

Bids And Construction Contracts

Learn about the Environmental Loans programs and find guidance at dnr.wi.gov/aid/eif.html

If a municipality is receiving financial assistance from the Clean Water Fund Program (CWFP) or the Safe Drinking Water Loan Program (SDWLP), the municipality must comply with local, state, and federal laws applicable to the project when procuring professional services and construction contracts, per sections [NR 162.08](#) and [NR 166.11](#), Wis. Adm. Code. Municipalities should work with their attorneys to ensure compliance with all bidding laws.

Reminder: Prior to commencing construction for any CWFP or SDWLP project, the municipality must obtain the necessary DNR approvals for any engineering reports/facility plans, selected sites, and plans and specifications, in accordance with chapter [NR 108](#), Wis. Adm. Code.

Before executing a financial assistance agreement for any project, a DNR loan project manager must complete a bid review based on submission of the required documentation listed under s. [NR 162.06\(1\)\(d\)](#) or s. [NR 166.10\(1\)\(c\)](#), for **each** prime contract, including all of the following:

- ☐ A complete copy of the executed construction contract (also called issued for construction documents) with up-to-date copies of all addenda, attachments, appendices, appropriate Davis-Bacon or other wage rate information, and all other applicable documentation that makes the contract complete. If available, the contract submittal should be a copy of the conformed contract.
- ☐ A copy of each of the following items unless the document is included in the aforementioned executed construction contract:
 - The proposal of the successful bidder.
 - An engineer's evaluation of the bids, including bid tabulation and an award recommendation.
 - If an applicant awards a construction or equipment contract to a contractor other than the lowest bidder, any of the following:
 - Written documentation of the reasons why the lowest bidder is considered nonresponsive or not responsible.
 - A legal opinion stating that the award to a contractor other than the lowest responsive, responsible bidder meets the requirements of municipal bidding law.
 - Solicitation and utilization information regarding [Disadvantaged Business Enterprises \(DBEs\)](#), which may be the DBE Contacts Worksheet ([Form 8700-294A](#)) or other format and/or a contractor bid advertisement requesting DBEs to submit subcontractor proposals.
 - Evidence of bid advertisement, including a copy of the affidavit of publication and a copy of the advertisement, which should *include appropriate language* regarding DBEs submitting bid proposals, American-made product requirements, and wage rates, when applicable.
 - [American Iron and Steel \(AIS\)](#)
 - [Build America, Buy America \(BABA\)](#)
 - [Complying with Davis-Bacon Requirements \(PUB-CF-074\)](#)
 - A copy of the bid bond and the performance bond.
 - Evidence of award of the construction contract by the municipality, which may be a notice of award, a municipal resolution, or minutes from the municipal meeting at which the determination of award was made.
 - Documentation of the construction start date and expected substantial and final completion dates.
Note: A notice of award and a notice to proceed are preferred but not required for this documentation.
 - All negotiated pending change orders and all executed [change orders](#).
 - Up-to-date copies of all addenda, changes to plans and specifications, attachments, appendices, and all other applicable documentation that makes the contract complete.

Procurement Guidance

In general, state law requires local units of government to competitively bid for “public construction” when the estimated cost exceeds \$25,000. However, bidding laws are complicated, with different requirements for cities, towns, villages, and counties. Although the “[Procurement Guide for Local Governments Receiving Grants \(State or Federal\) from the Wisconsin Department of Natural Resources](#)” is aimed at grant recipients, the bidding requirements, methods and notices described in this document also apply to loan recipients. When bidding for **supplies, services or construction**, the DNR suggests the methods listed in this guide to determine the appropriate bidding method.

The DNR does not approve the bids or the bidding process. If legal questions arise during the procurement or bidding processes, the municipality should discuss the issues with its attorney.

Contact Information

Direct questions about the required documentation for CFWP and SDWLP projects to the assigned DNR loan project manager or construction management engineer (CME), see the Environmental Loans Staff Directory at dnr.wi.gov/aid/documents/eif/guide/managers.html.

Preconstruction meeting reminder: If CFWP/SDWLP financial assistance will be sought for a project, contact the regional DNR CME to confirm their availability *at least one (1) week **prior to scheduling*** the preconstruction meeting. If the meeting is rescheduled or canceled, promptly notify the CME. For details, see the [Construction Management webpage](#).

