Procurement Guidelines for Non-Profit Housing

July 2013

BRITISH COLUMBIA

BC Housing

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ACKNOWLEGEMENT

BC Non-Profit Housing Association (BCNPHA) is pleased to have been a part of the process of guiding the publication of *Procurement Guidelines for Non-Profit Housing* for new construction and redevelopment. We acknowledge BC Housing for the work that it has contributed in making this document useful and relevant, while maintaining brevity.

Best practice tools and resources that encourage principles of fairness, openness and transparency are essential elements for a successful non-profit. BCNPHA supports such guidelines, as we believe that if they are implemented, they will strengthen the non-profit sector.

BC Non-Profit Housing Association encourages adoption and practice of the concepts presented within this document.

PART 1 | INTRODUCTION

This document has been developed to provide information about the procurement processes for non-profit societies to either build new social housing or undertake major renovations of existing social housing funded by BC Housing. Non-profit societies may also want to use this document as a reference for other building initiatives that do not include BC Housing.

For the purposes of this document, procurement is defined as the process of obtaining products and services, including construction related services from the preparation and processing of a Request for Proposal (RFP)or Invitation to Tender (ITT) through to the approval of invoices for payment. It commonly involves, planning, standards determination, specifications development, supplier research and selection, value analysis, financing, price negotiation, contracting for products or services, and other related functions. Successful procurement processes that incorporate best practice standards will help ensure that you obtain the goods or services you require at the best possible total cost, in the right quality, quantity, time and place.

The use of public funds requires openness, fairness and transparency about the way funds are expended. There is an obligation to obtain value for money and allocate and manage risks. The primary method for ensuring that these values are met through the procurement process is to create opportunities for competition between potential service providers and suppliers in the planning, design and construction of a housing development or renovation.

1.1 Objectives

- To help societies better understand and plan for procurement procedures as part of the overall building development and renovation process.

- To provide a competitive, open, and transparent bidding process that encourages participation by qualified contractors, and achieves the overall best value for a building development or renovation for both non-profit societies and BC Housing.

- To identify typical procurement issues and provide recommendations on how to mitigate them.

1.2 How to Use

Before contemplating the development or renovation of a building, and prior to securing consultants and contractors, societies should consult this document, and be familiar with the following sections:

- **Working with BC Housing** – provides an overview of the range of partners that can be involved and how projects are typically initiated, provincial policy, the value of products, services and construction.

- **Requirements for Competition** – this section provides an overview about the competition requirements for construction projects.

- **Four Construction Delivery Methods** – provides a description of the four main construction models.

- **Tendering requirements** – provides an overview to the tendering process.

There may be issues or questions that arise that are not addressed in this document, and societies or their consultants are encouraged to seek advice from BC Housing staff assigned to their project.

PART 2 | WORKING WITH BC HOUSING

BC Housing is the provincial agency that develops, manages, and administers a wide range of subsidized housing options across the province. We partner with private and non-profit housing providers, other levels of government, health authorities, and community groups to increase affordable housing options for British Columbians in greatest need.

Currently, more than 95,000 households in British Columbia benefit from government subsidized housing. BC Housing directly manages about 7,200 public housing units. Another 62,200 units are managed through our partnerships with over 800 housing providers, mostly non-profit societies and housing co-operatives. In addition, approximately 28,000 households are receiving financial assistance to make their rent more affordable in the private market. Where there are gaps in the housing continuum or as new housing needs arise, they are addressed through the creation of new housing options or by adapting existing housing.

Through new responsibilities under the *Homeowner Protection Act,* transferred to BC Housing in 2010, we also play an important role at the homeownership end of the housing continuum by licensing residential builders, administering owner-builder authorizations, overseeing the third-party home warranty insurance system and carrying out research and education to improve the quality of construction of new homes.

BC Housing is at the forefront of energy conservation and sustainability practices among public housing providers in North America and has established a sustainability policy and strategy in alignment with the Province's Climate Action Plan to reduce greenhouse gas emissions, with the goal of incorporating environmentally responsible construction and management techniques into new builds and existing developments.

