APPENDIX 25

INVITATION FOR BID (IFB) TEMPLATE

Instructions for Using the IFB Template

• This IFB template has been completely revised to accommodate the new business processes initiated as a result of implementing the State Procurement Bureau’s electronic procurement system, eMACS. The sections that were defined in the old paper IFB process have been removed. All that is left are the particular clauses that require decisions to be made by the agency.

• Instructions to agencies appear in blue.

• Insert appropriate information when requested in areas that appear in red.

• Decide which optional paragraphs are needed and delete those not needed.

• If you are preparing an IT IFB, be sure to include all language specific to IT projects.

• If appropriate, include a copy of the contract you intend to use.

• For all solicitations for which Prevailing Wage Rates will be paid, the applicable Prevailing Wage Booklet from the Department of Labor and Industry must be included as part of the solicitation. Current Prevailing Wage Booklets are available [http://erd.dli.mt.gov/labor-standards/state-prevailing-wage-rates](http://erd.dli.mt.gov/labor-standards/state-prevailing-wage-rates).  

• Call the State Procurement Bureau with questions at 444-2575.
GENERAL REQUIREMENTS

CONTRACT TERM

The contract term is for a period of _______ years beginning _______ and ending _______. Renewals of the contract, by mutual agreement of both parties, may be made at _______ -year intervals, or any interval that is advantageous to the State. This contract, including any renewals, may not exceed a total of _______ years, at the option of the State. NOTE TO AGENCIES State contracts generally may not exceed a total of seven years, IT contracts for 10 years.

PRE-BID CONFERENCE

An optional/A mandatory Pre-Bid Conference will be conducted at _______ on _______ at _______. Bidders are encouraged to use this opportunity to ask clarifying questions, obtain a better understanding of the project, or to notify the State of any ambiguities, inconsistencies, or errors discovered upon examination of this IFB. All responses to questions at the Pre-Bid Conference will be oral and in no way binding on the State.

OR

An optional/A mandatory Pre-Bid Telephone Conference Call will be conducted on _______ at _______ at _______. Bidders are encouraged to use this opportunity to ask clarifying questions, obtain a better understanding of the project, or to notify the State of any ambiguities, inconsistencies, or errors discovered upon examination of this IFB. All responses to questions at the Pre-Bid Conference will be oral and in no way binding on the State. Participation in the conference call is optional. However, it is advisable that all interested parties participate. If calling from the Helena area, call 444-_____. If calling from outside the Helena area, call (406) _______. The password for both numbers is _______.

Descriptive Literature. Complete manufacturer’s descriptive literature sufficient in detail to establish quality and compliance with all specifications must be submitted with each bid. The State reserves the right to examine products further to determine compliance with the stated specifications.

DEVELOPMENT REQUIREMENTS

Delivery Date. The DELIVERY DATE in Items must be completed to indicate day, month, and year, or a specific number of days after receipt of order (ARO). Failure to comply with the requirements may invalidate a bidder’s quotation for any or all items.

Requested Delivery Date. The Contractor shall deliver all items described in this bid as soon as possible but no later than (insert date) after receipt of purchase order from the State of Montana.

OR

Guaranteed Delivery. Due to the immediate need of the user agency, delivery must be guaranteed to be completed on or before (insert date).

Shipping. Weekends and holidays excepted, deliveries shall be F.O.B. DESTINATION, to the location shown below. The term “F.O.B. destination, within the State's premises," as used in this clause, means free of expense to the State and delivered to the location specified. The Contractor shall:
• Pack and mark the shipment to comply with specifications; or if the specifications do not contain specific packing or marking instructions, pack and mark the shipment in accordance with prevailing commercial practices and in such a manner as to ensure delivery in good condition and as required by this IFB;
• Prepare and distribute commercial bills of lading and Material Safety Data Sheets (MSDS) as appropriate;
• Deliver the shipment in good order and condition to the point of delivery specified in the IFB;
• Be responsible for any loss of and/or damage to the goods occurring before receipt of the shipment by the State at the delivery point specified in the IFB;
• Furnish a delivery schedule and designate the mode of delivering carrier; and
• Pay and bear all charges to the specified points of delivery.

Delivery Locations.
(Insert Delivery Locations. Be specific about the location include physical address, room numbers, etc.)

SPECIAL TERMS AND CONDITIONS

This section needs to be tailored to each project. Call SPB for assistance at 444-2575.

All items listed in this section are optional. If a contract or PO is attached to the IFB most of the following clauses will be found there and should be deleted from this section.

PREFERENCE NOT APPLIED

Reciprocal preference will not be applied to this purchase because federal funds are involved (ARM 2.5.408).

