

CHAPTER 6

COMPETITIVE SEALED BIDDING

In this Chapter look for . . .

- 6 General
- 6.1 Competitive Sealed Bidding
- 6.2 Preparation and Issuance of IFBs
- 6.3 Sealed Bids - Receipt, Opening, Evaluation, and Award
- 6.4 Two-Step Competitive Sealed Bidding
- 6.5 Procedure for Two-Step Competitive Sealed Bidding
- 6.6 Combined Two-Step Competitive Sealed Bidding
- 6.7 Negotiation with the Lowest Responsible Bidder

Annexes

- 6-A Competitive Sealed Bid Process Flowchart
- 6-B Sample Format and Step-by-Step Procedures
- 6-C Vendor Data Sheet
- 6-D IFB Solicitation and File Checklist
- 6-E Prebid or Preproposal Conference Checklist
- 6-F IFB/RFP Addendum Format
- 6-G Notice of Intent to Award
- 6-H Notice of Award
- 6-I Small Business Subcontracting Plan
- 6-J State Corporation Commission Form

6. **General.** Competitive sealed bidding is the preferred method for acquiring goods, printing, non-capital outlay construction and nonprofessional services for public use when the estimated cost is over \$100,000. The competitive sealed bidding process is depicted in the flowchart in Annex 6-A.

6.1 **Competitive Sealed Bidding.** The goods or service to be procured when using this method must be capable of being described so that bids submitted by potential contractors can be evaluated against the description in the Invitation for Bids (IFB) and an award made to the lowest responsive and responsible bidder. If competitive sealed bidding is used for a purchase expected to be \$100,000 or less, set-aside per 3.10(g) and the solicitation shall include a tiered award clause as specified in Special Term and Condition 2.L. When the terms and conditions of multiple awards are so provided in the Invitation for Bids, awards may be made to more than one bidder. Competitive sealed bidding includes the issuance of a written IFB containing the specifications or scope of work/purchase description and the contractual terms and conditions applicable to the procurement. The terms or conditions of the solicitation must include how the agency or institution will publicly post the notice of the award or make the announcement of the decision to award the contract (see Appendix B, Section I, U.). The requirements set forth in the IFB may include special qualifications required of potential contractors, life-cycle costing, value analysis, and any other criteria such as testing, quality, workmanship, delivery and suitability for a particular purpose which may help in determining acceptability. IFBs must describe the requirements accurately and completely. Unnecessarily restrictive specifications or terms and conditions that unduly limit competition must be avoided. In addition to the public notice, bids are to be solicited directly from potential bidders. Any such direct solicitations shall include businesses selected from a list made available by the DSBSD. In the competitive sealed bid process, bids are publicly opened and read aloud (see 3.1e). The bids are evaluated based upon the requirements set forth in the IFB (if multiple awards are so provided in the solicitation, awards may be made to the lowest responsive and responsible bidders).

6.2 **Preparation and Issuance of IFBs.**

- a. **Format.** Prepare the IFB using the format and contents shown in Annex 6-B. Establish a due date and time that will allow sufficient time for potential bidders to seek clarification and for the issuance of an addendum, if necessary. The due date shall not be less than 10 days from the issue date of the IFB.
- b. **Scope.** Specify in detail the materials, equipment, and supplies to be furnished or the scope of work to be performed by the contractor, including or incorporating by reference the specifications, drawings and contractual terms and conditions applicable to the procurement.
- c. **Verify.** Review the IFB Solicitation and File Checklist (Annex 6-D) to assure that all requirements applicable to the procurement have been met (see 3.18 for posting requirements).
- c. **Conferences/Site visits.** All prebid conferences and/or site visits shall be mentioned in both the IFB and any advertisement. If attendance at such a conference or site visit is a prerequisite for bidding, the public notice period shall be long enough to provide adequate opportunity for potential bidders to obtain a copy of the IFB and attend (see 4.3e). Mandatory prebid conferences scheduled during a period of suspended State business operations should be rescheduled by the purchasing agency to a date and time which will permit proper notification to all potentially interested participants. Purchase actions requiring advertisement shall be posted in eVA VBO (3.18). Any changes in the requirements of the solicitation must be made by written addendum (see Annex 6-F). When an addendum for a sealed solicitation is issued, there must be a minimum of 10 days from the date of the addendum to the due date set for the receipt of bids, or the due date shall be extended.
- e. **Sources.**
 - 1) Solicit at least six (6) sources, including a minimum of four (4) DSBSD-certified small businesses including any women, minority and micro business also certified as a small business, if available. The list should note which vendors are small businesses. If fewer than the required number of sources are solicited, the reasons must be documented in writing and placed in the purchase file.
 - 2) If under \$100,000 set-aside in accordance with the Small Business Enhancement Award Priority for small business (including micro), solicit a minimum of six (6) DSBSD-certified small businesses including at least one micro business in accordance with 3.10(g)..
- f. **Small Business Subcontracting Plan.** For procurements over \$100,000 in accordance with the Commonwealth's policy of facilitating and maximizing the participation of small businesses, which includes businesses owned by women and minorities when they have received DSBSD small business certification, in order for the bid to be considered responsive bidders shall include, as part of their bid, a Small Business Subcontracting Plan unless no subcontractor opportunities exist. (See 3.10 h) See Appendix B, Section II, 36 for the special term and condition that shall be included in solicitations requiring the plan and the contractor to provide evidence of compliance with this requirement

If the bidder on the contract is a DSBSD-certified small business, the bidder shall indicate such in Section A of Annex 6-I. This shall not exclude DSBSD-certified women-owned and minority-owned businesses that have also received the DSBSD small-business certification. If the bidder is not a DSBSD-certified small business, the bidder, to be considered responsive, is required to identify the portions of the contract the bidder plans to subcontract to DSBSD-certified small business by completing and returning Section B of Annex 6-I. If no subcontracting opportunities exist see 3.10 h. For purposes of any particular procurement, a bidder or subcontractor shall be considered a Small Business if and only if the bidder or subcontractor holds a certification as such by the DSBSD on the due date for receipt of bids.

