

<u>Title:</u> Price Quotation and Competitive Bids	<u>Date Issued:</u> October 27, 2015	<u>Policy #:</u> OP7.6
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I. POLICY STATEMENT

Quotations will be solicited from suppliers on an invitation to bid basis, unless it is not practical to do so. Formal publicly advertised tenders are required for procurement of goods, services and construction contracts valued at \$100,000 (one hundred thousand) or more net of taxes.

II. METHOD

The following limits must be adhered to:

- No quotations required for orders under \$1500 (before taxes).
- Three (3) telephone, email or internet quotes are required for orders over \$1500. A capital purchase requisition must be completed with the quotations attached.
- All quotations must be quoting the same items or work.

Evaluations of Quotations

1. The Purchasing Supervisor will select the source of supply based upon the following factors:
 - Price
 - Quality
 - Quantity
 - Delivery
 - Past Performance
 - Service
 - Qualifications and/or experience
 - Any other genuine business service/service need
2. All other factors being equal, the award shall be made to the lowest bidder.
3. If the lowest bidder is not selected, the criteria used to evaluate the quotations/bids along with the method used to weigh and evaluate the criteria must be documented and attached to the purchasing documents.
4. The objective of this evaluation is to purchase all equipment and supplies for the use of Bethesda in such a manner that the maximum value will be obtained for the money expended.
5. Purchases from foreign suppliers shall be made only when Canadian suppliers are not available. It is the responsibility of the Purchasing Supervisor to locate a Canadian supplier before issuing a purchase order to a foreign supplier. When making a decision to purchase from outside of Canada, remember that the cost to Bethesda includes the rate of currency exchange, excise taxes, brokerage fees for customs clearance, and transportation costs.
6. All ministries of the Ontario government allow a price preference of ten (10) percent for Canadian content in goods and services. As an organization funded by MCSS under the Broader Public Sector, Bethesda will also allow a ten (10) percent price preference for

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Canadian content when comparing quotations between foreign and Canadian suppliers.

Acknowledgement of Quotations

1. Receipt of quotations from suppliers for purchases over \$1500 will be acknowledged by the Purchasing Department. Acknowledgements for lesser amounts shall be initiated if deemed advisable.
2. The acknowledgement back to the vendor for the quotation submitted and indicate one of the following situations:
 - a. The proposal is being considered and we will order or notify you later.
 - b. Our plans have changed. No orders forthcoming.
 - c. Order placed with another company.
 - d. Other – with explanation.

Quotations from Suppliers Shall be Strictly Confidential

Only on written request will the name of the successful company and the price be released to an unsuccessful bidder. No other information need be supplied.

Publically Advertised Tenders

All calls for tenders shall contain the following information:

- a. A brief description of the procurement or project contemplated.
- b. Address of Bethesda – Schmon Parkway.
- c. Project engineering and architectural firm and address – if applicable.
- d. The place where a person may obtain the necessary information, specifications, plans and documents to submit tender. Costs of removing a set for the purpose of preparing a tender.
- e. The conditions for obtaining the tender documents e.g. requirements for bid security, deposit, or a fee charged for obtaining copies of bid documents.
- f. The place where the sealed tenders are to be sent, or who is receiving the tender e.g. Chief Executive Officer, Chief Operating Officer, Purchasing Supervisor, etc.
- g. The date and time for submitting tenders – date and time tenders are due.

Minimum Time for Submitting Bids/Tenders

Calls for tenders must provide suppliers with a minimum of fifteen (15) calendar days to submit a bid, from the date the tender is called or advertised.

Amendments or Clarifications to Tender Documents

If there are any amendments or clarifications made to tender documents, all suppliers that received the original documents should receive notice of the changes.

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Criteria for Evaluating Bids

1. In addition to the submitted price, the evaluation of bids may take into account quality, quantity, delivery, servicing, as well as the experience and financial capacity of the supplier to meet the requirements or any other criteria directly related to the procurement with respect to the principle of reciprocal non-discrimination.
2. Non-price criteria must not discriminate against the suppliers products of the other provinces. This procedure is based upon the principle of reciprocal non-discrimination. All suppliers are to be treated equally, regardless of their province of origin. Therefore, local preference as a criterion is not allowed.
3. Contractors from outside the province of Ontario will be required to conform to Ontario's laws and regulations when they work in Ontario. It would not be considered bias to require firms to prove they will comply with Ontario law such as registering with the Workplace Safety & Insurance Board (WSIB), complying with the Occupational Health & Safety Act, the Construction Lien Act, adherence to CSA approval for products, or the Ontario Electrical Safety Code.
4. The tender documents are to clearly identify the specifications and requirements as well as all criteria that will be used for evaluating the bids.
5. The methods of weighting and evaluating the criteria shall also be divulged in these documents.