2.1 Key Stakeholders

Non-profit construction projects typically include the following key stakeholders in the procurement process:

- **Owner** – non-profit society who currently, or will own a housing development; this includes ownership by long-term lease or fee simple ownership.
- **Operator** – non-profit society contracted to operate / manage the building on behalf of the Owner (typically BCH / PRHC). The Operator is not authorised to make contractual agreements on behalf of the Owner without prior agreement from the Owner.
- **Development Consultant** – used mainly by societies that do not have project management expertise available internally. The Development Consultant acts as the "Owner's representative" and is responsible for overall coordination and management of the project. Responsibilities will vary depending upon the procurement method selected. Development Consultants are not required on renovation projects where BC Housing provides a representative.
- **Design / Prime Consultant (architect or engineer in remediation projects)** – is

usually the lead in the design phase of construction projects and administers the construction contract. The design consultant is usually an architect; however on renovation projects an engineer may act as the prime consultant. Consultants are responsible for preparing design plans, construction drawings and specifications, and certifying them for code compliance and safety.

- **Construction Manager** – on projects utilizing the Construction Manager or Construction Manager at Risk Delivery Model the CM provides input about design specifications and coordinates the procurement process while acting as the agent for the owner.

- **Developer** – firm who improves raw land and arranges for utilities and essential services in order to sell subdivided parcels of land or to build structures for rent and/or sale.

- **BC Housing** – monitors compliance requirements and provides support and advice to societies throughout the procurement process. For renovation projects, BC Housing assigns a representative from its Asset Strategies branch who works with the society throughout the procurement process.

2.2 Project Initiation

There are three main ways a building project may be initiated:

1. **BC Housing Issues a Request for Proposal (RFP)**

   Request for Proposals are typically issued as part of a funded program, where BC Housing arranges for one or more of: construction financing; long-term financing; operating subsidies; or grant funding. The RFP may, or may not be handled by a third party, for example a municipality. http://www.bchousing.org/Partners/Calls

   Below are two types of RFP's BC Housing uses to solicit proposals:

   a) RFP to Obtain a Society to Design, Build and Operate

   The RFP focuses on selecting a society that has the capacity and credentials to manage and operate the housing development, and does not include a full consultant team and/or contractor. Once a society is selected to undertake the project, they must undertake a competitive process to procure building design and construction services such as a prime consultant, development consultant or general contractor. The construction method and form of contract may vary. Some options include Design-Bid-Build, Design Build and Construction Management.

   b) RFP to Obtain a Society with a Development Team

   The RFP will seek a non-profit society and a consultant team, and may or may not include a request for a construction manager, or a contractor. In the event that a construction manager or contractor is not included, these contracts would be subject to a subsequent competition. Societies will be required to demonstrate value for money, funding allocation and an appropriate management of risk as part of their RFP submission. Societies are also required to provide an outline of how the consultant team were procured. It is recommended that societies undertake a competitive process to select their consultant team based on clearly defined statements of work, including industry standard forms of contracts.

2. A Society Applies to BC Housing for Assistance Under the Community Partnership Initiatives

A considerable range of development alternatives are possible under the Community Partnership Initiatives (CPI). Projects will be reviewed and evaluated on a case-by-case basis.

Through the Community Partnership Initiatives (CPI) program, BC Housing provides advice, referrals to partnership opportunities and interim financing during the construction phase of a project. Upon completion BC Housing can help arrange long-term financing at favourable terms for non-profit societies. It should be understood that CPI program does not include any funding, such as capital grants or operating subsidies.

To determine if your project is eligible for the CPI program contact the Director, Regional Development that is responsible for your community.

3. A Society Applies for Assistance in Renovating an Existing Building

Societies seeking funding for major capital repairs or renovations to an existing building should contact their Non-profit Portfolio Manager (NPPM) about what funding resources are available for the project, which may include the society's annual maintenance budget or replacement reserve fund.

If the project cannot be covered under these funding options, the NPPM will apply to BC Housing's Modernization and Improvement Program (M&I) for funding and the Asset Strategies branch will help to define the project's scope and budget, through either a site visit or for projects requiring specialized skill sets, a consultant may be required to perform a review of the site. Each eligible project is then assessed through a uniform scorecard, using standardized factors, to help determine the appropriate priority ranking for the project.

Once a project's priority ranking is determined, it is entered into the provincial priorization database, which provides a consolidated listing of prioritized capital needs for all non-profit and directly managed social housing in British Columbia. M&I funding is then allocated annually based on the priority ranking system and the funding available for that year. Once funding has been allocated to a society's repair project, Asset Strategies branch will be available to provide services to the society, including advice and support with respect to the required competitive processes.

PART 3 | REQUIREMENTS FOR COMPETITION

Why does BC Housing require non-profit societies to have open, fair and transparent competition in their procurement activities?

