

GUIDELINES FOR OPENING OF PUBLIC CONSTRUCTION BIDS

Purpose

These guidelines are developed and distributed pursuant to mandate of the General Assembly contained in GS 143-132(b) including the provisions of Chapter 985 Session Laws of 1992, AN ACT TO CLARIFY THE LAW REGARDING THE COMPUTATION OF THE MINIMUM NUMBER OF BIDS REQUIRED FOR CAPITAL PROJECTS, as ratified by the 1992 session of the General Assembly. See also GS 143-128 and GS 143-132(a).

The recommendations herein are advisory in nature and developed in compliance with GS 143-132(a); however, for the benefit of the citizens of North Carolina, the public agencies engaged in construction projects and the construction industry, it is desirable to have uniformity in bid opening decisions. It is to achieve this end that these revised guidelines have been developed.

Guiding Principles

1. As much true competition as possible is desirable in public construction projects. For many years North Carolina has for the first round of competitive bidding, required at least three competitive bids for the award of an individual construction contract. Thus, by custom, no bids for any individual contract were opened in response to initial advertisement unless there were at least three bids received for that contract.
2. A public agency by law must always retain the right to ~~reject~~ all bids ~~received~~ and ~~re-advertise~~ the contracts for additional bids. (This principle should be kept in mind as the various attached examples are read.)
3. Fairness dictates that first bid openings be conducted in a manner that minimizes as much as possible the exposure of prices actually bid by contractors unless there is reasonable cause to believe that a contract award will result from the first round of competitive bidding.

RECOMMENDATIONS FOR FIRST ROUND BID OPENINGS

~~First~~

Project Bid As Single Prime or Multiple Prime Only

If a project is bid single prime only, determine if at least three bids have been received. If at least three bids have been received, open all bids with intent to award. If three bids are not received, re-advertise the project.

If a project is bid multiple prime only, determine if at least three bids have been received for each individual contract (general, hvac, electrical, plumbing). If at least three bids are received for each individual contract, open all bids with intent to award. If at least three bids are not received for each individual contract, re-advertise for each contract that did not receive at least three bids.

First

Project Bid As Single Prime/Multiple Prime

Determine if at least three bids have been received in each system. In making the determination each single prime bid may be counted as a complete set of multiple prime bids and each complete set of multiple prime bids can be counted as a single prime bid. (See illustration A and B)

**RECOMMENDATION FOR SECOND ROUND BID OPENINGS
FOLLOWING RE-ADVERTISEMENT**

Second

Project Bid As Single Prime or Multiple Prime Only

If a project is bid single prime only, determine if at least one bid has been received. If at least one bid has been received, open with the intent to award.

If a project is bid multiple prime only, determine if at least one bid has been received for each individual contract advertised (general, hvac, electrical, plumbing). If at least one bid has been received, open with the intent to award.

Second

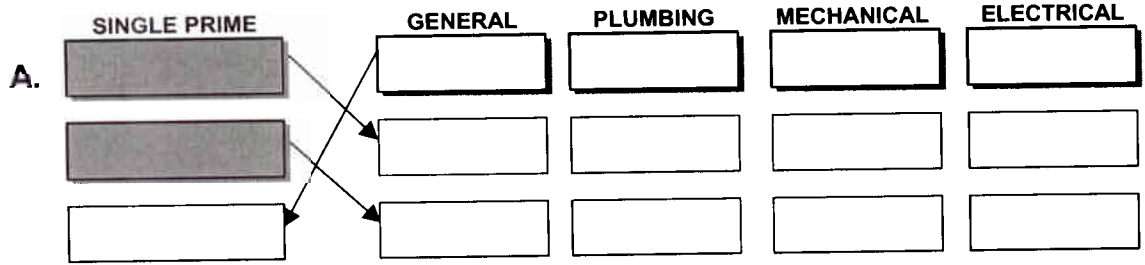
Project Bid As Single Prime/Multiple Prime

- a. If at least one single prime bid or one full set (general, hvac, electrical, plumbing) of multiple prime bids is

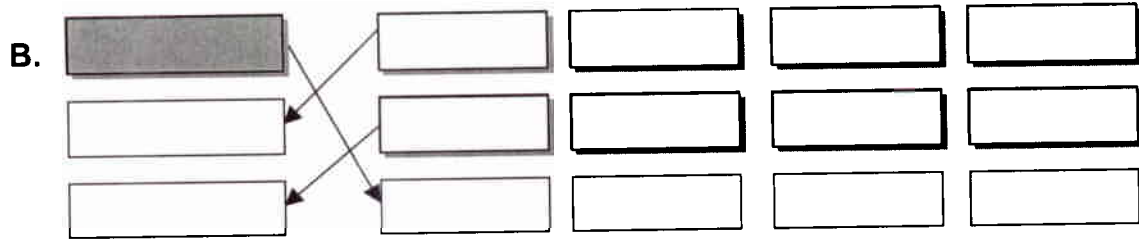
received, open all bids with intent to award on the single prime or multiple prime contract system, depending upon the system in which the bid(s) are received.

- b. If at least one bid is received for each individual contract (general, hvac, electrical, plumbing) in the multiple prime contract system, and at least one single prime bid is received, open all bids with intent to award on the multiple prime or single prime contract system, whichever provides the lowest project cost.

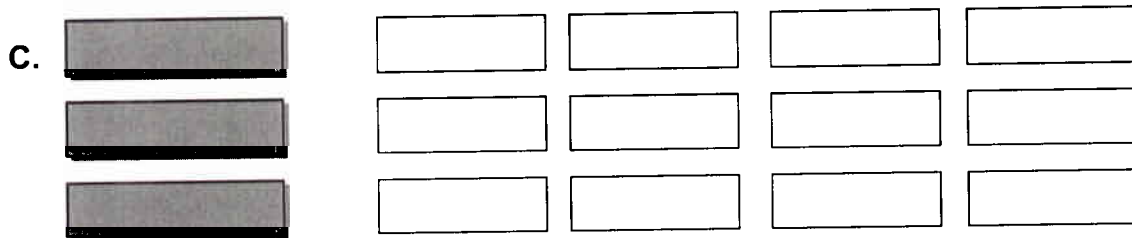
BID OPENING PROCEDURES



1. Minimum requirement to open all bids with intent of award.
2. Can open these bids with the intent to award single prime or multiple prime. (lowest project cost)



1. Minimum requirement to open all bids with intent of award.
2. Can open these bids with intent to award as multiple prime or single prime. (lowest project cost)



Can open bids with intent to award as single prime only.

BID OPENING PROCEDURES

	SINGLE PRIME	GENERAL	PLUMBING	MECHANICAL	ELECTRICAL
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Can open bids with intent to award as multiple prime only.

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Do not open bids and re-advertise.

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1. If the owner has time constraints or other criteria demanding award, open single-prime bids only and award. Do not open multi-prime bids.
2. In interest of competition, the owner may choose not to open any bids and re-advertise to seek additional bids. Without additional bids, this project cannot be awarded as multiple prime.

BID OPENING PROCEDURES

	SINGLE PRIME	GENERAL	PLUMBING	MECHANICAL	ELECTRICAL
G.					

Do not open bids and re-advertise all bids. Cannot award as single prime project or as a multiple prime project.

H.					

Do not open and re-advertise all bids. Cannot award as single prime project or as a multiple prime project.