

Common Bidding Mistakes

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Bidders must pay attention to the details, and dot the “i’s” and cross the “t’s”. The ITB, RFP or RFQ will likely have detailed requirements as to the form and content, and additional materials that bidders must supply to be found responsive. Failure to address the details of the submission may be the difference between an award and loss of significant revenues.

Here are some common bidding mistakes to avoid:

Submittal Deadlines. The solicitation will include the specific date, time, and location that the bid or proposal is due. If the full and complete submission is not received as specified, it will result in a rejection.

License Requirements. Most projects require some type of license. It may be a contractor’s license required by statute, or as simple as a local occupational license. Either way, if the advertisement requires a license, be sure to include proof.

Pricing. An agency must be able to ascertain the contractor’s price. Ambiguities or incomplete pricing will generally lead to a rejection of the bid or proposal. Remember that a fundamental tenant of public procurement is that bidders should be afforded fair and equal opportunity to compete. So if a bid is incomplete or vague, the agency will ordinarily not permit the bidder to correct or amend its pricing after the bid opening.

Insurance and Bonding. The project may require specific insurance coverage, and performance and payment bonds. A bidder must be able to demonstrate its ability to acquire the required insurance and/or bonds. The solicitation may also require a “bid bond.” The type and form of the bonds specified should be carefully reviewed in order that the bonds submitted or tendered provide the correct coverage.

Execution of Signature Pages. Most solicitations require a manual signature, by an authorized representative of the bidding entity.

Incomplete Bid Packages. In addition to providing a price for the goods or

services, there will often times be other forms, affidavits and attachments required. These may include a Drug Free Workplace certification, non-collusive affidavit, or other affirmations. Bidders should develop a system to check off all requirements of the solicitation to make sure nothing is left out.

Bidding Through the Proper Entity. The entity that submits the bid should be the same entity that will do the work. For example, for a construction project, the entity itself may need to be qualified pursuant to Florida law. It may not be sufficient to rely on the experience of individual employees or the qualifications of affiliated companies. The specifications will usually provide guidance.

Failing to Specify Subcontractors. The solicitation may require the disclosure and/or certain qualifications of subcontractors to be used or offered to meet requirements of the project. If so, this information, and proof of the subcontractor qualifications must be included in the submission.

Requesting Clarification. If you are in doubt as to the meaning of a bid term, then follow the procedure to seek clarification or an addendum. Additionally, bidders generally cannot rely on oral representations of the agency's staff. Seek clarification in writing if the terms are unclear.

Bidding Alternatives. The purchasing agency may not know, for budgetary or other reasons, whether it will award a project in whole or in part. The agency may also be considering options or "alternates". If the advertisement requires the bidder to submit pricing for alternates, the failure include the information may result in a rejection.

Thus, in these difficult economic times, it is imperative to pay attention to the details to avoid loss of a business opportunity. Given the legal consequences of the above mistakes, bidders are well served by paying attention to the detail.