

HECO-7A - Medical Center

(HECOM 2002 Edition Revised August 1, 2002)

Revisions: Revisions were made to these Instructions to Bidders to conform to recent changes to the Code of Virginia and to changes in policy. Revised paragraphs are indicated by a vertical line in the margin as shown hereon.

INSTRUCTIONS TO BIDDERS – Medical Center

The Invitation For Bids (IFB) consists of the Notice, this Instructions To Bidders, the Bid Form, the Pre-Bid Question Form, the General Conditions of the Construction Contract, the Supplemental General Conditions (if any), the Special Conditions (if any), the Forms to be used, and the Scope of Work as described by the Plans and Specifications, other documents listed in the Specifications, and any addenda which may be issued, all of which request qualified bidders to submit competitive prices or bids for providing the described work on the project.

- 1. CONDITIONS AT SITE OR STRUCTURE:** Bidders shall visit the site and shall be responsible for ascertaining pertinent local conditions such as location, accessibility, general character of the site or building, and the character and extent of existing work within or adjacent to the site. Claims, as a result of failure to have done so, will not be considered by the Owner. See Section 7 of the General Conditions entitled "Conditions at Site."
- 2. EXPLANATIONS TO BIDDERS:** No oral explanation in regard to the meaning of drawings and specifications will be made and no oral instructions will be given before the award of the contract. Discrepancies, omissions or doubts as to the meaning of drawings and specifications shall be communicated in writing to the Architect / Engineer for interpretation. Bidders **must** use the "Prebid Question Form" provided in the bid documents. Bidders must so act to assure that questions reach the Architect/Engineer at least six (6) days prior to the time set for the receipt of bids to allow a sufficient time for an addendum to reach **all bidders** before the submission of their bids. If, however, there are two (2) weeks or less between the first bid advertisement and the time set for receipt of bids, then bidders must submit questions so that they reach the A/E no later than three (3) days prior to the time set for receipt of bids. Any interpretation made will be in the form of an addendum to the specifications which will be forwarded to all bidders, and its receipt shall be acknowledged by the bidder on Bid Forms.

3. TIME FOR COMPLETION:

- (a) "Time for Completion" shall be designated by the Owner on the Invitation for Bids or other prebid documents and shall mean the number of consecutive calendar days following the issuance of the Notice to Proceed which the Contractor has to substantially complete all Work required by the Contract. In some instances, the Time for Completion may be stated in the form of a Contract Completion Date based on a stipulated date of Notice to Proceed.

Unless otherwise specified, the Contractor shall achieve Final Completion within thirty (30) days after the date of Substantial Completion.

- (b) When the Notice to Proceed is issued, it will state a Contract Completion Date, which has been set by the Owner based on date of the Notice to Proceed and the Time for Completion.
- (c) The Contractor, in preparing and submitting his bid, is required to take into consideration normal weather conditions. Normal weather does not mean statistically average weather, but rather means a range of weather conditions which might be anticipated, (i.e., conditions which are not extremely unusual). Normal weather conditions shall be determined from the Virginia State Climatological Office Charlottesville, Virginia. The data sheets to be used shall be for the locality or localities closest to the site of the work. No additional compensation will be paid to the Contractor because of adverse weather conditions; however, an extension of time for abnormal weather will be considered by the Owner as indicated in the General Conditions.

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- (d) If the Owner designates the public historical climatological records to be used, the bidder shall use those records in computing bids. If the Owner requests each bidder to indicate the records used, each bidder may select the public historical climatological records upon which he will rely in computing his bid. In the latter situation, each bidder shall designate in the space provided which of such climatological data records he used when formulating his bid. A bidder's failure to designate climatological records when submitting a bid shall not disqualify his bid, but shall constitute a waiver of the right to claim any extension of time as the result of abnormal weather. In either case, the bid submitted and the time of completion shall be presumed to have been based upon normal weather derived from the climatological records used.

