

Dear Design Consultants:

The 2013-15 Wisconsin State Budget (2013 Wisconsin Act 20) significantly altered the bidding and contracting processes for state construction projects. In summary, it created a mandatory pre-bid contractor certification program for projects over \$50,000 and required that all projects over \$185,000 are let through single prime bidding and contracting. Under the new single prime bidding and contracting process, the State will enter into a single contract with the General Prime Contractor (GPC) and the GPC will enter into subcontracts with the successful Mechanical, Electrical, Plumbing, and Fire Protection (MEP) bidders identified by DFD.

The purpose of this communication is to identify the changes that will impact A/E's working on DFD projects. These changes are also discussed in the explanation section of the new "Project Manual for the Preparation of Bid Specifications" (Front End). Please note there are also new deliverables required from the A/E's. These changes have not yet been reflected in the A/E Policy and Procedure manual, therefore this communication should be used as your guide until the manual is updated.

DOA/DFD bidding and contracting documents have been updated to reflect the changes in the law. Effective immediately, please use the new versions and delete any existing versions you may have of the "Project Manual for the Preparation of Bid Specifications" including Front End documents, General Requirements, General Conditions, pre-printed read-only documents, and associated DOA forms. **All projects bid after January 1, 2014 must use the new sets of documents.** These new documents are posted on the DFD website in the Master Specifications / Design Guidelines section and can be accessed at <http://www.doa.state.wi.us/Divisions/Facilities-Development/Document-Library/Master-Specifications-Design-Guidelines>.

The most important changes are summarized below. Please read this information carefully because the bidding documents have changed significantly.

Changes for projects over \$185,000 include:

- **Bid Packages:** All bid packages will be developed and let as follows:
 - DFD will publicly bid the MEP divisions of work first. Within five days of the MEP bid opening, DFD will identify the lowest, qualified, responsible, certified MEP bidder in each division of work and publish their bids on the DFD bidding website.
 - Within five days of the publication of successful MEP bidders, DFD will publicly bid the General Prime Contractor bid package. Bids submitted by General Prime Contractors must include the successful MEP bids identified by DFD. The lowest, qualified, responsible, certified General Prime Contractor will enter into a contract with the State and into subcontracts with the identified MEP bidders.
 - Hazardous materials abatement and/or asbestos abatement will be bid separately. These contracts will be held directly with the state.
- ***New* A/E Project Schedule Requirement:** The new law requires that both the MEP and GPC Instructions to Bidders include an identical high-level project schedule with major milestones for use in formulating bids. **THE A/E IS RESPONSIBLE FOR DEVELOPING THIS MAJOR MILESTONE SCHEDULE FOR INCLUSION IN THE BID DOCUMENTS FOR ALL PROJECTS OVER \$185,000.** The new Front End documents include the format the A/E is required to use to develop the project schedule for the MEP and GPC Instructions to Bidders.

- **Bidding Documents:** The bidding documents have been revised to include the new single prime bidding and contracting requirements. Two separate Front End documents have been developed for the MEP bid package and the GPC bid package. Definitions have also been updated throughout both sets of documents. These new documents have been posted at <http://www.doa.state.wi.us/Divisions/Facilities-Development/Document-Library/Master-Specifications-Design-Guidelines>. **PLEASE MAKE SURE TO USE THESE NEW DOCUMENTS FOR ALL PROJECTS OVER \$185,000.**

The new MEP bidding documents include:

- MEP Instructions to Bidders
- Three new bond forms
- General Requirements
- Technical Specifications and Drawings
- Appendix 1 includes a copy of the GPC's contract with the state, associated forms, and the Supplemental General Conditions

The new GPC bidding documents include:

- GPC Instructions to Bidders
- Three new bond forms
- General Prime Contractor Contract General Conditions
- Supplemental General Conditions
- General Requirements
- Technical Specifications and Drawings

