Introduction

Privately owned water systems that are recipients of Drinking Water State Revolving Fund (DWSRF) financing for a project must comply with the procedures and requirements set forth in this appendix.

Definitions

“Competitive Bidding” means the process used to obtain bids of price quotes for the performance of a project or service. This process is conducted in a manner that does not limit competition to any one firm or individual, and requires that all competitors bid on the same requirements.

“Force Account” means the use of the recipient’s own employees or equipment for design, construction or construction related activities on the project.

“Responsible Bidder” means that the bidder has demonstrated the ability to successfully meet the requirements of the contract, meet the project schedule, and comply with all applicable State and federal laws and DWSRF program requirements.

General Provisions

1. All privately owned water systems are required to competitively bid construction work financed by the DWSRF.

2. A privately owned water system may not use force account labor for any construction on a project financed by the DWSRF.

3. A privately owned water system may be governed by provisions of the Government Code or other statutes which require competitive bidding for certain projects or construction work. Recipients must comply with any such statutes or provisions. The State Water Board does not have the authority to provide exceptions to any such statutes, rules, or regulations.

4. If the Division of Financial Assistance (Division) determines that the recipient’s bid package limits potential bidders, the Division may, at its discretion, require that the recipient rewrite and re-advertise the bid package.
Procedures

1. The recipient must advertise construction work for a minimum of 30 calendar days in a newspaper with at least county-wide circulation. If the recipient proposes to use an alternate bidding process, prior concurrence from the Division must be obtained.

2. All privately owned water systems must submit to the Division a summary of bids received prior to awarding any construction contracts on a project financed by the DWSRF.

3. The recipient should endeavor to obtain at least three (3) bids. If the recipient was unable to obtain three (3) bids and wishes to award a contract for construction work to a responsible bidder, the recipient must submit a written request and documentation of the recipient’s efforts to obtain bids to the Division.

4. Recipients that are privately owned water systems who wish to award a contract for construction work to a contractor other than the lowest responsible bidder must submit a written request and supporting justification to the Division.

Bid Package

At a minimum, the bid package shall include:

1. Plans and specifications that were reviewed by the Division;

2. A project schedule;

3. Copies of the following language from the DWSRF financing agreement:
   a. Child Support Compliance Act (for any financing agreements in excess of $100,000),
   b. Audit and Inspection of Books and Records,
   c. Nondiscrimination Clause,
   d. Workers' Compensation Clause,
   e. Drug-Free Workplace Certification,

4. Labor Compliance Requirements;

5. A deadline and location for submittal of the completed bid package.