

Category: 200 – FINANCIAL

Number: 243

Subject: **CONSTRUCTION PROJECT BIDDING**

Purpose: The purpose of this policy is to:

1. Establish general guidelines for the bidding of construction/renovation projects initiated by the County. The requirements of this policy will depend on the scope of the project.
2. Ensure that adequate consideration to fairness is demonstrated in the bidding of County projects.
3. Communicate to County Elected Officials, Department Heads and the Public the formal construction project bidding policy of the Board of Commissioners.

Authority: St. Clair County Board of Commissioners

Application: This policy applies to the County Board of Commissioners, Department Heads and Employees of St. Clair County. The policy shall apply to all construction or renovation projects undertaken by the County and paid with public monies from any source. All County projects require appropriate budget approvals.

Responsibility: The Administrator/Controller shall be responsible for the implementation and administration of this policy.

Definitions: **Major projects** are projects with anticipated costs over \$500,000, require the purchase of property and/or will have oversight by the Board of Commissioners.

Construction/Renovation is the process of building, altering, repairing, improving, or demolishing of any public structure or building, or other public improvements of any kind to any public real property. It does not include the routine operation, routine repair, or routine maintenance of existing structures, buildings or real property.

Policy: All major projects require Board of Commissioner approval prior to soliciting bids. In general this policy has five distinct parts separated by project scope:

1. Projects with costs from \$5,000 to \$100,000 shall be supported with three written quotes from qualified contractors without formal written bid specifications, unless deemed necessary. The quotes/bids shall be open wage, meaning the County shall not specify whether the bidder is required to use prevailing wage or not. The project shall be awarded to the bidder determined to be in the best interest of the County by the Board of Commissioners. Factors to be considered to determine the best interests of the County shall include, but not be limited to, price, experience, quality of work, local content

and prior project work record. Before authorizing any contract in excess of \$50,000 for the construction, alteration, or repair of any public building, public work or improvement, the proposed contractor shall furnish at their own cost, performance bond and payment bonds which shall become binding upon award of the contract. Performance and payment bonds shall be in the full amount of the contract.

2. Projects with costs from \$100,001 to \$500,000 shall be subject to the approval process of the County Capital Improvement Plan, advertisement of the opportunity to bid on the project shall be published in a statewide publication, be supported by formal written bid specifications prepared by a qualified architect or engineer, and approved by the Administrator/Controller. The bids shall be open wage, meaning the County shall not specify whether or not the bidder is required to use prevailing wage. Sealed bids shall be received and opened in a public forum. Bid security, performance bond, and payment bonds shall be required consistent with Michigan law. Depending on the project, a maintenance bond may be required. The project shall be awarded to the bidder as determined to be in the County's best interest by the County Board of Commissioners. Factors to be considered to determine the best interests of the County shall include, but not be limited to, price, experience, quality of work, local content and prior project work record.
3. Projects with costs from \$500,001 to \$1,000,000 shall be treated as a major construction project and be subject to the approval process of the County Capital Improvement Plan, be advertised in a statewide publication, and be supported by formal bid specifications prepared by a qualified architect or engineer and reviewed and approved by a project team. Sealed bids shall be received and opened in a public forum. The project team shall make a recommendation to the Board of Commissioners for a contract award. The project team shall include the Department Head, architect and/or engineer, Administrator/Controller, Superintendent of Operations and Maintenance, and anyone else as determined by the Board of Commissioners. Bid bonds, labor and material bonds and a performance bond shall be required consistent with County policy and Michigan law. Depending on the nature of the project, a maintenance bond may be required. The project shall be awarded to the bidder determined to be in the best interests of the County by the Board of Commissioners. Factors to be included to determine the best interests of the County shall include, but not be limited to, price, experience, quality of work, local content and prior project work record.
4. Projects with costs from \$1,000,001 to \$5,000,000 shall be treated as a major construction project and be subject to the approval process of the County Capital Improvement Plan, be advertised in a statewide publication, and be supported by formal bid specifications prepared by a qualified architect or engineer and reviewed and approved by a project team. Sealed bids shall be received and opened in a public forum. The project team shall make a

recommendation to the Board of Commissioners for the bid award. The project team shall include the Department Head, architect and/or engineer, Administrator/Controller, Superintendent of Operations and Maintenance, and anyone else as determined by the Board of Commissioners. The Board of Commissioners shall determine which bid shall be accepted. Bonding shall be required which shall include a bid bond, labor and material bonds and a performance bond. Depending on the nature of the project, a maintenance bond shall be required. The project shall be awarded to the bidder determined to be in the best interests of the County by the Board of Commissioners. Factors included to determine the best interests of the County shall include, but not be limited to, price, experience, quality of work and project experience.

5. Projects with costs over \$5,000,001 shall be treated as a major construction project and be subject to the approval process of the County Capital Improvement Plan, be advertised in a statewide and national publication, and be supported by formal bid specifications prepared by a qualified architect or engineer and reviewed and approved by a project team. Sealed bids shall be received and opened in a public forum. The project team shall make a recommendation to the Board of Commissioners for the bid award. The project team shall include the Department Head, architect and/or engineer, Administrator/Controller, Superintendent of Operations and Maintenance, and anyone else as determined by the Board of Commissioners. Bonds shall be required including bid bonds, labor and material bonds and performance bonds. . Depending on the nature of the project, a maintenance bond shall be required. The project shall be awarded to the bidder determined to be in the best interests of the County by the Board of Commissioners. The factors included to determine the best interests of the County shall include, but not be limited to, price, experience, local content, quality of work and previous project experience.

6. Architectural/Engineering Services

- a. Refer to Policy #244 – Securing Professional Services Contracts as it relates to architectural and engineering services for construction projects.

The County will explore and utilize any and all modern construction theory methods including, but not limited to: traditional design, bid, award, construct; design/build; fast tracking; and qualification based selection.

The County will utilize local firms where practical and will encourage non-local general contractors to use local contractors where practical. The County will require non-discriminatory practices in the awarding of contracts for projects and will require compliance with the Federal Civil Rights Act and the Michigan Fair Employment Practices Act.

Performance Bonds, where required, will be in the amount of 100% of the total contract price. Maintenance Bonds, where required, will be issued in the name of the County and shall be for one year from date of final acceptance. Proof of insurances shall be required for all projects, as determined by the nature of the project.

Administrative

Procedures: None

Periodic

Review: The Administrator/Controller shall review this policy and make recommendations for changes, as needed.

Adopted: **July 24, 2002**

Amended: August 20, 2008

Amended: October 19, 2011

Amended: November 8, 2018