

ONTARIO BID DEPOSITORY STANDARD RULES AND PROCEDURES

FOR USE BY THE
THUNDER BAY BID DEPOSITORY
857 NORTH MAY STREET
THUNDER BAY, ONTARIO
TELEPHONE (807) 622-9645

1. NAME

The Bid Depository shall be known as **THUNDER BAY BID DEPOSITORY**

2. LOCATION

The Bid Depository shall be located at Thunder Bay Ontario.

3. DEFINITION AND PURPOSES

The Bid Depository provides for the reception of sealed Tenders from Trade Contractors whereby the sanctity of Bidding is protected and those receiving their Tenders obtain firm quotations in writing.

4. ONTARIO BID DEPOSITORY ADVISORY COUNCIL

(a) **Endorsations.** — These Rules and Procedures are endorsed by the Electrical Contractors Association of Ontario (E.C.A.O.), the Mechanical Contractors Association of Ontario (M.C.A.O.), the Ontario General Contractors Association (O.G.C.A.), the Ontario Sheet Metal and Air Handling Group (O.S.M. & A.H.G.), the Ontario Association of Architects (O.A.A.), the Consulting Engineers of Ontario (C.E.O.), and the Ministry of Government Services of Ontario.

(b) **Amendments.** — These Rules and Procedures may be amended only by the Ontario Bid Depository Advisory Council. For procedure to request amendments see Appendix "A" hereto.

(c) **Representatives.** — The Ontario Bid Depository Advisory Council shall be composed of one (1) representative from each of C.E.O., E.C.A.O., M.C.A.O., O.A.A. and Sub-Bid Depositories and two (2) representatives from O.G.C.A. plus a non-voting chairman to be appointed annually for a one-year term by E.C.A.O., M.C.A.O. and O.G.C.A. on a rotating basis.

5. LOCAL BID DEPOSITORY MANAGEMENT

Within these Rules and Procedures, the Management and Administration of the Thunder Bay Bid Depository shall be under local control.

Notwithstanding the foregoing, the local Bid Depository will appoint an Operating Committee in which the management and operation of the Bid Depository shall be vested.

6. TENDER CLOSING TIME

The Tender Closing time used in the Bid Depository shall be 3:00 P.M., Two (2) days before the closing time for the Prime Contractors, or as specified by the Tender Calling Authority, excluding Saturdays, Sundays and holidays.

7. SCOPE AND ELIGIBILITY

The facilities of the Bid Depository shall be available to all Owners, Prime and Trade Contractors submitting and/or receiving tenders on projects utilizing the Bid Depository, providing that these Rules and Procedures are observed together with relevant Federal and Provincial legislation. Neither geographic location nor association membership shall have any bearing on eligibility to use the Bid Depository or on the application of rules and procedures by the administrative body.

8. PROCEDURES TO BE FOLLOWED BY TENDER CALLING AUTHORITIES

(a) **Notification By Tender Calling Authority** — Tender Calling Authorities specifying the use of the Bid Depository facilities shall notify the appropriate Bid Depository in writing or as specified below:

A RECOMMENDED WORDING FOR THIS INSTRUCTION

- IS: i Sealed Tenders from the (named) Trades shall be deposited in the Bid Depository, in official envelopes, no later than 3:00 p.m. on 19 (two (2) working days prior to the Closing of the Prime Contract Tender).
- ii Tenders received at the Bid Depository after the prescribed time shall be invalid.
- iii The Prime Contractor shall name the Trade Contractors whose tenders he has incorporated in his tender.
- iv The Ontario Bid Depository Standard Rules and Procedures shall apply.

(b) **Tender Acceptance.** — The Depository will accept Tenders for any project where the Tender Calling Authority has specified the use of Bid Depository.

(c) **Addenda.** — Copies of all Addenda affecting Tenders shall be received and recorded by the Bid Depository at least forty-eight (48) hours, excluding Saturdays, Sundays, and Holidays, prior to the Bid Depository closing time so that Bidders may be assured of including all Addenda in their Tenders.

