



CANADA MORTGAGE AND HOUSING CORPORATION

# TENDERING CONTRACTS

## Calls and Submissions Checklist

To help prepare a public call for tenders, the Housing Manager or person in charge of procurement must provide:

- enough copies of drawings and specifications for the call for tenders;
- an estimated cost of the work or services to be provided;
- scheduling requirements;
- a recommendation about the type of contract required, such as fixed price, unit price or labour only;
- details of special conditions that should be included in the contract;
- Recommendations about advertising the call for tenders;
- the closing date of the call for tenders;
- the date for completing the tender process (this includes the timing for the review of the bids and the checking of references, etc.);
- the date for completing the contract (indicate when the contract should be signed by, but also include when the project should be completed);
- the contract agreement and general conditions;

- the bid forms;
- the procedures for opening the bids;
- the type and amount of the security deposit (including bid security and contract security or surety bonds);
- the procedures for handling security deposits and surety bonds;
- the guidelines on how to cancel a call for tenders after the bids have been received; and
- a list of prequalified subcontractors.

Accurate information enables bidders to prepare a bid that gets the job done at the most reasonable prices. Inaccurate or incomplete information forces bidders to guess at what needs to be done. If contractors don't know exactly what is expected, they may build some cushion in their bid in order to allow for unknowns. Or, even worse, they may not bid high enough to do the work to the quality level required and may default on the contract.

The following can be included in the tender documents to ensure bidders know what you expect:

### I. Information on the project being tendered

#### Objectives and background

- Overview of the type of project and why it is needed.
- The name and address of the tendering party (the housing organization).

#### Scope of work

- Description of the range and extent of the work, start and end dates.
- Location where the work is to be done.
- Site specifications and other directions for the project:
  - For instance, if electrical, plumbing or heating services are to be part of the contract, a Hydro Certificate or a letter from a qualified plumber, heating contractor and/or electrician should be required certifying that the work is performed properly. The contractor should be required to include the cost of any inspection or certification in the bid price.

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- Products and equipment to be used (if applicable).
- Constraints and limitations:
  - Security requirements.
  - Sensitivities to other interests, including environmental protection and conservation of resources.
  - General conditions under which the work is to be done. These differ from specifications in that they refer to more general concerns not covered by the specifications, such as:
    - the storage of material on site;
    - how damage done during the course of the work is to be handled;
    - cleaning the site while the work is in progress and after the completion of the specified work; and
    - workmanship.
- Liability and worker's compensation insurance requirements.

### Schedules

- Dates for the completion of each stage of the work.
- Progress reporting—requirements for progress reports and other reports required from the contractor.

### Evaluation criteria

- Approval and acceptance requirements for stages of the work and the work overall.

### Terms of payment

- Progress payments
- Holdbacks
- Final payment



## 2. Instructions for completing the tender

- Indicate the deadline for receipt of bids—date, time and place.
- Specify the method for receipt of bids—by mail, fax, e-mail or in person.
- Include a description of what constitutes a complete bid.
- Include requirements for references from the contractor's suppliers, subcontractors, former customers and bank.
- Include forms to be signed, such as permission to conduct a credit check.
- Include instructions about how a contractor may amend a bid already submitted prior to closing.
- Include instructions as to how (or if) bidders may propose substitutions for materials or equipment.
- Give information on site visits, questions.
- Provide directions on how bid prices should be submitted (prices are usually kept separate from the proposal).
- Include requirements for bid security, contract security, bonding.
- Specify procedures for receiving bids—information on how the organization will handle tenders and bids; also include how and when bid security will be returned.
- Provide information on how the contract will be awarded (include evaluation criteria, dates for when the contract will be awarded, procedures for notification, etc.).
- Include information on accessing relevant documents that further explain the project.
- Include procedures for withdrawing a bid.
- Specify the procedure for cancelling a call for tenders by the organization.

**Documentation to include  
in the tender**

- A self-addressed and specially marked envelope that identifies the contents as a bid or tender package. This provision avoids the inadvertent opening of a bid prior to the tender deadline.
- Drawings to help describe or clarify the work to be done. They should be clear, comprehensive and should display measurements.
- Other forms requiring signature by the bidders, such as permission forms.

For more information, please visit CMHC's website at [www.cmhc.ca/affordablehousing](http://www.cmhc.ca/affordablehousing)