

The Competitive Bidding Process Policy Administration 007- 93

Policy

Whereby Council believes and promotes fairness and equity in contract administration all construction or service contracts of a dollar value of greater than \$5000.00 shall proceed either by tender (invitation, public) or request for proposal.

Where the dollar value of the construction or service contract is of a dollar value of less than \$5000.00 Council may provide for a tender process or may proceed by invitation.

Where the budget amount or project estimate is greater than \$35,000 in value a project manager shall be considered dependent on the scope and nature of the project.

Procedure

Pursuant to a motion made and passed by Council to proceed with a project for construction and/or to enter into a contract for services of a value of greater than \$5000, the following procedures will apply:

Advertising Tenders

- 1.0 Generally, tenders shall be advertised by using the method outlined below:
 - (a) posting notices in 3 conspicuous locations within the municipal boundaries and/or,
 - (b) as deemed necessary, any other method Council deems expedient.
- 1.1 Proposals or invitation to tender may be advertised in the same manner as public tenders or by soliciting in writing a quote by at least 2 suppliers.

Writing Invitation to Tender

2. Notices shall as applicable:
 - (a) contain a clear description, scope of work, terms of reference, or a full and complete set of contract specifications of the construction or service required and the name and phone number of a contact person should clarification of any item be required.
 - (b) Request for proposals will be used whenever limited or no specifications are available, the exact determination of how a job is to be done is unknown or for professional services.
 - (c) contain the statement that "the lowest or any bid may not necessarily be accepted."
 - (d) stipulate the closing date and time.
 - (e) the minimum bid evaluation criteria, if applicable

- (f) state the date and location that the bids shall be opened.
- (g) state that all bids must be placed in a sealed envelope plainly marked as specified.
- (h) at the discretion of Council, contain a description of any other qualifications the bidder must have in order to determine whether or not the bidder is capable of completing the project.
- (i) the form, amounts and the terms and conditions of any required performance security or any performance penalty permitted by law, if any.
- (j) a project completion date and a schedule for payment.

Bid Evaluation Criteria

3. Bid evaluation criteria contained in the tender must conform to this policy.

Form of Bid Evaluation Criteria

4.0 Bid evaluation criteria shall take the form of one or both;

- (a) minimum standards to be met;
- (b) ranking criteria.

4.1 Where ranking criteria are used, they may include:

- (a) the experience of the bidder with similar contracts;
- (b) the bid price submitted;
- (c) the qualifications of the bidder for the contract;
- (d) the means proposed by the bidder to carry out the contract;
- (e) the schedule proposed by the bidder; or
- (f) any other criteria relevant to the particular tender.

4.2 In the event of not stating bid evaluation criteria price shall be the governing criteria.

Effect of Minimum Standards

5.0 Where minimum standards are specified, the standards shall not be devised so as to arbitrarily or unnecessarily limit the number of bidders.

5.1 Tenders may refer to specific product trade names/brands only to establish a standard of performance expected, except where the requirement for a specific product has been explicitly justified, in which case the invitation to bid shall clearly stipulate the requirement for the product.

Specifications

6. The tenders may specify:
 - (a) that bids are to be unconditional;
 - (b) that bids are to be accompanied by bid security in a specified form and amount;
 - (c) that bids are to be submitted in or on a mandatory form;
 - (d) the payment of a deposit for copies of the complete tender; and
 - (e) any other terms and conditions relevant to the tender.

Availability of Tenders

7. The Municipality shall use its best effort to make tenders or addenda to tenders available to all bidders at the same time.

Tendering Period

8. The tendering period for publicly advertised tenders shall be a minimum of 2 weeks unless specific approval to shorten the tendering period for the invitation to bid is given by the Village Council.

Cancellation of Tender

9. A tender may be canceled at any time prior to notification of award.

Tender May Be Amended

10. Subject to section 12, a tender may be amended prior to the closing time by issuing an addendum.

Notice of Amendment

- 11.0 The Municipality shall make its best effort to notify every person who receives a tender that an addendum has been issued.
- 11.1 If the tender was issued in writing, any addendum shall also be issued in writing.