4. PREPARATION AND SUBMISSION OF BIDS:

- (a) Bids shall be submitted on the forms furnished, or copies thereof, and shall be signed in ink. Erasures or other changes in a bid must be explained or noted over the signature of the bidder. Bids containing any conditions, omissions, unexplained erasures, alterations or items not called for in the proposal, or irregularities of any kind, may be rejected by the Owner as being incomplete or nonresponsive.
- (b) Each bid must give the complete legal name and full business address of the bidder and be signed by the bidder, or the bidder's authorized representative, with his usual signature. Bids by partnerships must be signed in the partnership name by one of the general partners of the partnership or an authorized representative, followed by the designation/title of the person signing, and a list of the partners. Bids by joint ventures must be signed in the joint venture name by one of the joint venturers or an authorized representative of one of the joint venturers, followed by the designation/title of the person signing, and a list of the joint venturers. Bids by corporations must be signed with the legal name of the corporation followed by the name of the state in which it is incorporated and by the signature and title of the person authorized to bind it in this matter. The name of each person signing shall be typed or printed below the signature. A signature on a bid by a person who identifies his title as "President," "Secretary," "Agent" or other designation without disclosing the principal firm, shall be held to be the bid of the individual signing. When requested by the Owner, satisfactory evidence of the authority of the officer signing on behalf of the corporation shall be furnished. Trade or fictitious names may be referenced by using "t/a _ _ _," but bids shall be in the legal name of the person or entity submitting the bid.
- (c) Bids with the bid guarantee shall be enclosed in a sealed envelope which shall be marked and addressed as indicated by the advertisement. If a contract is for seventy thousand dollars (\$70,000) or more, or if the total value of all construction, removal, repair or improvements undertaken by the bidder within any twelve-month period is five hundred thousand dollars (\$500,000) or more, the bidder is required under Title 54.1, Chapter 11, Code of Virginia, as amended, to be licensed in Virginia as a "Class A Contractor." If a contract is for seven thousand five hundred dollars (\$7,500) or more, but less than seventy thousand dollars (\$70,000), the bidder is required to be licensed in Virginia as a "Class B Contractor." The bidder shall place on the outside of the envelope containing the bid and shall place in the bid over his signature whichever of the following notations is appropriate and insert his Contractor license/registration number:

Licensed Class A Virginia Contractor No. _____
or
Licensed Class B Virginia Contractor No. _____

If the bidder is not properly licensed in Virginia at the time the bid is submitted, or if the bidder fails to provide this information on his bid or on the envelope containing the bid and fails to promptly provide said Contractor license number to the Owner in writing when requested to do so before or after the opening of bids, he shall be deemed to be in violation of Section 54.1-1112 of the Code of Virginia, as amended, and his bid will not be considered.

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- (d) The Board for Contractors has interpreted its regulations to mean "a licensed Contractor can bid on a contract which contains work outside his license classification(s) as long as he subcontracts those items for which he is not qualified to perform to licensed contractors with the appropriate License Classification and the work of the second party is incidental to the contract." Therefore, the Owner may, as a part of determining whether the bidder is "responsible," require the apparent low bidder to submit a listing of his subcontractors along with the license number and classification or specialty of each.
- (e) The bidder must also place its Employer Identification Number (SSN or FEIN) in the space provided on the Bid Form.

