

NEW SCHOOL CONSTRUCTION, RENOVATION

Before beginning construction of a new school building, or an addition, repair or renovation of an existing school building, except emergency repairs, the Board, shall obtain competitive bids on all the material and labor required for the complete construction of a proposed new building, addition to, repair of, or renovation of an existing school building.

This policy does not apply to buildings, renovations, or repairs costing less than the amount required by State statute or to repair work normally performed by District employees.

The Board shall advertise for the bids required under the following subsections:

- A. By placing an advertisement for bids at least once in a newspaper of general circulation in the area where the building or addition is to be constructed or where the repair or renovation of an existing building is to take place and by posting an advertisement for bids for at least two (2) weeks on the Department of Management and Budget website on a page on the website maintained for this purpose or on a website maintained by a school organization and designated by the Department of Management and Budget for this purpose.
- B. By submitting the request for bids for placement on the Michigan Department of Management and Budget's website for school organizations, including a link to the District's website.
- C. The advertisement for bids shall do all of the following:
 - 1. specify the date and time by which all bids must be received by the Board at a designated location;
 - 2. state that the Board will not consider or accept a bid received after the date and time specified for bid submission;
 - 3. identify the time, date, and place of a public meeting at which the Board or its designee will open and read aloud each bid received by the Board by the date and time specified in advertisement;
 - 4. state that the bid shall be accompanied by a sworn and notarized statement disclosing any familial relationship that exists between the owner or any employee of the bidder and any member of the Board or the Superintendent of the

District. A Board shall not accept a bid that does not include this sworn and notarized disclosure statement.

- D. The Board shall require each bidder for a contract under this policy, to file with the Board security in an amount not less than 5% of the amount of the bid conditioned to secure the District from loss or damage by reason of the withdrawal of the bid or by the failure of the bidder to enter a contract for performance, if the bid is accepted by the Board.
- E. The Board shall not open, consider, or accept a bid that the Board receives after the date and time specified for bid submission in the advertisement for bids as described in subsection C of this policy.
- F. At a public meeting identified in the advertisement for bids described in subsection C of this policy, the Board or its designee shall open and read aloud each bid that the Board received at or before the time and date for bid submission specified in the advertisement for bids. The Board may reject any or all bids, and if all bids are rejected, shall readvertise in the manner required by this policy.
- G. The maximum amount specified above \$20,959.00 (September 2008) is adjusted each year by multiplying the amount for the immediately preceding year by the percentage by which the average consumer price index for all items for the twelve (12) months ending August 31st of the year in which the adjustment is made differs from that index's average for the twelve (12) months ending on August 31st of the immediately preceding year and adding that product to the maximum amount that applied in the immediately preceding year, rounding to the nearest whole dollar. The current exempt amount must be confirmed with the Michigan Department of Education prior to issuing contracts for construction, renovation, or repair which exceed the amount listed in this policy.
- H. For contracts in excess of base amount established by the State of Michigan, proof shall be submitted annually of their coverage of liability and workers compensation insurance as required by Michigan law to the Business Office prior to commencement of construction. All bids on construction projects shall stipulate that the contractor shall provide liability coverage, which total at least \$1,000,000.00.

- I. Before any contract of \$50,000 or more is awarded, the contractor shall furnish at his or her own cost to the governmental unit a performance bond equal to at least 25% of the contract amount, and a payment bond equal to at least 25% of the contract amount, which shall become binding upon the award of the contract to the principal contractor.

- J. Final payments on contracts will not be made until all product guarantees, warranties, operating manuals, training, record documents, and workmanship guarantees for materials and performance of services are duly executed and signed documents are delivered to the District.

M.C.L.A. 380.1267, 129.201-211

Adopted December 1, 2008