Adjustment of Closing Time

12. When an addendum is issued, the closing time shall, where necessary, be adjusted to reasonably allow bidders to receive the addendum and adequately consider, prepare and submit their bids, taking into account the impact of the addendum.

Information Included in Bids

13. Where the purpose of the tender is to enter into a contract, bids shall contain the following information:
- (a) an offer to enter into a contract which may be made by reference to the tender and addenda;
 - (b) the name of the individual, partnership, or corporation submitting the bid and, in the event of a written bid, an authorized signature(s);
 - (c) a telephone number or facsimile number or address to which notifications may be sent to the bidder;
 - (d) the period of time for which the bid is open for acceptance;
 - (e) unless otherwise stated in the tender, the basis for calculating the contract value, or the total estimated contract value; and
 - (f) other information or documents requested in the tender.

Bids to be in Writing

- 14.0 Bids submitted in response to a tender shall be in writing on the prescribed form.
- 14.1 The Municipality may specify that a bid in an amount less than \$5,000 which is submitted in response to a tender must be in writing.

Bid may be Amended or Withdrawn

15. A bidder may withdraw or amend a bid prior to the closing time.

Receipt of Tenders or Proposals

- 16.0 No bid shall be accepted by the municipal office unless received in a sealed envelope.
- 16.1 No bid shall be accepted outside of the municipal office at any time by any employee or Councillor of the Village of Haines Junction.
- 16.2 The date, time of receipt of a bid shall be recorded and initialed on the envelope or facsimile cover sheet; as the case may be.
- 16.3 Tender and Proposal envelopes shall remain sealed until the opening of the tender bid.

Execution of Bids

- 17.0 Subject to subsection 14.1 a bid shall be signed by the person or persons authorized to make the bid on behalf of the individual, the partnership or corporation that is submitting the bid.
- 17.1 When specified in the tender, a bid and amendments to a bid may be submitted by facsimile transmission.
- 17.2 A written bid shall be submitted in an envelope or, subject to section 17.1, with a facsimile cover sheet, which clearly identifies it as a bid submitted in response to the tender.
- 17.3 An amendment to a written bid must be in writing and, when specified in the tender, may be submitted by facsimile transmission.
- 17.4 Amendments must be signed by the person or persons authorized to make the bid on behalf of the individual, partnership or corporation that submitted the bid.

Opening of Bids

- 18.0 Bids shall be included as an agenda item at the next scheduled or special meeting of Council after the closing date.
- 18.1 The Clerk of the Municipality of Haines Junction shall open the tender documents in the presence of the Chief Administrative Officer, municipal employee or Councillor. Both shall initial each tender document and record the name of bidder, the amount of bid where practical and the amount and form of bid security provided if applicable.
- 18.2 The opening of the tender documents shall be recorded on a comparison form (Schedule A) for tenders or an evaluation form for proposals and shall be recorded in the minutes of the next regular or special meeting of Council.
- 18.3 The opened tenders shall be placed in a file specifically for that purpose and filed by the Clerk in the appropriate manner.
- 18.4 Anyone who wishes to be present at the bid opening shall be permitted to attend.

Late Bids

- 19.0 The Municipality shall reject any bids received after the closing time.
- 19.1 Late bids shall be returned to the bidder. In the case of sealed bids, they shall be returned unopened.

Rejection of Timely Bids

20. The contracting authority may reject a bid which has been received prior to the closing time only where:
- (a) it is not submitted in the required form;
 - (b) there are significant omissions of required information;
 - (c) a bid is not signed as required;
 - (d) the required bid security in the required form is not provided;
 - (e) the bid has conditions attached which are not authorized by the tender;
 - (f) the bid fails to meet one or more standards specified in the tender; or
 - (g) there is substantial evidence that, pursuant to the bid evaluation criteria contained in the tender, a bidder would be unable to carry out the contract as specified.
 - (h) the tender price grossly exceeds the budget estimates

Ranking Bids

- 21.0 The Municipality shall evaluate and rank all bids not rejected pursuant to sections 19 and 20.
- 21.1 The Municipality shall evaluate and rank the bids solely on the basis of the bid evaluation criteria and requirements contained in the tender.

