, although these should be limited, must be justifiable to the Department and FHWA for their use. Include them in this section.

The LGA is reminded that re-printing portions of the Standard Specifications and including them in the document for the convenience of the contractor and inspector is not allowed. The CSDU office and the Division office will not review or approve bid documents that include these. The LGA will be asked to remove these prior to approval.

Unit Provisions – Following the roadway provisions would be provisions specific to a type of work. These are referred to as unit provisions such as structures, utilities, erosion control, or lighting. Specialized subcontractors perform much of this type of work so it is preferable to keep these provisions separate from the general contractor type work. As noted above, this section may include items that are not found in NCDOT specifications.

Standard Special Provisions - These are provisions that are familiar to most contractors that have previously worked on an NCDOT project. These appear in most proposals and include required information such as the Errata, Plant and Pest Quarantines, Training, Bid Bonds, DBE/MBE/WBE subcontractors, and Execution of Bid forms. It also includes FHWA 1273, which is a compilation of the federal requirements for all projects with federal funding.

Permits with cover sheet – If required, all permits for a project should be included in the proposal prior to advertisement. The Z-1 sheet is a summary of all permits that apply to the project. NCDOT designates some areas with an asterisk that the Contractor will not be responsible to do. An example may be organizing a pre-construction meeting or filing of the final paperwork. The permit should be reviewed and marked as such.

Item Sheets or Bid Form - The following should be included on the Bid Form (Bid Schedule): Line Items, Item Numbers, Description of Item, NCDOT Specification reference section, and the estimated quantities. There should be two columns for the bidder to add their unit bid prices and extended dollar amounts.

Bid Bond – This should be physically incorporated into the document. The bond version should be the LGA version shown on this website.

Signature Sheet – This sheet is provided for signatures of the approving town official and town attorney, if required, to execute the contract. Some will also include an area for the Contractor’s signature. When the bidder submits the bid proposal and is signed (executed) by the LGA, it becomes the contract. As stated before, another signed document or post-bid agreement with the contractor is not necessary or allowed.

Payment and Performance Bonds - These may be inserted loosely in the bid document, as these are not required until several days after the bid is submitted. The bond versions should be the LGA versions shown on this website.

Encroachment Agreement – If the Department requires an encroachment agreement, it should be included in the document. If there are time restrictions noted in the agreement, the municipality should consider noting them in a provision somewhere near the front of the bid document. If bidders are to have restricted work hours it is imperative they are made aware of this prior to bidding.