

Appendix H

Tender and Contact
Documents

H Tender document elements

The information included in tender documents released by or on behalf of your municipality is dependent on many factors. The size and type of municipality, accessibility to resources, public policies, by-laws, and availability of funds all impact the comprehensiveness of municipal tenders and the degree of external resources utilized to assist with their development. Whether compiled by an external resource or available as standard documentation by the municipality, municipal tender documents generally include but are not limited to:

- Tender information
- Form of tender
- Form of agreement
- General conditions
- Supplementary general conditions
- Special provision and specifications
- Schedule of items
- Contract documents

Tender information

The front end of the tender documents should include general project information, terms and conditions, instructions, important information and administrative requirements.

A tender information section provides bidders with an overview of the project and reviews the documentation to be completed as part of their tender submission. Such items to be included are:

- A primary subsection with a description of the works to be completed. It should provide a clear and succinct overview of the project including all the major design elements and the work involved with each item. For example:

“Construction activities will include, but are not limited to, excavation and removal of existing medians, light standards, electrical networks, curbs, piping, catch basins, maintenance holes, asphalt, etc.”

- Information related to the delivery and opening of tenders including the municipal location, receiving representative, date and time.
- Important contractual information (e.g. specific testing requirements, approval requirements, geotechnical investigations, soil disposal requirements, addendums, etc.).
- Project schedule and working days allotted and the timing of the tender acceptance period.
- Forms and sections to be completed (e.g. bonding, agreements, tender deposit, proof of ability, sub-contractors, etc.).
- Reasons or causes for tender acceptance or rejection.
- Work Place Safety and Insurance Board and Occupation Health and Safety Act clauses (OPSS).
- Site investigation requirements.

Tender documents can often be confusing for bidders. Including a tenderer's checklist ensures the required tender information is included with the submissions. This checklist often precedes the tender information section. Table H.1 gives an example of a tenderer's checklist.

An example of a tenderer's checklist is provided. Other approaches that can assist you in receiving all the information that your municipality needs includes formatting text to stand out, underlining, bolding, repeating, or capitalizing important text helps direct the reader's attention to important information.

When releasing tenders the goal is to obtain bid offers similar to the engineering cost estimate. Sometimes, bids come in that exceed engineering cost estimates. Several factors can cause higher than expected bid offers:

- *Unclear and unorganized tenders*
- *Missing information*
- *Insufficient time for tenderer's to review the document*
- *Underestimation of construction costs*

Provide two weeks from the time tenders are released to their submission date. Allowing enough time for bidders to carefully consider the project details will increase the likelihood of receiving bid results that meet your expectations.

Table: H.1: Example tenderers checklist

Before submitting your tender, check the following points:	Check
1. Has your tender been signed, sealed and witnessed?	<input type="radio"/>
2. Have you enclosed the Tender Deposit, i.e. certified cheque or bid bond? (whichever, is required by the Contract Documents).	<input type="radio"/>
3. Have you enclosed the Agreement to Bond, signed and sealed by your proposed Surety? (if applicable)	<input type="radio"/>
4. Have you completed all schedules and prices in the Form of Tender?	<input type="radio"/>
5. Have you included the contingency allowance in the Form of Tender?	<input type="radio"/>
6. Have you indicated the number of addenda included in the tender price?	<input type="radio"/>
7. Have you listed your sub-contractors? (if applicable)	<input type="radio"/>
8. Have you listed your experience in similar work? (if applicable)	<input type="radio"/>
9. Have you listed your senior staff? (if applicable)	<input type="radio"/>
10. Are the documents complete?	<input type="radio"/>

Form of tender

A critical element for you to include when releasing tender documents is the form of tender. The form of tender is completed by the tenderer, detailing their offer to complete the works. The form of tender also includes a Schedule of Items and Prices which details the individual work items, specification number (if applicable), estimated quantities and tenderer's unit prices. Estimated quantities are completed by the design consultant for each item prior to the release of the tender documents. It is the tenderer's responsibility to associate a unit price to each work item.

Additional tender information that the tenderer must complete may include:

- Unforeseen contingency allowance
- Proof of contractor and sub-contractor's ability
- List of proposed sub-contractors
- Agreement to bond

Schedule of Items

The Schedule of Items details the individual work items, specification number (if applicable), estimated quantities and tenderer's unit prices. Estimated quantities can appear in any measureable form (volumetric, area, linear meter, lump sum, or per item). Table H.2 is a typical example of a Schedule of Items.

Table: H.2: Format and details of a typical Schedule of Items

Item No.	Spec No.	Item Description	Unit	Est'd Qty	Unit Price	Amount
C1	OPSS206 OPSS180 SP		m ³			

Unforeseen contingency allowance

All tenders have contingency allowances in the event of additional or unforeseen activities arising during construction. The contingency amount is typically a percentage of the total contract amount. The contingency percentage is often set by the municipality. This amount should be included as a line item within the Schedule of Items.

Additional and extra works is something done beyond the requirements outlined in the original tender. They are typically related to the Schedule of Items and thus associated unit prices for labour, materials, and equipment are already established. For example, if an additional sedimentation fence is required beyond the estimated quantities of the tender, you, the municipality, may negotiate the installation work if the contractor is using the tendered unit price. The cost of additional work is calculated on a time and material basis.

These unit prices are to include the actual cost of wages and salaries paid by the contractor to employees working on the project. The contractor should provide these details. Table H.2 demonstrates typical information included as part of the unforeseen contingency allowance.

NOTE: It should be specified that any equipment used, listed or not listed in the section, may be subject to rates as specified in OPSS Form 127 which provides provincially accepted rental rates for construction equipment, including model and specification references.

Table H.3: Unforeseen contingency allowance information (if applicable)

Item	Description	Unit	Unit Price
Labour			
Foreman		Hour	_____
Pipelayer		Hour	_____
Equipment (Excluding Operator)			
Type and Size			
Hydraulic Backhoe		Hour	_____
Front End Loader		Hour	_____

Proof of Contractor and Sub-Contractor Ability

The Proof of Contractor and Subcontractor Ability determines if the bidder is, in the opinion of the municipality, qualified to adequately perform the work. You may require contractors to supply at least two or three past projects including the name, location and date of the projects, description, and total value, and name, title and phone number for the reference contact. You may also require subcontractors to provide similar information to evaluate their experience and qualifications.

Request references for projects that include LID to ensure you select contractors experienced with LID construction

List of sub-contractors and suppliers

In the tendering information section, you may choose to require the bidder to list on a statement sheet the name of each proposed sub-contractor. Information for each sub-contractor shall include the sub-contractor's company name, the supplied trade, and local address.

Agreement to bond

In the tendering information, you may choose to include a bonding agreement. In this case the contractor must provide a surety to agree to become bound to the municipality. Bond amount and type is specified by you. The bonding agreement includes the name of the surety company, the authorized signature, and the seal.

Form of Agreement

Not to be mistaken for the Agreement to Bond or Form of Tender, the Form of Agreement details the legalities of the contractual agreement between the contractor and the owner. This agreement is generally prepared by the municipal legal department.

General conditions

The contract's general conditions should conform to the Ministry of Transportation's OPSS for Roads and Public Works.

Contractual documentation

Contractual documentation is the elements detailing the works to be constructed and information related to the site conditions. These items include the following:

- Design drawings
- Geotechnical investigation
- Soil analysis

This should give potential bidders a complete understanding of the proposed design and an indication of working conditions onsite.