5. BID GUARANTEE:

- (a) Any bid (including the Total Base Bid plus all Additive Bid Items) which exceeds one hundred thousand dollars (\$100,000) shall be accompanied by a **Commonwealth of Virginia Standard Bid Bond, Form CO-10.2**, payable to the Owner as obligee in an amount equal to five percent (5%) of the amount of the bid. A Bid Bond may be required for projects having bids of less than one hundred thousand dollars (\$100,000) if such requirement is stated in the Notice of Invitation for Bids. The Bid Bond must be issued by a surety company which is legally authorized by the Virginia State Corporation Commission to do fidelity and surety business in the Commonwealth of Virginia. Such Bid Bond shall guarantee that the bidder will not withdraw his bid during the period of thirty (30) days following the opening of bids; that if his bid is accepted, he will enter into a formal contract with the Owner in accordance with the Contract Between Owner and Contractor, Form CO-9, included as a part of the IFB Documents; that he will submit a properly executed and authorized Standard Performance Bond and Standard Labor and Material Payment Bond on the forms included in the IFB documents; and that in the event of the withdrawal of said bid within said period, or failure to enter into said contract and give said bonds within ten (10) days after he has received notice of acceptance of his bid, the bidder shall be liable to the Owner for the difference between the amount specified in said bid and such larger amount for which the Owner may contract with another party to perform the work covered by said bid, up to the amount of the bid guarantee. This amount represents the damage to the Owner on account of the default of the bidder in any particular hereof. See **§2.2-4336** of the Code of Virginia, as amended.
- (b) See **§2.2-4338** of the Code of Virginia for provisions allowing alternative forms of bid security in lieu of a Bid Bond.
- (c) The Bid Bonds or other bid security will be returned to all except the three lowest bidders after the formal opening of bids. The remaining Bid Bonds or bid security will be returned to the bidders after the Owner and the accepted bidder have executed the Contract and the Performance Bond and the Payment Bond have been approved by the Owner.
- (d) If the required Contract and bonds have not been executed within thirty (30) days after the date of the opening of the bids, then the bond or other bid security of any bidder will be returned upon his request, provided he has not been notified of the acceptance of his bid prior to the date of such request.

6. WITHDRAWAL OR MODIFICATION OF BIDS: Bids may be withdrawn or modified by written, telefaxed, or telegraphic notice received at the designated location from bidders prior to the deadline fixed for bid receipt. The withdrawal or modification may be made by the person signing the bid or by an individual(s) who is authorized by him on the face of the bid. Written modifications may be made on the bid form itself, on the envelope in which the bid is enclosed, or on a separate document. Written modifications, whether the original is delivered or telefaxed, must be signed by the person making the modification or withdrawal, or the telegraphic message must be sent in the name of said person. **The modification must state specifically what is to be modified and by what amount or it must state the item to be modified and what the corrected amount should be. (e.g. "Deduct \$25,000 from Part A and from the Total Base Bid Amount"; or "Add \$23,456 to the Total Base Bid Amount"; or "Deduct \$15,650 from the Additive # 2 amount".**

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A modification to "Deduct \$25,000 from Part A" will only be applied to Part A and not to the Total Base Bid Amount) **Unless otherwise specified by the Bidder in the modification, the modification will be applied to the TOTAL BASE BID AMOUNT shown on the Bid Form.** (e.g. a modification stating only "Deduct \$25,000" which is properly signed will be deducted from the Total Base Bid Amount shown on the Bid Form)

7. RECEIPT OF BIDS:

- (a) **Bids will be received at or before the date and the hour and at the place stipulated in the Invitation for Bids as may be modified by subsequent Addenda.**
- (b) **It is the responsibility of the bidder to assure that his bid and any bid modifications are delivered to the place designated for receipt of bids by the date and hour (deadline) set for receipt of bids. Therefore, it is the bidder's responsibility to take into account all factors which may impact on its bid deliverer / courier's ability to deliver the bid and to implement whatever actions are necessary to have the bid delivered to the proper bid receipt location prior to the bid receipt deadline.** No bids or bid modifications submitted or offered after the date and hour designated for receipt of bids will be accepted or considered.
- (c) The Bid Officer is the Owner's representative designated to receive bids at the time and place noted in the IFB and to open the bids received at the appointed time.
- (d) **The official time used for the receipt of responses is determined by reference to the clock designated by the Bid Officer.** The Bid Officer shall determine when the Bid Receipt Deadline has arrived and shall announce that the Deadline has arrived and that no further bids or bid modifications will be accepted. All bids and bid modifications in the possession of the Bid Officer and his assistants at the time the announcement is completed are deemed to be timely, whether or not the bid envelope has been physically date/time stamped or otherwise marked by the time the Bid Officer makes the deadline announcement.