As a public organization, BC Housing has a duty to ensure the best value for funds spent. Best value is defined as receiving the right product or service at the right price, and meeting all expected requirements and deliverables for the project. It is important to provide a level playing field for all competitive opportunities in the procurement process, and not create unfairness through preferential treatment.

It is also important to recognize that threats to the process exist in the forms of conflict of interest and collusion.

A conflict of interest arises when one of the parties involved in what should be an open and competitive process receives personal gain from the transaction. The personal gain can be in the form of monetary value, gain in stature or position, or further influence and allowances on another project.

Collusion occurs when a non-competitive agreement is made between one or more parties, thus limiting the ability for the market to act on the opportunity. It can involve kickbacks, price fixing, or misrepresentation of the relationship between two parties.

It is not in the public's interest to fund projects where conflict of interest or collusion, or the perception of these instances is suspected. Any potential notices or signs of conflict or collusion activities will be reviewed by BC Housing and the non-profit society.

Not-for-profit organizations are subject to the *Personal Information Protection Act* (PIPA). This is important to know when collecting, using or disclosing personal information. BC Housing is subject to the *Freedom of Information and Protection of Privacy Act* (FIPPA). FIPPA limits BC Housing's ability to withhold records that don't contain personal information. Therefore, any documents supporting funds granted by BC Housing are subject to disclosure under this Act.

Construction initiatives by non-profit societies that involve grants or subsidies through BC Housing need to comply with provincial guidelines when securing consultant services, products (such as heating systems, mechanical systems, elevators, etc) and construction. The Province has legislated requirements as well as framework guidelines including the Capital Asset Management Framework (CAMF) to assist with this process.

CAMF sets out the government's objectives and policies for planning and managing publicly funded capital assets. BC Housing's procurement standards are in alignment with the principles of CAMF and incorporate best practices for procurement.

Three Underlying Principles for Procurement:

1. **Fairness, Openness and Transparency**

   Procurement processes must be fair, open and transparent to assure the public and potential partners of the integrity of the process and the desired outcome.

   The public should be given every opportunity to participate in the fulfillment of procurement requirements. Required qualifications for bidders, such as financial capacity and technical capacity should be proportionate to the project's size and complexity.

2. **Competition**

   BC Housing encourages competition for products, services and construction for all development and renovation projects. The definition of competition is: "the effort of two or more parties acting independently to secure the business of a third party by offering the most favourable terms." In order to ensure competition and the receipt of a minimum of three proposals, societies should solicit a minimum of five or more companies to supply quotations based on the statement of services required. A competitive process may include a public advertisement (See Section 3.2 Advertising, page 8.) in the form of RFP, ITT or RFPQ.

3. **Value for Money and Protecting the Public Interest**

   Procurement decisions must be based on value for money assessments with due regard for protecting the public interest.

   The cost of procurement should be appropriate to the value of the products and services being acquired including any risks that may be associated with the procurement.

Obtaining Quotes

Several methods exist to obtain quotations from potential suppliers, consultants, or contractors. Three of the most common are:

A) **Request for Proposals (RFP)** – generally used when you are looking to obtain and evaluate bid responses based on more than pricing and includes a range of critical factors; and/or where you are looking for the marketplace to provide answers or solutions for your project. RFPs are generally issued for service providers such as consultants or construction management firms.

B) **Invitation to Tender (ITT)** – generally used in the construction industry when looking for general contractors or sub-contractors to perform a specific duty or scope of work. The basis for the evaluation is price – that is lowest overall cost.

C) **Request for Pre-Qualification (RFPQ)** – generally used to select suppliers prior to finalization of specifications or standards. This is a two-stage process where stage one

(RFPQ) is publicly advertised with limited technical information available. Experience, qualifications, and references are the basic criteria to be evaluated. Stage two (ITT) is issued when the project design is complete, specifications are available and pricing is being requested. Only pre-selected suppliers acquired in stage one are permitted to bid on the project. This two stage process utilizes a combination of the RFPQ and ITT.

BC Housing expects our partners and stakeholders in all projects we support to show us how they have chosen their team and what due diligence has taken place. If your team consists of development consultants, architects, engineers, construction managers, or any other type of consulting services, we expect you to have followed a competitive process in obtaining these services. Each project is viewed individually, and as the funding is granted through public purse, we require societies to solicit the marketplace/ industry and source their service providers in an open competitive process as outline in the three principles of procurement noted above.

3.1 Documentation

Non-profit societies are expected to fully document and retain evidence of their procurement processes, including bid documents, all submissions and evaluation criteria.

