



## Competitive bidding process for certain activities to be submitted for reimbursement by the Michigan Underground Storage Tank Authority

(October 1, 2018 Update)

### **AUTHORITY:**

Part 215, Underground Storage Tank Corrective Action Funding, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451). Section 21510(a)(3)(b) states that expenses for items that are not listed on the schedule of costs shall be reasonable and necessary considering conditions at the site base upon a competitive bidding process established by the Authority.

### **POLICY:**

The following services are not included in the cost schedule and must be competitively bid by the consultants in accordance with the procedure listed below:

- Excavation, transportation, and disposal of contaminated soil that is not performed as an initial response action and the removal of which is necessary to achieve restricted closure.
- Removal and disposal of contaminated liquid (not tank contents) that is not performed as an initial response action
- Purchase, construction, and installation of treatment systems
- Purchase, construction, and installation of vapor mitigation systems (Passive and/or Active)
- Decommissioning of treatment systems
- Abandonment of water supply wells
- Drilling services for wells exceeding 2 inches in diameter
- Drilling in bedrock or in unconsolidated soils greater than 60 feet below ground surface.
- Sonic Drilling
- Ultra-Violet Optical Screening Tool, Laser-Induced Fluorescence, or Membrane Interface Probe
- Mobile laboratory services
- Replacement and repair of blacktop or concrete surface cover that was removed or damaged in association with eligible and necessary corrective actions.
- Professional surveying services greater than \$2,000 per event.

See page two for procedure.

## PROCEDURE:

1. The claimant or authorized representative must solicit at least three competitive bids for the required service(s). If less than two responsive bids are received, the consultant or authorized representative shall solicit bids from additional contractor(s). If a third responsive bid cannot be obtained, the claimant or authorized representative must seek and receive approval from the Authority prior to the services being performed. Failure of the Authority to provide a response within 14 calendar days of receipt of the request shall be considered as concurrence.
2. The bid requests provided to the contractors shall be identical.
3. Copies of the bid requests and bids must be provided to the Authority along with the Competitive Bid Summary Form.
4. If service is to be provided by a sole-source contractor, the claimant or authorized representative shall describe the reason for the sole source contract and seek and receive approval from the Authority prior to the services being performed. Failure of the Authority to provide a response within 14 calendar days of receipt of the reason for choosing a sole-source contractor shall be considered as concurrence.
5. The consultant may bid on the service, but their bid must be submitted to the Authority prior to the solicitation of bids from other contractors. This also applies to a general contractor who is bidding on a service and soliciting bids for the same service from other contractors.
6. The lowest responsive bidder shall be accepted unless a compelling reason(s) is provided for why they were not selected. In instances where the lowest bidder is not selected, the claimant or authorized representative shall notify and receive approval from the Authority prior to having the contractor perform the service(s). Failure of the Authority to provide a response within 14 calendar days of receipt of the reason for not selecting the lowest bidder shall be considered as concurrence.
7. Costs will not be reimbursed at any rate (even at the low-bid price) if a non-approved, non-lowest bidder performs the services in question as this goes against the principal of the bids having been competitive.
8. The costs on the invoices submitted for the competitively bid item(s) shall not exceed the bid unit rates.
9. For the generation of accurate and competitive bids, sufficient time should be allotted for bid response, contract awarding, and work implementation.