6.3 **Sealed Bids - Receipt, Opening, Evaluation, and Award.**

- a. **Receipt.** Bids shall be received until the date and time specified in the IFB. Bids are then publicly opened and read aloud. Late bids shall not be considered. Bid receipt deadlines and public openings scheduled during a period of suspended state business operations will be deemed rescheduled for processing at the appropriate times on the next regular business day. The public opening of bids for construction type contracts shall be held 24 hours after the date and time set for submission of bids, *Code of Virginia*, § 2.2-4330A(ii). (See 3.1e for further guidance on the receipt and opening of sealed bids.)

- b. **Opening.** After bid opening, each bid is evaluated to determine if it is responsive to the IFB. The responsive bids are then evaluated according to the criteria and/or evaluation procedure described in the IFB to determine which is the lowest bid (see 3.1e) and whether any preferences must be applied (see 3.14).
- c. **Evaluation.** The lowest responsive bidder is then evaluated to determine if the firm is responsible (see 3.20).
- d. **Award.** The contract is awarded to the lowest responsive and responsible bidder (see 3.20 and 3.21). For purposes of the procurement, a bidder or subcontractor shall be considered a Small Business or a Micro Business if and only if the bidder or subcontractor holds a certification as such by the Department of Small Business and Supplier Diversity (DSBSD) on the due date for receipt of bids.

6.4 **Two-Step Competitive Sealed Bidding.** Two-step competitive sealed bidding is used when it is impractical to initially prepare a definitive purchase description to support an award based on prices. In such instances an IFB is issued requesting the submission of unpriced technical proposals, to be followed by an IFB for a price, limited to those bidders whose offers have been qualified under the criteria set forth in the first solicitation. There is no negotiation in the two-step competitive bid process; however, the agency at its option may request information from bidders to clarify material contained in their technical proposals.

6.5 **Procedure for Two-Step Competitive Sealed Bidding.**

- a. **Step One.** Prepare an IFB requesting a technical proposal. The solicitation describes the agency's requirement in general terms and asks for a technical proposal describing how the bidder intends to meet the agency's requirements and what goods, equipment, and service, as applicable, will be furnished. Specify any mandatory technical data and information to be submitted in the proposal and any optional information desired. The cover sheet should explain the two-step procedure and emphasize that the technical proposal is not to include the bid price. If Set-aside in accordance with 3.10(g), the solicitation shall include a tiered award clause as specified in Special Term and Condition 2.L. It should indicate if a prebid conference will be conducted and if attendance is mandatory or optional. The proposals are publicly opened, and the names of the firms submitting proposals are announced. The agency then evaluates and selects those proposals which will meet its needs, based on the mandatory criteria specified in the solicitation. The evaluators may request written or oral discussions from bidders to clarify or amplify the material in the proposal. The contents of the technical proposal are not subject to negotiation and must be evaluated as submitted. They are not ranked but are determined to be acceptable or not acceptable for meeting the agency's needs. Only those responsive bidders whose technical proposals were determined to be acceptable will be invited to submit a bid price.
- b. **Step Two.** Prepare an IFB to include a pricing schedule, reference the request for technical proposal title and number, and set a specific date and time for receipt of sealed bids. A public opening is held. Bids are evaluated, and the contract is awarded to the lowest responsive and responsible bidder. The award document shall incorporate by reference the terms and conditions of the solicitation, the contractor's technical proposal, and the bid price.

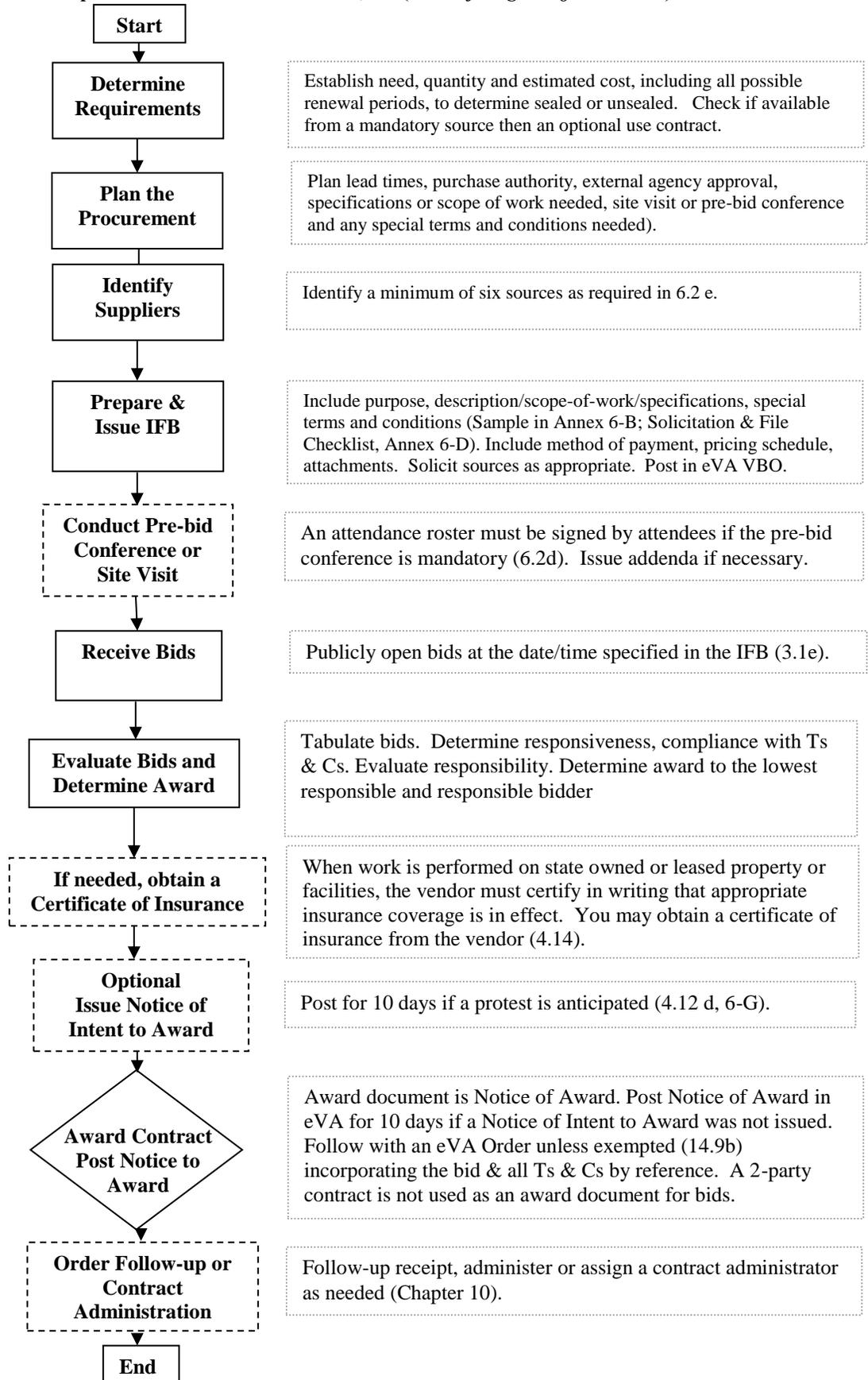
6.6 **Combined Two-Step Competitive Sealed Bidding.** The two steps can be combined by requiring the firms who respond to the solicitation to furnish their unpriced technical proposals in one sealed envelope and their bid prices in a second sealed envelope at the same time. The instructions issued must specify that the responses are to be submitted in two separate sealed envelopes - one marked "Technical Proposal" and the other "Bid Price." If the solicitation is a combined two-step IFB, the bidders should be instructed to identify both the technical proposal and pricing envelope with the bidder's name, company name and address, and bid reference number. If set-aside under 3.10(g), the solicitation shall include a tiered award clause as specified in Special Term and Condition 2.L. . The technical proposals are opened and evaluated as described in 6.5a, then only the price envelopes for those technical proposals selected as acceptable are opened. The award is made to the lowest responsive and responsible bidder. The award document will incorporate by reference the terms and conditions of the solicitation and include the contractor's technical proposal and the bid price. The envelopes containing the bid price for those proposals determined to be not acceptable will be returned unopened.

