



NORTH CAROLINA
Department of Transportation

Building A Contract Proposal

Local Programs Management Office

November 5, 2025

Connecting people, products and places safely and efficiently with customer focus, accountability
and environmental sensitivity to enhance the economy and vitality of North Carolina

Good morning – thank you for joining us. As a reminder, this session will be recorded and available on our website, along with the powerpoint.

I'm Marta Matthews, manager of the Local Programs Management Office. Our training session today is all about Contract Proposals and how to put them together.

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Agenda

- Overview and Resources for Contract Proposal Information
- Top Ten (or more!) Issues and Comments made on Proposals
- Using the Automated Proposal Application (APA)

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Presenters

Contract Standards and Development Unit (CSDU)

- Steve Gracey
Proposals Engineer
- Lisa Penny
Specifications Engineer

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As you know, our office works with several different Subject Matter Experts around the Department and today to help with the presentation, we have Steve Gracey who is the Proposals Engineer in Contract Standards and Development Unit. He reviews all of the local project proposals when they come up to the Central Office and is a wealth of knowledge. Lisa Penny is the Specifications Engineer and she'll be walking us through the automated proposal application.

Overview and Resources

What Is A Contract Proposal???

- Sometimes also called a “bid proposal” or a “project manual”
- The goal of this document is to clearly indicate what is expected of the bidder
 - What to build
 - Where to build it
 - What restrictions may be in place
 - How the bidder will be compensated
 - What are consequences of not complying with contract documents
- Includes State and Federal contract provisions
- Complies with the NCDOT Standard Specifications – currently 2024

Contract Proposal = Construction Contract

Most importantly – this is the Contract

Once signed by the Low Bidder and the Town, this document becomes the contract. There is no separate document that is executed.

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[Airport Grant Programs](#) [Interagency Leadership](#) [Local Programs](#) [Planning](#) [School Transportation](#) [State Street-Aid \(Powell Bill\)](#) [Utilities](#)

Local Programs

Information on Municipal and Developer Agreements and Locally Administered Projects

[Home](#) > [Connect NCDOT](#) > [Local Governments](#) > [Local Programs](#)

Local Programs Management Office (LPMO)

The LPMO is a central office that oversees the creation, delivery, and execution of Municipal and Developer agreements that are requested by NCDOT Business units, Division Offices, or other NCDOT personnel and are connected to the development, construction, and operation of transportation projects.

Forms and Templates

Forms and Templates have been moved to the [Local Project Delivery Resources](#) page

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- **Design**
- Right of Way Utility Authorization
- **RIGHT OF WAY - ACQUISITION and CERTIFICATION**
- Utility Relocation
- **Contract Proposal**
 - **LGA Bid Proposal Website**
- **Engineer's Estimate**
- Construction Authorization
-  **Construction Procurement.pdf**



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Doing BusinessBidding & LettingProjectsResourcesLocal Governments

Airport Grant ProgramsInteragency LeadershipLocal ProgramsPlanningSchool TransportationState Street-Aid (Powell Bill)Utilities

Bid Proposals for LGAs

Resource for Development of Contract Bid Proposals

Connect NCDOT > Local Governments > Bid Proposals for LGAs

First Time Users

[First Time User Guidance](#)

Help

01 Building A Bid Proposal

02 Automated Proposal Application to support LGA Proposal Development Website

03 LGA Line Up Sheet for Resurfacing - Federally Funded

04 LGA Line Up Sheet for General Construction - Federally Funded

Contact Form

For questions & feedback about this area of Connect NCDOT, contact Bid Proposals for LGAs.

Employee Directory

Staff contacts for Contract Standards and Development.

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Division Resources

- Each Division has a proposals engineer
- Division can and should be your first resource for questions on the proposal
- NCDOT internal operating policy
 - requires the CSDU to review/approve proposals when the estimated cost of the project is \$2.5M or greater
 - If estimate is over \$2M, recommend review by CSDU
 - CSDU *may* review proposals less than \$2.5M
 - CSDU *must* concur in award if the apparent low bidder is \$2.5M or more; less than \$2.5M, the Division may concur.

Top Ten* Issues

*or maybe a few more...