8. OPENING OF BIDS:

- (a) Bids will be opened privately by the Owner. If the low bid is within budget, the bids will be announced immediately. If all bids are over budget, the results of the bid opening will not be made public until a contract is awarded. No responsibility will be attached to any officer or agent of the premature opening of a bid not properly addressed and identified.
- (b) The provisions of **§2.2-4342** of the Code of Virginia, as amended, shall be applicable to the inspections of bids received.

9. ERRORS IN BIDS: A bidder may withdraw his bid from consideration if the price bid was substantially lower than the other bids due solely to a mistake therein, provided the bid was submitted in good faith, and the mistake was a clerical mistake as opposed to a judgment mistake, and was actually due to an unintentional arithmetic error or an unintentional omission of a quantity of work, labor or material made directly in the compilation of a bid, which unintentional arithmetic error or unintentional omission can be clearly shown by objective evidence drawn from inspection of original work papers, documents and materials used in the preparation of the bid sought to be withdrawn.

In accordance with **§2.2-4330.A.(ii)** of the Code of Virginia, the bidder must submit to the Owner his original work papers, documents and materials used in the preparation of the bid within one day after the date fixed for submission of bids. Such work papers must be submitted in an envelope or package separate and apart from the envelope containing the bid and marked clearly as to the contents and shall be delivered

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to the Owner by the bidder in person or by registered mail prior to the time fixed for the opening of bids and may not be withdrawn until after the two-hour period (referred to later) has elapsed.

The bids shall be opened at the time designated in the IFB, as amended by addendum. Bid opening is usually one day following the time fixed by the Owner for the submission of bids, but no sooner. Once the bids have been opened, the bidder shall have two (2) hours after the opening of bids within which to claim in writing any mistake as defined herein and withdraw his bid. The Contract shall not be awarded by the Owner until such two-hour period has elapsed. Such mistake shall be proved only from the original work papers, documents and materials delivered to the Owner prior to bid opening. This procedure (ii) shall not apply to when the entire bid is required to be submitted on a unit price basis.

Failure of a bidder to submit his original work papers, documents and materials used in the preparation of his bid on or before the time, date and place required shall constitute a waiver by that bidder of his right to withdraw his bid due to a mistake.

No bid may be withdrawn under this section when the result would be the awarding of the Contract on another bid of the same bidder or of another bidder in which the ownership of the withdrawing bidder is more than five (5%) percent.

No bidder who is permitted to withdraw a bid shall, for compensation, supply any material or labor to or perform any subcontract or other work agreement for the person or firm to whom the Contract is awarded or otherwise benefit, directly or indirectly, from the performance of the project for which the withdrawn bid was submitted. The person or firm to whom the Contract was awarded and the withdrawing bidder are jointly liable to the Owner in an amount equal to any compensation paid to or for the benefit of the withdrawing bidder without such approval.

If a bid is withdrawn under authority of this section, the lowest remaining bid shall be deemed to be the low bidder on the project.

- 10. REJECTION OF BIDS:** The Owner reserves the right to cancel the Invitation for Bids, to reject any and all bids at its sole discretion when such rejection is in the interest of the Owner, or to reject the bid of any bidder who is determined to be not responsive or not responsible. See **§2.2-4319**, Code of Virginia, as amended.

11. DETERMINATION OF RESPONSIBILITY

Each bidder shall be prepared, if so requested by the Owner, to present evidence of his experience, qualifications and financial ability to carry out the terms of the Contract.

Prior to award of the Contract, an evaluation will be made to determine if the low bidder has the capability, in all respects, to perform fully the contract requirements and the moral and business integrity and reliability which will assure good faith performance, and who has been prequalified, if required.

