

**D/B/B Focus Group for State of TN
Conference Call
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Great conference call discussion today and I appreciate everyone's time. In regards to how we may be able to offer some recommendations on how to improve the State's bidding process when they choose to use the D/B/B selection method, please review the items below and give me your feedback on whether these should be recommended, or if you agree with it but suggest further changes or clarification to these items. These are based on some of the issues that we run into on bid projects.

1) The design team shall provide the construction documents to the bidding contractors in PDF and CAD formats. Many contractors post the drawings for subs to review on a website and if they are in PDF then the subs can make copies for themselves. However, civil subcontractors will sometimes want them in CAD format so that they can input into their takeoff software.

Responses:

- We typically post drawings on an ftp site in PDF format.
- We would argue strongly against designers providing CAD drawing files to bidding contractors. Most design firms, along with their liability insurance companies, would have a problem with this because of the potential for abuse. PDF files are more acceptable.

2) After any addenda are released to the bidders, the time for questions from the bidders will be extended for 3 days after the release of the addenda and the bid date will be extended to 7 days after the release of any addenda. Many times addenda are released within a day or two of the bid date and the bid date and the time for questions are not extended and this can create a great deal of confusion and uncertainty as to the changes that were made and can cause errors by either the subcontractor or general contractor in pricing on bid day. The owner could be paying a higher price because of the lack of certainty with items in the addenda especially if changes were made instead of just clarifications being made.

Responses:

- Maybe we need to rethink the entire bid process for D/B/B. I do not like the idea of extending bid dates due to contractors not reviewing the bid docs in a timely manner. Usually the first two weeks of the bid process, no one looks at them. If a pre-bid meeting is established at midpoint of the bid phase (within 2 weeks of issuance) and addenda are issued within the following week, then the fourth week should be adequate for bid preparation. Typically the state's bid phase is a 4 week bid process. Perhaps the state should consider mandatory pre-bid meetings for a D/B/B project.
- This makes sense, one week seems reasonable. FYI, currently on TBR projects, bid openings are on Wednesday, and the last addendum must be no later than the preceding Friday, unless the addendum also extends the bid date.

3) At times, the project schedule that is included in the bid documents can be unreasonable and not realistic. This just adds additional importance for the Owner to have experienced counsel during the design phase by construction professionals as to input on the budget and length of schedule for the

project. This could be a fee arrangement with an experienced owner's rep firm, a construction manager/GC that is not bidding the project, or an experienced third party estimating firm.

Responses:

- I am all for this. The State used to have a construction scheduler for every job. I worked with someone at Capital Projects Management. He helped establish the project schedule and also reviewed the schedule during construction. His fees were part of the project costs. He also reviewed change orders. It was very helpful.
- We agree with this recommendation for any project that deserves this attention, of which there are many. The projects that wouldn't require this treatment are those of a straightforward nature very similar to many jobs done by the state such that the state and the designers have actual project experience that can give them a firm basis for an expected construction schedule.

4) Should prequalification of key subcontractors be a part of the D/B/B process? As part of the Best Value 1 option, the proposing GC's submit a list of MEP and possibly roofing or masonry subs that they recommend to be allowed to bid on the work. The State reviews these lists of subs and sends back out an approved list to the short list of GC's that will be bidding the project. In the past, GC's could only use one of the subs that they had submitted and approved in those key categories and not one of the other GC's approved subs.

Responses:

- I would like to see prequalifications for the major subs – MPE, maybe civil, roofing. I would like to be assured that these subs had been in business a minimum number of years and didn't have any liens or lawsuits pending.
- We think the state would benefit from having the option to prequalify key subcontractors in the D/B/B process. There may be straightforward projects where subs are not pre-qualified, which would give subs a chance to prove themselves. However, the state should have the option to prequalify.....this rewards good performance and saves money for the state in the long run. Probably all of us have firsthand experience of how even "simple" projects with unqualified subs resulted in a high price paid by the owner for the life of the building.

Please give your input on these items or any other improvements that you can think of for improving the process of bidding. The next QIC meeting is 2/27 at the middle TN AGC office from 10:00 - 2:00 pm and I hope to see you there.