**Site Development Grant**

**Bidding Procedures**

**August 2020**

Department of Economic and Community Development

Community and Rural Development

William R. Snodgrass Tennessee Tower, 27th Floor

312 Rosa L. Parks Avenue

Nashville, Tennessee 37243

**TASKS**

This document is broken down into five sections that outline the activities that must be undertaken in order to comply with SDG regulations. The sections include preparation of the bid package, bidding procedure, pre-construction activities, construction activities, and close-out activities.

**PREPARATION OF A BID PACKAGE**

The grantee should closely monitor the preparation of the bid contract documents to assure that all necessary items have been properly completed in order to avoid delays in the project.

**WAGE RATES (Only applicable to projects involving road construction and/or paving)**

Any road construction contract utilizing SDG funds will be required to include the prevailing state wage rates that are in effect on the date the bid is advertised.

Without the correct wage decision in the bid contract document, you will not be permitted to advertise for bids. So plan ahead and send the request in early enough for proper processing.

 **Complete the Request for Wage Determination form** (Exhibit 1). Be sure to include a complete project description and the estimated date of advertising. *The date of advertising is extremely important and should, therefore, be as accurate as possible*.

 **Send the request to** [**Select.Tennessee@tn.gov**](mailto:Select.Tennessee@tn.gov) **before submission of plans and specifications**.

 **A separate request must be submitted for each con**t**ract**, if there are multiple contracts for the project.

**PLANS AND SPECIFICATIONS**

Use the following list to assure that all appropriate activities are complete and the proper documents are included in the bid contract document to avoid having to re-submit the document for approval.

 **Technical bid specifications** should be prepared by your engineer. They must provide a clear and accurate description of the technical requirements for the materials and workmanship required for the project.

 **An Engineer’s stamp must be placed on the first page** of the specifications and on each page of the plans.

 **Include all required SDG information, including Front End Documents, General Conditions, and Supplemental General Conditions**. These documents cannot be substituted or altered. Fully complete the blanks in the supplemental general conditions.

 **Include the appropriate cost and pricing format** depending on whether the project is to be bid as a lump sum or per item.

 **Obtain all permits and notify all utilities** about the proposed construction. Obtain all information concerning utilities and include it in the working drawings or plans.

 **A review of the documents by your attorney** should be performed to assure compliance with applicable State and municipal law.

 **A provision to allow rejection of any or all bids** should be included.

 **Submit one set of the documents via e-mail t**[**o Select.Tennessee@tn.gov**](mailto:Select.Tennessee@tn.gov) **14 days before advertising**. Review by the Tennessee Department of Environment and Conservation and any other appropriate agencies can occur before or during the ECD review period and be completed and the bid document approved before advertising. The bid document should have all bid items and other blanks properly filled out i.e., just as the bidders will receive them.

 **Make all corrections before advertising**. If items are missing from the bid document, correct it and send a fully completed and bound copy to ECD for approval before advertising.

 **Resubmit the plans and specifications** to our office for approval if there are any changes made.

**ADVERTISEMENT OF THE PROJECT BEFORE ECD APPROVAL MAY RESULT IN REBIDDING.**

**BIDDING PROCEDURE**

Once bid documents have been approved, you may proceed with all activities involved in the bid process. Check to assure that the following items have been appropriately covered:

**ADVERTISING FOR BIDS**

 **For those projects involving road construction e-mail** [**Select.Tennessee@tn.gov**](mailto:Select.Tennessee@tn.gov) **five to ten days prior to the advertisement for bids**. Verify that the State wage decision used in your project has not expired or changed. Failure to include the correct wage rates in the contract could result in payroll violations which may be difficult to correct.

 **Advertise at least once, 14 days prior to bid opening**. You must conform to local procurement regulations if they are more restrictive.

 **An Addendum should be sent to all contractors** receiving bid documents when a revision is required prior to bid opening. Prior to issuing to contractors, the addendum should also be submitted to [Select.Tennessee@tn.gov for approval.](mailto:Select.Tennessee@tn.gov%20for%20approval.)

**BID OPENING**

The bid opening is to be conducted in a business-like manner on the date scheduled

 **Requirements of the Tennessee Contractors Licensing Act of 1976** should be followed concerning information on the outside of the contractor’s bid submittal envelope.