Tendering Procedures for Bethesda

1. Tenders received are to be dated and timed (date stamped with time) and secured in a locked container until the opening date.
2. Sealed tenders must be received by the closing date and time.
3. Tenders received after the closing time and/or date will not be considered and will be returned unopened to the bidder.
4. Venders may make substitutions or changes in a tender already submitted at any time before the due date and time deadline. Substitutions or changes may be submitted by withdrawing and replacing the original tender or by a formal written notification of adjustment(s). Verbal amendments or notification of adjustments will not be accepted. Revised tenders or written notification of adjustments must be received by the tender closing date and time.
5. Withdrawal requests of tenders submitted by vendors will be allowed if the withdrawal request is received by Bethesda before the official closing time for tenders. Withdrawal requests are to be made in writing.
6. A withdrawal of a tender before closing time does not disqualify the tendered from submitting another bid as long as it is received before the closing time and date.
7. If Bethesda makes any amendments or clarifications to tender documents previously published/distributed, all suppliers that received the original documents must receive the notice of the changes. The time of an addendum to a tender call by Bethesda must allow seven (7) days before the tender's closing for a supplier to respond, or the closing date shall be extended to allow seven (7) days for a supplier to respond.
8. Once the supplier is selected, the Purchasing Supervisor will issue a purchase order and

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forward the tender documents and documentation as to the criteria used to select the successful bidder to Finance with the financial copy of the purchase order.

Information to be Supplied to Bidders

1. In response to inquiries from a bidder, Bethesda shall provide the following information concerning a particular call for tender:
 - a. The name and address of the successful bidder.
 - b. The successful total bid price.
 - c. The name and address of every bidder.
 - d. If criteria other than price was used in the evaluation of bids, the scoring of all criteria for the successful bidder and the scoring of all criteria for the bidder making the inquiry.
2. All bidder inquiries and subsequent information supplied to the bidder is to be made in writing. Bethesda does not disclose or discuss this information verbally. However, any bidder verbally requesting information as to the disposition of the tender must be informed that the above information will be provided upon receipt of his/her request in writing.

Information to the Province of Ontario or to the Province of Quebec

1. Under the Ontario – Quebec Procurement Agreement each provincial government may obtain on request:
 - a. A copy of the tender documents.
 - b. The list of all suppliers who requested the documents.
 - c. The name, bid price and evaluated price of each considered bidder.
 - d. The scores of all bidders if criteria other than price were used in the evaluation.
2. MCSS/MCYS may also require annual reporting as to the total number and total value of construction contracts over the threshold of one hundred thousand (\$100,000) dollars and the total value of all construction activity.

Exception to Tendering Requirements

1. Some exceptions are permitted in the procurement process for operational considerations such as unforeseeable emergencies, public security, or compliance with copyrights and warranty requirements.
2. Examples of where exemptions from tendering procedures can apply are:
 - Procurements to ensure compatibility with existing products.
 - Maintenance or repair of specialized equipment that must be carried out by the manufacturer or its representative.
 - Where the carrying out of work by a contractor other than the contractor who did the original work will nullify the guarantees held.
 - Work that involves the construction or renovation of rental buildings or parts of rental buildings and is being carried out by the leasor of the building.
 - Purchases of goods already the subject of a lease purchase agreement where

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- payments are partially or totally credited to the purchase.
- In the absence of tenders in response to a call for tenders.
 - Goods purchased under exceptionally advantageous circumstances such as bankruptcy or receivership.
 - Procurements for an unforeseeable situation of urgency where the procurement cannot be concluded in time by means of the formal tendering system (unforeseen emergency).
 - Procurements between public organizations or with a non-profit organization.
 - Consulting services or goods regarding matters of a confidential nature, the disclosure of which would be contrary to the public interest.
3. The Ontario – Quebec Procurement Agreement does not apply to:
- Contracts for services that can only be provided by licensed professionals such as doctors, dentists, nurses, pharmacists, veterinarians, engineers, land surveyors, architects, chartered accountants, lawyers, notaries.
 - Purchase of goods or services provided by a statutory monopoly, e.g. utilities.
 - Commercial crown corporations such as Ontario Hydro and Hydro-Quebec.

Disputes and Bid Protests

1. To the extent possible disputes will be handled at the level of Bethesda – in situations where a supplier does not think its complaint has been addressed fairly, the supplier may register a complaint with its home province.
2. A province may request a full dispute panel to consider the complaint, the procedure will be:
 - a. The supplier addresses a complaint in writing to Bethesda.
 - b. The Purchasing Supervisor, after receiving the complaint, will advise the supplier of the complaints process in place, e.g. issue a formal complaint in writing to Bethesda.
 - c. The complaint will be directed to the Chief Operating Officer who will investigate and respond.
 - d. If the supplier is still dissatisfied, the complaint will be directed to the Chief Executive Officer who will investigate and respond. The Chief Executive Officer will involve the Board of Directors as required.
 - e. If unsatisfied, the supplier notifies the home government, e.g. Ontario or Quebec.
 - f. The home government consults with the government from the other province.
 - g. If still unresolved, the issue is brought to a panel of neutral experts for consideration.
 - h. The panel makes a recommendation to the ministers, who are to consult to seek a resolution.

III. CONTACT FOR INTERPRETATION

Immediate Manager/ Program Director