

PREPARE, SUBMIT AND PERFORM BIDS WITH

The Memphis Housing Authority



Prepare, Submit and Perform Bids with MHA

- I. Bid – Small and Large
Construction Projects
- II. Award of Contract
- III. Construction-Start to Finish



Prepare, Submit and Perform Bids with MHA

I. Bid – Small and Large Construction Projects



BID

- Price submitted by a bidder in the sealed bid method of procurement.
- Sealed bids are publicly opened and read aloud.
- The bids are thoroughly reviewed to select a contractor who is determined to be responsive and responsible.

BID PACKAGE

- The bid package contains information available for you to review MHA requirements, specifications and deadlines for construction projects before submitting a bid.
- Be certain to include your price for all specifications and scope of work listed for bid.
- Review and follow all instructions before submitting a bid.
Instruction to bidders HUD-5369
- All bids are thoroughly reviewed to select a contractor who is determined to be responsive and responsible.

PREBID CONFERENCE

- The prebid conference is an opportunity for all interested bidders to ask questions about the bid package and to clarify information about the project with MHA representatives.
- All questions and concerns presented at the prebid conference will become a memo to the file and the responses to questions will be posted to MHA website.
- Immediately after the prebid conference MHA may conduct a site visit to allow the attendees to see the project that is up for bid.
- MHA strongly encourages you to attend the prebid conference.



Bonding

There are 3-types of bonds required
for construction projects



Bid Bond

The bid bond ensures that if awarded the contract, the bidder will accept and perform the work. A 5% bid bond is required with your bid.



Performance Bond

The performance bond guarantees that if the contractor is unable to complete the contract, the surety company will step in to finish the work.



Payment Bond

The payment bond is a method of ensuring that the contractor pays the subcontractors and suppliers. MHA avoids becoming entangled in disputes concerning payments of subs.



License

When bidding construction projects in Tennessee you must have an appropriate classification and sufficient monetary limitation license to submit a bid.

License

- Your license number must appear on the sealed bid envelope for bids over \$25,000.
- You cannot bid over your license limit.

Addedums

- If a change to the IFB specifications, Plans, date, time for bid opening etc becomes necessary after it has been issued the change will be accomplished by issuing a written amendment also called an addendum.
- All potential bidders who intend to submit a bid must acknowledge the addendum by signing and returning it along with their bid.
- Failing to acknowledge the addendum may cause your bid to be rejected.
- MHA will post addedums to it's website for IFB's prior to the bid due date at www.memphisha.org .



Insurance

- MHA requires general liability insurance in the minimum amount of \$1 million.
- Auto/vehicle coverage minimum of \$50,000
- Workers compensation minimum \$1 million



Mandatory Submittals

- Bid price sheet (signed and dated)
- Non-Collusive Affidavit (notorized)
- Representations, Certifications, and Other Statements of Bidders (HUD-5369A)
- Debarment and Suspension Certification
- Equal Opportunity Certification
- Drug-Free Workplace Certification
- Section 3 Business Concern Self-Certification

Wage Rates

- Solicitations and contracts subject to Davis Bacon Wage rates will be contained in the bid package.
- As required by DOL, wage payroll reports must be submitted weekly.
- The contractor is responsible for wages to be paid not less than the construction wage rates posted for each project.
- Maintenance contracts are not subject to payroll reporting, but the contractor must maintain payroll records.
- Maintenance wages will be paid no less than the determined wage rates.
- Additional guidance is available at www.hud.gov/offices/olr
- Wage information can be found at www.wdol.gov .