At this point, I'm going to turn it over to Steve Gracey with Contract Standards to go over some of the frequent issues he sees and comments he makes on proposals. (Steve takes control)

Submittals

- Include Proposal, Plans and Estimate for every submittal
- For re-submittals, include a response letter
- Proposal is reviewed with Plans and Engineer's Estimate
- Proposed Special Provisions must have a pay item description/unit of measurement in the bid tab and estimate.
- Use NCDOT 2024 Master Pay Item List



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The municipality needs to provide the Proposal, Plans and the Engineers Estimate for every submittal. For subsequent submittals after the first draft comments letter is reviewed and addressed, resubmit the revised proposal, revised plans (as applicable) and revised Engineers Estimate (as applicable). In addition, submit a Response Letter that addresses every comment provided in the Draft Comment Letter i.e., the item was revised, pay item added or deleted, provide clarifying comments etc.

The proposal is reviewed along with the plans to ensure drainage, guardrail, signing, pavement markings etc. quantities match between the bid tab in the proposal and the Engineers Estimate. Not all quantities in the bid tab / EE are included in the plans, but the ones that are have to match.

The plans are reviewed to ensure any items found that may require a Special Provision have a Special Provision in the proposal.

The pay item description and unit of measurement in a proposal Special Provision have to match exactly the pay item description and unit of measurement in the bid tab and EE. The municipality needs to ensure all quantities and descriptions match in the bid tab, EE and plans.

The bid tab and EE should be prepared based on the NCDOT 2024 Master Pay Item List in the order shown. The Item Number, which includes 10 numbers, does not need to be used as LGA's typically use 1,2,3 or 10, 20, 30 etc. But the order of pay items needs to be followed. Also, do not divide the bid tab into Sections A, B, C etc. with A being grading, B being traffic control etc. Simply start from a beginning number but follow the order of the Master Pay Item List with Grading type items, then Drainage etc. With the exception of Mobilization Section 800 in the beginning, the Specification Section numbers start at 200 on page one and then increase from there. This Master Pay Item list may be found at the Bid Proposals for LGAs link [Bid Proposals for LGAs](#).

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Railroads

Are you within Railroad right of way? Contact Rail Division early for guidance !!!

Contact:

Meredith McLamb

Surfaces and Encroachments Manager

Rail Division – Coordination and Safety Branch

mbmclamb@ncdot.gov

919-707-4132

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If a project encroaches or is anywhere within 100 to 200 feet of a railroad track and / or crossing the municipality must contact the NCDOT Rail Division for guidance as early in the project development as possible.

Meredith McLamb can be contacted for assistance.

Proprietary Products

- Avoid proprietary products if at all possible
- If you cannot avoid, you must follow guidelines for the use of a proprietary product
- Directions and guidance can be found here:

[PROCEDURES FOR USING PROPRIETARY ITEMS ON NORTH CAROLINA DEPARTMENT OF TRANSPORTATION PROJECTS GOVERNED BY](#)

First – avoid proprietary products if at all possible.

If you can't avoid, then follow guidance. FHWA has delegated approval of proprietary products to the State. North Carolina has developed a guidance to determine how to specify proprietary products and remain in compliance with the NC General Statutes. Follow the guidance in the link – this is not an easy or quick process, do not wait until the last minute to go through this process.

DO NOT...

- Use AIA or EJCDC Specifications
- Use or include language in the proposal “basis of design”
- Modify FHWA 1273 (Standard Provision Z008)
- Use Lump Sum Erosion Control – use individual erosion control provisions here: [Soil and Water \(ncdot.gov\)](#)
- Use strikethroughs in language – delete language if not applicable
- Leave blank pages
- Use retainage