(d) **Tender Recalls.** — The procedure for recall of tenders shall be as contained in C.C.D.C. Document 23

9. VOLUNTARY BID DEPOSITORY

(a) **When Applicable.** — Where the Tender Calling Authority has not specified Bid Depository procedures, and a majority of the known Prime Contractors and a majority of the known Trade Contractors are in favour, a Voluntary Bid Depository can be proclaimed subject to the approval of the Tender Calling Authority.

(b) **Notification.** — The known Prime and Trade

Contractors bidding the project shall be notified in writing of the Voluntary Bid Depository at least three (3) working days prior to the closing of the Bid Depository.

(c) **Rules.** — These Rules and Procedures shall apply.

10. PROCEDURE FOR PREPARING TENDERS

(a) **Scope.** — To permit the comparison of Trade Tenders by the Prime Contractors, the Trade Bidder's tender shall be submitted in strict compliance with drawings and specifications including instructions to bidders, general conditions and all addenda thereto as received and recorded by the Bid Depository forty-eight (48) hours before the Bid Depository closing time, excluding Saturdays, Sundays and Holidays.

(b) **Sales Taxes.** — If the Bidder is required to state the amount of the Federal and/or Provincial Taxes, these must be shown as included or excluded on the back of the Tender Form.

(c) **Submission of Tenders.** — All tenders must be submitted on official Tender Forms in official envelopes purchased from the Thunder Bay Bid Depository.

Four types of official envelopes are to be used as follows:

- i **White Envelope.** — The large white envelope which shall contain the small pink, green and orange envelopes, and when called for, a bond or surety.
- ii **Pink Envelopes.** — A separate pink envelope for each Prime Contractor to whom a tender is being submitted.
- iii **Green Envelope.** — A green envelope for the Bid Depository which shall contain an exact copy of the tender, a list of Prime Contractors to whom tenders were submitted and price to each and a copy of any Supplementary Tender called for in the tendering instructions.
- iv **Orange Envelope.** — An orange envelope addressed to the Tender Calling Authority, which shall contain an exact copy of the Tender, a list of the Contractors to whom tenders were submitted and price to each, and a copy of any Supplementary Tender called for in the Tendering instructions.
- v **Bid Bond.** — When called for in the Tendering Instructions, the Bidder's Bid Bond or Surety in his own business envelope. Unless otherwise directed in the Tendering Instructions the Bidder's Bid Bond or Surety will be held by the Bid Depository until the award of the Prime Contract. The Bonds or Sureties of the selected Bidders are then forwarded to the successful Prime Contractor.

(d) **No Combined Bidding.** A Trade Bidder shall present ONLY ONE large white envelope for each Trade Tender submitted, on each tender call. For example, a Trade Contractor submitting a Tender on both Electrical and Mechanical Work, shall submit a large white envelope for each trade. Combined Trade Bids in one, large white envelope shall not be accepted at the Bid Depository.

(e) **Mailed Tenders.** — Mailed Tenders are acceptable at the Bid Depository, but it is the Bidder's responsibility to ensure they are received by the Bid Depository before the Tender Closing Time.

(f) **Amendments.** — Written amendments (including telegrams) may be submitted to the Bid Depository, provided that such amendments are received prior to the Bid Depository tender closing time. Copies of the amendments shall be addressed to each Prime Contractor concerned and a duplicate filed with the Bid Depository.

11. PROCEDURE TO BE FOLLOWED BY TRADE CONTRACTORS

(a) **Tender Delivery.** — Trade Bidders shall deliver tenders to the Bid Depository in official envelopes, as detailed in Article 10, at or before the Tender Closing Time.

(b) **Tender Withdrawal.** — If a Trade Contractor decides to withdraw his tender, notice of withdrawal must be given to the Prime Contractors concerned not later than three (3) hours prior to the Prime Contractors' Tender Closing Time. Notice of withdrawal may be made by telephone to the Prime Contractors and the Bid Depository, but must be confirmed by telegram.