3.2 Advertising

To achieve open and fair competition, it is necessary to inform the marketplace about an opportunity. There are several options available to non-profit providers and the most common tool is public advertisements. These can be via the local, regional, or province-wide newspapers. In addition, there are several online tools available such as;

- BC Construction Association "Bid Central": http://www.bccassn.com/
- BC Non Profit Housing Association: http://www.bcnpha.ca/
- MERX: http://www.merx.com/
- Biddinggo: http://www.biddingo.com/
- eTenderer: http://www.etenderer.com/

BC Bid is not a requirement for non-profit societies because it is exclusively for government agencies.

Many different building and trade associations exist and can be helpful in providing information about products and services and can also help in advertising a competitive opportunity to their members.

PART 4 | FOUR MAIN CONSTRUCTION DELIVERY METHODS: AN INTRODUCTION

There are four main delivery methods societies may use for procuring the actual construction of housing developments. Considerations for selecting which method to use include construction market conditions, and the complexity and risks associated with the project (See Part 5, Tendering and Proposal Requirements, page 15).

Non-profit societies undertaking the development of housing projects face a variety of risks. At the commencement of a new project, it is useful to identify and plan for risk management. We recommend that prior to selecting your delivery method that you conduct a risk analysis to ensure the appropriate allocation of risk for the project team. In addition to allocation of risk, this pre-planning will help ensure the success of your project by building in strategies for "what if" scenarios so that you can be proactive in leading the development of your project.

For new construction projects the Development Consultant's role will vary according to the procurement technique. As the Owner's Representative their role will generally be similar for Construction Management, Construction Management at Risk and Design Bid Build, except that they will have responsibility for co-ordinating the RFP / RFPQ process for the Construction Managers. For these three procurement methods, the consultant team all work for the Owner / Operator reporting through the Development Consultant. For the Design Build method, the development consultant will generally be the only consultant working for the Owner / Operator with the design consultants reporting to the developer contractor. Development Consultants are not required on renovation projects where BC Housing provides a representative.

For the construction delivery method a non-profit society must consider the most appropriate method for the project that is proposed and the conditions that the project is being completed in. The information below outlines the advantages and disadvantages of the four main methods. It is recommended that the non-profit society review all the construction delivery methods available along with project specific details prior to selecting the appropriate delivery method.

The four main project delivery methods are:

1) Construction Management as Agent (services only)
2) Construction Management At Risk (services and construction)
3) Design Build
4) Design Bid Build

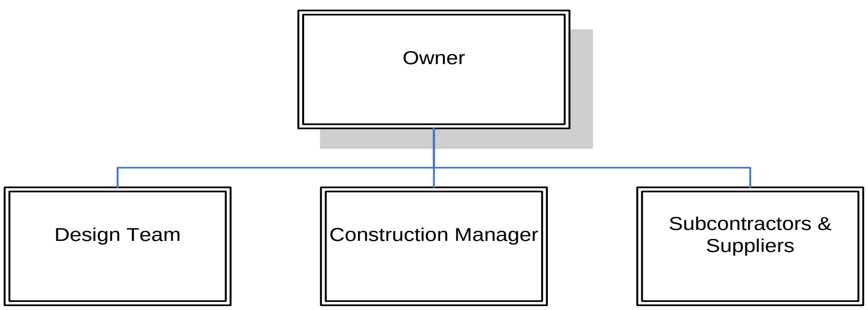
4.1 Construction Management as Agent (Services Only)

This method involves two distinct services:

- Pre-tendering Advice. For an agreed fee, the Construction Manager (CM) undertakes an advisory role to the society prior to construction. This usually involves scheduling, budgeting, cost estimating and constructability advice during the planning and design phases. In this role, the CM becomes part of the society's consultant team; and

- Managing Construction. The CM is responsible for tendering all the construction work to the individual sub-trades, and for administering the construction project. The CM undertakes this work for a fee. The owner signs all individual sub-trade contracts.

Contractual Relationships



- An RFP is utilized in order to obtain competitive proposals for evaluation for the Construction Manager.

- Once chosen, the Construction Manager leads all future RFPs and ITTs required on the project.

- The Owners sign contracts with all individual sub-trades.