Factors to be evaluated include, but are not limited to:

- (a) sufficient financial ability to perform the contract as evidenced by the bidder's ability to obtain payment and performance bonds from an acceptable surety;
- (b) appropriate experience to perform the Work described in the bid documents;
- (c) any judgments entered against the bidder, or any officers, directors, partners or owners for breach of a contract for construction;
- (d) any substantial noncompliance with the terms and conditions of prior construction contracts with a public body without good cause where the substantial noncompliance is documented; or
- (e) a conviction of the bidder or any officer, director, partner, project manager, procurement manager, chief financial officer, or owner in the last five years of a crime relating to governmental or nongovernmental construction or contracting;

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- (f) any current debarment of the contractor, any officer, director or owner, from bidding or contracting by any public body of any state, any state agency, or any agency of the federal government.

The Owner reserves the right to disqualify or refuse to accept the bid of any bidder who has been convicted, or entered a plea of guilty or nolo contendere, in any federal or state court to any charge involving any unlawful, corrupt or collusive practice involving a public contract whether federal, state, or local, or who has been determined in any judicial proceeding to have violated any antitrust, bidrigging or collusive practice statute in connection with any public contract, or against whom such formal criminal prosecution or other judicial proceeding has been initiated.

A bidder who, despite being the apparent low bidder, is determined not to be a responsible bidder shall be notified in writing in conformance with the procedures in **§2.2-4359** of the Code of Virginia, as amended.

12. AWARD OF CONTRACT

- (a) **Basis for Contract Award:** The Contract, if awarded, will be awarded to the lowest responsive and responsible bidder, if any, provided his bid is reasonable and it is in the best interest of the Owner to accept it and subject to the Owner's right to reject any and all bids and to waive informality in the bids and in the bidding. The Bid Form contains a multi-part Base Bid and may contain Additive Bid Items. Determination of the lowest responsible bidder, if any, will be based on the Total Base Bid Amount **entered on the Bid Form** including any properly submitted bid modifications plus as many Additive Bid Items taken in sequence as the Owner in its discretion chooses to Award. **Where the sum of the values entered in the multiple parts do not agree with the Total Base Bid amount, the Total Base Bid amount entered on the bid form, including any properly submitted bid modifications, shall take precedence.** In the event that the Total Base Bid from the lowest responsible bidder exceeds available funds, the Owner may negotiate the Total Base Bid amount with the apparent low bidder to obtain a contract price within available funds, pursuant to **§2.2-4318** of the Code of Virginia, as amended, and Section 12(c) herein.
- (b) **Informalities:** The Owner reserves the right to waive any informality in the bids when such waiver is in the interest of the Owner.
- (c) **Negotiation With Lowest Responsible Bidder:** If award of a contract to the lowest responsive and responsible bidder is precluded because of limitations on available funds, under the provisions of **§2.2-4318** of the Code of Virginia (the Public Procurement Act), the Owner reserves the right to negotiate the Total Base Bid amount with the lowest responsive, responsible bidder to obtain a contract price within the available funds. This may involve changes in either the features or scope of the work include in the Base Bid. Such negotiations with the apparent low bidder may include reducing the quantity, quality, or other cost saving mechanisms involving items in the Total Base Bid. Negotiations for Additive Bid Items are excluded. The Owner shall notify the lowest responsive and responsible bidder that such a situation exists and the Owner and bidder shall then conduct their negotiations in person, by mail, by telephone or by any means they find convenient. If an acceptable contract can be negotiated, the changes to the Invitation for Bid documents agreed upon in the negotiations shall be summarized in a "Post Bid Modification" and included in the contract. If an acceptable contract cannot be negotiated, the Owner shall terminate negotiations and reject all bids.
- (d) **Notice of Award:** The Notice of Award, the Notice of Intent to Award, or the Notice of Decision to Award will be posted at the Agency's standard location for posting notices **as shown on the "Notice of Invitation to Bid"**. In addition the Agency may also post such notice on the Agency's Website and/or the DGS central electronic procurement Website.

