

APPROVED

January 29, 2013

Michigan State
Administrative Board

State Administrative Board

Resolution 2013-1

Effective

Rescinds Resolution 2008-1 dated February 5, 2008

APPROVAL OF CONSTRUCTION CONTRACTS BIDDING PROCEDURE

Resolution 2013-1 incorporates the requirements of Act 430 of the Public Acts of 2012 into the State's construction contracts bidding procedure for the Department of Management and Budget (DTMB) Design and Construction Division.

PURPOSE/OBJECTIVE

- To select through open competition the responsive and responsible best value bidders for building construction projects (Projects). Objectives are: (1) to obtain competitive bidding on contracts for building construction, expansion, rehabilitation, repair, or demolition; site development and environmental remediation; (2) to assure that all bids received are consistent with the requirements of the bidding documents; (3) to award each contract to the responsive and responsible best value bidder.

APPLICATION

- All state departments and agencies except those state colleges and universities which have not designated the DTMB's Design and Construction Division as its agent for Projects.

INFORMATION

- All construction Project contracts are publicly advertised and competitively bid. An exception is made only for contracts that are necessary because of emergency conditions involving protection against potential injury or damages to persons and property. Each contract is awarded in accordance with existing applicable state statutes (including prevailing wage and fringe benefits, and nondiscrimination), and State Administrative Board resolutions.
- If the DTMB Director determines that the best interests of the state will be served, the DTMB Design and Construction Division may use a pre-qualification process to determine the acceptability of potential bidders, subject to a public advertisement stating such intent.

PROCEDURES

- The DTMB Design and Construction Division participates with the professional services contractor in the review process of bidding documents to assure that the documents provide for all statutory and standard language requirements of a state construction contract.
- When advised by the professional services contractor that a Project is ready for bidding, the DTMB Design and Construction Division establishes a time and date for the bid opening and extends a public invitation for bids through weekly advertisements on the DTMB procurement web site.

- The DTMB Design and Construction Division receives the proposals for each advertised Project and conducts a bid opening, either public or on-line for electronic bids, at the time and date set, if appropriate.
- The DTMB Design and Construction Division prepares a tabulation of all proposals received and reviews each proposal for irregularities or noncompliance with the bid requirements.
- The DTMB Design and Construction Division reviews the proposals and forwards copies of the proposals to the professional service contractor or the agency providing the professional services, for their review and recommendations relative to the award of contracts for construction.
- Except as provided below relative to veteran's preference, the award of construction contracts for projects funded in whole or in part with state funds shall be made to the responsive and responsible best value bidder. The bidders will be evaluated for responsiveness and responsibility based on the following:
 - Compliance with the bid specifications and requirements.
 - The bidder's financial resources.
 - The bidder's technical capabilities.
 - The bidder's technical experience.
 - The bidder's past performance.
 - The bidder's insurance and bonding capacity.
 - The bidder's business integrity.
- The bids will be evaluated for best value based on price and qualitative components by comparing the qualitative components of the three lowest responsive and responsible bidders. The comparison may also include other bidders whose bids are within 10% of the lowest responsive and responsible bidder. The qualitative components may include, but are not limited to the following:
 - Technical design.
 - Technical approach.
 - Quality of proposed personnel.
 - Management plans.
- For contracts under \$250,000, best value will primarily be based on the lowest responsive and responsible bid.
- If a qualified disabled veteran meets the requirements of the contract solicitation and with the veteran's preference is the lowest bidder the DTMB Design and Construction Division will enter into the construction contract with the qualified disabled veteran bidder.
- The DTMB Design and Construction Division submits the recommendations for contract awards by way of agendas to the State Administrative Board or the DTMB for approval, setting forth the reasons for the selection of the contractor as the responsive and responsible best value bidder or as the qualified disabled veteran with the low bid.
- Upon State Administrative Board approval of the recommendation for a contract award, DTMB's Design and Construction Division notifies the successful bidder in writing of the award and identifies the documents required for execution of the contract.

- Upon receipt of contract documents, DTMB Design and Construction Division makes final review and obtains signatures to complete the execution of the contract documents.