PURCHASING CARD

The State of Montana has a Purchasing Card Program in place that gives agencies the ability to charge purchases made from these contracts. The State of Montana prefers this method of payment.

ON-SITE REQUIREMENTS/CLEANUP

Each potential contractor should visit the job site to verify measurements and to become fully aware of the conditions relating to the project and the labor requirements. Failure to do so will not relieve the successful contractor of their obligation to furnish all materials and labor necessary to carry out the provisions of the contract.

The Contractor shall adequately protect the work, adjacent property, and the public in all phases of the work. The Contractor shall be responsible for all damages or injury due to their action or neglect.

The Contractor shall maintain access to all phases of the project pending inspection by the State or its representative.

All work rejected as unsatisfactory shall be corrected prior to final inspection and acceptance.

The Contractor shall respond within seven calendar days after notice of observed defects has been given and shall proceed to immediately remedy these defects. Should the Contractor fail to respond to the notice
or not remedy the defects, the State may have the work corrected at the Contractor's expense.

_(Insert applicable provisions)_

In terms of cleanup, the Contractor shall:

(a) Keep the premises free from debris and accumulation of waste;
(b) Clean up any oil or fuel spills;
(c) Keep machinery clean and free of weeds;
(d) Remove all construction smears and stains from finished surfaces;
(e) Perform finishing site preparation to limit the spread of noxious weeds before final payment by the State; and
(f) Remove all construction equipment, tools, and excess materials before final payment by the State.

**REQUIRED INSURANCE**

_(Insert for commercial general liability and automobile liability only)_

**General Requirements.** The Contractor shall maintain for the duration of the contract, at its cost and expense, insurance against claims for injuries to persons or damages to property, including contractual liability, which may arise from or in connection with the performance of the work by the Contractor, agents, employees, representatives, assigns, or subcontractors. This insurance shall cover such claims as may be caused by any negligent act or omission.

_(Insert for all insurance types)_

**Primary Insurance.** The Contractor's insurance coverage shall be primary insurance with respect to the State, its officers, officials, employees, and volunteers and shall apply separately to each project or location. Any insurance or self-insurance maintained by the State, its officers, officials, employees or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

_(Insert for commercial general liability only)_

**Specific Requirements for Commercial General Liability.** The Contractor shall purchase and maintain occurrence coverage with combined single limits for bodily injury, personal injury, and property damage of (insert dollar amount) per occurrence and (insert dollar amount) aggregate per year to cover such claims as may be caused by any act, omission, or negligence of the Contractor or its officers, agents, representatives, assigns, or subcontractors.

The State, its officers, officials, employees, and volunteers are to be covered and listed as additional insureds; for liability arising out of activities performed by or on behalf of the Contractor, including the insured's general supervision of the Contractor; products, and completed operations; premises owned, leased, occupied, or used.

_(Insert for automobile liability only)_

**Specific Requirements for Automobile Liability.** The Contractor shall purchase and maintain coverage with split limits of $500,000 per person (personal injury), $1,000,000 per accident occurrence (personal injury), and $100,000 per accident occurrence (property damage), OR combined single limits of $1,000,000 per occurrence to cover such claims as may be caused by any act, omission, or negligence of the contractor or its officers, agents, representatives, assigns, or subcontractors.

The State, its officers, officials, employees, and volunteers are to be covered and listed as additional insureds for automobiles leased, hired, or borrowed by the Contractor.
Specific Requirements for Professional Liability. The Contractor shall purchase and maintain occurrence coverage with combined single limits for each wrongful act of (insert dollar amount) per occurrence and (insert dollar amount) aggregate per year to cover such claims as may be caused by any act, omission, negligence of the Contractor or its officers, agents, representatives, assigns, or subcontractors. Note: if "occurrence" coverage is unavailable or cost prohibitive, the Contractor may provide "claims made" coverage provided the following conditions are met: (1) the commencement date of the contract must not fall outside the effective date of insurance coverage and it will be the retroactive date for insurance coverage in future years; and (2) the claims made policy must have a three-year tail for claims that are made (filed) after the cancellation or expiration date of the policy.

Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be declared to and approved by the state agency. At the request of the agency either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the State, its officers, officials, employees, or volunteers; or (2) at the expense of the Contractor, the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses.

Certificate of Insurance/Endorsements. A certificate of insurance from an insurer with a Best's rating of no less than A- indicating compliance with the required coverages, has been received by the State Procurement Bureau, P.O. Box 200135, Helena, MT 59620-0135. The Contractor must notify the State immediately, of any material change in insurance coverage, such as changes in limits, coverages, change in status of policy, etc. The State reserves the right to require complete copies of insurance policies at all times.

SPECIFICATIONS AND PRICING

This section needs to be tailored to each project. Call SPB for assistance at 444-2575.