6.7 **Negotiation with the Lowest Responsible Bidder.** If the bid from the lowest responsible bidder exceeds available funds, the agency may negotiate with the apparent low bidder to obtain a contract price within available funds if the solicitation contains the appropriate clause in Appendix B, Section II, (*Code of Virginia*, § 2.2-4318). This clause shall not be used as a matter of routine. If the buyer decides to negotiate in such circumstances, the decision must be documented in writing in advance of the negotiations. Otherwise, unless canceled or rejected, a responsive bid from the lowest responsible bidder shall be accepted as submitted. "Available funds" are those budgeted by the agency for the requirement and designated as such prior to the issuance of the IFB. The purpose of this provision is not to force

a bidder to take a lower price but rather to negotiate an acceptable change in requirements, including price, that is agreeable to both parties. Negotiations might include an extended delivery date, reduced quantity, different accessories, etc., with a corresponding reduction in price.

Annex 6-A

**Competitive Sealed Bidding Process
For Goods and Non-professional Services over \$100,000 (Code of Virginia § 2.2-4302.1)**



Annex 6-B

SAMPLE FORMAT AND STEP-BY-STEP PROCEDURES

INVITATION FOR BIDS (IFB)

Issue Date: IFB# _____

Title:

Commodity Code:

Issuing Agency: Commonwealth of Virginia

Using Agency And/Or Location Where Work Will Be Performed:

Period Of Contract: From _____ Through _____ (*Renewable). (* If contract has renewal clause)

Sealed Bids Will Be Received Until _____ (Time and Date)

For Furnishing The Goods/Services Described Herein And Then Opened In Public.

All Inquiries For Information Should Be Directed To: _____ Phone: (____) _____.

IF BIDS ARE MAILED, SEND DIRECTLY TO ISSUING AGENCY SHOWN ABOVE. IF BIDS ARE HAND DELIVERED, DELIVER TO:

Street Address Building Floor Room No.

In compliance with this Invitation For Bids (IFB) and all conditions imposed in this IFB, the undersigned firm hereby offers and agrees to furnish all goods and services required by this IFB at the prices indicated in the pricing schedule, and the undersigned firm hereby certifies that all information provided below and in any schedule attached hereto is true, correct, and complete.

* Virginia Contractor License No. _____ Class: _____ Specialty Codes: _____

* DSBSD-certified Small Business No. _____

Name And Address Of Firm:

Zip Code: _____

Date: _____
By: _____
(Signature In Ink)

eVA Vendor ID or DUNS #: _____

Name: _____
(Please Print)

Fax Number: (____) _____

Title: _____

E-mail Address: _____

Telephone Number: (____) _____

* PREBID CONFERENCE: A (mandatory/optional) prebid conference will be held on _____ at the _____ (Reference: Paragraph ____ herein). (If mandatory add: "NO ONE WILL BE ADMITTED AFTER _____ (Time) ") * If special ADA accommodations are needed, please contact _____ (Name) at (phone number) by _____ (date) .

* Delete if not applicable.

Note: This public body does not discriminate against faith-based organizations in accordance with the Code of Virginia, § 2.2-4343.1 or against a bidder or offeror because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment.

TABLE OF CONTENTS FOR IFB # XXX

PAGE

- I. PURPOSE
- II. SCOPE OF WORK/DESCRIPTION OF ITEMS (SPECIFICATIONS)
- III. PREBID CONFERENCE
- IV. GENERAL TERMS AND CONDITIONS
- V. SPECIAL TERMS AND CONDITIONS
- VI. METHOD OF PAYMENT
- VII. PRICING SCHEDULE
- VIII. ATTACHMENTS

NOTE: See following pages for guidance in preparation of the IFB.

IFB STEP-BY-STEP PROCEDURES

The following step-by-step procedures are provided as a guide on how to properly prepare an IFB when soliciting competition for goods or nonprofessional services. These procedures apply to both sealed and unsealed bids.

STEP ONE:

DETERMINE REQUIREMENTS: What is needed, how much, where and when. In addition, a cost estimate should be prepared to assist in the determination as to whether or not sealed or unsealed bids should be solicited. The estimated or anticipated value of the contract must be determined first. This is the dollar value for the initial period of the contract, and includes all possible renewal periods.

STEP TWO:

DO PROCUREMENT PLANNING: Refer to chapters within this manual for guidance in determining the following: procurement lead time available, whether the procurement is for goods or nonprofessional services, whether your agency has authority for the procurement, if approval of another agency is required, the type of specifications or scope of work to be used, need for a site visit or prebid conference, the method of procurement to be used, if the procurement is to be set-aside in accordance with the Small Business Enhancement Award Priority, etc.

