

CityHousing Hamilton Corporation			
CATEGORY	03	Procurement	DATE APPROVED:
SECTION	04		UPDATED ON:
POLICY	05	Request for Proposals – Other Services (\$10,000 or Greater)	INTERNAL POLICY
1.0 POLICY STATEMENT AND PURPOSE			
<p>CityHousing Hamilton (CHH) is committed to ensure that the purchasing function related to Request for Proposals (RFP) for other services meets the current and future needs of the organization by employing effective and innovative methods for procurement.</p>			
2.0 SCOPE			
<p>RFP for other services include, but are not limited to:</p> <ul style="list-style-type: none"> • Software; • Real estate; • Utilities; • Security; • Toilets; and/or • Building Automation Process. 			
3.0 POLICY			
<p>For procurements where there are no applicable CHH contracts the following procurement process must be used for goods and/or services with an estimated value of \$10,000 or greater and where comprehensive technical specifications cannot be fully define or specified, or when alternate methods are being sought to perform certain functions or services, at the time of the request.</p> <p>RFPs should clearly set out the evaluation criteria and weightings upon which an award for RFPs may be made. Subject to minor variations as may be approved by the Manager of Asset Renewal, the evaluation methodologies that may be employed are:</p> <ol style="list-style-type: none"> 1. Fix Price: CHH established a fixed dollar value for the award, and the bids consist of only a technical bid for that fixed dollar value. CHH will evaluate technical bids received against the evaluation criteria and weightings set out in the RFP. The award will be made to the highest scoring Vendor; or 2. Price Per Point: the evaluation of the RFP will utilize a multi-step evaluation process. CHH evaluates the technical bids received against the evaluation criteria and weightings set out in the 			

RFP. For those technical bids that successfully meet the benchmark score stipulated in the RFP, CHH will open the price bid received. CHH will then calculate the price per point for each bid meeting the technical benchmark score and the award will be made to the Vendor with the lowest price per point;

3. Combination of Technical and Price Scores: the RFP will utilize a multi-step evaluation process. CHH evaluates the technical bids received against the evaluation criteria and weightings set out in the RFP. For those technical bids that successfully meet the benchmark score stipulated in the RFP, CHH will open the price bid received and score the price based on a predetermined calculation set out in the RFP. The price weighting will be identified in the RFP document. A total evaluation score will be determined by adding the technical score and the price score. The award shall be made to the highest overall scoring Vendor; or
4. Lowest Priced Bid Meeting Technical Benchmark Score: The RFP will utilize a multi-step evaluation process. CHH evaluates the technical bids received against the evaluation criteria and weightings set out in the RFP. For those technical bids that successfully meet the benchmark score stipulated in the RFP, CHH will open the price bid received. The award will be made to the Vendor who has successfully met the technical benchmark score and has the lowest priced bid.

The Asset Management Department will facilitate the RFP evaluation process. An evaluation committee will be formed with a minimum of three evaluators and be comprised of at least one representative from the CHH Department requesting the RFP. The evaluators will review all compliant bids against the established criteria, reach consensus on the final rating results and ensure that the final rating results with supporting documents are kept in the procurement file. The Asset Renewal Specifications Writer or Contract Lead will not participate in the score of the bid.

All bids that meet the required terms, conditions and specifications outlined in the RFPs document will be evaluated based on the valuation criteria and weightings, subject to any rights or privileges reserved by CHH.

Any award will be made in accordance with the evaluation criteria and weightings contained in the RFPs document, subject to any rights or privileges reserved by the CHH.

When no non-compliant bids are received in response to a RFP, and where time permits, RFPs will be re-issued with the appropriate revisions. Where time does not permit the re-issuance of the RFPs in the opinion of the Manager of the Department requesting the RFP, the RFP is not otherwise being revised, and the non-compliance is associated with the pricing portion of the multi-step evaluation process, all bidders who have successfully passed the technical proposal requirements of the RFP will be given the opportunity to submit a new price bid only. The Asset Renewal Department will communicate to each of these Vendors, any bid deficiencies that result in its bid being deemed non-compliant. This process may utilize a post-closing addendum.

Where only one bid has been received in response to an RFP and:

- Where the bid is non-compliant; or
- Has successfully passed the technical proposal requirements and the bid is non-compliant,

The Manager of Asset Renewal in conjunction with the CHH Department requesting the RFP may proceed to negotiate the changes required to achieve an acceptable bid, provided that such changes will not alter the general nature of the requirement described in the RFPs. The Tender Evaluation and Award Committee may review the RFP.

Where the bid being recommended for award is in excess the budgeted funds, the Manager of the Department requesting the RFP in consultation with the Manager of Asset Renewal may enter into negotiations with the Vendor submitting the bid, provided that is agreed by both CHH and the Vendor that the changes required to achieve an acceptable bid will not alter the general nature of the requirement described in the RFP.

