



## HOUSING AND NEIGHBORHOOD SERVICES

### GPHNS Bidding Process

Approved contractors must have a completed and verified application on file and current acceptable insurance coverage, with the City of Grand Prairie listed as the also insured on the certificate. There must be no exclusions or disbarments on the HUD SAM contractor exclusion check system; and all trades related (electrical, mechanical, plumbing etc.) must be registered with the City of Grand Prairie Building Inspections office. All of these requirements are verified prior to being allowed to bid on GPHNS projects.

After preparing a work write-up for the job to be bid based on a thorough inspection, the Rehabilitation Coordinator develops a detailed Project Specification/Cost Estimate utilizing the National Construction Estimator and various construction product web sites. The cost estimate is based on current material and labor costs associated with work to be done on a specific project.

- The Project Cost Estimate is completed with high and low ranges. The high limit is 10% above cost estimate itself, with the low limit being 10% below the cost estimate. The lowest responsive and responsible bid within the acceptable range is awarded the project.
- Example: Project Estimate = \$10, 000  
High limit = \$11,000, Low limit = \$9,000, Acceptable range = \$9,000 - \$11,000

Bids received = 1) \$13,000, 2) \$8,000, 3) \$7,500, 4) \$9,250, 5) \$10,500  
Winning bid is the #4 bid.

Bid requests are sent out by U.S. mail, email or can be picked up by the approved pool of contractors. Based on the size and intricacy of the job, 5-10 business days are allotted to return the completed bid by email or in person by the final due date and time. Bids that are returned in person are date/time stamped. Emailed bids are printed with date and time received. All bids submitted are maintained in the project file.

Bids below the low limit of the project estimate are typically caused by calculation mistakes on the submitted bid, or totally missed items. Excluding these bids, based on the cost estimate, low limit eliminates excessive change orders and/or the inability of the contractor to meet contractual obligations. This also allows the Department to compare costs across bidders and ensure cost reasonableness per HUD regulation. It also allows us to award the contract to the lowest responsive and responsible source/contractor.