STEP THREE:

PREPARE THE IFB: Use the sequence shown in the table of contents following Annex 6-B.

- I. **PURPOSE:** If it is a complex or involved procurement, a purpose or summary statement of what is required should be included on the first page of the document. A purpose statement is not used for routine purchases of goods or services where it is readily apparent from the product or service name what is wanted.
- II. **SCOPE OF WORK/DESCRIPTION OF ITEM:** Describe in complete detail the service to be performed or what is to be purchased, including quantity, as applicable. Specifications or drawings, if applicable, may be referenced and attached. **This is the most important section of the IFB because this is what bidders base their bid prices upon.** The following are examples of the beginning language:
 - A. **GOODS (FURNISH ONLY):** “The contractor shall furnish and deliver each of the following described item(s):”
 1. The purchase description(s) must be complete and specify the minimum needs of the agency. Specifications may allow for bidding on a brand name or equivalent basis, if applicable.
 2. Other items that should be addressed in the purchase description or in the Special Terms and Conditions, as appropriate, include but are not limited to inside delivery, set up and assembly, removal of trash, warranty, maintenance, packaging, etc.
 - B. **GOODS (FURNISH AND INSTALL):** “The contractor shall provide all labor, supervision, equipment, tools, materials and incidentals necessary to furnish and install (state product). All equipment, materials and installation work shall comply with this specification, the Virginia OSHA Standards, and the Virginia Uniform Statewide Building Codes.”
 - C. **SERVICES:** “The contractor shall furnish all labor, supervision, equipment, tools, parts and materials, as necessary, to maintain the (type of equipment) listed in accordance with manufacturer’s service manuals (or other).”
 1. Ensure that the scope of work is complete. The contractor cannot be required to perform omitted work items.
 2. Other items that should be addressed, as appropriate, include but are not limited to repair response time, contractor certification-license requirements, workmanship, repair and maintenance records, working hours, overtime, agency-furnished materials, etc.
- III. **PREBID CONFERENCE:** If a prebid conference is desired, indicate date, time, place and whether attendance is mandatory or optional. See Annex 6-E for procedures.
- IV. **GENERAL TERMS AND CONDITIONS:** Include the general terms and conditions for goods, services or non-capital outlay projects as appropriate. See Appendix B.
- V. **SPECIAL TERMS AND CONDITIONS:** Select applicable special terms and conditions. Other special terms and conditions may be developed and included, as appropriate.

The following special terms and conditions must be included in IFBs, as indicated:

- A. AUDIT: Term contracts only.
- B. CANCELLATION OF CONTRACT: Term contracts only. Provides the cancellation of the contract by the agency without penalty when it is determined to be the best interest of the Commonwealth. This clause is not to be used to terminate a contract for default (Appendix B, Section II).
- C. BID ACCEPTANCE PERIOD: If it is anticipated that it will take in excess of 30 days to make an award then the IFB should contain a bid binding clause, e.g., 45 days, 60 days, etc.
- D. BID EVALUATION AND AWARD PROCEDURE: The IFB must specify how the award will be made, e.g., line item, extended grand total lump sum, hourly rate, etc., and if single or multiple awards. If the award is to be made on other than a lump sum, single hourly rate, or line item basis, the IFB must specify how the low bidder will be determined. The use of hypothetical situations, e.g., certain number of hours times the hourly rates, etc. is recommended. Such scenarios detailing the evaluation equation must state the factors that will be considered (hourly rates, overtime rates, holiday rates, cost of materials used, etc.) - e.g., hourly rate X 25 + overtime rate X 10 + holiday rate X 3 + price for CH&E pump model #4200 = Total sum. Weighted percentage factors times the bid rates may also be used; **however, the percentage factors to be used must be shown in the IFB**. Except when life cycle costing principles are employed, price is the sole determining factor under IFB procedures if the bidder is a responsive and responsible bidder.
- E. RENEWAL OF CONTRACT: No term contract can be renewed unless a renewal clause is included in the IFB. (See Appendix B, Section II)
- F. SMALL BUSINESS SUBCONTRACTING AND EVIDENCE OF COMPLIANCE: Required where the prime contract is in excess of \$100,000 no subcontractor opportunities exist. (See 3.10 h. and Appendix B, Section II, 36.) When this term and condition is used then include Annex 6-I in solicitations to be completed by the offeror.
- G. STATE CORPORATION COMMISSION FORM: Required of all bidders pursuant to Title 13.1 or Title 50 (See Appendix B, Section II, 64.). Include SCC Form, Annex 6-J, in Invitation for Bids.
- VI. METHOD OF PAYMENT: Specify when payment will be made, e.g., upon delivery, monthly, quarterly, completion of project, etc. In addition, specify when and where invoices are to be submitted, e.g., by the 10th of the month following the month services were rendered, upon shipment, completion of project, etc. The method of payment should be specified in the IFB.
- VII. PRICING SCHEDULE: Provide space and specify how price is to be submitted, e.g., lump sum, hourly rate, unit price, etc. For example: Lump Sum \$ _____ ; Each \$ _____ (See 3.6).

Time & Material Service Contracts: Where several categories of labor prices are requested, the following statement should be included in the pricing schedule. "Any bidder who enters \$0 on a pricing blank or leaves it blank shall be considered nonresponsive."
- VIII. ATTACHMENTS: List all applicable attachments with a brief statement on their purpose. For example: Vendor Data Sheet (see Annex 6-C) asks for the bidder's number of years in business and a specified number of references.

STEP FOUR:

PREPARE COVER SHEET AND ISSUE THE INVITATION FOR BIDS:.

- A. COVER SHEET: Use the coversheet format on Annex 6-B.
 - 1. IFB#: A control number must be assigned to each IFB issued for identification purposes.
 - 2. ISSUE DATE: This is the date that the IFB is publicly posted and sent to potential bidders.
 - 3. TITLE: .If set-aside accordance with the Small Business Enhancement Award Priority, use the following format: "Small Business Set-Aside Award Priority" followed by the title of the commodity or service being procured (e.g., Small Business Set-Aside Award Priority - Security Services).