- **Contractor Certification:** Under the new law, all potential bidders must become certified by DFD prior to submitting bids on projects over \$50,000. The bidding documents have been updated to include this requirement.
- **MEP Subcontract with the GPC:** Specific contractual provisions that must be inserted into the contracts between GPC and MEP subcontractors are included in both the MEP and the GPC Instructions to Bidders.
- **Separate 100% Performance and 100% Payment Bonds:** The MEP subcontractors and the GPC are now required to furnish separate 100% performance and 100% payment bonds. The bidding documents have been updated to reflect this new requirement and include the new separate bond forms.
- **Bid Form:** Separate bid forms have been developed for the MEP and GPC bids. The GPC bid form is for all work and includes spaces for the successful MEP bidder names and amounts identified by DFD.
- **Combined Bids:** Combined bids are only allowed on MEP divisions of work. Spaces are provided on the Bid Form for combined MEP bids.
- **Alternate Bids:** Alternate Bids are now prohibited by law. DFD will not request or accept any alternate bids. This information has been removed from the bidding documents. Please make sure you do not include any alternate bids in the bidding documents you develop.
- **Value Enhancements:** By law, the scope of work in the contract must remain identical to the scope of work bid by the MEP subcontractors and the GPC. Therefore, DFD can no longer accept value enhancement proposals from bidders.

- **General Conditions:** The General Conditions have been revised to reflect changes in the law. The new "General Conditions of the General Prime Contractor Contract" document is a read-only document that may not be edited. It is included in the GPC bidding documents and in Appendix 1 of the MEP bidding documents.
- **New DOA Bond Forms:** Four new bond forms have been created: The GPC Bid Bond, the MEP Bid Bond, 100% Performance Bond, and separate 100% Payment Bond.
- **Addenda:** DFD will issue an addendum after the MEP bid date to identify the successful MEP bidders. DFD will also issue an addendum if any MEP bidder withdraws their bid after the successful MEPs have been identified by DFD. **The A/E will not be required to draft or issue these addenda.**

Changes for projects \$50,000 - \$185,000 include:

- **Contractor Certification:** Under the new law, all potential bidders must become certified by DFD **prior** to submitting bids on projects over \$50,000. The bidding documents have been updated to include this requirement.
- **Alternate Bids:** Alternate Bids are now prohibited by law. DFD will **not** request or accept any alternate bids. This information has been removed from the bidding documents. Please make sure you do not include any alternate bids in the bidding documents you develop.
- **Separate 100% Performance and 100% Payment Bonds:** The MEP subcontractors and the GPC are now required to furnish separate 100% performance and 100% payment bonds. The bidding documents have been updated to reflect this new requirement and include the new separate bond forms.
- **Bid Guarantee:** All projects over \$50,000 now require a bid guarantee. Please make sure you include the bid guarantee requirement in all bidding documents for projects over \$50,000.
- **Bidding Documents for Solicited Bids:** The Solicited Bid Project Template has been revised to reflect the changes in the law. Revised documents are posted at <http://www.doa.state.wi.us/Divisions/Facilities-Development/Small-Project-Program>. **PLEASE MAKE SURE TO USE THESE NEW DOCUMENTS FOR ALL SOLICITED BID PROJECTS BETWEEN \$50,000 - \$185,000.** Please refer to the Small Project Program webpage for updates.

Please do not edit any information in the new documents other than items specified in red text. Please do not renumber the base bid numbers, and do not change the titles of documents. The preprinted read-only documents should not be edited and should be inserted into the bidding documents as specified.

For more information on how projects will be let under the new system, please access the <http://www.doa.state.wi.us/Divisions/Facilities-Development/Construction/single-prime-bidding-and-contracting> page on the DFD website.

Please do not hesitate to contact RJ Binou at RJ.Binou@wisconsin.gov with any questions about this information. Thank you for your attention in this important matter.

Sincerely,

Division of Facilities Development
Wisconsin Department of Administration