Section 3 Requirements

- The **Section 3** program requires that recipients of certain HUD financial assistance, to the greatest extent possible, provide job training, employment, and contract opportunities for low- or very-low income residents in connection with projects and activities in their neighborhoods.
- Are you a Section 3 business concern: 51% owned by a resident of public housing, 30% of current staff is Sec 3 status, or contractual evidence that 25% of your contract funding is contracted to Sec 3 business.
- Post job openings with MHA job center, 700 Adams, Memphis, TN. Phone 901-544-1385 or 544-1843

Review

- Bonding and sealed bidding is a requirement for all construction and maintenance projects over \$25,000.
- To participate in the sealed bid process your firm must be licensed and current with the Tennessee Contractors' Dept of Commerce and Insurance. <http://verify.tn.gov/>
- Addendums: May be changed conditions, make written revisions or clarifications to a solicitation. Always check for addendums before submitting your bid.
- Insurance is required for all MHA projects.
- Include your submittal documents with your bid.
- Review the maintenance wage rates before submitting your bid.
- Section 3 concerns: It is encouraged to the greatest extent feasible to provide employment opportunities to low and very low income persons.

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II. Award of Contract



AWARD

- After reviewing bids MHA will make recommendations for award.
- If your firm is considered for award you will be notified in writing to sign a contract.
- Once a contract is signed the unsuccessful bidders will be notified. Their bid bond will be returned. Unsuccessful bidders have 10-days after notice to protest the award of a bid.
- The awarded firm will next schedule a pre-construction meeting with the project manager prior to starting any work.

AWARD OF CONTRACT

- **BID SUBMISSION**
- **MANDATORY SUBMITTALS**
- **DUE DILIGENCE REVIEW**
- **PRE-CONSTRUCTION MEETING (MHA AND THE CONTRACTOR)**

BID SUBMISSION

- Before any contract is awarded, a Due Diligence review will be performed, for the firm who is deemed to be the most responsive bidder. If your firm is considered for award you will be notified in writing to sign a contract.

MANDATORY SUBMITTALS

In order to be deemed responsive, the following documents must be submitted with your firm's bid. Failure to include any of these forms may disqualify your bid.

- Bid Form
- Bid Bond
- Previous Participation Certification Form (HUD 2530)
- Representations, Certifications and Other Statements of Bidders (HUD 5369-A)
- Qualifications Questionnaire (if included)
- Non-Collusion Affidavit (notarized)
- Debarment and Suspension Certification
- Equal Opportunity Certification
- Drug-Free Work Place Certification
- Section 3 Business Concern Self Certification (if applicable)
- MBE / WBE Bid Data Form (if applicable)

DUE DILIGENCE REVIEW

- Items to be reviewed during the Due Diligence evaluation will first include the actual bid submission envelope. Bid documents shall be sealed in an envelope, which shall be clearly labeled with the words **“BID DOCUMENTS”**, and shall show the name, license number, expiration date thereof, and license classification of the contractors applying to bid for the prime contract and for the electrical, plumbing, heating, ventilation, and air-conditioning contracts on the outside of the envelope containing the bid. Prime contractors bidders who are to perform the electrical, plumbing, heating, ventilation and air-conditioning must be so designated on the outside of the envelope. Also, the project number, date and time of the bid opening should be listed on the outside of the envelope containing the bid. The failure of any bidder to comply with all of the provisions hereof may disqualify the bid.
- All Mandatory Submittals
- Debarment Check will be conducted through the Excluded Parties List System (EPLS)
- Reference Check of three (3) previous clients

DUE DILIGENCE REVIEW

- Contractor will provide evidence of the ability to receive a Performance and Payment Bond.
- Provide proof of Insurance.
- MHA may review up to three (3) consecutive years of financial statements depending on the size of the project.

PRE-CONSTRUCTION MEETING (MHA AND THE CONTRACTOR)

Pre-Construction Meeting Agenda Items

- Identification of Key Personnel assigned to the project
- Project Schedule
- Schedule of Values (HUD 51000)
- Section 3 Action Plan
- Section 3 reporting requirements
- MBE / WBE reporting requirements
- Labor Compliance (Davis Bacon Wage Rates, Maintenance Wage Rates)
- Bonding and Insurance requirements
- Sub-Contractor certification
- Payment Application process
- OSHA Job site safety requirements

Review

- If considered for award you must sign a contract and provide a performance bond and payment bond for 100% of the project.
- MHA will determine if your firm responded to the solicitation. If you are the apparent low bidder your firm will be determined if it is also responsible.
- After a contract is signed the Prime Contractor is required to attend a pre-construction meeting. A notice to proceed will be issued and the work will commence according to the Contractor's established schedule.
- Unsuccessful bidders are encouraged to bid on future projects. Remember to check the MHA website for new solicitations.

