



Commonwealth of Massachusetts  
**DEPARTMENT OF HOUSING &  
COMMUNITY DEVELOPMENT**

Charles D. Baker, Governor ♦ Karyn E. Polito, Lt. Governor ♦ Janelle Chan, Undersecretary

February 13, 2019

To: LHA Executive Director

**RE: Approval to Bid -**

Dear LHA Executive Director:

The Department has completed its review of the bid package submitted for your project. You are authorized to bid this project subject to the following:

- Incorporate the published comments from your Approval to Bid Approval Email Notification into the Bid Documents.
- If addenda are issued during the bid phase, the Designer shall submit them to the DHCD Design Reviewer for review and approval prior to issuance.
- The statute requires a board vote within 30 working days of the general bid opening. However, we are requesting that a board meeting be scheduled no later than **2 weeks** after the general bid opening. Timely action is necessary to insure bond cap spending and contractors need a vote to award in order to obtain bonds. This vote should be sent as soon as possible to your DHCD Project Manager. Contracts will not be approved by DHCD until we are notified of your Board's action.
- In the event the low bid exceeds the construction budget, DHCD may require rejection of all bids. If this happens, the scope of work must to be revised to bring the project cost within the budget.
- DHCD's general conditions for this contract require the Housing Authority to pay for the building permit rather than the contractor. Please ask your Designer to provide you with an estimate for the permit cost based upon your city/ town's calculation method. You should also consider asking the city/ town to waive permit costs. If there will be permitting costs for the project, please make a payment request to your DHCD Project Manager for the cost of permits by or before low bid approval.
- DHCD encourages the use of electronic bid documents distribution ("e-hosting") and electronic bidding ("e-bidding") as ways to save time, reduce the possibility of errors, expand the pool of possible bidders, and reduce our carbon footprint. Once approved by the Housing Authority, the cost of e-hosting and/or e-bidding is a reimbursable expense to the Designer. The Housing Authority will receive a rebate for these costs. We are aware of two vendors who offer these services and who have demonstrated an understanding of the needs of the Designers, Housing Authorities and DHCD: BidDocsONLINE and Projectdog. Attached is information about these vendors (which information was supplied by the vendors and is not endorsed by DHCD.) If

Formula Funding was used to pay for the cost of e-hosting and/or e-bidding, you will receive a rebate via an increase in your formula funding.

- If you or your designer have any questions regarding these services, please contact David McClave at [david.mcclave@mass.gov](mailto:david.mcclave@mass.gov), 617-573-1165.

Once your Designer has prepared the bid advertisement and provides it to you, the items outlined below must be completed.

## 1. **ADVERTISING** -

- A. **CENTRAL REGISTER (CR)** - Your **Designer** will place the notice in the CR to appear once, at least two weeks before the scheduled bid opening.
- B. **NEWSPAPER** – If the estimated construction cost is more than \$50,000, the **Housing Authority** shall place the bid set advertisement (not the CR notice) in a newspaper of general circulation in the locality of the proposed construction, once two weeks prior to the scheduled bid opening and post this advertisement (not the CR notice) in a conspicuous place in or near the Authority’s main office at least one week prior to the scheduled bid opening.
- C. **COMMBUYS** –The Housing Authority shall advertise the project on COMMBUYS at least two weeks prior to the scheduled bid opening. [www.commbuys.com](http://www.commbuys.com)

## 2. **AFTER THE GENERAL BID OPENING**

### **IF YOU ARE BIDDING THIS PROJECT ELECTRONICALLY, SKIP ITEM A BELOW**

- A. Within 24 hours after the general bid opening, the **low 3 general bids** received along with a bid tab summary must be emailed or faxed (617-573-1335) to your Project Manager and David McClave at [david.mcclave@mass.gov](mailto:david.mcclave@mass.gov).
- B. DHCD will review the bids, advise you if any of the bids are invalid or unacceptable and identify the apparent low bidder. Please direct your Designer to check the apparent low bidder’s references and provide a written recommendation to the Authority and send a copy to your DHCD Project Manager.
- C. If we determine rejection of the bids is in the public interest, your board should vote to reject the bids at its next regular meeting. Thereafter, we will discuss what steps we can recommend to restore the project’s viability.
- D. After DHCD’s bid review, you will receive, electronically, a low bid approval letter with detailed instructions. If your board has not voted yet, DHCD’s approval will be contingent on a board vote. DHCD will prepare and send contract forms electronically to the Contractor at which time the Authority will be notified of this transmission.

## 3. **DHCD APPROVAL OF CONSTRUCTION CONTRACT AND CONSTRUCTION START**

Once DHCD has determined that the entire contract package is in good order, DHCD will sign the Owner-Contractor Agreement and will electronically send the contract package to the Authority, Designer and Contractor.

Once the contract package has been sent, please contact the DHCD Construction Management Unit to schedule a pre-construction conference. Do not issue a Notice to Proceed or authorize the Contractor to begin any work until the contract is fully executed and a pre-construction meeting is held.

If you have any further questions regarding these procedures, please contact your DHCD Project Manager

Sincerely,

Ben Stone, Director  
Bureau of Housing Development and Construction

Enclosures