Newaygo County Regional Educational Service Agency
4747 W. 48th Street
Fremont, MI 49412
(231) 924-0381

Responsible and Qualified Contractor Policy **Board Policy 4760**
(Cf. 3660, 4770)

The Board of Education believes that contractors selected to work on building construction, additions, repairs and/or renovations must meet specific qualifications.

In order to be selected as the successful bidder to construct or renovate buildings in the Newaygo County RESA, construction firms must be exemplary in their construction techniques and business practices. The purpose of this policy is to assure the Board of Education that the Agency's construction and renovation projects utilize the specified materials and equipment, and employ qualified team members. The Board can refuse to hire any contractor who does not meet the requirements of this policy. The Board may reject any bid proposals that, in the Board's opinion or findings, contain inaccurate information.

The Board's criteria in selecting a contractor(s) for school construction projects shall be determined from the lowest responsible and qualified bidder on the construction project(s) that meet the requirements of law, this policy, and the administrative rules for this policy developed by the Superintendent. The Board of Education reserves the right to accept or reject a bid or combination of bids.[1] The criteria and procedures for rejecting a bid or combination of bids shall be included in the construction bid documents, as appropriate to the type of work for which bids are solicited, and, as permitted by law, by the school Board's construction manager, and/or design professionals.

The school's role in selecting a contractor(s) on construction projects shall be determined from the lowest responsible bid on the construction project(s) that meet the requirements of this policy.

Suspension or Revocation

The Board may, for good cause, suspend a contractor for a specified period or revoke the contract according to rules and criteria developed by the Superintendent. A contractor whose contract with the Board has been suspended or revoked shall be given the benefit of reconsideration and appeal.

The Superintendent shall promulgate appropriate administrative rules to implement this policy.

Approved: 5/7/07; 5/21/12
LEGAL REF: MCL 129.201 – 212; 380.1263; 380.1267; 388.851 – 855a; OAG 6789, 1994.

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Responsible and Qualified Contractor Policy **Administrative Regulation 4760**
(Cf. 3660, 4770)

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

Definitions

Responsible and Qualified Contractor Training (trained workforce) – is a contractor who 1) has the appropriate qualifications, experience, reputation, employer relations, responsiveness, fees, and dependability to perform the required work as described in this policy; 2) provides workers fair compensation and fair benefits as evidenced by payroll and employer records for the required work; and 3) compliance with all local, state and federal laws.

Legal Compliance – is a contractor that complies with all applicable federal, state and local laws, regulations, and ordinences, including, but not limited to, insurance, withholding taxes, minimum wage, health and safety, and environmental matters.

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 Responsible Bidder – a responsible contractor with the lowest cost bid that satisfies the requirements of all local, state, and federal laws; this policy; any bid documents used to solicit bids; and any other guidelines and specifications required for the construction project. Submitted bids must beeakout labor costs from material and equipment costs.

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 and Process

The Agency 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 bidder's company, its Principals or Directors, 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.

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 or exceeding the total project cost from a company with an A.M. Best Company rating of B+ or better and qualified to do business in the State of Michigan.

5. A warranty statement regarding labor, equipment, and materials, provided by contractors and subcontractors.

6. A disclosure of all workplace injuries and cited violations for work and business operations, including taxes and financial liabilities.

7. 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.

8. 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.

9. Contact information for individuals or entities for which the contractor has worked (in the last five years) from which references might be sought.

10. Evidence of a quality assurance program and 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.

11. Disclose payrates for employees, an indication if health plans are provided and if employees are provided paid sick leave.

12. The ratio of masters or journeypersons to apprentices proposed to be used on the construction job site.

13. Documentation that the bidder maintains, participates in, and contributes to a bona fide apprenticeship training program as required by the State of Michigan and approved by the United States Department of Labor, Bureau of Apprenticeship and Training (BAT) if apprentices are used on the job site.

14. Verification that no illegal non-US citizens will work on the project nor will the fraudulent use of the federal government's H2B visa program for immigrant construction workers be allowed.

15. A statement of determination from the contractor/sub-contractor on what percentage of their work force can be drawn significantly from area residents because it's a goal of the school district to utilize, in its construction activites, local residents as much as is economically feasible while retaining the high quality of construction required for its construction activities. The Board will consider in evaluating which bids best serve the interest of the District, the extent to which responsible and qualified bidders are able to achieve this goal.

16. A list of similar projects completed within the past five (5) years, including dates, clients, approximate dollar value, and size.

17. Verification of an existing Fitness for Duty Program (drug and alcohol) of each employee working on the proposed jobsite.

18. A warranty statement regarding labor and materials.

19. Have an existing Michigan School-to-Registered Apprenticeship Program partnership within the school district, intermediate school district/secondary career technical center or community college.

20. Assurance that all construction work for this project shall proceed economically, efficiently, continuously and without interruption.

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 Agency 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:

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.

Purpose

To support and encourage the engagement of contractors who can be expected to provide high quality service to NC RESA, utilizing properly trained and fairly compensated employees.

NC RESA supports a health and profitable business environment through market competition, small business development and control of operating costs. This policy seeks to ensure that NC RESA contractors will be selected based upon demonstrated ability to provide high quality services. This will be evidenced by contractor's records of compliance with applicable statutes, payment of fair compensation, as well as by their experience, reputation, responsiveness, fees and dependability.

Implemented: 10/13/08; 5/21/12