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- Do not use AIA or EJCDC Specifications – these are specifications for buildings or other vertical construction and do not apply to transportation projects.
- Do not use or include language in the proposal “Basis of Design”. Listing a single model or manufacturer as the Basis of Design will indicate to bidders that the owner prefers one product over all others. It will also limit substituting other products. No **Basis of Design** should be indicated on plans or in the proposal but rather only dimensions and types of material. The owner may list specific proprietary products that will be acceptable but then you would have to include language regarding the use of proprietary products shall be in accordance with the General Statute and the guidelines at that link we provided.
- Special Provision Z008 FHWA 1273 has to be presented in the proposal exactly as it is depicted on our website [2024 Specifications and Special Provisions](#). The FHWA has instructed

the NCDOT to ensure this. If you use the Automated Proposal Application (which we will get to shortly), the form will be included correctly; however, if you build your proposal outside of APA, then when you download and copy/paste this into your proposal, the formatting gets modified - there will be gaps in sentences, some pages will not have both columns, etc. Prior to submission of the proposal, ensure the FHWA 1273 in the proposal appears exactly as shown in the version at the NCDOT link.

- Do not use LS Erosion Control. The individual erosion control items need to be broken out. The Department prefers not to have all necessary erosion control items paid as lump sum. Erosion control items are temporary and performance based. Erosion control plans and related tasks associated with maintenance frequently require adjustment i.e. additional items, unforeseen maintenance due to changing construction requirements i.e. staging, extreme weather events etc. It is easier, and more appropriately tracked for future materials related reasons, to have additional erosion control measures installed and maintained if there are specific pay items to compensate the contractor, versus a Lump Sum item. Finally, one goal of the LGA review process is to eliminate potential ambiguity in the field and to avoid the need for change orders / supplemental agreements due to changes in conditions during construction. The municipality needs to provide applicable erosion control line items, any associated Erosion Control Special Provisions and quantities in the bid tab and EE. Provisions can be found at this link [Soil and Water \(ncdot.gov\)](https://www.ncdot.gov/soil-and-water).
- Do not use strikethroughs in language the municipality decides not to use. Delete the language.
- Ensure there are no blank pages or note this page is intentionally left blank. Check spelling.
- Finally, retainage by the municipality is not allowed.

Contract Time and Intermediate Contract Time

- Use guidance at [2024 Specifications and Special Provisions](#)
- Standard Provisions – multiple options:

SP1 G006	***	SP10 CONTRACT TIME AND LIQUIDATED DAMAGES (with Permits)	2023-05
SP1 G007A	***	SP10 CONTRACT TIME AND LIQUIDATED DAMAGES (Float, with Permits)	2023-05
SP1 G007B	***	SP10 CONTRACT TIME AND LIQUIDATED DAMAGES (Float, No Permits)	2023-05
SP1 G008A	***	SP10 CONTRACT TIME AND LIQUIDATED DAMAGES (Reforestation, with Permits)	2023-05
SP1 G008B	***	SP10 CONTRACT TIME AND LIQUIDATED DAMAGES (Float, Reforestation, with Permits)	2023-05
SP1 G008C	***	SP10 CONTRACT TIME AND LIQUIDATED DAMAGES (Reforestation, No Permits)	2023-05
SP1 G008D	***	SP10 CONTRACT TIME AND LIQUIDATED DAMAGES (Float, Reforestation, No Permits)	2023-05
SP1 G010A	***	SP10 CONTRACT TIME AND LIQUIDATED DAMAGES (No Permits)	2007-12

Help

01 Building A Bid Proposal	PDF
02 Automated Proposal Application to support LGA Proposal Development Website	
03 LGA Line Up Sheet for Resurfacing - Federally Funded	
04 LGA Line Up Sheet for General Construction - Federally Funded	
05 LGA Line Up Sheet for Resurfacing - State Funded	
06 LGA Line Up Sheet for General Construction - State Funded	
07 Proposal - (example) - using the Automated Proposal Application	PDF
08 Explanation of Provisions	PDF
09 Local Administrative Procedures	PDF
10 Explanation of Allowable Changes to Spec book	PDF
11 Guidance for Determining Contract Times	PDF

The proposal needs to include the various Contract Time And Intermediate Contract Time provisions found at this link. [2024 Specifications and Special Provisions](#). There are multiple options starting with SP1 G06 through SP1 G10B.

