Constructing Contracting With Caltrans

“I’m the Low Bidder - Now What?”

A Guide to the Contract Award Process

March 2010
A Guide to the Contract Award Process

Caltrans mission is to improve mobility across California. The construction industry is our partner in achieving this mission.

The following information is provided to assist our industry partners in preparing bids responsive to state and federal contracting requirements and successfully completing the contract award and approval process.
Notice:
Although we have strived to make this document as complete as possible, contractors are advised that individual contracts may have unique requirements. Bidders are advised to thoroughly review the contract documents (plans, specifications, materials information, bid items and addenda) to submit bidder’s inquiries as necessary.

Disclaimer:
The Department of Transportation (Caltrans) has provided this information as a convenience to bidders. It does not constitute a legal standard, nor does it establish departmental policy.
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Contract Award Flowchart

Open Bids
- Verify Bids & Apply Preferences
- Publish Bid Results
- Conduct Bid Analysis

Determine Low Bidder’s Responsiveness
- Confirm UDBE or DVBE Requirements Met
  - Apply DVBE Incentive if applicable

Determine Low Bidder’s Responsiveness
- Determine Financial Needs for Award
  - Respond to Bid Protests (if any)
  - Award Contract
Contract Award Process Overview

Caltrans awards contracts to the lowest responsible bidder.

Once bids are opened and verified, Caltrans:
- Confirms the apparent low bid is responsive
- Applies preferences/incentives
- Compares bids with estimate
- Determines if competition was adequate
- Confirms low bid is not materially unbalanced
- Determines if bidder met UDBE or DVBE reqmt’s
- Determines funding amount for contract award
- Responds to protests
- Awards & approves the contract
Bid Results

- Caltrans records and seals the bids with tape during the public bid opening and reading.

- Caltrans verifies the bids by entering the bidder’s unit and item prices into the Bid Opening System.

- Verified bid results may vary from the “as read” bids due to bidder errors. The verified results are final.

- Bid results are usually available by 5 pm on the bid opening telephone hotline at (916) 654-5500. Southern California bid results are not available until the next business day.
Bid Summaries

Bid Summaries are normally available within 3 business days after bid opening at: http://www.dot.ca.gov/hq/esc/oe/awards/bidsum_html/6week_list.php
Bid Preferences & Incentives

- Federal Aid contracts do not have incentives or preferences

- State Funded Contracts have:
  - Small Business Preference
  - Non-Small Business Preference
  - California Company Preference
  - Disabled Veteran Business Enterprise (DVBE) Incentive

- Bidders’ preference requests are noted on the bid summary

- The DVBE incentive is determined after review of bidders’ DVBE commitment forms.
# Required Post-Bid Submittals

<table>
<thead>
<tr>
<th>Item</th>
<th>Deadline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subcontractor Percentages</td>
<td>2:00 pm, 24 hours after bid</td>
</tr>
<tr>
<td>Subcontractor Substitution</td>
<td>4:00 pm, 2 business days after bid</td>
</tr>
<tr>
<td>Cert. SBE List for Non SB Preference</td>
<td>4:00 pm, 2 business days after bid</td>
</tr>
<tr>
<td>UDBE &amp; Good Faith Efforts forms Or DVBE form</td>
<td>4:00 pm, 4 business days after bid</td>
</tr>
<tr>
<td>Relief of Bid</td>
<td>4:00 pm, 5 business days after bid</td>
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</tbody>
</table>

Note: Holidays, state furlough days and weekends do not count as business days
Submit the subcontractor list with your bid

For items not fully subcontracted, e.g. “partial” or “portion”, determine the percentage of the item subcontracted

Fax the subcontracted item numbers and percentages to (916) 227-6282 by no later than 24 hours after bid opening

Failure to specify bid item percentages within 24 hours of the bid opening and item numbers renders the bid non-responsive
Subcontractor Substitution

If you list a subcontractor in error:

- Notify Caltrans of the inadvertent clerical error under penalty of perjury to Caltrans by fax at (916) 227-6282
- Fax must be received no later than 2 business days after bid opening
- Provide copies to impacted subcontractors
- Caltrans may consent to the substitution provided neither subcontractor objects within 6 business days of the bid opening
- If a subcontractor objects to the substitution, Caltrans will conduct a hearing to determine if the substitution is granted
Completing the Bid – Request for Non-Small Business Preference