COMMODITY CODE: Assign 5-digit commodity code from commodity code book.
 - 4. PERIOD OF CONTRACT: The IFB must state either "from date of award," or specified date to a specified ending date, or delivery of goods or services. If it will be a renewable term contract, put the word "renewable" in parenthesis after the "through" date if the contract contains a renewal clause. This will let potential bidders know right away if you anticipate the contract to go beyond the initial period.

5. **SEALED BIDS WILL BE RECEIVED UNTIL:** Specify the exact date and time which must be at least 10 days after the issue date for sealed solicitations. If the procurement does not meet the criteria for sealed bids, the wording may be changed to say “unsealed bids” and delete the words, “And then opened in public.” If unsealed bids are solicited, include a fax number on the cover sheet for bids to be sent by fax.
- B. **IDENTIFY POTENTIAL SOURCES:** Select appropriate number of sources to solicit. Prepare a solicitation list (see 2.3 and 3.10).
- C. **PUBLISH:** Post in eVA VBO. If set-aside accordance with the Small Business Enhancement Award Priority. Select “Small Business Set-Aside Award Priority” once the set-aside box has been checked in VBO
- D. **ADVERTISING:** Agencies may also post on a designated bulletin board (normally outside the purchasing office) where the general public has access to it or notices may be published in a newspaper of general circulation, at least 10 days prior to the date set for receipt of bids or both (see 3.18 for more information on public posting).

STEP FIVE:

CONDUCT PREBID CONFERENCE AND/OR SITE VISIT: Prebid conferences and/or site visits are required for procurements over \$100,000. See 4.3e for policy and Annex 6-E for guidelines on conducting prebid conferences and site visits. It is recommended that conferences not be made mandatory unless the procurement is so complex that attendance at the conference is required to understand the requirements of the procurement.

STEP SIX:

ISSUE ADDENDUM/ADDENDA: Issue addendum/addenda to correct errors, change bid due date, or to make any needed changes that were identified during the prebid conference, site visit, etc. See Annex 6-F for sample addendum. Upload addenda to the VBO Ads web link on the eVA web site (see 3.18).

STEP SEVEN:

RECEIVE BIDS: Receive bids until the due date and time specified in the IFB. Publicly open bids follow receipt or at the date and time specified in the IFB (see 3.1e). Unsealed bids may be opened and tabulated upon receipt.

STEP EIGHT:

TABULATE THE BIDS, DETERMINE RESPONSIVENESS, AND EVALUATE:

- A. **TABULATE BIDS:** A bid tabulation form should be prepared showing all the vendors solicited, description of item/service, bid prices, bids not returned, and the total price.
- B. **DETERMINE RESPONSIVENESS AND EVALUATE BIDS:** Review all the bids to determine if the bids conform in all material respects to the IFB (see 3.21). Substitution or addition of the bidder’s own contractual terms, taking exception to any of the terms and conditions or specification requirements, failure to submit a bid bond if required in the IFB, failure to sign the bid, submission of sample goods which do not meet the specification, failure to acknowledge receipt of an addendum which affects price, quantity, quality, or delivery, etc., providing multiple prices for performing a service where a single price was solicited, failure to provide prices for all categories of labor in the pricing schedule of a time and materials service contract (if required), may make a bid nonresponsive. See *Vendors Manual*, Section 5.13, for guidelines on mistakes and informalities in bids. Evaluate all responsive bids in accordance with the bid evaluation procedure contained in the IFB to determine the low bidder.

STEP NINE:

DETERMINE RESPONSIBILITY OF THE LOW BIDDER: See 3.20 for guidance. If references were requested to be submitted with the bid, prepare questions, call references, and record their responses. In addition, visit the bidder’s shop/office, if necessary, to satisfy any concerns about the bidder’s capability to perform the service or provide the product.

STEP TEN:

POST NOTICE OF INTENT TO AWARD: Post in eVA VBO for 10 days if a protest of the award is anticipated; otherwise, issue award. See 3.18c & d, and Annex 6-G.

STEP ELEVEN:

REQUEST INSURANCE CERTIFICATE (OPTIONAL): If the solicitation specified insurance and the agency desires to verify the bidder's coverage under the provisions of the insurance clause, the buyer may request the bidder to provide a certificate of insurance for the required coverage.

STEP TWELVE:

AWARD CONTRACT: Use Notice of Award (see Annex 6-H) or an eVA Order, as appropriate. Awards shall be posted on eVA VBO see 3.18).

STEP THIRTEEN:

POST AWARD: The award of a contract is the end of one phase of procurement and the beginning of another equally important phase. This latter phase is contract administration. Its purpose is to assure that the contractor's total performance is in accordance with all the terms and conditions of the contract. An individual should be assigned in writing to be responsible for contract monitoring and oversight. Any deviation from contract requirements must be brought to the attention of the contractor and immediate corrective action required (see Chapter 10).

Annex 6-C

VENDOR DATA SHEET

Note: The following information is required as part of your response to this solicitation. Failure to complete and provide this sheet may result in finding your bid nonresponsive. (In the case of a two-step IFB, it may cause the proposal portion to be determined to be not acceptable.)

1. Qualification: The vendor must have the capability and capacity in all respects to satisfy fully all of the contractual requirements.

2. Vendor's Primary Contact:

Name: _____ Phone: _____

3. Years in Business: Indicate the length of time you have been in business providing this type of good or service:

_____ Years _____ Months

4. Vendor Information:

eVA Vendor ID or DUNS Number: _____

5. Indicate below a listing of at least four (4) current or recent accounts, either commercial or governmental, that your company is servicing, has serviced, or has provided similar goods. Include the length of service and the name, address, and telephone number of the point of contact.

A. Company: _____ Contact: _____

Phone:(____) _____ Fax: (____) _____

Project: _____

Dates of Service: _____ \$ Value: _____

B. Company _____ Contact: _____

Phone:(____) _____ Fax: (____) _____

Project: _____

Dates of Service: _____ \$ Value: _____

C. Company: _____ Contact: _____

Phone:(____) _____ Fax:(____) _____

Project: _____

Dates of Service: _____ \$ Value: _____

D. Company: _____ Contact: _____

Phone:(____) _____ Fax:(____) _____

Project: _____

Dates of Service: _____ \$ Value: _____

I certify the accuracy of this information.