The goods and/or services will be procured through a purchase order and/or contract process after the successful bidder is sent an award letter.

The Asset Renewal Department is responsible for the preparation of the advertisement, which should include:

- Details of the work to be performed or the goods to be acquired;
- The fee for the RFP document (if required as per tender documents);
- Where the RFP documents can be obtained;
- Address of where the RFP bid submissions are to be sent and delivered;
- Date, time and location of the site meeting (if applicable); and
- Date, time and location of RFP closing.

The advertisement should include CHH's logo at the top of the advertisement and should be placed in on CHH's website. Advertisements may also be placed in newspapers or web based advertising mediums, electronic means such as, voicemail, email and fax may be used for notification of the tender call to optimize the number of bids.

If there is a mandatory site meeting identified in the advertisement and/or specifications then all proponents are required to attend, otherwise are excluded from bidding on the contract.

3.1 CONFLICT OF INTEREST

Pursuant to the City of Hamilton's Corporate Code of Conduct for Employees Policy, Schedule A, Conflict of Interest, employees of CHH should not have a pecuniary interest, either directly or indirectly, in any CHH contract or with any person acting for CHH in any contract for the supply of goods and/or services for which CHH pays or is liable, directly or indirectly to pay unless such interest has been declared.

In addition, employees of CHH are required to declare any pecuniary interest, either direct or indirect, in writing to the Manager of Asset Renewal and/or to the Chief Executive Officer indicating the specific nature of the conflict.

Unless otherwise provided prior express written consent by CHH, a Vendor and its representatives will not act on behalf of CHH with respect to any matter, issue or in connection with any property in which the Vendor or employee or subcontractor of the Vendor has a direct or indirect pecuniary interest, including any contingent interest.

In any case where there may be a conflict of interest between the Vendor and CHH, the Vendor must notify the CHH in writing immediately of any potential conflict of interest that may arise prior to the award of any contract and fully disclose any details thereof. Also, before the submission of a bid to act on behalf of the City, the Vendor will exercise reasonable due diligence to confirm that there is no conflict of interest.

Should a Vendor fail declare a conflict of interest to CHH and/or obtain CHH's prior express through written consent to waive the conflict of interest, may result in the Contract being ineligible to bid and can form a basis for rejection of a bid submitted to CHH.

4.0 PROCEDURE

The CHH Department that is issuing the RFP must ensure that specifications are completed in accordance with CHH's Specifications Policy. To mitigate risk, where work to be performed is beyond CHH expertise, the scope of work and RFP documents will be developed by a Consultant retained by CHH.

The RFP is prepared by the Asset Renewal Department, may include the following:

- Problem definition;
- Services required;
- Schedule completion;
- Specific area of expertise;
- Geographic area served;
- Past performance on CHH projects;
- Evaluation criteria;
- Bid form;
- Irregularities;
- Insurance;
- Bonding Requirements;
- Ability to complete project deadlines; and
- Cost schedule.

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- The fee for the RFP document (if required as per RFP documents);
- Where the RFP documents can be obtained;
- Address of where the RFP bid submissions are to be sent and delivered;
- Date, time and location of the site meeting (if applicable); and
- Date, time and location of RFP closing.

4.1 RFP PACKAGE

The RFP package that is purchased by Vendors contains:

- RFP envelope, which includes – Tender Number, date and time of closing, address to which submissions are to be sent or delivered;
- Technical Specifications, Drawings and/or Scope of Work, Instructions to Bidders and General Conditions, Public Tenders;
- RFP Submission Bid Form;
- Vendor contact label (return submission label);
- Appendices (if applicable); and

- Addendum(s).

CHH staff will prepare the drawings, specifications and scope of work, where applicable. When bid documents are issued to bidders, information such as company name, address, contact name, phone and fax numbers are maintained in the tender file (Bid Takers List).

Vendors will be provided a minimum of 5 business days for tender closing or as per the tender documents.

4.2 BID SECURITY

Bid security must accompany tender submissions, for RFPs, in the minimum amount of 10% of the submission price or a predetermined amount as outlined in the tender documents. The following list is acceptable bid security:

- Bid bond;
- Certified cheque or money order;
- Bank draft; or
- Irrevocable Letter of Credit (not a letter of guarantee).

CHH may retain this bid security for its use if the Vendor:

- Withdraws their bid after the closing date and time prior to award;
- Withdraws their bid after notification that their RFP has been awarded; or
- Fails to provide performance security or other documents as required by the RFP Documents.

In addition to retaining the bid security, CHH may:

- Accept the next lowest qualified bid;
- Not accept any tender; and/or
- Advertise for new tenders.

The bid security submitted must be valid for 90 calendar days or greater after the tender closing.

