# **PROCEDURE**

Subject	<b>Construction Contractor Prequalification</b>	<b>Number:</b> 6.17.01
Source	Facilities Management	Reference (Rule #) 6HX14—6.17
President's Approval/Date:	Confl Probability 8/14/2017	

The District Board of Trustees shall prequalify all construction services contractors included but not limited to General Contractors, Building Contractors, Construction Managers, Continuing Contractors and Design-Build Firms for construction projects on an annual basis or for a specific project pursuant to SREF 4.1(7) and Chapter 1013, F.S.

#### Criteria

Contractors shall be prequalified on the basis of the following criteria:

- Proof that the contractor holds a current and valid contractor's license, which authorizes the contractor to undertake work within the scope of the construction project.
- Evidence that the applicant has financial resources to start up and follow through on projects and to respond to damages in case of default as shown by written verification of bonding capacity equal to or exceeding the amount of any project for which the contractor seeks prequalification. The written verification must be submitted by a licensed surety company rated "A" or better in the current A.M. Best Guide and which also holds a current Department of the Treasury Certificate of Authority as Acceptable Surety with an underwriting limitation of at least two (2) times the dollar amount of the contract. In addition the Board may require the applicant to submit any audited financial information necessary to evaluate an applicant's financial ability to perform the Project and to respond to damages in the event of default.
- Evidence of experience with construction techniques, trade standards, quality workmanship, project scheduling, cost control, management of projects, and building codes for similar projects as shown by successful completion of at least two (2) other projects of similar size within the past five (5) years.
- Evidence of satisfactory resolution of claims filed by or against the contractor asserted on projects of the same or similar size within the five (5) years preceding the submission of the application. Any claim against a contractor shall be deemed to have been satisfactorily resolved if final judgment is rendered in favor of the contractor or any final judgment rendered against the contractor is satisfied within ninety (90) days of the date the judgment becomes final.

#### **Procedures**

- The Board shall hold a public hearing to discuss its intent to prequalify contractors and the proposed policy procedures and rules. The Board shall publish two (2) notices of hearings in a local newspaper having general circulation throughout the region at least thirty (30) days prior to the hearing and again seven (7) days prior to the hearing. The notice shall contain the purpose, date, time, and place of the hearing, at a minimum.
- The Board shall provide for open competition which shall not prevent the submission of a bid, proposal, qualifications or other required submission, nor prohibit the consideration of a bid, proposal, qualifications or other required submission, submitted by a prequalified contractor. Those standards which the Board applies when soliciting bids, proposal, qualifications or other required submission, for goods and services generally shall be applied to the solicitation of bids, proposal, qualifications or other required submission, from prequalified contractors.
- The Board shall allow for the prequalification of any responsible contractor who, through its submittal to the Board, meets the uniform criteria established by the State Requirements for Educational Facilities, whether such a contractor is a resident or non-resident of the geographic area served by the Board.
- The Board shall allow those contractors seeking prequalification to submit all required company
  financial information separate and apart from the other required submittals, as specifically
  outlined in the Prequalification Submittals section of the Request for Qualifications, in order to
  protect privileged company information from public disclosure.
- Notwithstanding anything contained herein, the Board may reject any proposals, which, in the Board's opinion, contain inaccurate information. In addition, the Board shall have the sole discretion to declare a contractor delinquent and to suspend or revoke a prequalification certificate.
- The Board shall receive and either approve or reject each application for prequalification within sixty (60) days after receipt by the College. Approval shall be based on the criteria and procedures established in this procedure.
- The Board's policies and procedures may be modified at any time as necessary; however, if the Board chooses to terminate the prequalification option then it shall publish notice for a hearing of intent, hold a public hearing and then officially adopt a resolution terminating the prequalification option.

## **Application**

In order to allow the Board to apply the uniform criteria the Board shall require each contractor, firm or person requesting prequalification to submit separate applications that include the following:

• Detailed information setting forth the applicant's competence, past performance, experience financial resources, capability and references.