Any bidder who withdraws his tender is not eligible to retender under Article 8(d).

(c) **Contract Form.** — Tenders are to be offered on the basis that the resulting contract will be the current issue of C.C.A. Document No. 1 "Canadian Standard Form of Construction Contract Between Contractor and SubContractor" or another form of contract which is mutually acceptable.

(d) **No Altering.** — Under no condition may a tender be altered or re-submitted in any manner, after the tender closing time of the Bid Depository.

(e) **Inadvertent Omission.** — In the event that a Trade Contractor has inadvertently omitted to submit a tender to a Prime Contractor, providing he is not also a Prime Contractor, he shall:

- i Send a telegram to the Bid Depository not later than four (4) hours prior to the Prime Contractors' Tender Closing Time, as follows: "Please consider our tender for (ABC Project) as addressed to the Thunder Bay Bid Depository as being submitted also to (XYZ Construction Co.)"
- ii Confirm to (XYZ Construction Co.) the price submitted to the Bid Depository. A copy of the confirmation shall be sent to the Bid Depository.

12. PROCEDURE TO BE FOLLOWED BY THE BID DEPOSITORY

(a) **Depository Box.** — A bid depository box shall be provided which shall clearly designate the name of the project, date and hour of tender closing time as authorized in writing by the Tender Calling Authority. Tenders shall be deposited in this box.

(b) **Time Stamp and Receipt.** — On receipt, the large white envelopes shall be electrically stamped to record the

date, hour and minute received, prior to depositing by the bidder or his agent who shall be given a receipt showing the number of the envelope and name of the project.

(c) **Late Tenders.** — Late Tenders shall be timestamped, and held unopened by the Bid Depository until after the Prime Contract has been awarded, at which time they shall be destroyed or if requested, returned to the Bidders.

(d) **Tender Opening.** — Immediately after the Tender Closing Time the large white envelopes shall be removed from the deposit box and opened. The enclosed coloured envelopes shall be dealt with as follows:

i **Pink Envelopes.** As soon as possible the pink envelopes addressed to each Prime Contractor shall be released to him or his agent, for which he shall sign.

ii **Green Envelopes.** — One hour following the tender closing time the Bid Depository shall open the green envelopes. The tenders shall be available for scrutiny by the Trade Bidders who tendered the project.

The only exception to this procedure shall be when a Prime Contractor intends to use his own forces as outlined in Article 13(d), the Tenders shall NOT be available for scrutiny by that Prime Contractor.

iii **Orange Envelopes.** — The orange envelopes shall be deposited in the safe until the closing of the Prime Contractors' Tenders, immediately following which they shall be made available to, or shall be mailed to, the Tender Calling Authority.

(e) **Procedure re Alleged Informal Tenders.**

i **Informality.** — A tender shall be declared informal if such tender creates the opportunity for manipulation of the total tendered price.

ii **Allegation of Informality.** — Any trade or Prime Contractor, tendering the project, may make an allegation of informality against any tender. This may be done by telephone but must be confirmed in writing accompanied by a certified cheque made payable to the Thunder Bay Bid Depository in the amount of 1/10 of 1% of the protested tendered price; the minimum amount payable shall be twenty-five (25) dollars and the maximum two hundred and fifty (250) dollars. The Bid Depository shall then notify the alleged informal bidder of the complaint.

iii **Hearing.** — The complaint shall be heard by a Local Judicial Committee composed of: one Contractor from the trade concerned, one Prime Contractor and a third party whose firms are not involved in the project in question. A tender shall be declared informal only by the unanimous decision of the Judicial Committee.

iv **Informal Ruling.** — In the event that the Judicial Committee declares an informality it shall, at least three (3) hours before the Prime Contractors' tender closing time, advise the informal bidder, the concerned Prime Contractors and the Tender Calling Authority that the

tender in question is informal and the nature of the informality.

v **Formal Ruling.** — In the event that the Committee rules the tender to be formal the deposit shall be forfeited and shall be credited to the general funds of the Bid Depository.

vi **Appeal.** — The ruling of the Judicial Committee may be appealed to the Bid Depository Operating Committee whose decision shall be communicated to the Tender Calling Authority.

