

Refiguring Work

When for any reason the bids received in competition are not acceptable and must be rejected, extreme care must be taken to avoid any requirement in a rebidding of the project which will compromise the principles of, or the spirit of, competitive bidding.

Inasmuch as the reasons which require the rebidding of a project will differ in each instance, it may be impossible to lay down a guide for ethical practices with specific application to every circumstance. Nevertheless, it should be understood that if competitive bidding is to produce the lowest possible price for the Owner which is consistent with the design requirements of the project, each bidder must have assurance that his bid will not subsequently be subjected to price cutting without commensurate reductions in design requirements.

The right of the Owner to reject any or all bids or to waive any irregularity must be measured against the fundamental principle of competitive bidding: This is, is it "fair" to each and every bidder? The conditions of the rebidding, as in the original bidding, should not give an advantage to one bidder over another.

After original bids have been rejected, new bids should not be solicited until (1) sufficient time has elapsed to induce different cost factors in labor or material components, or (2) design changes will bring the project cost within the funds available. As a general rule, three months should be the minimum time between the initial and subsequent bidding unless the project is redesigned. Where redesigning takes place, the changes in project requirements should be such as to affect a change of at least 15 percent in the bidding.

When Only One Bid is Received

In the event only one bid is received, it is the Owner's obligation (1) to return the unopened bid to the bidder or (2) to be prepared to make an award on the basis of the single bid received, if the bid is not over a stated figure given to the bidder before the bid is opened.

If only one bid is received, the bidder should be given the option of withdrawing his bid or allowing it to be opened. If he chooses to allow it to be opened and the bid is rejected, there is no ethical obligation on the part of the Owner to redesign the project or to wait three months in soliciting new bids as described above.