ADVANTAGES

- CM provides input into design and construction phases
- Ability to screen subcontractors for quality
- Project costs transparent

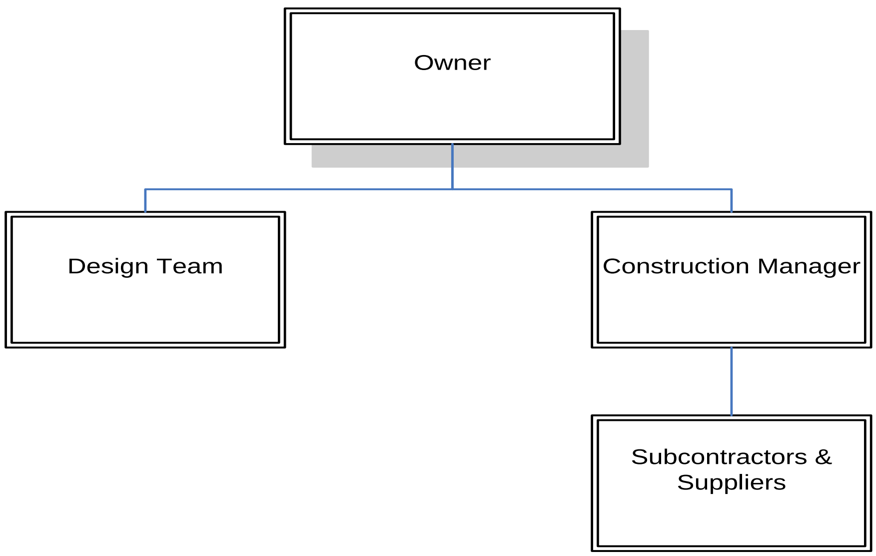
DISADVANTAGES

- No guaranteed price through a Canadian Construction Document Committee contract
- Owner enters into all contracts
- CM has no contractual relationship with sub-trades

4.2 Construction Management At Risk (Services & Construction)

This construction delivery method of procurement is a hybrid, involving the Construction Management approach with pre-tendering advice, and the tendering of construction work. However, once tenders are complete the contract will transform the CM into the general contractor, in the form of a fixed price contract.

Contractual Relationships



- A RFP would be utilized in order to obtain competitive proposals for evaluation for the Construction Manager.
- Once chosen the Construction Manager leads all future RFPs and ITTs required on the project.
- The Owner signs one contract with the general contractor (Construction Manager.)

ADVANTAGES

- CM provides advice throughout design and construction phase
- Fixed fee contract signed before construction starts

DISADVANTAGES

- Additional fees incurred during design stage for CM fees

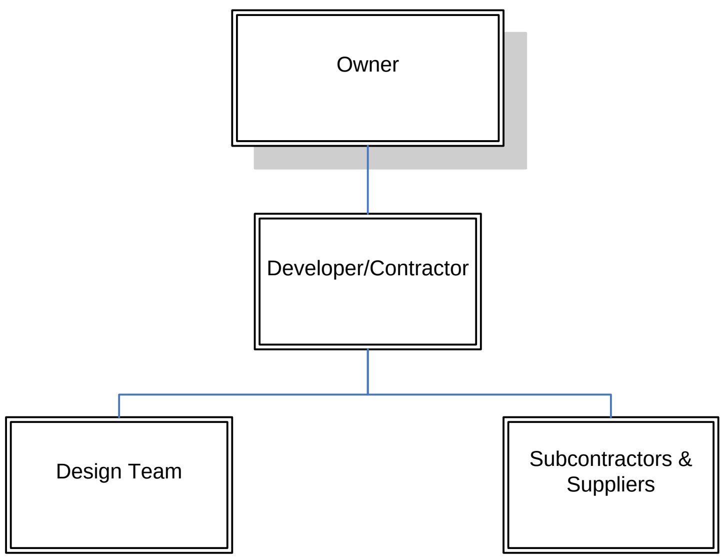
The British Columbia Construction Association has recommended guidelines for the use of construction management as a project delivery method:

https://www.bccassn.com/resources/procurement/construction-files/construction-file--the-construction-management-project-delivery-method/

4.3 Design Build

Design Build involves a developer/contractor who has the responsibility for both design and construction of a project for a fixed price, with the design consultant team working for the contractor. This technique is useful for a society seeking a contractor who may also bring the land for a project.

Contractual Relationships



- A RFP is used to obtain competitive proposals for the evaluation of the developer/contractor.
- Once the proponent is selected they lead all future RFPs and ITTs required on the project.
- The Owner signs one contract with the developer/contractor.