13. PROCEDURE TO BE FOLLOWED BY CONTRACTORS RECEIVING BIDS

(a) **Responsibility.** — It is the Prime Contractor's responsibility to advise Trade Contractors and the Bid Depository that he is bidding.

(b) **Tender Delivery Pick-Up.** — The Contractor shall advise the Bid Depository if he wishes the Tenders mailed to him, in which case the Bid Depository assumes no responsibility for delivery. Otherwise it is assumed that the Contractor will arrange to pick up his envelopes.

(c) **Contract Award.** — A Prime Contractor is bound to place a Sub-Contract with one of the trade contractors who used the Bid Depository.

(d) **Use of Own Forces.** — A Prime Contractor intending to use his own forces or a subsidiary company for one or more of the complete Trade sections, must deposit his Bid in accordance with the Rules and Procedures of the Bid Depository, even if he bids only to himself.

(e) **Informal Bid.** — A Prime Contractor shall not use a Trade Bid which has been ruled informal.

14. SUPPLEMENTARY INSTRUCTIONS TO MECHANICAL BIDDERS

(a) **Scope.** — The Mechanical Contractor shall include in his Tender everything contained in the Mechanical Section(s) of the Specifications, Drawings and Tendering Documents. Where no specified Mechanical Section exists, the Bid Depository shall initiate a consultation between the Prime and Trade Contractors concerned to determine the scope of the Mechanical Tender. The decision of this consultation shall have the same force and effect as if it were contained in the Tendering Documents. It shall be the responsibility of the Bid Depository to notify each concerned Prime and Trade Contractor in writing.

(b) **Sprinkler.** — Where Sprinkler work is NOT included in the Mechanical Division of the Specifications, but is covered under a separate division of the specifications, this shall NOT be included in the base Mechanical Tender.

(c) **Services.** — If the municipality concerned is unable to provide the bidder with a quotation for water, sewer and drain connections, the bidders shall arrange with the tender calling authority to establish a cash allowance and issue an addendum; or failing this, make their own estimate.

(d) **Sub-Trade Bids.** — Where Bidding Instruction specify Bid Depository Procedures these shall be deemed to include the requirement that Mechanical Contractors shall receive their sub-trade tenders only through Thunder Bay

Sub-Bid Depositories, if these exist, provided said Sub-Bid Depositories are governed by the Ontario Bid Depository Standard Rules and Procedures.

15. SUPPLEMENTARY INSTRUCTIONS TO ELECTRICAL BIDDERS

(a) **Scope.** — The Electrical Contractor shall include in his Tender everything contained in the Electrical Section(s) of the Specifications, Drawings and Tendering Documents. Where no specified Electrical Section exists, the Bid Depository shall initiate a consultation between the Prime and Trade Contractors concerned to determine the scope of the Electrical Tender. The decision of this consultation shall have the same force and effect as if it were contained in the Tendering Documents. It shall be the responsibility of the Bid Depository to notify each concerned Prime and Trade Contractor in writing.

(b) **Services.** — If the Power Supply Authority is unable to provide the bidders with a quotation for its services, the bidders shall arrange with the tender calling authority to establish a cash allowance and issue an addendum; or failing this, make their own estimate.

(c) **Sub-Trade Bids.** — Where Bidding Instructions specify Bid Depository Procedures these shall be deemed to include the requirement that Electrical Contractors shall receive their sub-trade tenders only through Thunder Bay Sub-Bid Depositories, if these exist, provided said Sub-Bid Depositories are governed by the Ontario Bid Depository Standard Rules and Procedures.

16. SUPPLEMENTARY INSTRUCTIONS TO ALL REMAINING TRADE BIDDERS

The Thunder Bay Bid Depository shall use the above Standard Rules and Procedures to apply to those sub-trade contractors and everything contained in their respective sections that are specified by the tender call authority in general conditions of the tender documents.