

Section 4000 – Business Management

4760-R Responsible/Qualified Contractor Policy (Cf. 3660)

4760-R

In order to implement policy 4760, the administration hereby sets forth the following definitions and administrative rules:

Definitions

Construction Project – the labor and material necessary for the construction, renovation, repair, or improvements to real property that requires solicited bids so that the work, when complete, shall be ready for service for its intended purpose and shall require no other work to be a completed system or component.

Lowest Qualified Bid – is defined as a bid or a proposal submitted by a qualified contractor (bidder) that is a responsive bid or proposal, accepted by the Board, that meets requirements and specifications of the construction project(s) from qualified contractors.

Qualified Contractor – If selected by the Board as the lowest qualified bidder for work to be performed, the prime contractor (bidder) shall, upon request by the Board, establish his or her qualifications from the list of criteria outlined below before a contract is let. All required contractor financial and privileged information shall be kept from public disclosure unless otherwise required by law.

Selection Criteria

The District may qualify contractors and subcontractors selected for construction projects in order to construct or renovate schools in accordance with the following guidelines:

Before a contract is let, contractors and subcontractors selected as the companies to provide services may be required to provide:

1. General information about the contractor's company, its principles, and its history, including state and date of incorporation.
2. Trade categories and information regarding the state and local licenses and license numbers, where required by law, held by the applicant.

The successful bidder will certify that all contractors, subcontractors, and employees who will be working on the project maintain current applicable licenses with the Michigan Bureau of Construction Codes and Fire Safety for all occupations and professions required to be licensed.

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3. A list of projects completed within the past five (5) years, including dates, clients, approximate dollar value, and size.
4. Evidence that the selected bidder has financial resources to start up and follow through on the project(s) and to respond to damages in case of default as shown by written verification of bonding capacity equal to not less than 25% of the total project cost from a company with an A.M. Best Company rating of B+ or better.
5. A warranty statement regarding labor, equipment, and materials.
6. A disclosure of any litigation resulting in a judgment or decision against the company within the past five (5) years, including an explanation of each and how each was resolved.
7. Proof of certificates of insurance, confirming current worker's compensation coverage, public liability and property damage insurance according to the scope of the construction project and/or as required by law.
8. A list of individuals or entities for which the contractor has worked from which references might be sought.
9. Assurance that the selected bidder will do all in its power to assure that all construction work for the project shall proceed in a timely manner and that the project will be completed as outlined in the contract, plans, and specifications.

Substantially Low Bid Review

In the event the amount of the lowest bidder's bid appears disproportionately low when compared with estimates undertaken by or on behalf of the local school District and/or compared to other bids submitted, the school Board reserves the right to inquire further of the apparent lowest bidder to determine whether the bid contains mathematical errors, omissions, and/or erroneous assumptions, and whether the apparent lowest bidder has the capability to perform and complete the contract for the bid amount.

Suspension or Revocation

The school Board may, for good cause, suspend a contractor for a specified period or revoke the contract.

Causes for suspension or revocation shall include, but not be limited to, one or more of the following:

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1. Inaccurate or misleading statements on the contractor's qualification statements.
2. Declared to be in default by the Board.
3. Adjudged to be bankrupt.
4. Performance, in connection with contract work, becomes unsatisfactory to the Board, based on the Board asserting and recovering liquidated damages in an action against the contractor.
5. Contractor's license becomes suspended or revoked.

Appeal

A contractor whose contract with the Board has been suspended or revoked shall be given the benefit of reconsideration and appeal as follows:

1. The aggrieved contractor may, within ten (10) days after receiving notification of such action, request reconsideration in writing. The contractor may submit additional information at the time of appeal.
2. The Board shall act upon the contractor's request within thirty (30) calendar days after the filing and shall notify the contractor of its action to adhere, to modify, or reverse its original action. The Board may require additional information to justify the reconsideration.

Rules Accepted: June 29, 2009