



# The Bidding Documents

selecting a general contractor by competitive bidding

## THE BIDDING FORMS

PROCUREMENT FORMS are typically provided by Owners, but in some cases we have been asked to provide them.

Most of the Owners that select bidding as a process of procurement either will provide their own forms or engage a Construction Management consultant that will provide its own forms.

Regardless of who provides the bidding forms, we need to have close coordination and do a careful review of the language.

## WHERE ARE THEY?

The RMW Bidding Forms can be downloaded from Rspace. THESE ARE TEMPLATES intended for small, non-complicated projects, and need to be modified for each project.

For larger projects, call Josie or Gloria.

Bidding Forms are typically prepared by the specifier.

## DEFINITION

Construction bidding is the process of submitting a proposal (tender) to undertake, or manage the undertaking of a construction project. The process starts with a cost estimate based on the drawings and specs and material take offs.

In RMW projects, biddings ALWAYS are organized to select a general contractor. In this case, the Owner may provide the necessary bidding documents other than the drawing and the specifications, or it may delegate the execution of all the bidding documents to RMW.

## THE BIDDING DOCUMENTS

The **Bidding Documents** are issued to the bidding contractors in order to **select** a general contractor for the project. Bidding Documents shall consist of bidding requirements and proposed Contract Documents. (AIA B101 definition).

The Bidding Documents are classified as "Procuring Documents" because they are used to procure the contract for construction.

In competitive bidding prospective contractors are invited and prepare bids stating, in a specified format, the sum of money, and sometimes the length of time, required to execute the project. It is a method for determining the lowest price for accomplishing the work described in the Bidding Documents. The Bidding Documents are:

- **Invitation to Bid** - Used for Projects where the bidders are selected by the Owner.
- **Advertisement to Bid** - Used for projects where choosing the bidders is not allowed, usually public work.
- **Instructions to Bidders** - Establish an understanding of the procedures followed by bidders. They include:
  - Definitions
  - Bidder's representations
  - Bidding procedures
  - Review of bidding documents
  - Consideration of bids
  - Post-bid information
  - Bonds: Performance and payment
  - Proposed Form of Agreement between Owner and Contractor (sample of the contract)
  - You can use the AIA A701 for large or complex projects or your own form if the project is small and uncomplicated.
- Available information such as surveys, soils report, records of existing conditions, existing drawings, etc.
- **Bid Form** (to be filled-in by the bidders) - This document is project specific and includes the following information (other information may be included if applicable to the Project):
  - **Project Identification** - Project name exactly as in the Bidding Documents and date of Bid Documents issue.

## DO NOT CONFUSE

PRICING which is the process the GC follows to select its subs, with BIDDING which is the process the OWNER follows to select the GC.

When the general contractor has been selected, the documents we prepare to bid the services and materials provided by the Contractor and its subcontractors are **PRICING DOCUMENTS**

For a Contractor's proposal to be considered a "qualified bid" it must include all the information in the Bid Form, plus, if required by Owner, a completed AIA A305 "Contractor's Qualification Statement."



- **Bid Date and Time** - When and at what time they have to be deliver. It is very important that no bids will be accepted after this time; this is very important!
  - **Location Where the Bids Are Being Received** - Street address if paper, or electronic location if electronic bids are allowed.
  - Space for bid amount and related information, such as unit prices, alternates, etc.
  - Space for the Contractor's information and signature.
  - Space for acknowledgment of certificates of insurance and other documents required to be provided by the Contractor for the Project.
  - **Bid Opening** - Information on where, when, and how are the bids submitted going to be open.
  - **Proposed Bidding Documents:**
    - Contracting forms (proposed agreement).
    - Conditions of the Contract,
    - The Bidding Drawings and the Bidding Specifications.
    - Other documents or items listed.
  - **Addenda** - Changes done to the documents during the bidding period and incorporated into the bidding documents.
- The contracting requirements, specifications, drawings, and Addenda, will become Contract Documents when the Owner/Contractor Agreement is signed.

## RMW BIDDING FORMS

- RMW Bidding Forms are intended to be used when an Owner directs the project team to prepare all the documentation required for **COMPETITIVE BIDDING** for a general contractor (the "Contractor" in our documents).

## ADDENDA

During the process of Bidding, the Bidding Documents are modified using documents called "ADDENDA" (plural, ADDENDUM Singular). Addenda, too, are part of the Bidding Documents.

- The Bidding Forms record the information used during the bidding process, but some may become part of the Contract for Construction once the bidding process ends, the Contractor is selected, and the Agreement is signed.

**ADDENDA DEFINITION:** *Document or information attached or added to clarify, modify, or support the information in the original document or written work. In construction industry, for example, an addendum issued by a client during the bidding process becomes part of the contract documents when the contract is awarded.* (Business Dictionary).

## RISK MANAGEMENT

- The bidding documents should include the Owner's right to reject any or all bids.
- Establish a date after which the Bidders cannot withdraw their bid proposal.
- In private work, the deleted bidder is the "**responsible**" bidder with the lowest bid. In public work the Owner may be required to accept **only** the bidder with the lowest bid.
- Bid Bonds are posted to ensure that if the bidder selected will enter in a formal agreement with the Owner within an specific time. This is to cover the costs to the Owner if re-bidding is necessary. Bid Bonds are returned to bidders that were not selected.
- The Architect should negotiate with the Owner that the Bidding Documents are issued within a time limit. If the bid date is changed, costs might have change and the bid might come in below the Project's budget.

PLEASE TECH-CHECK THE DOCUMENTS CAREFULLY BEFORE ISSUING!

Inform all bidders of the results after selection is over and thank them. It is good manners.

Information in this module is taken from the AIA Architect's Handbook of Professional Practice, 14th Edition, 12.4