

Preparing to Bid Comprehensive Checklist

Preparing to Bid

- When Preparing to Bid a project, a great deal of information must be compiled and understood for the bid to make sense and for the project to make money for your business.
- This presentation can be used as a checklist to guide you through the pre-bid process.

Bid Process (Site Meeting)

- After agreeing to bid the project, preparing for the site visit is paramount to a good start of the bid process. To prepare for the site visit, review the following:
 - ✓ General and Supplemental conditions
 - ✓ Is the site visit mandatory or not?
 - ✓ Do you have drawings in hand?
 - ✓ Do you have measuring tools?
 - ✓ Do you have a camera?
 - ✓ Have you reviewed drawings prior to visit?
 - ✓ Do you have correct address of meeting site?
 - ✓ Do you have correct time of the meeting?

Project administration needs & requirements

- ✓ Identify project personal
- ✓ Project manager (s)
- ✓ Assistant project manager (s)
- ✓ Superintendent (s)
- ✓ LEED requirements
- ✓ Payroll needs
- ✓ Certified payroll
- ✓ Equipment needs

Materials & Equipment Procurement

- ✓ Pricing
- ✓ Lead times
- ✓ Owner supplied
- ✓ Contractor supplied
- ✓ Rentals or lease options
- ✓ Finishes, Material, and equipment schedules review
- ✓ LEED Materials (If applicable)

Materials & Equipment Procurement

- ✓ Material Storage
- ✓ Submittal Approval
- ✓ Escalation cost
- ✓ Exclusions
- ✓ Open vs. Closed Shop
- ✓ Taxes
- ✓ Rigging and Hoisting

Insurance Review

- ✓ Requirements
- ✓ Limits
- ✓ Bonding – Apply before you decide to bid!
- ✓ Sunshine Letter (letter from your brokers saying that you will qualify for bonding)
- ✓ OCIP, CCIP
- ✓ Liquidated damages (if applicable)

Site Safety Needs

- ✓ PPE (personal protective equipment)
- ✓ OSHA (10,30, etc.)
- ✓ Third party needs (If applicable)
- ✓ Other equipment (If applicable)

Site Logistics

- ✓ Existing conditions evaluations
- ✓ Transportation
- ✓ Parking
- ✓ Staging and storage of materials
 - ❖ Security
 - ❖ Insurance

Labor Environment

- ✓ PLA (Project Labor Agreement): Also known as a Community Workforce Agreement, a PLA is a pre-hire collective bargaining agreement with one or more labor organizations that establishes the terms and conditions of employment for a specific construction project.
- ✓ Open shop: No labor agreements exist for project being bid
- ✓ Closed shop: Project being developed under the laws that govern the entity.

Legal Review & Accounting

- ✓ Terms & Conditions
- ✓ Financing
- ✓ Cash management
- ✓ Liquidated damages - Liquidated damages (also referred to as liquidated and ascertained damages) are damages whose amount the parties designate during the formation of a contract for the injured party to collect as compensation upon a specific breach (e.g. late performance).

Subcontractors

- ✓ Contract
 - ❖ Terms & Conditions
- ✓ Certificate of insurance
- ✓ Secure Sunshine (bonding) Letter if necessary
- ✓ References and specific project experience

Request for Information (RFI's)

- ✓ An RFI is made by a bidder – it requests Information relating to the plans and specifications provided to bid. This answers are shared with all bidders to level the playing field.
- ✓ Number of RFI's - if too many are generated, it calls into question the accuracy and quality of the specs. If none, maybe the estimator isn't looking closely enough.
- ✓ Before you bid, review all RFI's submitted/answered
- ✓ Review RFI's un--answered – if your questions haven't been answered, you have incomplete/inadequate information

Value Engineering

Value engineering looks at how a job can be done cheaper

- ✓ Internal - e.g. means and methods to build a project that allow you to do a job for a better price such as optimizing your work force or pricing out materials better. These methods are not shared with the client
- ✓ External – e.g. savings provided by utilizing supplies that are less expensive than what is requested. The method may be shared with the client depending on timing.
- ✓ Look at Constructability – the way in which the project is built. Is the project able to be built the way that the architect has specified (2 dimension plans v. 3 dimension building)? If it cannot be done, friction: do you tell the owner or wait until you get the job and bring it up as a change order?

Bid Submit (Go!)

- ✓ Bid submittal sheet review
- ✓ Bid crafting and submittal form
- ✓ Team evaluation and submittal
- ✓ Does this make sense? If yes, submit bid!

Estimating Worksheet (Take-offs)

- ✓ Scope of work
- ✓ Notes review
- ✓ Inclusion/exclusion
- ✓ Units of measure
- ✓ Cost per unit*
- ✓ Direct cost of specific goods or services.

Estimating work sheet (Take off)

✓ Overhead & Profit

- ❖ Indirect cost such as administration, phones, photo copies & insurance should be calculated
- ❖ Understand after everyone has been paid how much your company will make.

✓ Insurance cost review

- ❖ Does the project have an OCIP or CCIP (Owner Controlled Insurance Program)?
- ❖ Do you have subcontractors – if so does your GL provide 3d party action over coverage?
- ❖ Do you have adequate Umbrella, Worker's Comp?

THANK YOU

*Liz Duncan-Gilmour, Esq.
Executive Director
Minority Business Development Institute*

(845) 616-2709

