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AB425

BIDDING REQUIREMENTS AND CONDITIONS

102.07 Irregular Proposals. Proposals will be considered irregular and may be rejected for the following reasons:

- (a) If the proposal is on a form other than that furnished by the Department, or if the form is altered or any part thereof is detached.
- (b) If there are unauthorized additions, conditional or alternate bids, or irregularities of any kind which may tend to make the proposal incomplete, indefinite, or ambiguous as to its meaning.
- (c) If the bidder adds any provisions reserving the right to accept or reject an award, or to enter into a contract pursuant to an award.

This does not exclude a bid limiting the maximum gross amount of awards acceptable to any one bidder or at any one bid letting, provided that the selection of any bid awards be made by the Department. See Subsection 102.14.

- (d) If the unit prices contained in the proposal are obviously unbalanced, either in excess or below the reasonable cost analysis values.
- (e) If the proposal does not contain a unit price for each pay item listed except in the case of authorized alternate pay items.

Following the opening of bids, the Department will examine the unit bid prices of all bidders for reasonable conformance with the Engineer's Estimate. A bid tabulation including calculated percentage variances from the Engineer's Estimate for each bid item will be forwarded to the Chairman of the Bid Review and Analysis Team (BRAT) for further review.

In determining whether a unit bid price is unbalanced and subject to rejection, the BRAT will consider, but not be limited to, the following criteria:

- (a) Mathematically unbalanced bids which are not found to be materially unbalanced may be awarded.
- (b) If the quantities as bid are incorrect and the contract cost will be increased when quantities are corrected, the bid may be rejected.
- (c) On items where the quantities may vary, if the anticipated variation in quantity would result in the lower bidder not remaining as the low bidder, the bid may be rejected.
- (d) If the mathematical unbalancing has a potential detrimental effect upon the competitive process or can cause contract administration problems after the award, the bid may be rejected.
- (e) Over pricing items for work done early in the contract (front end loading) could be considered as a materially unbalanced bid, and the bid may be rejected.

Other factors the BRAT will consider in the bid analysis are:

Number of bids.

Distribution or range of bids.

Potential for savings if the contract is readvertised.

Bid prices for the contract under review versus bid prices for similar contracts in the same or recent lettings.

Urgency/effect of delay on the construction of the contract.

Current market conditions/workload.

The significance of the variance of individual unit bid prices from the Engineer's Estimate and if there is any justification for the difference.

Other factors that may be important to the contract.

After review, the BRAT will prepare a report and make one of the following recommendations:

Award to the apparent low bidder.

Award to the apparent second low bidder.

Reject all bids and may readvertise.

Assembly Commerce & Labor

Date 3/24/03 Room 4100 Exhibit S

Submitted By: Ruedy Edgington