- 13. CONTRACT SECURITY:** For contracts of more than \$100,000, the Standard Performance Bond (Form CO-10) and the Standard Labor and Material Payment Bond (Form CO-10.1) shall be required, as specified in the Invitation for Bids documents. See the General Conditions and **§2.2-4337 and §2.2-4338**

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of the Code of Virginia, as amended. The Owner reserves the right to require such bonds for contracts less than \$100,000. If the Owner so elects, the requirement shall be set forth in the Invitation For Bids.

- 14. CERTIFICATION:** The bidder, by his signature on the Bid Form, certifies that neither his organization nor any of its officers, directors, partners or owners is currently barred from bidding on contracts by any Agency of the Commonwealth of Virginia, or any public body or agency of another state, or any agency of the federal government. See the statement "Disqualification of Contractors" in the Bid Form.
- 15. ETHICS IN PUBLIC CONTRACTING:** The provisions, requirements and prohibitions as contained in **Title 2.2, Chapter 43, Article 6, §2.2-4367** et seq, Code of Virginia, as amended, pertaining to bidders, offerers, contractors, and subcontractors are applicable to this project. **16. BUILDING PERMITS:** Because this is a Project of the Commonwealth of Virginia, codes or zoning ordinances of local political subdivisions do not apply. However, the Virginia Uniform Statewide Building Code shall apply to the Work and shall be administered by the Building Official for Stateowned Buildings. The Building Permit will be obtained and paid for by the Owner. All other permits, local license fees, business fees, taxes, or similar assessments imposed by the appropriate political subdivision shall be obtained and paid for by the Contractor. See Section 25 of the General Conditions for utility connection fees and services.
- 17. MINORITY UTILIZATION:** It is the policy of the Commonwealth of Virginia to contribute to the establishment, preservation, and strengthening of minority business enterprises and to encourage the participation of minority businesses in State procurement activities. Towards that end, the Owner encourages firms to provide for the participation of minority owned businesses through partnerships, joint ventures, subcontracts, and other contractual opportunities.
- 18. BID DOCUMENTS:** Bid Documents are the property of the Owner and a deposit in an amount as stated in the Invitation for Bids is required for each set as a guarantee of the safe return of the documents within ten (10) days of bid opening. This deposit will be refunded in full on not more than two sets to each bidder who submits a prime contract bid and who returns the documents in good condition. Refund will be made on sets to non-bidders and subcontractors in the amount of half of the deposit when the sets are returned in good condition within 10 days. A non-refundable shipping charge may be required if stated in the Notice or the Invitation For Bids.
- 19. GENERAL CONDITIONS:** The General Conditions of the Construction Contract, HECO 7 Revised May 28, 2002, are incorporated in the bid documents. If these General Conditions are incorporated by reference, the bidder may obtain a copy of the current edition of the General Conditions of the Construction Contract, G. S. Form E&B CO-7 at no cost by written request to the A/E and/or the Agency where the bid documents are obtained.
- 20. PREBID CONFERENCE:** See the Invitation For Bids for requirements for a prebid conference and whether such conference is mandatory or optional.
- 21. INSPECTION OF BID DOCUMENTS:** Copies of the Invitation for Bids documents including Plans and Specifications and the General Conditions of the Construction Contract, G. S. Form E&B, CO-7, current edition, will be available for inspection at the Agency, at the A/E's office, and at the locations listed in the Notice of the Invitation for Bids.
- 22. DRUG-FREE WORKPLACE REQUIRED:** Bidders are reminded that **Section 2.2-4312** of the Code of Virginia requires that the during the performance of the contract resulting from this solicitation, the contractor agrees to (i) provide a drug-free workplace for the contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or

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advertisements for employees placed by or on behalf of the contractor that the contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific contract awarded to a contractor in accordance with this solicitation, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.