Identical Bids

22. Where two or more bids are identical and all other requirements are equally fulfilled, the deadlock between the bids shall be resolved by Village Council with minimum criteria based on past experience with the contractor or supplier.

Awarding of Tenders or Proposals

- 23.0 The tender or proposal shall be awarded at the discretion of Council with written notification to the successful bidder.
- 23.1 Where more than one contract is awarded pursuant to an invitation to bid, they shall be awarded to bidders in the sequence in which their bids were ranked, from highest to lowest.

23.2 Only Village Council by resolution may authorize bypassing the highest ranking bid.

Contract Must be in Writing

24. Any contract must be in writing.

Failure to Enter into Contract

25. Where a bidder is offered a contract and fails to enter into the contract within the time period specified by the Municipality, the Municipality may delete the bid from the ranked list established pursuant to section 21, and may replace it with the next ranked bid.

Award not Required

26. Nothing in these regulations shall require the Municipality to award any contract.

Notice of Rejection

27.0 Where the Municipality rejects a bid, the Municipality shall notify the bidder, by the quickest means available, that the bid was rejected. In the case of a written bid, this shall be confirmed in writing.

27.1 Bidders shall be given reasonably opportunity to have explained the full reason(s) why their bid was rejected.

Notice of Award

28. The Municipality shall give the successful bidder notification of award.

Deemed Delivery

29. Notification of any matter pursuant to these regulations shall be deemed to be delivered at the time transmitted by facsimile, or at the time delivered to a courier, or at the time delivered to Canada Post, as the case may be.

Return of Deposit

30.0 Where a refundable deposit has been paid to receive a copy of the tender, the deposit shall be returned when the copy of the tender is returned in acceptable condition.

30.1 If the copy of the tender documents are not returned within 60 days of the tender closing time, the refundable deposit shall be forfeited to the Village of Haines Junction.

Penalty

31.0 If a bidder is awarded a contract and fails to enter into the contract, the Municipality may retain the bid security to an amount required to pay the extra costs incurred by the Village of Haines Junction as a result of the bidder's failure to enter into the contract.

Incentives

32. Nothing in these regulations prohibits the Municipality from offering incentives to prospective bidders, provided that:

- (a) the availability of such incentives is clearly identified in the tender; and
- (b) the incentives do not arbitrarily or unnecessarily limit the number of bidders.

Errors in Contract Value

33. Where unit prices are requested and the bid contains an error in calculating the estimated contract value, the unit price shall prevail.

CHECK LIST FOR REVIEWING TENDER SPECIFICATIONS

Project: _____ Department: _____
Project Manager: _____
Type: _____ Phone # _____
Estimated Value: _____

1. Instructions to Bidders:
 - _____ Date & time of tender closing – 4:00 pm on Tuesday, Wednesday or Thursday
 - _____ Address where bids must be submitted
 - _____ Late bids not accepted
 - _____ How to verify that a bid has been received by the government
 - _____ How to withdraw a bid
 - _____ How to amend a bid
 - _____ Lowest or any bid not necessarily accepted
 - _____ Bid evaluation criteria
 - _____ Acceptance period (time period during which the bid remains valid)
 - _____ Name and phone number for bidders to contact for answers to questions or clarification, Project Manager and/or Contract Administration
2. _____ Business incentive Policy
3. _____ Specifications – this is the responsibility of the issuing department as Contract Services personnel cannot be expert in every conceivable contracting situation; however, we should look for anything that seems ambiguous or is obviously missing.
4. _____ Source list requirements
5. _____ Terms of payment – ensure that the conditions and frequency of payments are stated
6. _____ Tender form – with price(s) to be filled in and provision for company name and authorized signature(s)
OR
_____ clear instructions on the required format of the submission
7. _____ Insurance requirements (if applicable)
8. _____ Warranty (if applicable)
9. _____ WCB coverage required
10. _____ Employment Standards Act applies
11. _____ Conflict of interest clause
12. _____ GST exempt clause
13. _____ Three weeks tender period.
14. _____ Advertising dates – 4 days notice for papers
15. _____ Request for tender for (signed) and required specifications
16. _____ Envelopes
17. _____ Notes to mention to Project Manager:
 - bid summary form
 - tender forecast