EQUIVALENT PRODUCTS

Requirements designated in this bid must be satisfied, or a functional equivalent bid submitted, which is acceptable to the State. Bidders who do not meet this criterion may be disqualified from further consideration. A bidder must state if they are unable or unwilling to meet any requirement. Inability or unwillingness to meet any requirement, in part or total, may be cause for disqualification of the entire response. Any exceptions taken by the bidder must be clearly identified on the bid forms.

OR

SPECIFIC BRAND

The following specifications identify specific brand requirements of this Invitation for Bid. Only quotations for the brand specified will be considered for award.

PRICES

Fixed Price Contract. All prices are fixed for the duration of the contract and are not subject to escalation for any cause. Payment of the total fixed bid price shall constitute full payment for performance of the work and covers all costs of whatever nature incurred by the Contractor in accomplishing the work in
accordance with the provisions of the contract.

OR

Cost Increase by Mutual Agreement. After the initial term of the contract, each renewal term may be subject to a cost increase by mutual agreement.

OR

Cost Increase by Fixed Amount. After the initial term of the contract, each renewal term may be subject to a cost increase of (insert) %, not to exceed (insert) %, for the entire term of the contract.

OR

Pricing Adjustments per Increase in CPI. Annual pricing adjustments to contract renewals following the contract term, if applicable, shall not exceed 75% the rate of increase in the cost of living as reflected in the Federal Bureau of Labor Statistics, Consumer Price Index (CPI) for all Urban Consumers (1982-84 = 100; through November 1991 = 137.8) or any other index which may be substituted in the future. The CPI for the last 12-month period of the contract will be the CPI base on which later adjustments are computed. Each time an adjustment is made, the earlier CPI base will be replaced by the adjusted CPI base. The percentage of adjustment to contract prices shall in no event exceed the percentage change in the index.

OR

Price Adjustments Negotiated Based on Changes in Contractor's Costs. Price adjustments may be permitted at the time of contract renewal through a process of negotiation with the Contractor and the State. Any price increases must be based on demonstrated industrywide or regional increases in the Contractor's costs. Publications such as the Federal Bureau of Labor Statistics and the Consumer Price Index (CPI) for all Urban Consumers may be used to determine the increased value.

ITEM-BY-ITEM OR ALL-OR-NONE AWARD

Awards will be made on an (Item-by-item OR all-or-none) basis. Failure of a bidder to provide prices for all line items listed on the Schedule may be cause for rejection of the entire bid. However, a bidder may enter "No Cost" in the unit price and extended amount columns to indicate that the item is being offered at "No Cost."

SPECIFICATIONS

Insert item specifications. Tailor as appropriate.

Specifications provide a precise description of the critical features a supply or service must have to satisfy an agency's needs. A specification should be written from the general to the specific. The following outline may be used as a guideline:

1. Name of Supply or Service: Begin a specification by listing the name of the supply or service sought: "compact sedan," for example, or "photocopier maintenance." Do not list a specific brand name in the title.

2. Purpose/Use for Supply or Service: State the purpose for which the item will be used. For example, a lawn mower specification might be: "suitable for daily use (4-6 hours) on a large grounds
complex." Vendors should know the intended use to decide what type of product to bid.

3. Description of Supply or Service: List all the critical features the product must perform or have to meet agency requirements. Use a specification that indicates performance requirements if the agency is interested in the end product. Use a design specification, which details how a product is engineered, if the agency is interested in how a product will achieve that end result, or if the agency has a specific physical requirement for the product. Agencies should recognize that it is difficult to draft design specifications without being restrictive and limiting competition. A combination of performance and design requirements is often the most ideal specification.

   Identify the minimum requirements, but make sure the stated minimum is a product that will satisfy the agency. If there are brand-name-or-equal products that are of the appropriate quality level, list several of the brand names and model numbers, indicating the level or quality desired. However, this does not indicate a restriction to or acceptance of only those brands.

   Agencies need to be careful to not imply that only a certain brand name would be acceptable when preparing their bid specifications. Agencies should conduct product research to locate additional brands that may be able to meet their needs.

   If a single brand name is necessary to provide the necessary quality, written justification must be provided using the State Procurement Bureau's "Sole Brand" Justification Form located at: http://emacs.mt.gov/procurementforms.mcpx (ARM 2.5.501).

4. List Special Requirements: Provide any special requirements that the product or vendor must perform. Warranty, service, parts, and training requirements must be listed.

5. Unusual Conditions: Describe any unusual conditions, such as installation, field test, fiscal year funding source, etc.

6. Receiving Procedures: Describe if necessary, any receiving procedures (if testing, sampling, or other evaluation will be performed when commodity is delivered to determine acceptability).