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| Policy Type: | 100 General Government |
| Policy Title: | 14 Tender Policy |
| Authority: | |
| Resolution # 026-19 | |
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Purpose:

- The purpose of this policy is to set guidelines for the processes and procedures regarding tenders and requests for quotation/proposal throughout the Rural Municipality of Beaver River No. 622 ("the RM").

Definitions:

"Council" Means Council for the Rural Municipality of Beaver River No. 622.

"Invitation to Tender" Is primarily used in construction projects and other large purchases wherein the RM identifies what it wants and how the work will be done or the good supplied. An invitation tender package will be sent to select contractors providing a detailed description of the work/service the RM is seeking as well as setting out detailed instructions to bidders and how the process of competition will be conducted.

"Lowest Evaluated Bid/Quotation" Is the bid/quotation meeting the specifications at the lowest cost to the RM, considering such factors as suitability, location, price, availability, parts availability, warranty, service, related administrative or maintenance cost, disposal value, equipment, financial ability, previous experience and any other applicable criteria as established by Council as well as local supplier on procurement below the minimum thresholds set out in the New West Partnership Trade Agreement ("NWPTA"). With regard to construction contracts further consideration will be; the ability to do the work, past performance on previous work and references provided. The RM reserves the right to make its own inquiries in evaluating the above criteria.

"Public Tenders" Are primarily used in construction projects and other large purchases wherein the RM identifies what it wants and how the work will be done or the good supplied. The tender will be advertised publicly at large to the general community providing a detailed description of the work/service the RM is seeking as well as setting out detailed instructions to bidders and how the process of competition will be conducted.

"Qualified" Means that in the opinion of the RM, the contractor has the equipment, expertise and ability, physically and financially, to supply or perform the goods, services or work tendered, bid or proposed, and who's past performance or references are satisfactory to the RM.

"RFQ" A Request for Quotation is typically a shorter, simplified competitive tendering process used when the scope or specifications of the good, service or project are known and clearly defined and is commonly used for the purchase of equipment, parts, or projects that are of a lesser value and



done/required on a regular basis (i.e. graders and small road projects, etc.). The criteria for evaluating RFQ's is based on weighting established by Council and typically includes, price, qualifications/abilities of bidder and any other applicable criteria.

"RFP" A Request for Proposal is used when the scope or specifications of the project are only generally defined and a qualitative evaluation process with clearly defined criteria is utilized. The RFP typically provides bidders an opportunity to propose and present their unique approach, quality, ability, creativity, ingenuity and other outstanding qualities and qualifications/experience as well as the knowledge, skill and ability of their representatives in achieving the outcome desired. RFP, proposals are ranked based on weighted criteria.

"The RM" Means the Rural Municipality of Beaver River No. 622.

Scope:

- All RM tenders shall be conducted in accordance with this policy.

Objective:

- To offer the public a procurement process based on the principals of non-discrimination, openness, transparency, and to reflect the RM's commitment to the effective management of public resources.

Policy:

The RM Administrator shall have the authority, upon Council approval to:

- Call for tenders and arrange for contracts for the supply to the RM of goods, services and work as authorized by the budget.
- Council approval shall be obtained before an Invitation/ Public Tender or RFQ is drafted and before it is sent out.
- For procurement of goods and services with a value greater than \$75,000 and for construction projects with a value greater than \$200,000, the RM shall utilize a competitive, open and transparent purchasing process. Without limiting the generality of the foregoing, the tender/RFQ's/RFP's process shall exhibit the following principles:
 - 1) The evaluation criteria defined in the **"Lowest Evaluated Bid/Quotation"** section of this Policy shall be applied to every bid to determine the Lowest Evaluated Bid.
 - 2) The tender package must be advertised on the national electronic tendering service (www.sasktender.com).
 - 3) The bid period will be appropriate for the item being tendered and the tender will set out the bid period.
 - 4) Tender packages shall be complete with full disclosure of all information available related to the project.