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III. Construction-Start to Finish



CONSTRUCTION

The contractor is responsible for the completion of the entire project. Any deficiencies must be corrected in a timely manner. The contractor shall prepare the necessary documents for payments according to their Progress schedule. MHA only process payments for work that is completed. All completed work will be inspected for acceptance by the Housing Authority for payments.

Delays and Time Extensions

- The contractor is responsible for completing the work within the time established in the contract.
- The MHA may authorize justifiable time extensions.
- The contractor should submit a written notice to MHA within 10-days of the start of any delay.
- Adverse weather can cause a delay beyond the contractor's control.
- MHA will review records and evidence for construction delays by the contractor in order to make final determination for all request for extensions.

Changes

- A change order is a modification to the contract that may modify the drawings, designs, specifications, method of shipping or packaging, place of inspections, delivery, acceptance and other such contractual requirements (General Conditions HUD-5370).
- All change orders must be within the scope of the contract.
- Change orders or significant modifications to the contract will be signed and documented in the file.

Contract Claims

- The MHA will make every effort to resolve claims informally and expeditiously to avoid time losses or expensive delays.
- The contractor must submit the claim to the Contracting Officer in writing. It will identify the nature and scope of the claim, including extra costs or time sought by the contractor.
- All claims will be reviewed for a written decision from the Contracting Officer.
- If mutually agreed by both parties, the contractor may proceed with the work until a final decision is rendered for the claim.

Completion of Work

- The contractor should provide prompt written notification to the MHA when all work is completed.
- The MHA will conduct a final inspection within 10 days. It will be determined whether the work has been completed in accordance with the construction documents.
- The final payment will be released when the MHA is satisfied that the work is in full compliance. All material, supplies, equipment and labor-related expenses have been paid in full by the contractor.
- The warranty period for all construction is 365-days from the date of the final acceptance.

Contract Termination

- Contracts are terminated either for default or termination for convenience (HUD-5370)
- If a contractor's performance is unsatisfactory MHA will issue a written notice to the contractor. Copies of the notice will be sent to the contractor's surety, if any and any assignee.
- Contracts may be cancelled for convenience when the MHA no longer needs or desires the supplies and services under the contract or can no longer fund the project.
- Contracts may be cancelled in whole or in part. Any remaining settlement will be determined by the Contracting Officer.
- Failure to perform a contract is not excusable.

Gratuities and Kickbacks

- Agents of MHA shall neither solicit, accept or agree to accept gratuities, favors, or anything of monetary value from contractors, potential contractors or parties to sub-agreements.
- It is a breach of ethical conduct and prohibited for any payment, gratuity or offer of employment to be made by or on the behalf of the contractor or subcontractor under the contract of the prime contractor.
- It is a breach of ethical conduct for a person to be retained to solicit or secure a MHA contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee. This includes the employment of former MHA officials and employees to obtain contracts with the MHA by a business seeking MHA contracts.

Review

- When a contractor submits a bid for any of the Memphis Housing Authority's solicitations your firm is making a commitment to complete the project.
- The contractor is responsible for the project from start to finish.
- The MHA will solicit fair and open competition to the fullest extent possible.
- Gratuities and kickbacks are prohibited when bidding projects with the Memphis Housing Authority.
- MHA shall retain all construction records, including payroll records, for three years from the date of the contract completion and acceptance by the MHA or from the date the resolution of any outstanding issues at contract completion.

Memphis Housing Authority references

- MHA website: www.memphisha.org
- HUD Information: www.hud.org
- Dept of Labor: www.wdol.org
- Contracting Department: David Walker, Contracting Officer, 901-544-1298. Email: dwalker@memphisha.org
- Michael Swindle, Director of Housing Operations, 901-544-1804. Email: mswindle@memphisha.org

Thank you for your interest in Preparing, Submitting and Performing bids with the Memphis Housing Authority.

