

Bid Bond Addendum Question
4/29/24

A question has been asked about how the process for how bonding will occur.

The bid bond should be submitted with the bid. In terms of the payment and performance bonds, those are typically submitted right around the time of the contract execution. MPPDC can ask to have them 10 days prior to contract execution (at that point MPPDC all will have hopefully negotiated the substance) or you can require them within ten days of contract execution. In the latter case, MPPDC would include language that if the payment and performance bonds were not secured within the time required and for the amount required that the contract would automatically terminate. Depending on MPPDC's preference, there could be a fee imposed on the contractor if that happened, just to cover MPPDC's expense to reprocur.