- State Funded Contracts only
- Complete and sign the form.
- Mail the list of certified small business subcontractors so it is received within 2 business days of bid opening
- Faxes not accepted
- No preference given if form is received late
- The non-small business preference can not displace a small business from the contract award
Certified DVBE Summary

- State funded contracts only
- Complete and sign form
- List all certified DVBE subcontractors and suppliers, regardless of tier
- Submit with bid or by fourth business day after bid opening.
- Faxes not accepted
- Late Certified DVBE Summary are not accepted
- No DVBE incentive allowed for late forms
UDBE Information

- Federal aid contracts only
- List all certified Underutilized DBE (UDBE) firms subcontractors & suppliers regardless of tier:
  - African American
  - Asian Pacific Islander American
  - Native American
  - Women
- Include UDBE Information - Good Faith Efforts forms
- Submit with bid or by 4th business day after bid opening. Faxes not accepted
- Late forms not accepted
Relief of Bid

- If you made a material mistake in filling out your bid, request relief of bid within 5 business days of the bid opening.
- The request form is at: http://www.dot.ca.gov/hq/esc/oe/contractor_info/relief.pdf
- Fax the form to (916) 227-6282 no later than 5 business days after bid opening.
UDBE & DVBE Review

Caltrans’ Contract Evaluation Unit:
- Confirms the low bidder’s certified DVBE or UDBE participation (including commercially useful function) and DBE participation (post contract award)
- Conducts review of the low bidder’s UDBE Good Faith Efforts
- Verifies claimed small business participation for the Non-Small Business Preference

If a bidder does not meet the UDBE goal or make a good faith effort, the bidder is notified in writing. The bidder may then request administrative reconsideration.
Bid Protests

- Any bidder may protest a contract award
  - Subcontractors, suppliers or other third parties may not protest contract awards
  - Complaints about alleged ambiguity of the plans, specifications and estimate are not protests
- Fax the protest to (916) 227-6282 prior to contract award
  - Include facts supporting your protest
  - Sign the protest
- If Caltrans receives a protest against the low bidder, we may request the low bidder to provide a written response within a specified time
- All protests are public documents
- All protests are responded to prior to contract award
Responsibility Determinations

- Bidders complete the “Bidder Responsibility Questionnaire” in the bid book.
- If a bidder was found non-responsible by another public agency or Caltrans has reason to question a bidder’s responsibility, Caltrans notifies the bidder in writing that it may not be responsible according to Public Contract Code Section 1103.
- The bidder provides a written rebuttal to Caltrans’ preliminary determination.
- If necessary, Caltrans conducts a hearing with the bidder in order that the bidder may orally present its rebuttal.
- The Department appoints a manager as decision-maker for the responsibility determination.
- A bidder found not responsible is not eligible for the contract award.
Bid Extensions

- Bids are valid for 30 calendar days from the bid opening date, unless otherwise specified in the Notice to Bidders.

- If Caltrans is not able to award the contract within 30 days or the times specified in the Notice to Bidders, Caltrans will request a bid extension from the low bidder by fax.

- If a bidder does not provide the extension, it is no longer eligible for contract award.
Contract Execution

- Caltrans sends the Contract Execution Package to the successful bidder by overnight mail.
- The Contract Execution Package includes three copies of the contract for execution, various forms and instructions.
Contract Execution Requirements

- The successful bidder has 10 business days* to complete, sign and return:
  - Executed contracts
  - Payment and performance bonds
  - Insurance policies
  - DBE Information form (Federal Aid Contracts)
  - Small Business Participation Report
  - Payee Data Record

- In the event the successful bidder fails to return the documents within the specified time, Caltrans may rescind the contract award and seek forfeiture of the bidder’s bid security

* 5 business days in some cases
Upon return of the executed contract documents, Caltrans:
- Verifies insurance requirements are met
- Executes and approves the contract.

The bidder has fifteen calendar days to begin work on the contract unless otherwise specified in the Notice to Bidders.
Good Luck!

Thank you for doing business with Caltrans. We wish you success.

For information on current and upcoming contracting opportunities, please visit our website at: http://www.dot.ca.gov/hq/esc/oe/contractor_info/

Also, review our “How to Submit a Responsive Bid” guide at: http://www.dot.ca.gov/hq/esc/oe/docs/resp_bid.pdf