

Bid Procurement Requirements

There are FOUR steps for procurement:

1. Submitting a request for bids to the Rail Division for review and approval.
2. Obtaining bids from contractors by a formal or informal competitive bidding process.
3. Recommending a bid award for review and approval by the Rail Division prior to the execution of the contract.
4. Executing the contract after approval from the Rail Division.

Procurement Requirements	
State Funding	Bidding Requirement
>\$30,000	Materials or construction contracts - Informal
>\$90,000	Materials - Formal
>\$500,000	Construction - Formal

STEP ONE: Submitting a request for bids to the Rail Division for review and approval

The request for bids must be in writing and include:

1. The time and place of the opening bids;
2. The time and place where plans and specifications of the proposed work may be had;
3. Consideration should be given to Disadvantaged Business Enterprises in the bid selection process.

STEP TWO: Obtaining bids from contractors using a Formal, competitive bidding process

Formal, competitive bidding requires:

1. An advertisement published in a newspaper having a general circulation in the county, city, town, or other subdivision seven full days before the opening of the bids;
2. The advertisement must:
 - a. State the contact place where plans and specifications of the proposed work may be obtained;
 - b. State a deadline for submission of bids
 - c. Reserve the right to the Grantee to reject any and all such bids.
3. Bids may also be solicited directly from licensed railroad contractors via invitation letter;
4. There must be at least three bids; bids must be resolicited if three are not received;
5. Grantee must keep a public record of all bids received.
6. The bids must remain sealed until the date of the opening of bids;

7. The bids must be opened at the specified time and place; (doesn't need to be open to public)
8. The bid award recommendation must go to the lowest responsible bidder, taking into consideration:
 - a. Quality,
 - b. Performance, and
 - c. The time specified in the contract for the performance of the contract.

STEP TWO (Alternate): Obtaining bids from contractors using an Informal, competitive bidding process

Informal, competitive bidding requires:

1. At least three bids are desired in the solicitation process.
2. Complete plans and specifications must be prepared that adequately describe the work and material required for the project.
3. Grantee must keep a public record of all bids received.
4. Contract must be awarded to "lowest responsible bidders, taking into consideration quality, performance, and the time specified in the bids for the performance of the contract".
5. While no particular procedures need be followed in receiving informal bids, whatever procedure and requirements are adopted should apply uniformly to all the informal bids and bidders on any particular contract. (For example, if a bid deposit is required from one bidder, an identical deposit should also be required from all of the other bidders that submit proposals).

STEP THREE: Recommending a bid award to the Rail Division for approval before the execution of the contract.

The Rail Division must receive:

1. A copy of the advertisement used in the newspaper (if applicable),
2. A certified tabulation of bids results,
3. A copy of the signed bid by the selected bidder,
4. A copy of the proposed contract with the selected bidder.

STEP FOUR: Executing the contract after approval from the Rail Division.

The Company must:

1. Receive approval of the selected bid from the Rail Division,
2. Execute the contract in writing,
3. Send a copy of the executed contract to the Rail Division,
4. The company may be requested to file a sworn accounting statement of receipts and expenditures of the money with the NC Office of State Budget and Management.