Each provision at the link provides information as to when each one should be used. In most cases the municipality should use SP1 G08A (if the project has a 404/401 permit) or SP1 G08C (if there is not a 404/401 permit) for the overall contract time. A majority of projects should use the Permanent Vegetation Establishment (PVE) Provision and provide either 90 or 180 days for the PVE at the end of the contract time. The next provision is typically SP1 G13A. The completion date for this provision should be the date the municipality wants the project completed by. The completion date for SP1 G06 or SP1 G08C should be 90 or 180 days after the completion date provided on SP1 G13A to allow the 90 or 180 days for PVE. Then the various ICT's for lane closure restrictions, SP1 G14A through SP1 G14M, should follow as applicable. Most LGA projects

will only require SP1 G14A for lane closure restrictions.

Traffic Control

- If project includes any impacts to pedestrians, use ADA Compliant Pedestrian Traffic Control Devices found at this link: [Special Provisions](#)
- For any traffic control, a Temporary Traffic Control LS pay item is typically included

Special Provisions
List of all WASP special provisions.

Connect NCDOT > Projects > Work Zone > Special Provisions

About SPs:

Special Provisions Disclaimer

Attention:

This page lists all special provisions provided through WASP in case of access difficulty. The SP package must still be a single document with the F_TIP#.pdf naming convention and sealed by the TMP designer.

It is highly encouraged to still utilize WASP when determining Special Provision needs for a project. WASP provides additional links and guidance that this page does not include.

Resurfacing Projects SP

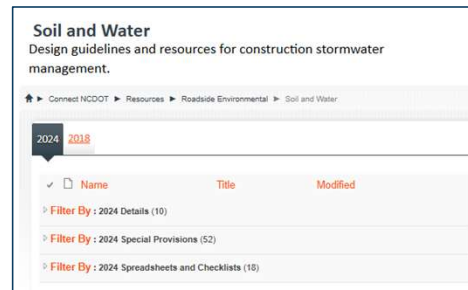
Work Zone Traffic Control General Requirements (RWZ-1)	W
Resurfacing Operations (RWZ-2)	W
Pavement Markings and Markers (RWZ-3)	W
Pedestrian Accommodation at Curb Ramp Work Locations (RWZ-4)	W
ADA Compliant Pedestrian Traffic Control Devices	W
Pedestrian Transport Service	W

If a project includes curb ramp replacement, sidewalk replacement or any pedestrian impacts caused by the construction or potential pedestrian detours, the municipality needs to include the provision ADA Compliant Pedestrian Traffic Control Devices found at this link [Special Provisions](#). The municipality needs to include any applicable pay items listed in the provision in the bid tab and EE.

If a project requires any kind of traffic control or signing, a Temporary Traffic Control LS pay item is typically provided.

Pay Items

- Ensure there are applicable pay items for work shown on plans that require a pay item
- Examples seen – Steps, handrails, fire hydrants (relocate and replace)
- Tree Protection – needs a Special Provision and Detail (Safety Fencing is not the same)
- Concrete Washout Structures – required on all projects whenever concrete work is performed – use pay items found at this link [Soil and Water](#)



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Ensure there are applicable pay items for work shown on the plans that require a pay item. Examples seen during plan review include steps and handrail being shown on the plans but a pay item was not included. Other examples include relocate fire hydrant and replace fire hydrant. There were cases where a note was on the plans for one or both and no pay item provided.

If the municipality includes a pay item for Tree Protection Fence, then ensure a Special Provision and Detail is provided for this item. The Department has a pay item for Safety Fence and a Provision for this item, but it is not the same.

Concrete Washout Structures are required on all projects whenever concrete work is being performed. Please add the special provision, the pay item and the corresponding drawing detail. Please include both pay items found on the last page of the provision found at this link [Soil and Water](#). The same quantity can be used for both. It allows the contractor to choose to use a traditional concrete

washout structure or a prefabricated concrete washout.

Material Sampling and Assurance Testing

- Municipality should arrange for material sampling and assurance testing for all materials incorporated into this contract (if the Municipality does not perform this task).
- Contractor should not collect materials samples for the Municipality.