 **Bids must remain sealed** until the opening.

 **Log in time and date of receipt**, name of offerer and procurement number on all bids received.

**BID AWARD**

**Do not award the contract without ECD approval.**

 **Review the bids** for technical and legal responsiveness.

 **Evaluate the bidder** and his/her capacity for performing the services required.

 **Send the certified bid tabulations via e-mail t**[**o Select.Tennessee@tn.gov**](mailto:Select.Tennessee@tn.gov) along with a recommendation for award and newspaper bid advertisement and/or publishers affidavit, Drug-Free Workplace Affidavit, Illegal Immigration Certificate, and Iran Divestment Act Certificate to ECD for review and approval as soon as possible.

Verification of contractoreligibilitywill be mailed to you upon receipt of the bid tabs. This assures that the contractor is not on the list of debarred contractors.

 **Award the contract within 60 days** with ECD approval or reject all bids. There must be enough money in the construction budget to cover the bids in order to award the contract.

If for any reason the low bid is not accepted, a written explanation must be submitted to ECD along with an alternate proposal for completion of the project. This must be submitted along with the certified bid tabulation. **No action may be taken on the alternate proposal until written approval by ECD is obtained**.

**PRE-CONSTRUCTION ACTIVITIES**

Once the contract has been awarded, there are activities to be performed before construction can begin.

 **All bonding and insurance provisions must be met** as required in the contract.

These documents should be attached to the contract document.

 **Submit the Notice of Contract Award and Pre-Construction Conference (Exhibit 2) t**[**o Select.Tennessee@tn.gov**](mailto:Select.Tennessee@tn.gov) **at least ten days in advance.** If the project requires a wage decision, you will also need to submit the Pre-Construction Notice Form required by the Department of Labor.

 **Conduct a pre-construction conference**. Keep a sign-in sheet and minutes.

 **Inform the contractor of his/her responsibilities** in regard to the wage decision

and payrolls (if applicable) as required in the contract.

 **Issue the Notice to Proceed** (Exhibit 3) to the contractor. This authorizes him/her to begin work on a designated date. Retain a copy for your files signed by the contractor indicating that he/she was properly notified.

**CONSTRUCTION ACTIVITIES**

After construction has been initiated, important tasks must be undertaken in order to comply with the labor standards regulations during the phase of the project.

**CONTRACTOR/SUBCONTRACTOR RESPONSIBILITIES**

The contractor and all subcontractors must:

 **For those projects involving road construction and/or paving, classify all workers** in conformity with the wage rate determination included in the construction contract.

 **For those projects involving road construction, post the prevailing wage rates** at the construction site and make these rates available to their employees. Fringe benefits are not included in State prevailing wage rates.

 **For all projects, pay overtime compensation** of one and one-half times the basic rate of pay for all hours worked over 40 a week.

 **Make only those deductions from wages authorized by law.**

 **For those projects that require a wage decision,** submit payrolls to the contact listed on the wage decision.

 **Make his/her employment records available for inspection** by representatives of the grantee, the Commission, the Tennessee Department of Labor and the Tennessee Department of Economic and Community Development and permit these representatives to visit the construction site.

**CLOSE-OUT ACTIVITIES**

Inspection and acceptance of the work, close-out of construction and making the final payment involve the completion of the following tasks:

 **A notarized Release of Liens and a request for final payment** should be submitted by the contractor to the grant recipient’s engineer.

 **A final inspection should be arranged**.

 **A final inspection report** should be submitted by the engineer to the grant recipient.

 **All labor compliance activities must be completed**, including submittal of the weekly payrolls to the State Department of Labor, if applicable.

 **The Notice of Completion** of the project should be publicly advertised with a request that any one having a claim against the project to notify the City or County. If no claims are made during a 10-day period, the release of liens from the contractor may be accepted and submitted to the State with contractor’s final pay estimate so that retainage may be released. A copy of the advertisement of the Notice should accompany the final request for payment.