- 5) The tender packages shall be complete with reasonable estimations of all quantities.
 - 6) The tender opening shall be in public.
- For procurement of all goods and services with a value greater than \$50,000 or greater but less than \$75,000 and for all construction projects of \$75,000 or greater but less than \$200,000, the RM shall utilize a competitive, open and transparent purchasing process. Without limiting the generality of the foregoing, the RFQ's/RFP's process shall exhibit the following principles:
 - 1) Prior to attaining any service or commencement of any project, Council shall obtain 2 or more price quotations on comparable product or work to be performed. Number of price quotations variable pending obtainability.
 - 2) The evaluation criteria defined in the "**Lowest Evaluated Bid/Quotation**" section of this Policy shall be applied to every price quotation to determine the Lowest Evaluated quotation.
 - 3) After receiving quotes, the Council shall review and approve by resolution.
 - For procurement of all goods and services with a value less than \$50,000 and for all construction projects with a value of less than \$75,000, the RM Council shall determine appropriate action to properly suit each situation.
 - When the RM is capable of completing the project, Council may determine that the work will be done without competitive purchasing practices and Council may authorize municipal staff and equipment to perform the work.

Evaluating Bids:

- In every competitive procurement process, the RM shall include the following rights in every bid solicitation:
 - 1) The bid evaluation process will be conducted at the discretion of the RM, and the RM may decide to utilize other criteria other than those set out above and, without limiting the generality of the foregoing, the price to complete the work is not the only or primary criteria to be used by the RM in awarding the contract.
 - 2) No bidder shall have any claim for any compensation of any kind whatsoever, as a result of participating in any tender/RFQ/RFP, and by submitting a proposal each proponent shall be deemed to have agreed it has no claim.
 - 3) Waive minor non-compliance at its sole discretion.
 - 4) Seek clarification or verification from bidders regarding any or all information provided by them with respect to the bid solicitation.
 - 5) Contact any or all references supplied by bidders to verify and validate any information submitted by them.
 - 6) Request, before the award of any contract, specific information with respect to bidders' legal status.

- 7) Conduct a survey of bidders' facilities and/or examine their technical, managerial, and financial capabilities to determine if they are adequate to meet the requirements of the bid solicitation;
- 8) Verify any information provided by bidders through independent research, use of any government resources or by contacting third parties.
- 9) Interview, at the sole costs of bidders, any bidder and/or any or all of the resources proposed by bidders to fulfill the requirement of the bid solicitation.
- 10) Choose not to accept any bid.
- 11) All bidders shall be encouraged to disclose all companies that will be performing work in their bid whether it is for goods or labour.

Awarding Contracts:

- All tenders will be evaluated based on the evaluated criteria set out in the tender to determine the lowest evaluated bid.
- Where there are equal bids the RM may award to either bidder. For the purpose of making this decision the RM may ask for additional information from or negotiate with either or both bidders.
- Within thirty (30) days of closing, the appropriate RM Official shall notify, in writing, all unsuccessful bidders who submitted bids.
- All tenders shall be awarded publicly at a regular meeting of council, unless otherwise specified.
- Council reserves the right to allow sufficient time to evaluate all tender/RFQ and RFPs and may, at its sole discretion, extend the thirty (30) day provision and will provide notice to all bidders in this case.

Exceptions:

Contract Renewals:

- The RM may utilize private sector contracts to provide some services to the ratepayers. This is done through contracts for specified periods of time and for specific services. The following provisions shall apply when it is in the best interest of the RM to renew the contract without going through the tendering process as identified above for the existing services.
- Contract renewals shall be subject to the following:
 - 1) The Contractor has met all conditions of the existing contract.
 - 2) The Contractor can continue to demonstrate ability to provide the service.
 - 3) The Contractor continues to have the financial ability to carry out a new contract.
 - 4) The RM in its sole discretion determines that the service remains substantially the same.



- 5) That the RM and Contractor can agree on a Without Prejudice basis to a new contract at least (60) sixty days prior to the expiry of the current contract.
 - 6) The contract is renewed for a period not to exceed three (3) years.
- Council will determine in its sole discretion whether or not a contract will be offered for renewal.