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Descriptor Term:
BIDDING FOR CONSTRUCTION WORK

Descriptor Code:
9.1200/6.4410

Legal References: G.S. 115C-521, -522; G.S. 143-64.31, 128 to -135

Cross References: 6.4020 Participation by Historically Underutilized Businesses; 9.1250
Participation by Women and Minority-Owned Businesses

The board strives to obtain high quality services at a reasonable price through the bidding process employed by the school system.

A. STANDARDS FOR PARTICIPATION IN CONSTRUCTION CONTRACTS

All contracts formally or informally bid shall be awarded to the lowest responsible bidder, taking into consideration, quality performance, reliability, and the time specified in the bids for performance of the contract, and in compliance with G.S. 143-128.

The board prohibits discrimination against any person or business on the basis of race, color, ethnic origin, sex, disability or religion. The superintendent is required to conduct contracting and purchasing programs so as to prevent such discrimination.

The superintendent, on behalf of the board, must certify that good faith efforts have been made to increase the participation in construction contracts by minority-owned and female-owned businesses, as stated in policy 6.4020 Participation by Historically Underutilized Businesses and 9.1250, Participation by Women and Minority-Owned Businesses.

The board will grant a North Carolina resident firm providing architectural, engineering, surveying or construction management at-risk services a preference over a nonresident firm, if the home state of the nonresident firm has a practice of granting a preference to its resident firms over North Carolina resident firms. Any preference granted to a resident firm will be in the same manner, on the same basis and to the same extent as the preference granted by the nonresident firm's home state. The school system's bid documents will require that nonresident firms disclose and describe any construction contract preferences granted by the firm's home state.

B. METHODS FOR BIDDING CONSTRUCTION CONTRACTS

The board may request bids for contracts for building projects using either single prime, multi-prime (separate prime), dual bidding or, construction management at risk as permitted by law. The superintendent shall make a recommendation to the board as to the method(s) which should be used for a particular project.

If the superintendent believes the project cannot be reasonably completed under the methods authorized by G.S. 143-128, the superintendent shall make the recommendations to the board that it approve the use of alternative methods. Upon board approval, the superintendent shall submit to the State Building Commission a request to use an alternative contracting method along with supporting documentation.

C. FORMAL BIDDING

Construction and repair work requiring the estimated expenditure of over \$500,000 or more will be advertised for bid and will be awarded through formal bidding procedures. Dividing contracts to lower the

expenditure amounts so as to evade these requirements is prohibited. The superintendent shall establish formal bidding procedures consistent with this policy and applicable law and will make the procedures available to all bidders or potential bidders.

D. INFORMAL BIDDING

Informal bids shall be obtained for construction and repair contracts between \$30,000 and \$500,000. Quotations from contractors may be solicited by telephone or in writing. Informal bids are recommended, but not required, for construction and repair work for which the cost is less than \$30,000.

Dividing contracts to lower the expenditure amounts so as to evade the informal bidding requirements is prohibited. The superintendent shall develop informal bidding procedures consistent with this policy and applicable law and will make the procedures available to all bidders or potential bidders.

E. APPROVAL

All formally bid and informally bid construction contracts must be reviewed by the board attorney and submitted by the superintendent to the board for approval. The superintendent shall consult with the board attorney in developing standard form contracts for informally bid construction projects.

F. RECORDS AND REPORTING REQUIREMENTS

Records of all informal or formal bids shall be maintained and shall be available for public inspection. Such records shall include the date the bid is received, from whom it is received, and for what project. The records will document when the selected contractor was the lowest responsive, responsible bidder if the contractor was not the low bidder.

Each year by April 1, the superintendent shall submit to the secretary of the Department of Administration a report on the cost and effectiveness of each construction method used by the board during the previous year. The superintendent also must submit required reports to the State and provide reports to the board on the progress being made towards reaching the board's goals.

G. DISPUTE RESOLUTION PROCESS

The board establishes the following dispute resolution process to resolve issues arising out of construction and repair projects or contracts related to such projects. The dispute resolution process may be used by any party involved in the construction project for those disputes in which the amount in controversy is at least \$15,000.

Prior to initiating litigation concerning a dispute, parties to the dispute must do the following: (1) submit the dispute for review by the superintendent or other designated school official and the project architect, as appropriate, and (2) participate in mediation, if the matter cannot be resolved by school officials and the architect. The cost of the dispute resolution process will be divided between the parties to the dispute. If the board is a party to the dispute, the board will pay at least one-third of the cost.