

CONSTRUCTION CONTRACT BIDDING PROCEDURES

1. The Board of Directors shall adopt proposed plans and specifications proposed terms of contract and set a date for a hearing on the plans specifications, form of contract and cost of the project.
2. The Board of Directors shall publish a notice of the hearing on the plans, specifications, form of contract and cost of the project in a newspaper of general circulation at least ten days before the hearing.
3. After the hearing, the Board of Directors may make amendments to the plan and specifications and terms of contract or reaffirm its original plan and adopt a motion indicating that it is proceeding with the project. A time and date must be set as a deadline for receiving and opening bids. (If the Board determines that changes in the project are necessary, a motion should be made to adopt the revised plans and specifications and terms and set a hearing date for the new project. If the scope of the project is changed, the new proposed plans and specifications should be adopted and a new hearing held as provided in paragraphs 1, 2 and 3 of this procedure).
4. The Board of Directors shall advertise for sealed bids in two publications in a newspaper published in the county in which the work is to be done. The first publication must be fifteen days or more prior to the date set for receiving bids.
5. All bids shall be accompanied by a deposit of money or certified check or certified draft in a separate envelope as security that the bidder will do the work. The amount of the deposit, check or share draft is determined by the Board of Directors but must be at least 5% and not more than 10% of the estimated total cost of the project. The amount must be stated in the advertisement for bids.
6. After the bids have been opened, the Board of Directors shall let the work to the lowest responsible bidder or may reject all bids if none are acceptable.
7. All certified checks or deposits of money will be returned to the unsuccessful bidders as soon as the successful bidder is determined.
8. In the event a successful bidder is unable to obtain a satisfactory performance bond, labor and material payment bond, and certificate of insurance, the certified check or bid bond will be retained by the Board of Directors as liquidated damages.
9. Companies whose bonds will be acceptable in connection with the submission of bids and formal contract documents will only be issued to those that meet the state insurance statutes and have been certified acceptable by the state insurance commissioner.
10. Formal contract documents will consist of the following:
 - a. form of agreement;
 - b. instructions to bidders and all bid documents;
 - c. performance bond—labor and material payment bond;
 - d. general and special conditions of contract for construction;
 - e. certificates of all required insurance; and
 - f. plans and specifications.
11. All change orders or extra work will be done only upon the written authority submitted to the Board.

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12. If called for, liquidated damages for non-performance or lack of completion at a specified time will be enforced in every case unless justification for failure to meet specified completion dates has been substantiated in writing and accepted by the Board.

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