4.3 PERFORMANCE SECURITY

The awarded Vendor must provide performance security up to 100% of the required contract price or as outlined in the tender documents.

Performance security may be used to off-set poor performance and is retained for a minimum of 90 days and up to a maximum of 2 years as outlined in the tender documents after the contract has been substantially completed.

Labour and Material Payment Security may be required up to 100% of the required contract price for specific project requirements or as outlined in the tender documents.

The following is acceptable forms of Performance and Labour & Material Payment security:

- Performance bond;
- Certified cheque or money order;
- Bank draft; or
- Irrevocable Letter of Credit (not a letter of guarantee).

4.4 BID ISSUANCE

When RFP documents are issued to bidders we require information such as:

- Company name;
- Company address;
- Contact Name;
- Phone Number;
- Email address; and
- Fax numbers

The above information is recorded on a bid takers list for notification and distribution of any addenda. All bidders must acquire a RFP package; if a fee is required it will be non-refundable. The fee will be specified in the RFP documents.

4.5 RFP ADDENDUM

Any questions related to RFP documents should be addressed by the Asset Renewal Department in writing to determine if an addendum is required.

When it becomes necessary to revise or provide clarification to RFP documents the Asset Renewal Department will issue an addendum.

The Asset Renewal Department will forward all addenda in writing to the vendor who have purchased the RFP document. A copy of all addendums will be attached to each set of tender-documents not yet purchased.

Notification of all Addendums will be posted on CHH website under the Asset Renewal tab. It will be the responsibility of the bid takers to check the website for notifications as outlined in the tender documents.

When it is deemed necessary to extend the closing date, any tender already submitted will be returned to the bidder upon written request, should the Vendor indicate that the bid may stand "as is." The Asset Renewal will secure a signed form from the Vendor stating this which will be attached to the RFP envelope prior to time and date of closing.

When it is deemed necessary by the Asset Renewal Department to cancel a RFP call prior to tender closing, an addendum will be issued to bid takers informing them of the cancellation. All RFPs received will be returned unopened to the bidder. If a RFP submission does not clearly indicate the bidder's name, CHH has the right to open the RFP to determine the bidder's address in order to return the bid

5.0 RESPONSIBILITY

It is the responsibility of the Manager of Asset Renewal to ensure all appropriate staff are trained on this policy.

6.0 DEFINITIONS

Contract: any formal legal agreement between two or more parties for supplies, goods, services,

equipment, or construction. Such agreements will consist in the form of a:

- a) Purchase Order;
- b) Purchase Order incorporating a formal agreement; or
- c) Formal agreement between two or more parties that creates an obligation to provide defined goods and/or perform defined services.

Vendor: means the person or corporation whose tender has been accepted by the owner, and who is deemed to have entered into the contract with the owner.

Goods: includes supplies, equipment, materials, products, structures and fixtures to be delivered, installed or constructed.

Lowest Compliant Bid: means a bid with the lowest price meeting all requirements of a RFQ, RFP or RFT, subject to any rights or privileges reserved by the CHH contained in the respective procurement document, or unless otherwise approved by the Board.

Municipal Act, 2001: legislation that outlines municipal governance and jurisdiction to administer and deliver services in respective areas.

Owner: means CityHousing Hamilton.

Pecuniary Interest: is something that causes either a negative or positive financial impact for the individual. The term interest is not limited to a property interest and may be an interest that financially impacts the person through a personal or business relationship, or through a contract.

Request for Proposals (RFP): means a formal request for prices and details for goods and/or services from vendors, where the goods and/or services may not be able to be fully defined or specified or when alternate methods are being sought to perform a certain function or service, at the time of the request.

Request for Quotations (RFQ): means an informal request for price for goods and/or services with an estimated procurement cost.

Request of Tenders (RFT): means a formal request for prices on goods and/or services from vendors, where the goods and/or services are able to be fully defined or specified at the time of the request, with a value of \$100,000 or more.

Services: means all professional, consulting, construction or maintenance services, as well as any other services described in a contract or in a RFQ, RFT, or RFP.

Specifications: means the detailed description of, and written requirements and standards for, goods and/or services contained in a RFQ, RFP or RFT to the extent known or available to the Asset Renewal Department, and also includes any drawings, designs and models.

Written Quote: is the cost coverage for a product or service that an authorized seller or provider offers in good faith through a written agreement to sell at the stated amount.

7.0 REFERENCES AND RELATED POLICIES

- Authorization Limit for Procurement Policy
- Formal Quotations (\$10,001 - \$99,999) Policy

- Low Dollar Value Procurements (Up to \$10,000) Policy
- Non-Competitive Procurements (up to \$99,999) Policy
- Request for Tender (\$100,000 or more) Policy
- Specifications Policy
- WSIB, Trade Licences and Insurance Policy