Signed: _____ Title: _____ Date: _____

When used: This form is used as an attachment to a solicitation when the agency or institution wishes to check the bidder's/offeror's references or to verify the bidder's/offeror's experience.

Annex 6-D

IFB SOLICITATION AND FILE CHECKLIST

✓	IFB SOLICITATION CHECKLIST	✓	FILE CHECKLIST
	<u>Approval</u> : If an approval is required, it should be obtained prior to preparing the solicitation and a copy placed in the solicitation file. Examples include: a release from Corrections to purchase a good(s) or service they produce from a commercial source, authority from the DGS/DPS for an agency to make a direct procurement in excess of its delegated purchase authority (see 1.2, 1.4 and 2.1 of this manual).		Special Approval
	<u>Approved Request</u> : Written approval to expend funds must be included in the file.		Purchase Requisition
	<u>Specifications/Scope of Work</u> : The most important part of every solicitation, the specifications or scope of work is a detailed description of what is to be procured. It establishes the quality level that is used to determine the acceptability of the goods or services delivered. The solicitation should clearly state what is wanted, where, when, and how many or how much.		
	<u>Prebid Conferences/Site Visits</u> : If a prebid conference or site visit is to be held, the solicitation must state the date, time, place, and whether attendance is optional or mandatory.		Prebid sign-in sheet
	<u>General Terms and Conditions</u> : The general terms and conditions or “boilerplate” must be included in every solicitation. Taxes, Use of Brand Names, and Transportation and Packaging General Terms and Conditions are not normally required for service contracts. The Insurance clause is not normally required for goods purchases.		
	<u>Special Terms and Conditions</u> : Each procurement is different, and for each solicitation the special terms and conditions used should be carefully reviewed to ensure that the proper ones are included. They should be essential to the requirement, protect the interests of the Commonwealth, and assist the bidder in understanding the agency’s intent.		
	<u>Method of Award</u> : The method of award must be stated in the solicitation, and be based on the requirements stated therein. If the award is based on other than line item, lot, or grand total, a pricing scenario should be included to illustrate how the low bid will be determined.		
	<u>Method of Payment</u> : If payment is to be made prior to final acceptance of the service or goods to be provided, the solicitation should set forth the procedure; e.g., progress payments, partial payments, etc.		
	<u>References</u> : If references are required, the number and type should be specified in the solicitation, and those listed should be checked.		Results of Reference Checks (if requested)

Pre-Award, Receipt & Evaluation, and Post-Award Activities:			
	<u>Bidders List</u> : Solicit a minimum of six (6) sources, including a minimum of four (4) DSBSD-certified small businesses, if available. If set-aside for Small Business Enhancement Award Priority, solicit a minimum of six (6) DSBSD-certified small businesses, if available including (1) micro business. If fewer than the required number of sources are solicited, the reasons shall be documented. Note which vendors are DSBSD-certified small businesses.		Bidders List: Name, addresses of Bidders solicited
	<u>Public Notice</u> : Public notice of the solicitation is required at least ten days prior to the date set for receipt of bids by posting on eVA VBO (see 3.18).		Posted notice of solicitation from eVA VBO
	<u>Solicitation</u> : Original IFB, as issued.		Original solicitation

	<u>Addenda</u> : Any changes to the original solicitation must be made by written addendum, sent to each bidder attending a prebid conference and posted to eVA VBO. A copy of all addenda issued must be maintained in the file.	Addenda issued and uploaded to eVA web site
	<u>Questions/Responses</u> : Answers to questions from potential bidders, which do not require a change to the solicitation, should be shared with all bidders on the bidder's list (or only those attending a mandatory prebid conference).	
	<u>Bid Opening and Evaluation</u> : Bids are closed at the date and time specified in the solicitation, then opened in public and tabulated. See 3.1e. Other factors may be used in the evaluation of the lowest responsive and responsible bidder if stipulated in the solicitation.	Bid tabulation sheet
	<u>Notice of Award or Notice of Intent to Award</u> : Post a Notice of Intent to Award for 10 calendar days if a protest of the award is anticipated; otherwise, issue the Notice of Award and post for 10 days on the DGS/DPS eVA web site (see 3.18).	Award document
	<u>Successful Bid</u> : A copy of the successful bid is retained in the active procurement file.	Successful bid
	<u>Contract Administration</u> : If the contract requires administration by other than the buyer, those responsibilities are assigned in writing.	Contract Administrator assignment
	<u>Insurance/Licenses/References</u> : If other information was required of the contractor, these items must be retained in the procurement file.	
	<u>Unsuccessful Bids</u> : Copies of the unsuccessful bids are retained as a part of the inactive permanent record.	Unsuccessful bids

The following items should be considered when developing the solicitation:	
	For BOTH Goods and Service Procurements:
	<u>Bonds</u> : For the procurement of goods or services other than construction, for any dollar amount, consider if bid, performance or payment bonds are necessary to protect the Commonwealth's interest.
	<u>Cancellation Clause</u> : If the solicitation will result in a term contract this clause should be included. This is not an appropriate clause for spot purchases (see Appendix B for sample clause).
	<u>Liquidated Damages</u> : If time and delivery are critical, it may be necessary to include a provision for liquidated damages. The basis for the amount of liquidated damages assessed must be supportable and reasonable, considering the service or goods being purchased and the impact of delay on the Commonwealth. A liquidated damages clause is not to be used as a penalty but as a means to access for damages which may be incurred by late delivery.
	<u>Ownership of Documents</u> : If the contract will result in the production of plans, camera ready copy, art work, or any other material that has been paid for by the Commonwealth and is required for subsequent or future production, then the appropriate special clause should be used in the solicitation to ensure ownership and retention by the Commonwealth.
	<u>Performance Period</u> : The performance period stated in the contract must include a starting and ending date, or the contract period must be for a specific period of time after a starting point; e.g., 120 days after date of award. If an option to renew the contract for an additional period is desired, the option must be stated in the solicitation.
	<u>Prompt Payment Discount</u> : If there is a certainty that payment can be made within a specified period, then a solicitation may be issued including a provision that discounts offered for prompt payment will be considered in determining the low bid. The provision should establish a minimum number of days that the agency will consider; e.g., prompt payment discounts for less than 30 days will not be considered.
	<u>Small Business Subcontracting and Evidence of Compliance</u> : Use in solicitations for goods, nonprofessional services, or non capital outlay construction when a small business subcontracting plan is a condition of the award. Required in solicitations valued over \$100,000 unless a written determination is made, signed by the chief purchasing officer and supported by factual evidence explaining in sufficient detail why no subcontracting opportunities exist.
	<u>Vendor Data Sheet</u> : If the agency wishes to check bidder's/offeror's references or to verify the bidder's/offeror's experience, the Vendor Data Sheet should be included as an attachment to the solicitation (see Annex 6-C).