ADVANTAGES

- Fixed price early in project
- Contractor takes on all project risk
- Single point of responsibility for design and construction
- The potential to be more cost effective in design

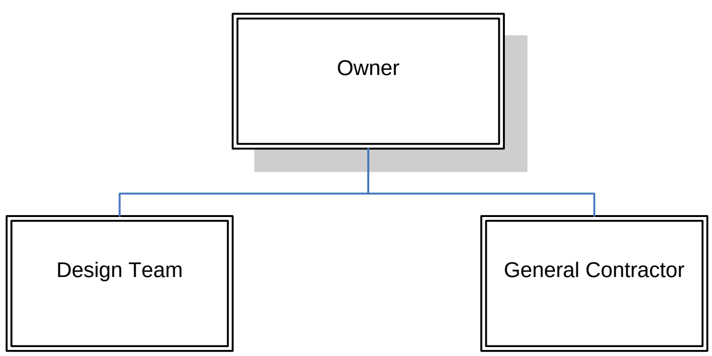
DISADVANTAGES

- Owner must have clear sense of scope and concept before selecting design build team
- Once the contract is signed changes to scope are difficult and expensive
- Owner does not always benefit from reduced costs

4.4 Design Bid Build (Design Tender)

Design Bid Build involves a general contractor, providing a bid price for all the work identified in a package of drawings and specifications, prepared by the society's consultant team. The contractor takes responsibility for securing all trade prices, and for contracting to construct the project for a "lump sum" price. This method is appropriate for straightforward projects, and in a construction market that will provide for competitive bidding.

Contractual Relationships



- An RFP would be used for the selection of consultants.
- Depending on the project requirements, either RFP or ITT can be used to obtain competitive proposals.
- Once chosen the Owner signs a fixed price contract with the General Contractor.

ADVANTAGES

- The design team prepares documents on which general contractor place bids
- Assists the owner in establishing a competitive bid for the project
- The project scope is fully defined before project tendered

DISADVANTAGES

- Owner does not have the benefit of the contractor’s advice during design stage
- Owner’s requested changes to design are expensive once contract signed

PART 5 | TENDERING OR PROPOSAL REQUIREMENTS

When securing the services of a Consultant or Contractor through a competitive process there are several options that can be utilized (refer to Part 3 - Requirements for Competition page 6) – Either a Request for Proposals (RFP), Invitation to Tender (ITT) or a Request for Pre-Qualification (RFPQ), the decision on which option selected should be made early in the procurement process.

In order to ensure all potential consultants, contractors, and suppliers receive the same information, it is important to follow a consistent process and documentation control throughout the tendering process.

5.1 Bid Preparation

The goal of your solicitation should be to maximize the number of proposals you receive.

5.2 Preparing the Statement of Work

The first step in the process is to develop the Statement of Work and deliverables. It provides a narrative description of the work required and specifies the deliverables and services needed to successfully complete the contract. It should act as the road map for completing the project.

The Statement of Work sets out the expectations for each party with sufficient detail that all parties clearly understand what will be done, when it will be done, how much it will cost and how the work will be paid for. If you do not have all the details and expectations confirmed at the time of tender, request the proponents provide this information as part of the tender submission. The combination of all this information forms your final contract agreement.

Each Statement of Work should contain or address at least the following:

- A description of the project and its objectives or desired outcomes;
- A list of all assumptions that may impact the business terms and project including any specific requirements from funding partners;
- A description of any other projects in process or planned for the same site or time frame, which may affect the Statement of Work and/or the obligations of the society, such as access to a facility, administrative assistance, documentation review, etc.;
- Descriptions of completed studies, surveys and/or preliminary feasibility work relevant to the project and available to the firms that respond to the RFP / ITT;

- A project delivery schedule, which should include milestone dates, anticipated time frames including the completion of design work, beginning of construction and the expected project completion date;

- A description of the deliverables expected if you are tendering for a consultant, such as project assessment and budgeting, final design or construction plans and specifications including delivery method preferred; and

- Additional or unique requirements or considerations such as anticipated public meetings, funding requirements, and budgeting.

5.3 Preparing Tender Documents

There are many different forms of tender documents available for use. However, in its simplest form, a tender document should include the following items:

- **Tender Information:** This is where you would list the important information regarding the various due dates involved in the procurement process. Typically, you would indicate the date, time, and location as well as the main contact person for any questions. If a site meeting or walk-through is part of the tender, the location, time and date should be identified in this section, and if the site meeting is mandatory. A mandatory site meeting means that if a proponent does not attend (and a list of who attended must be recorded), then their submission is NOT opened and is returned to the sender.

