Example Document: PROCUREMENT USING A SEALED BID SOLICITATION FOR CONSTRUCTION SERVICES

**Description:** This example document is provided for Community Development Block Grant Disaster Recovery (CDBG-DR) grantees seeking an example of local government procurement using a sealed bid solicitation for construction. In this particular example, the City of Joplin, Missouri seeks to procure a general contractor to construct a new [Project Name] and a FEMA shelter that will be located within the [Project Name]. The [Project Name] is part of a larger redevelopment of a hospital site destroyed by a massive tornado in 2011.

**Source of the Document:** This example document wasobtained through the City of Joplin, Missouri’s “CDBG-DR Project Dashboard” website (<https://www.joplincdbgdrpublic.com/>), established as required by law as part of its CDBG-DR funded tornado recovery program. This document is not an official HUD document and has not been reviewed by HUD counsel. It is provided for informational purposes only.

**How to use this Document:** Chapter 8 of the CDBG-DR Procurement Toolkit addresses the regulations, requirements, considerations and processes that grantees should consider when procuring services using sealed bids. The regulations controlling procurement by sealed bids for all non-State grantees and for States that have elected to adopt 2 CFR Part 200 procurement regulations are as follows:

* ***§200.320(c)****. Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in paragraph (c)(1) of this section apply.*
* ***§200.320(c)(1)****. In order for sealed bidding to be feasible, the following conditions should be present:*

*(i) A complete, adequate, and realistic specification or purchase description is available;*

*(ii) Two or more responsible bidders are willing and able to compete effectively for the business; and*

*(iii) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.*

* ***§200.320(c)(2)****. If sealed bids are used, the following requirements apply:*
1. *Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids, for local, and tribal governments, the invitation for bids must be publicly advertised;*

*(ii) The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;*

*(iii) All bids will be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly;*

*(iv) A firm fixed price* [*contract*](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=dad614c8a49266d2767ab3a834546ad5&term_occur=3&term_src=Title:2:Subtitle:A:Chapter:II:Part:200:Subpart:D:Subjgrp:31:200.320) *award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and*

*(v) Any or all bids may be rejected if there is a sound documented reason.*

In reviewing the sample solicitation, note that it addresses required elements noted in the regulations above and discussed in greater length in Chapter 8 and other sections of the Toolkit, including:

* Dates and, where appropriate, locations are clearly identified for:
	+ The publication of the bid solicitation
	+ The mandatory pre-bid meeting
	+ The closing (due) date for bid submissions and the location of the required public bid opening.
* A complete, adequate and realistic specification or purchase description is available. In this case – the complete plans and specifications for the proposed senior [Project Name] are available at a designated architect’s office or in digital format by emailing the architect.
* Reference to the contract provisions that the successful (lowest price, qualified and responsible) bidder will be expected to comply with, including both federal and state requirements for:
	+ Non-disbarment
	+ The immigration status of employees and agents
	+ Prevailing wage
	+ Performance bonding in the amount of the bid.

Bracketed text ([Input]) in the example below suggests the placement of text that the Grantee should enter to identify project-specific information and state and local requirements for respondents and bidders.

**For More Information**

This resource is part of the *Community Development Block Grant Disaster Recovery (CDBG-DR) Toolkits*. View all of the Disaster Recovery Toolkits here: [https://www.hudexchange.info/programs/cdbg-dr/toolkits/](https://www.hudexchange.info/programs/cdbg-dr/toolkits/program-launch/).

*Community Development Block Grant Disaster Recovery (CDBG-DR) Toolkits are designed to provide general guidance across all types of disasters (e.g. hurricanes, f****l****oods; tornadoes; earthquakes; etc.).  CDBG-DR Toolkits are NOT disaster specific.  CDBG-DR grant funding for a disaster or group of disasters is governed by CDBG requirements and any modifications contained in one or more Federal Register Notices (FRN) applicable to the disaster.  Grantees subject to the Disaster Relief Appropriations Act of 2013 (Public Law 113-2) should review all footnotes for additional applicable citations and guidance.  In addition to the FRN, Toolkit users should review applicable Federal cross-cutting requirements. The FRN, as well as cross-cutting requirements, are available on the Department’s website.*

For additional information about disaster recovery programs, please see your HUD representative.