--	--

	For Goods Procurements:
	<u>Inside Delivery</u> : If inside delivery is required, the solicitation should so state. Consider specifying access requirements, e.g., elevator, loading dock, stairwell limitations.
	<u>Samples/Demonstration</u> : If samples or demonstration models are required, the type, quantity, size, the place, and time for submission must be stated in the solicitation.
	<u>Technical Data</u> : If technical data will be required for evaluation, the solicitation should specify when and where the data should be submitted.
	<u>Warranty</u> : If a warranty is required, specify the type and minimum warranty period in the solicitation.

	For Service Procurements:
	<u>Bonds</u> : If personal bonding is desired such as financial or security service, the requirement should be stated in the solicitation.
	<u>Facilities</u> : If the agency will provide facilities for use by the contractor, such as a storage area, this should be stated in the solicitation. If the contractor is required to provide equipment or facilities, it should also be stated in the solicitation.
	<u>Hours of Work - Access to Agency Facilities</u> : If the hours of work and access to the agency's facilities are restricted to certain time periods and dates, the solicitation should so specify. If the resulting contract is not a fixed price contract and overtime work can be anticipated, the pricing schedule should require a statement of overtime rates.
	<u>Licensing Requirements</u> : State any requirements for licensing. Contractors must comply with licensing requirements (see 3.4). The file must show documentation of the contractor's license number when written bids are required.
	<u>Personnel Approval</u> : If the agency desires to approve individuals employed by the contractor under the terms of the contract, or to exercise some degree of control over contractor's personnel, the requirement must be included in the solicitation.
	<u>Response Time/Service Calls</u> : If the vendor must respond to a service call within a specific time frame, the time frame must be specified in the solicitation.
	<u>Sub-Contractor Approval</u> : If sub-contractors may be involved in satisfying the requirement and there is a need to approve the sub-contractors on a project, then the solicitation should state what approvals the Commonwealth wishes to exercise (Annex B).

	For Construction Procurements:
	See 4.24 - The procurement of "construction" for "Capital Outlay Projects" is governed by the rules of the <i>Construction and Professional Services Manual</i> , issued by DGS/Division of Engineering and Buildings.
	<u>Bonds</u> : For construction contracts in excess of \$500,000, a bid bond, performance and payment bonds are required.
	<u>Drawings, As-Built</u> : If "as-built drawings" are required, specify the number of copies, when, and to whom they are to be delivered.
	<u>Drawings, Shop</u> : If shop drawings are required, specify when and to whom they are to be submitted, approvals required, and time limits for review or changes, by both the agency and the contractor.
	<u>Material/Supplies</u> : If there is agency furnished material to be supplied to the contractor, the solicitation must provide for its control, and return, or disposition. If the contractor is to furnish material or supplies, the quantity, quality, and availability must be specified.

Annex 6-E

PREBID OR PREPROPOSAL CONFERENCE CHECKLIST

The following points are to be considered when prebid or preproposal conferences are used:

___ Requirement: Prebid or preproposal conferences are required for complex and/or large dollar value (over \$100,000) solicitations (see 4.3e).

Preparation:

___ Reserve a meeting room suitable to accommodate the anticipated attendance. Be sure the site is accessible; if outside, specify an alternate date in the event of inclement weather.

___ Coordinate with the user to determine who will speak for the requisitioning activity and conduct the conference and/or site visit.

___ Have extra copies available of the solicitation and all attachments.

___ Electronically record the meeting, or have someone take notes.

___ Have a sign-in register prepared.

Conduct of Conference/Site Visit:

___ Note the date, time, location, and name of solicitation for recorded conferences. If this is a mandatory conference and a cutoff time for late arrivals was stated in the solicitation, remind attendees, and enforce it.

___ Welcome participants, and introduce key people.

___ Require all present to sign the register and include their title or position and the firm or agency they represent.

___ Explain the purpose of the conference/site visit - how it is to be conducted, how any addenda are issued, if necessary, and whether attendance is mandatory or not, etc. Advise all participants if the conference is to be recorded, and request that they state their name and affiliation each time they ask a question or make a statement. Attendees are to be told that no changes resulting from the conference are official unless issued in writing in the form of an addendum.

___ The solicitation serves as the agenda for the conference. Review the solicitation on a page-by-page basis with emphasis on special conditions, specifications, and site conditions that must be addressed in solicitation responses.

After the conference:

___ Review the transcript or recording to determine the need for revising the solicitation by issuing an addendum.

___ If an addendum is to be issued, prepare it as indicated in the example provided in Annex 6-F.

NOTE: The spokesperson for the agency should:

- control the conference/site visit;
- consider all vendor comments;
- encourage vendor participation; and
- repeat all questions and answers to ensure that they are heard and understood; and
- at the conclusion, summarize what was discussed.

State personnel at the conference should not:

- express opinions on the validity of the requirements;
- tell vendors how to do their job;
- discuss the pros and cons of vendor questions with other State personnel in front of the vendors;
- take a vote of the vendors on a question relative to the solicitation; or
- argue with vendors at the conference.