- **Statement of Work:** All the information developed under section 5.2 (page 15) should be identified in the Statement of Work. You need to clearly articulate your expectations and deliverables for a successful proponent as this tender document will form part of your overall contract.

- **Requirements:** In this section you request all your requirements that relate to the project's Statement of Work and deliverables. In this section you would also address any identified risks and ask for appropriate guarantees and insurance. You may also ask proponents to provide examples of three projects of similar scope and size to yours. It is important to note that all your requests for specific information must be of value and should be of consideration in your overall evaluation of submissions.

It is important to consider the following:

1. **Insurance Requirements** – clearly understand the risks to your project if your selected consultant, construction manager, or trades people do not have adequate insurance to cover your project in case of loss. Do you regularly request a copy of insurance certificates? What does it mean and are you covered?

2. **WorkSafe BC** – are your consultants, contractors, service providers covered?

3. **Qualification** – how do you ensure various consultants and contractors are qualified to perform the services you seek? Check the industry associations to see what requirements members must have in order to perform services. For example, contractors

should be registered under the Homeowner Protection Office. Architects need to be licensed under Architectural Institute of British Columbia. In addition, verify their workmanship. Have any liens been filed against them?

4. **Evaluation Criteria** – it is very important to detail how you plan to evaluate the submissions you receive. This will help ensure that everyone has the same opportunity and that all submissions are considered fairly. Evaluation criteria must be part of the tender instructions (See section 5.4 below). An evaluation team should be established before the RFP goes out to the marketplace and it is considered best practice to have an uneven number of team members, for example three, five or seven.

It is important to ensure that information in your tender document is relevant to your project and that you only request information that is absolutely necessary and that will be used in the evaluation process. In addition, if information is deemed to be mandatory it must be clearly marked as a mandatory requirement, and if it is not included in the bid package, the submission is rendered void and must be rejected.

5.4 Developing Evaluation Criteria for RFP or RFPQ

1. **Types of scoring:**

- Simple Yes or No scores. This method is quick and easy to use, but omits how important specific features or functionality are to you.

- A combined weighting and scoring method can be used to indicate to what degree a submission meets your RFP requirements. This method does require more time for evaluation, but takes into consideration the importance of different criteria within an RFP.

Scoring schemes and weightings can be as elaborate as you require. They need to provide you with sufficient analysis and evaluation without being too complex, confusing or time consuming. In all cases the society must retain a written justification for the selected scoring and weighting scheme.

Scoring scheme examples:

- **0 to 3 range**, where your requirements are: not met (0), partially met (1), fully met (2), exceeded (3). This method is straightforward and easy to use.

- **1 to 10 range**, where your requirements are: not met (1) and exceeded (10) with points in between. Again, this will separate out the scores more than with a ‘0 to 3’ range, but because of the wider range, it may be more difficult to reach consensus in the evaluation.

- **Percentage points** assessed for each requirement, for example: exceptional (100%), exceeds requirements (80%), meets minimum requirements (60%), not meeting minimum requirements (30%), unacceptable (0%), with percentages in between.

2. Using scores and weightings:

- Consensus scores, multiplied by weighting in a matrix provide an unbiased evaluation of the consultant's / contractors proposal. Weighted scores may be summed to arrive at scores for certain criteria.

- Proposals ordered by total weighted scores, form a basic priority list with the highest scores first. The results provide a short list of the top two or three consultants / contractors to include in the final selection process, which could include presentations.

Examples of criteria and weightings in the table below:

CRITERIA	EXPLANATION	WEIGHT
Pricing	The prices, fees and/or rates and expenses as they relate to the requirements	**40%**
Experience	The relevant experience and performance within the environment described in this document for work performed within the past three (3) to five (5) years	**25%**
Qualifications	Methodology and approach, schedule of milestones, expected deliverables, reports, etc.	**25%**
References	Provide three (3) local references, referring to services of similar application and complexity	**10%**
		100%

BC Housing requests the weighting on pricing to be a minimum of 40%.

5.5 Steps in the Tendering Process

Timeframe: It is important to allow for a sufficient timeframe for bidders to prepare their bid submissions. Typically, three weeks, or 15 business days, is the preferred amount of time to respond to a RFP / ITT. Depending on how detailed and specific the proposals are that you are requesting, you may wish to allow for additional time. It is recommended that you do not advertise for less than 15 business days.

Site Meeting: The reason for a site meeting is to provide a visual aid and further clarification for the scope of work and specifications in your tender document. This allows potential bidders the opportunity to better determine if they can deliver on your project and if so, for what cost. It is important not to use this meeting as a means to identify additional work.

