Facilities Services, Contract Construction Department

Exhibit 7
Informal “Time and Materials” Bid Process for an individual Project
NC State Informal Projects

New Project arrive from design (with internal cost estimate)

NCSU compares project scope of work and cost variables against known bid rates of Reasonably Priced T&M Contractors (RPCs)

Pool of Reasonably Priced T&M Contractors

NCSU solicits one RPC for a T&M “not to exceed” bid price, based on factors listed in the Contractor Selection Criteria*

RPC provides a reasonable bid

RPC provides a high bid

DCS obtains budgetary approval from NCSU client and awards project to contractor.

NCSU contacts RPC and discusses the cost breakdown and any contractor concerns that may have caused the bid to be high. NCSU may also contact designer to request a re-evaluation of the internal design estimate. Bid is re-evaluated based on current project scope of work, contractor concerns, and any newly-discovered issues. Bid price may be adjusted based upon such factors as: further defining of scope, assurances about unknown conditions, establishment of unit cost prices, etc.

Contractor bid is reasonable

Relative to estimate, contractor bid is still high

DCS obtains budgetary approval from NCSU client and awards project to

NCSU can either bid the project in the Flexible Group Bid or choose to solicit additional T&M bids (maintaining confidentiality of 1st RPC bid) or NCSU can take other appropriate action based on the individual situation.

*See Contractor Selection Criteria in the NCSU Bid Policy for Informal Contracts