Annex 6-F

IFB/RFP ADDENDUM FORMAT

(Agency Letterhead)

September 15, 1998

ADDENDUM NO. 1 TO ALL BIDDERS:

Reference - Invitation For Bids: IFB #905-02
Commodity: Building Interior Alterations & Remodeling
Dated: September 1, 1998
For Delivery To: Departments, Institutions,
Agencies, Commonwealth of Virginia
Bid Due: See Attached
Prebid Conference: September 11, 1998

The above is hereby changed to read:

1. Reference Page 1, Bid Due Date: Change to read "Sealed Bids Will Be Received Until 2 p.m., October 10, 1998."
2. Reference Page 1, Bid Opening Date: Change to read "Bids Will Be Opened in Public at 2 p.m., October 10, 1998."
3. Reference Page 2, Section 2, Paragraph 2.1 F., second line: Change "prime one coat and paint one coat" to read "prime one coat and paint two coats."
4. Reference Page 3, Section 2, Paragraph 2.2, first sentence, second line: Insert after "agency's work site" the words "within three (3) workdays."
5. Reference Page 3, Section 2, Paragraph 2.2, 11th line: After the sentence ending with the words "agency's purchase order" insert the following sentence: "The contractor, in establishing the target date for completion, will take into account the time required to obtain delivery of the required materials and, where appropriate, will advise the agency if the availability of materials will delay the start of work on the project beyond the five-day limit called for in the Pricing Schedule (Attachment A, Paragraph 5, on page 21)."
6. Reference Page 4, Section 4, Paragraph 4.1: After last sentence add, "The procedures in Chapter 5, paragraph 5.13, Mistakes in Bids, are modified to note that the provisions of § 2.2-4330A(ii) of the *Code of Virginia* apply to this procurement."
7. Reference Pages 17, 18 and 19 Headings: Above the word "QUANTITY" insert the word "ESTIMATED."

Note: A signed acknowledgment of this addendum must be received at the location indicated on the IFB either prior to the bid due date and hour or attached to your bid. Signature on this addendum does not substitute for your signature on the original bid document. The original bid document must be signed.

Very truly yours,

John Q. Public
Contract Officer
Phone: 804-123-4567

Name of Firm

Signature/Title

Date

Annex 6-G

(AGENCY LETTERHEAD)

COMMONWEALTH OF VIRGINIA

NOTICE OF INTENT TO AWARD

DATE _____

COMMODITY _____

IN RESPONSE TO IFB/RFP # _____ OF _____ (ISSUE DATE)

CONTRACTOR(S)/VENDOR(S) _____

Records for this procurement are now available for inspection by any (bidder/offeror) on this (IFB/RFP)

(Purchase officer/contract officer) _____ (Signature)
Name typed or printed



Annex 6-H

(AGENCY LETTERHEAD)

COMMONWEALTH OF VIRGINIA

NOTICE OF AWARD

Contract No. _____

Date _____

Vendor Reference No. _____

Name _____

Address _____

Your Bid/Offer Dated _____

In Response To _____

To Furnish _____

During the Period _____

hereby is accepted at prices and terms stated, subject to all conditions and requirements of the solicitation, purchase specifications, warranties, performance bond and other stipulations, if any.

The solicitation, your bid or offer and this notice of acceptance constitute the contract.

Purchase Officer or Contract Officer

Note: This form (or the eVA Order) is used to award a contract.

Annex 6-I

Small Business Subcontracting Plan

It is the goal of the Commonwealth that over 42% of its purchases be made from small businesses. All potential bidders are required to submit a Small Business Subcontracting Plan.

PIM 98-033

→ **Small Business:** "Small business (including micro)" means a business which holds a certification as such by the Virginia Department of Small Business and Supplier Diversity (DSBSD) on the due date for bids. This shall also include DSBSD-certified women- and minority-owned businesses when they also hold a DSBSD certification as a small business on the bid due date. Currently, DSBSD offers small business certification and micro business designation to firms that qualify.

→ Certification applications are available through DSBSD online at www.DSBSD.virginia.gov (Customer Service).

Bidder Name: _____

Preparer Name: _____ **Date:** _____

Instructions

- A. If you are certified by the DSBSD as a micro/small business, complete only Section A of this form. This includes DSBSD-certified women-owned and minority-owned businesses when they have also received DSBSD small business certification.
- B. If you are not a DSBSD-certified small business, complete Section B of this form. For the bid to be considered and the bidder to be declared responsive, the bidder shall identify the portions of the contract that will be subcontracted to DSBSD-certified small business for the initial contract period in relation to the bidder's total price for the initial contract period. in Section B.

Section A

If your firm is certified by the DSBSD provide your certification number and the date of certification.

Certification number: _____ Certification Date: _____

Section B

Populate the table below to show your firm's plans for utilization of DSBSD-certified small businesses in the performance of this contract for the initial contract period in relation to the bidder's total price for the initial contract period. Certified small businesses include but are not limited to DSBSD-certified women-owned and minority-owned businesses that have also received the DSBSD small business certification. Include plans to utilize small businesses as part of joint ventures, partnerships, subcontractors, suppliers, etc. It is important to note that these proposed participation will be incorporated into the subsequent contract and will be a requirement of the contract. Failure to obtain the proposed participation percentages may result in breach of the contract.

B. Plans for Utilization of DSBSD-Certified Small Businesses for this Procurement

Micro/Small Business Name & Address DSBSD Certificate #	Status if Micro/Small Business is also: Women (W), Minority (M)	Contact Person, Telephone & Email	Type of Goods and/or Services	Planned Involvement During Initial Period of the Contract	Planned Contract Dollars During Initial Period of the Contract (\$ or %)
Totals \$					

Annex 6-J

State Corporation Commission Form

Virginia State Corporation Commission (SCC) registration information. The bidder:

is a corporation or other business entity with the following SCC identification number:
_____ **-OR-**

is not a corporation, limited liability company, limited partnership, registered limited liability partnership, or business trust **-OR-**

is an out-of-state business entity that does not regularly and continuously maintain as part of its ordinary and customary business any employees, agents, offices, facilities, or inventories in Virginia (not counting any employees or agents in Virginia who merely solicit orders that require acceptance outside Virginia before they become contracts, and not counting any incidental presence of the bidder in Virginia that is needed in order to assemble, maintain, and repair goods in accordance with the contracts by which such goods were sold and shipped into Virginia from bidder's out-of-state location) **-OR-**

is an out-of-state business entity that is including with this bid an opinion of legal counsel which accurately and completely discloses the undersigned bidder's current contacts with Virginia and describes why those contacts do not constitute the transaction of business in Virginia within the meaning of § 13.1-757 or other similar provisions in Titles 13.1 or 50 of the Code of Virginia.

****NOTE**** >> Check the following box if you have not completed any of the foregoing options but currently have pending before the SCC an application for authority to transact business in the Commonwealth of Virginia and wish to be considered for a waiver to allow you to submit the SCC identification number after the due date for bids (the Commonwealth reserves the right to determine in its sole discretion whether to allow such waiver):