The municipality should arrange for material sampling and assurance testing for all materials incorporated into this contract (if the municipality does not perform this task). The municipality should hire an NCDOT approved testing laboratory to provide all sampling and testing required by the specifications. The testing laboratory should sample, transport, test and provide results to the municipality. In no case should the Contractor be collecting material samples for the municipality. All expenses incurred by the testing laboratory will be borne by the municipality. The contractor shall cooperate with the municipality and testing laboratory to provide access to and make available all materials necessary for sampling whether on the project site or at the place of manufacture. At his option, the Contractor may conduct his own quality control testing but all necessary testing, sampling and record keeping is required of the municipality to ensure reimbursement for both federal and state funded projects.

Bid Alternates

- If the proposal include Bid Alternate items, make it clear in the Information for Bidders section that the bidder will be selected on the **base bid** only.
- Alternate bid items will be considered only after award of project is made.

If the proposal / bid tab includes Bid Alternate items, it should be made clear in the Information For Bidders section that in selecting the lowest responsible, responsive bidder, only the Base Bid amounts will be considered. Alternate bid items will be considered only after the award of the project is made. The owner reserves the right to select any alternate or combination thereof. The owner reserves the right to select or not select the alternate bid item.

Bid Opening (Letting)

- Un-licensed contractors are allowed to bid if they obtain license within sixty (60) days of bid opening
- If bids comes over 10% of engineer's estimate, Municipality must provide justification for accepting bid.

Municipalities should be aware if a bid comes in over 10% and they still want to award to the lowest bidder, they need to adhere to a process the NCDOT uses to investigate the reason the bids are over 10%. This includes talking with the bidders, asking if something could be changed with the contract times, or items and determining what could have been inadvertently missed. Many bids that come in over 10% for LGA projects like greenways is the line item LS Grading as the EE has a dollar amount much lower than the contractors submit. Contractors place unquantifiable items in the LS Grading item such as lack of access to a greenway, the amount of fill or excavation in smaller areas etc. One item that should be closely evaluated prior to advertisement is the LS Grading item.

Automated Proposal Application

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At this point, I'm going to turn it over to Lisa Penny who will walk through the Automated Proposal Application. (Lisa will take control of the presentation).

Automated Proposal Application

- <https://connect.ncdot.gov/resources/Specifications/Pages/APA.aspx>



Automated Proposal Application (APA) Home

Automated Proposal Application (APA) Site to properly develop proposals for state or federal funded projects.

Connect NCDOT > Resources > Contract Standards > Automated Proposal Application (APA) Home

External Users - Get Access - NCID

New External Users will need a **BUSINESS NCID** to sign in. An individual NCID will not work properly for access to NCDOT Connect websites. Follow these steps to get your NCID and access to the **Automated Proposal Application (APA) Site**. Internal NCDOT users can proceed directly to the form below.

If you do not have a Business NCID or it is expired:

1. Click this link to get your business NCID - <https://connect.ncdot.gov/getaccount/>. The Business NCID username must be relevant to your name (e.g., John R. Doe would be 'jrdoe').
2. Please check your email to complete the registration process or you will have to re-register again after 3 days. Follow the link in the email to confirm your email address.
3. Make sure the above steps are completed prior to sending the request via the form below.
4. Once your NCID is synced and added to the DOT site you will receive another email letting you know you have been added and You must then follow the link in the email to change your password **BEFORE YOU CAN ACCESS the DOT site**.

Request Access to the APA Site

Once your **BUSINESS NCID** has been created, and you have confirmed your email, enter your NCID information in the form below to request access to the APA Site. Internal NCDOT users can proceed directly to the form. **NOTE:** Proposal developers only should request access to the APA Site, those supporting in the proposal development process shall use the lineup sheets found on this site to provide requirements needed for a specific project to those proposal developers using the Automated Proposal Application (APA).

APA

Click the button below to launch the Automated Proposal Application.

[Launch APA](#)

Provision Links

[2024 Standard Provisions](#)

[2024 Standard Provision Page](#)

[2018 Standard Provisions](#)

[2018 Standard Provisions page](#)

[Preconstruction Project Provisions](#)

[Permissions required to access this site.](#)

[Preconstruction Project Provisions -](#)

[Project Site Instructions](#)

[Preconstruction Project Provisions - Project](#)

[Site Instructions](#)

[APA and Project Special Provision Development Instructions](#)

Questions?

Thank you!

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