**Bid Number** [Grantee Designated ID]

**Bid Title: [Grantee Name]** [Project Name] Construction Bid

**Category:** Public Works

**Status:** Closed

**Description:**

ADVERTISEMENT FOR BIDS

[Project Name]

[Grantee Name] will be soliciting bids for [Project Name or Description] on the property located next to [Project Site / Address]. The [Project Name] is a [Project Description] with several functions for the [Targeted User Description} community. The structure comprises of structural steel and masonry/concrete work and all site development scope of work and all other miscellaneous work required for completion of the project. There will be a full kitchen, serving area, program spaces, as well as a FEMA shelter within the [Project Name or Type].

This project is being supported with U.S. Department of Housing and Urban Development, Community Development Block Grant, Disaster Recovery grant funding. Therefore, certain restrictions and other federal requirements attach to this opportunity.

Separate sealed bids for [Project Name] will be received by [Grantee Contact] at [Grantee Building and Room] [Street Address], [City, State and Zip Code] until [Time and Date of Submission Deadline], and then at said office publicly opened and read aloud. Any person with disability requiring special accommodations must contact the [Grantee Name] no later than 7 days prior to the bid opening.

A MANDATORY Pre-bid Meeting will be held at [Time and Date], [Grantee Designated Location]. All bidders are required to attend the Pre-Bid Meeting and sign the attendance sheet at the meeting. Bids received from bidders who have not attended the Pre-Bid Meeting and signed the attendance sheet at the meeting will be considered nonresponsive.

All bid documents may be examined at the following: [Grantee Designated Location for Detailed Bid Documents], [Street Address], [City, State and Zip Code]. To obtain DIGITAL Plans and Specifications, please email [Grantee Contact] at [Contact Email].

[Grantee Name] hereby notifies all bidders that it will affirmatively insure that in any contract entered into pursuant to this advertisement will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, sex, or national origin in consideration for an award. [Grantee Name] is an Equal Opportunity Employer. We encourage all small and minority owned firms and women’s business enterprises to participate. No bidder may withdraw his bid within (60) days after the actual date of the opening thereof.

PLEASE NOTE: Official planholders list will only be the list maintained by [Grantee Contact]. It is the sole responsibility of all planholders, whether they have received digital downloads or paper copies of the plans and specifications, to periodically to check for Addenda which may have been posted on [Grantee Purchasing Website or Project Specific Website].

Bidders must agree to comply with Prevailing Wage Rate provisions per the [Grantee’s State Agency, if applicable] in addition to the Federal Davis-Bacon Act, whichever is higher. Contractor's must not appear on Sam.gov disbarment list.

A detailed listing of all subcontractors shall be provided by the Bidder. In accordance with the Contract Documents, documentation that the prospective General Contractor and its subcontractors meet minimum qualifications shall be provided and submitted.

The successful bidder will have to sign an agreement that they are enrolled and participating in a Federal Work Authorization Program (“FWAP”) that ensures that all of its employees or agents or subcontractors have the legal right to work in the United States, as defined in 8 U.S.C. 1324a(h)(3) and RSMo § 285.525-285.555, and that it will maintain this compliance for the entire duration of its contract with the [Grantee Name], and will provide an Affidavit of Compliance to the [Grantee Name] stating the same.

A bid bond or certified check for five percent (5%) of the total bid amount must accompany each bid. The successful bidder will be required to furnish a performance bond in the amount of his bid and shall, before entering on the work of said contract, be licensed as a contractor of the [Grantee Name].

The owner reserves the right to waive any informalities or to reject any or all bids.

**Publication Date/Time:**

[Date and Time]

**Closing Date/Time:**

[Date and Time]

**Bid Opening Information:**

[Time and Closing Date] [Grantee Designated Location]

**Pre-bid Meeting:**

Mandatory [Date and Time]

**Contact Person:**

Questions - [Grantee Contact], [Contact Phone], [Contact Fax] [Contact Email]

**Download Available:**

[Grantee Purchasing Website or Other Designated Site]

**Plan & Spec Available:**

To obtain DIGITAL Plans and Specifications, please email [Grantee Contact] at [Contact Email]. Digital copy Plans and Specifications may be secured for no fee, all printing, shipping and other required costs are at the contractor’s expense.

**Plan Holders List:**

To obtain DIGITAL Plans and Specifications, please email [Grantee Contact] at [Contact Email].

Digital copy Plans and Specifications may be secured for no fee, all printing, shipping and other required costs are at the contractor’s expense

**Special Requirements:**

A MANDATORY Pre-bid Meeting will be held at [Time and Date], [Grantee Designated Location

**Related Documents:**

[Grantee Designated Recovery Plans, Historic Guidelines, Etc.]