

CITY OF BALTIMORE

CATHERINE E. PUGH, Mayor



DEPARTMENT OF PUBLIC WORKS

Rudolph S. Chow, P.E., Director
Abel Wolman Municipal Building, 6th Floor
200 N. Holliday Street
Baltimore, Maryland 21202

March 13, 2017

Dear Contractors:

On November 21, 2016 The City of Baltimore's Board of Estimates approved the revision of some of the operating rules for the Office of Boards and Commissions: "Rules for Qualification of Contractors," "Performance Evaluations of Construction Contractors and Consultants," and "Procedures and Guidelines for Hearings Before the Office of Boards and Commissions Review Committee." This was the first major revision since 1991 and includes:

- An update of the methods used to prequalify contractors to reflect a more thorough examination of potential Contractors for the City of Baltimore;
- Clarification of how Contractors and Consultants are held accountable for the quality of work performed on City contracts; and,
- Guidance on the process of conducting hearings requested by Consultants and Contractors dissatisfied with recommendations by the Committee and OBC relating to performance and prequalification.

Please visit the OBC website to download an electronic version of the rules. To download the file, visit our website at: <http://publicworks.baltimorecity.gov/Contractor-Consultant-Prequalification>. Click on the "Contractor Application Information" tab or the "Consultant Application Information" tab to find the "Governing Rules – *Click Here*" link. Highlights of the revision are included with this letter.

Upon your review of the rules, should you have any questions or concerns, please contact me directly.

Thank you for continuing to be great partners with the City of Baltimore.

Sincerely,

Kumasi Vines
Chief,
Office of Boards and Commissions

Enclosure



Selected Highlights of Revised Items

I. Rules for Qualification of Contractors

- ❖ The dollar amount for the prequalification threshold increases from \$25,000 to \$50,000.
- ❖ The timeline on prime contractor prequalification status, from bid book purchase through the end of the project, is clarified. Prime contractors also must be prequalified at the time of bid opening, bid award, and when work commences and remain prequalified for the duration of the project.
- ❖ In order to become prequalified, a contractor must not have had two or more bids rejected for non-compliance with City bidding requirements.
- ❖ Prequalification duration increases from one year to two years. However, financial statements are to be submitted annually. (*Effective April 1, 2017*)
- ❖ The fees for Contractor prequalification applications are based upon the type of financial statement submitted as follows: \$100 for Compiled, \$500 for Reviewed, and \$1000 for Audited. (*Effective April 1, 2017*)
- ❖ The working capital multiplier used to determine the "Capacity Rating" is standardized at 10x. Previously, the multiplier ranged from 9-12x.
- ❖ Agencies may request to waive capacity rating requirements for very large projects.
- ❖ Violations of established rules may result in suspension/disqualification of prequalification status or a \$1,000 fine. New infractions are added.

II. Guidelines and Procedural Rules for the Performance Evaluation of Consultants and Construction Contractors

- ❖ The performance evaluations of a JV are also attributed to the member firms of that particular JV.
- ❖ The scoring and grading system is updated as follows:

Percentage Points
90 - 100 - Excellent
77 -- 89 - Good
70 -76 - Marginal
69 or less -- Unsatisfactory

III. Procedures and Guidelines for Hearings before the Office of Boards and Commissions Review Committee

- ❖ Hearings will be conducted by the Office of Boards and Commissions Review Committee as the Contractor Qualification Committee has been abolished.