**Combined Request and Decision Form for**

**Wage Determination**

Decision Rendered By:

|  |  |
| --- | --- |
| Request Made By: | |
| Name of person |  |
| Title |  |
| Department, Agency, or Bureau |  |
| Address and phone |  |

State of Tennessee

Dept. of Labor and Workforce Development Workplace Regulations and Compliance Division Labor Standards Unit

220 French Landing Drive

Nashville, Tennessee 37243-1002

|  |  |  |
| --- | --- | --- |
| Date of reques t | Date of  Advertis em ent | Supercedes  Decis ion |
|  |  |  |

If work is in multiple building rate regions, a separate request is required for each region; and, if in multiple counties within a region, all counties must be listed.

|  |  |
| --- | --- |
| **Wage Determ ination** | |
| Decision  Number | |
| x Apply  Highway Rates Do not apply | |
| Report to | |
|  | |
| Date assigned | Assigned by |
|  |  |

The project identification and brief project description given herein shall not act to define, expand, or limit the Work required by the Contract Documents.

|  |  |  |
| --- | --- | --- |
| **The Project** | | |
| **City** | **State** | **County** |
|  |  |  |
| **Project Identification** | | |
|  | | |
| **Brief Project Description** | | |
|  | | |

Such information provided herein

is intended only as information to the Department of Labor and Workforce Development. No other use or interpretation is intended.

**00 73 46** Additional Supplementary Conditions

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**SAMPLE**

**NOTICE OF CONTRACT AWARD and**

**PRE-CONSTRUCTION CONFERENCE**

TO: ECD/Site Development Director

FROM: Labor Standards Coordinator

SUBJECT: Award of Contract/Pre-Construction Conference

This is to inform you that

*NAME OF COMPANY LICENSE NO.*

*ADDRESS*

*PHONE NUMBER*

has been awarded a contract to  *DESCRIPTION OF PROJECT*

in the City of  *CITY NAME* .

The number of applicable State wage decision is *WAGE DECISION NUMBER*

*(if applicable) .*

The contract is for $  *AMOUNT .*

The estimated start of construction is  *DATE .*

Contract completion is estimated to be  *DATE .*

A Pre-Construction Conference will be held concerning this project at

*TIME* on *DATE* at *ADDRESS*

**NOTICE TO PROCEED**

To: Date:

(Name and Address

of Construction Contractor)

You are hereby notified to commence Work in accordance with the Agreement dated

, 20\_ , on or before , 20 \_, and you are to

complete the Work within

consecutive calendar days thereafter. The date of

completion of all work is therefore , 20 .

Owner

Signature: Typed Name &Title

ACCEPTED:

Contractor

Signature:

Typed Name &Title

**CONTRACT DOCUMENTS GUIDE**

The bid document should contain the following pieces:

1. Advertisement for Bids

2. Information for Bidders

3. Bid Bond Form

4. Payment Bond Form

5. Performance Bond Form

6a. Bid for Unity Price Contracts

OR

6.b. Bid for Lump Sum Contracts

7. Wage Determination (if applicable)

8. Agreement

9. Drug Free Workplace Affidavit

10. Certificate of Compliance for Illegal Immigrants

11. Iran Divestment Act

12. Certificate of Owner’s Attorney

13.General Conditions

14. Supplemental General Conditions

15. Specifications

**GLOSSARY**

**Apprentices**

Apprentices are those persons registered individually under a bona fide apprenticeship program registered with the Bureau of Apprenticeship and Training in the United States Department of Labor. It is required that the contractor or subcontractor using the apprentice submit evidence of his/her indenture and/or apprenticeship registration when the apprentice’s name first appears on a submitted payroll. *This only applies if you have a wage decision.*

**Bid Contract Document**

Only the bid document included on our website will be accepted for submission with plans and specifications to our office. No other version or alternation of this bid contract document will be reviewed by our staff. Wage rates, when required, must be included in the document upon submission. **Only a  *complete* set of plans and specifications will be accepted for review.**

**Commission**

The *Commission* means the prevailing wage commission or its administrative delegate, the

Tennessee Department of Labor.

**Payroll**

For projects involving road construction, payrolls are to be submitted to the Department of Labor on a weekly basis. The appropriate address of the regional office will be listed on the wage decision.

**Prevailing Wage**

Employees who work on road construction projects, including paving, are to receive a minimum rate of pay determined by the provisions of the Prevailing Wage Act of 1975.

**Prime Contractor**

The Prime contractor is that contractor to whom the project was awarded as a result of bidding by the grant recipient. The Prime Contractor is directly responsible for making sure that all regulations are followed and all findings brought into compliance.

**Subcontractor**

The subcontractor is one who performs part of the job called for in the prime contract. This term shall include materialmen whose employees engage in substantial operations at the project site, provided the employee of the materialman devotes as much as 20 percent of his/her work time on the construction premises.

**Wage Rate Determination Request**

The Wage Rate Determination Request is the form that is to be submitted to ECD to determine the appropriate prevailing wages to be used for road construction projects.