- Audited financial information current within the past twelve (12) months, such as a balance sheet, statement of operations and bonding capacity. The requirement for financial information may be satisfied by the contractor providing written verification of the contractor's bonding capacity.
- General information about the contractor company, its principals and its history, including state and date of incorporation.
- Contractor trade categories and information regarding the state and local licenses and license numbers held by the applicant.
- A list of all projects completed or work in progress within the past five (5) years, including dates, clients, approximate dollar value and size.
- Certificates of insurance confirming current worker's compensation, public liability and property damage insurance as required by law.
- A list of all pending litigation and all litigation within the past five (5) years, including an explanation of each. Litigation initiated by the contractor to protect the contractor's legal rights shall not be used as a basis for rejecting prequalification.
- The complete application and financial information shall be attested to and signed by an authorized officer of the company, the owner or sole proprietor, as appropriate. The signature shall be notarized.

#### **Issuance of Certificate**

The Board shall issue to all prequalified contractors a certificate valid for one (1) year or for a specific project(s). That certificate shall include the following:

- A statement indicating that the contractor may bid, propose or otherwise be considered, on SCF construction projects for the time period specified.
- A statement establishing the type of work the contractor will be permitted to provide.
- A dollar amount limiting the size of project a contractor can bid or propose on based on their recent experience and current bonding capacity.
- The expiration date of the certificate.

## **Renewal of Certificate**

- Certificates not for a specific project shall be renewed annually.
- Financial statements or written verification of bonding capacity on file with the Board shall be updated annually. Failure to submit a new statement or verification of bonding capacity, after at least thirty (30) days, written notice by the Board shall automatically revoke a prequalification certificate.

• Prequalified contractors may request a revision of their prequalification status at any time they believe the dollar volume of their work under contract or the size or complexity of the projects should be increased if experience, staff size, staff qualifications and other pertinent data justify the action.

## **Delinquency**

The decision to declare a contractor delinquent may be made only by the President and must be ratified by the Board at its regular meeting following the decision by the President. Should the contractor be determined to be delinquent, after the notice and an opportunity for a fair hearing, the Board shall notify the contractor and its surety, in writing, that the contractor is disqualified from bidding, proposing or otherwise receiving consideration, for work with the Board as long as the delinquency exists. A delinquent condition exists when one (1) or more of the following conditions occur without justifiable cause:

- A substantial or repeated failure to comply with contract documents after written notice of such non-compliance.
- A substantial or repeated failure to provide supervision and coordination of subcontractor's work after written notice of such failure.
- Substantial deviation from project time line schedules which is not corrected within a reasonable time after written notice of non-compliance.
- Substantial or repeated failure to pay subcontractors after the Board has paid the contractor for the work performed by the subcontractors in accordance with approved requisitions for payment.
- Substantial or repeated failure to provide the quality of workmanship compatible with the trade's standards for the community after written notice of such failure.
- Substantial or repeated failure to comply with the warranty requirements of previous contracts after written notice of such failure.
- Failure to maintain the required insurance coverage after written notice of such failure.
- Failure to follow safety codes and standards.

## Suspension, Revocation or Rejection

The Board may for good cause, suspend a contractor for a specific period of time, revoke the prequalification certificate or reject the application. Causes for suspension, revocation or rejection shall include, but are not limited to, one or more of the following:

- Inaccurate or misleading statements in the application.
- Declaration in default by Board.

- Adjudged to be bankrupt.
- 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.
- Payment record, in connection with contract work, becomes unsatisfactory to the Board, based on the contractor's failure to comply with the Construction Prompt Pay Act (Section 715.12, F.S.).
- Becomes delinquent on a construction project pursuant to delinquency as defined above.
- Contractor's license is suspended or revoked.
- No longer meets the uniform prequalification criteria established in this procedure.

### **Appeal**

A contractor whose application has been rejected or whose certificate has been suspended, revoked or rejected by the Board shall be given the benefit of reconsideration and appeal as follows:

- The contractor may within ten (10) calendar days after receiving notification of such action, request reconsideration in writing. The contractor can submit additional information at the time of the appeal.
- The Board shall act upon a contractors 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 can require additional information to justify the reconsideration.

Cost Deposit: The protesting party shall deposit \$2,000 in the form of a cashier's check, made payable to the State College of Florida, Manatee-Sarasota.

- Said amount shall be deposited with the Director of Business Services to defray the costs incurred in considering the protest.
- Said amount shall be recovered if the protesting party should prevail.

The Board shall act upon the contractor's request within seventy-five (75) 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.

Waiver of Remedies: Failure to file the protest on a timely basis shall constitute a waiver of the right to seek any remedy provided under the protest procedure.