



Recommended OCA Best Practice for the Naming of Sub-Trades

The Association recommends as a general standard practice that Owners should ask for the critical sub-trades from bidders at time of bid submission.

The Association's position on limiting the naming of sub-trades to critical sub-trades is a balance between the need for as simplified a bid submittal process as possible against sub-trade concerns on bid shopping.

The determination of what critical sub-trades should be is something that will be dependent on the particular features of each project and it is a responsibility of the Owner to determine. On typical building construction projects, the mechanical and electrical sub-trades are usually considered critical trades and hence are commonly requested by Owners at time of tender.

If in the Owner's evaluation of the project there are 3 or less critical sub-trades, then the Association is of the position that the sub-trades should be named at time of bid submission.

If the Owner requires additional information along with the bid price (such as alternate prices, separate prices, itemized prices, additional sub-trade naming, etc) then the Association recommends adopting a 2 stage bid closing with an appropriate amount of time separating the bid envelope submission from the submission of the second envelope containing the supplemental bid information requirements.

The amount of time separating the 2 envelope submission will be dependent upon the quantity and complexity of the additional information being requested by the Owner and should not be less than 1 hour at a minimum.

Dealing with "Own Forces" and "Own Estimate" - If the Owner only requests the naming of 'critical' sub-trades in the first place, the likelihood of encountering "Own Estimate" or "Own Forces" in place of the naming of sub-trades will be rare.

"Own Forces" – The Association is of the position that when a bidder submits a sub-trade list with one or more trades listed as "Own Forces", the Owner should evaluate the validity of the claim before contract Award. The Owner should verify with the bidder that the firm is capable of undertaking the trade work in question with its own forces.

"Own Estimate" – The Association recommends that when a bidder submits a sub-trade list with one or more trades listed as "Own Estimate", the Owner should promptly evaluate the validity of the claim before contract award. Generally, with "critical" trades, the use of "own estimate" should not be acceptable.

However, the Association believes that under certain market reasons, in consideration of creative construction alternatives or lack of faith in the current trade prices a prime contractor is justified to insert "own estimate". Such a rationale should be quickly provided by a bidder to the Owner within 24 hours. If in either scenario, the contractor cannot provide a valid response then the bid should be considered non-compliant.