Some organizations require site meetings and make them a mandatory requirement of the tender process. If you proceed in this manner, then the meeting must be documented and a list of all attendees recorded. If the RFP / ITT is for a general contractor, a good idea is to have all attending proponents sign a waiver permitting you to use the meeting sign-in sheet to notify the subcontractor community about who is eligible to submit proposals on your project, as only those in attendance are eligible. It will help ensure there is sufficient competition in the sub-trades.

Questions and Answers: All questions that arise during the site meeting should be recorded and the answers available to all. The preferable process is to request that all questions be submitted in writing to the contact person handling the tender no later than six business days prior to tender close. Then the answers can be released to all participants. Best practice is that all answers should be released within four days of the tender close. If you must release an addendum to the tender resulting from questions, you should extend the submission date to allow bidders time to respond to the additional information and to ensure their bid submission reflects whatever changes you have made.

Closing Process: On the day the tender closes, ensure that there is an owner who will be responsible for receiving all bid submissions. Depending on how you have specified the closing of your tender, this individual will need to clearly understand their responsibility within this process. If you specified a time and date of close, then all submissions must be received prior to that time and date. The recorder will need to receive the submission, time and date stamp (or write on the envelope the time and date) and initial the submission. If you indicated closing would be on a specific date at business close, which is 4:30 p.m., then all submissions need a date stamp. Either way, late bids cannot be accepted and must be returned unopened.

Public Opening: Public bid openings were put in place mainly to address the needs of the construction sector that is required to post bonds for some projects, and also to address concerns with the fairness and transparency of the process. If you have issued an Invitation to Tender (ITT) and have utilized the services of the BC Construction Association (Bid Central Application) to post and publish results of an opportunity or another online tool that performs a similar function, then a public opening is not required. If you have issued a Request for Proposal (RFP) or Request to Pre-Qualify (RFPQ), then a public opening is not required. All other opportunities must include a public opening.

Evaluation process: It is important to assign someone the responsibility to facilitate this process and ensure that everything is clearly documented in order to support your decision. Ideally, a team is formed to evaluate bid submissions. The team should include key stakeholders in the project and should be an odd number (three, five seven). Each team member must understand their role in the evaluation, the criteria they are using, and rules surrounding the release of information.

5.6 Procurement Considerations

It is important to remember that when expending public funds, there is a public trust obligation to obtain the best value for money possible. Below are a few considerations about common traps or pitfalls that can be avoided by ensuring the process you follow is open, fair, and transparent through detailed documentation. The perception of being susceptible to outside influences, even if not valid, can cause significant harm to both the project's and the organization's reputation.

- **Back up Documentation:** Maintain good records of all steps and decisions taken in the acquisition of services or products. Record retention is required to support your decisions about the tendering process, and your expectations about the services you contracted. These records should also be referenced in your contract documents to help provide clarity of roles and expectations, as well as ensuring the project deliverables meet the intended needs.

- **Release of Information:** Information collected as part of the tendering process should not be released or divulged to anyone other than the proponent submitting the proposal. It is permissible to release the selected supplier's name and total cost of the project awarded.

- **Debriefing Bidders:** An important public expectation of the tendering process is that it provides an open arena for all potential suppliers to obtain work. However, not all can be successful and it is important to unsuccessful bidders that they have a means of obtaining constructive feedback on where they fell short in their proposal. This provides them with the tools to improve in future opportunities. It is important, however, to remember that when discussing results, you do not implicate or compare specific company proposals. The debriefing process should explain to the unsuccessful bidder why their proposal was not selected during your evaluation. By providing this information, you are promoting and validating the fairness of your process, and recognizing the time and effort the bidder spent in preparing their submission. Debriefings are usually requested on a RFP or RFPQ process and not when price is the only factor in determining success.

- **Legal Implications:** There are legal requirements present under the tendering process that form part of the overall contractual requirements. You should consider the RFP / ITT you issued as your offer, and the bid submission then forms part of the acceptance. It is important that the RFP / ITT include all the requirements, terms and conditions, and expectations that you have for your project as much as possible. Consequently when you evaluate submissions, you are looking at the same criteria and evaluating all the bids based on how they meet your requirements. The acceptance of the proposal, or awarded contract should reference the RFP / ITT (the proposal) and any other negotiated items that sometimes arise from contract discussions, such as milestone dates, payment schedules, and insurance requirements.