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|---|------------------------------|-----------------------------------|-----------|
| <b>Administrative Procedure Name</b>              | Bid Irregularity             | <b>Administrative Procedure #</b> | A-PUR-051 |
| <b>Effective Date:</b>                            | July 1, 2024                 | <b>Revision Date:</b>             |           |
| <b>Approved by:</b>                               | Chief Administrative Officer |                                   |           |
| <b>Related Administrative Policy of Procedure</b> | Procurement Policy           |                                   |           |

**Procedure Statement**

This procedure outlines the process for addressing Bid Irregularities.

**Scope**

This procedure applies to all RFX submissions received by the Township.

**Purpose**

The purpose of this Procedure is to outline the assessment of Bids that contains irregularities.

**Table 1 – Submissions received through the Electronic bidding system**

| <b>Situation</b>   | <b>Response</b>  |
|--|--|
| Late Bids  | Automatic Rejection in the bidding platform  |
| Contravention of the RFX Terms and Conditions  | Automatic Rejection as determined by the Purchasing and Risk team  |
| Did not attend and/or sign in at a mandatory meeting held for Bidders (e.g., Site Visit)   | Automatic Rejection, in the bidding platform   |
| Submission from a bidder (or any officer affiliated with the bidder) that has been disqualified or suspended from working with the Township during the time of the competition request | Automatic Rejection as determined by the Purchasing and Risk team  |
| Partial Bid (all items not Bid)  | Automatic Rejection as determined in the biding platform, unless otherwise provided in the Request.<br><br>N/A if the RFX allows bidders to select which |



| Situation  | Response  |
|--|---|
|  | parts of the RFX they would like to submit for  |
| <p>Qualified Bid</p> <p>Bid is restricted by a counteroffer in the form of a: covering letter; statement; alteration; reservation; condition; which has been included with the Bid, or added to any page of the Bid.</p>   | Automatic Rejection as determined by the Purchasing and Risk team, unless the Bid Document specifically permits such qualifications; or in the opinion of the Purchasing Review Committee, the qualifications or restriction is trivial or not significant. |
| <p>Bid Security (Bid Bond or Agreement to Bond):</p> <ul style="list-style-type: none"> <li>• Is not provided</li> <li>• Is not in the amount specified</li> <li>• Does not name the Township as an Obligee</li> <li>• Security company is not licensed to do business in Ontario;</li> <li>• Is not executed by the Security company;</li> <li>• Is not in a form acceptable to the Township</li> <li>• Has not been authenticated by an authorized third party acceptable to the Township</li> </ul> | Automatic Rejection in the bidding platform   |
| <p>Bid Security (Bid Bond &amp; Agreement to Bond)</p> <ul style="list-style-type: none"> <li>• Is not executed by the Bidder</li> </ul>   | The Bidder will be given a specified time period for the signature to be applied to the original document. If the Bidder fails to do so within the specified time period, the Bid will be rejected.   |
| <p>Bid Security (Bid Bond &amp; Agreement to Bond)</p> <ul style="list-style-type: none"> <li>• Is not in compliance with the number of days open for acceptance as stated in the Bid document</li> </ul>  | The Bidder will be given a specified time period to resubmit an original replacement Security with the correct number of days open for acceptance. If the Bidder fails to do so within the specified time period, the Bid will be rejected                  |



| Situation   | Response   |
|---|--|
| <p>Mandatory submission requirements not included in the Bid, in whole or in part.</p>                          | <p>Automatic Rejection, unless in the opinion of the Procurement Review Committee, the requirement is trivial or not significant.</p>  |
| <p>Failure by Bidder to provide all names of Sub-contractors it proposes to use on a project</p>                | <p>Unless otherwise specified in the Bid Document, the Bidder will be given a specified time period to provide the names of the Sub-contractors. If the Bidder fails to do so within the specified time period, the Bid will be rejected.</p>  |
| <p>Pricing that appears unbalanced or substantially lower than market value providing for an unbalanced Bid</p> | <p>The Bidder will be allowed a specific amount of time to provide an explanation for such pricing methodology. If the Bidder fails to do so within the specified time period or if the explanation is, in the opinion of the Manager of Purchasing &amp; Risk Management, not reasonable, the bid will be rejected.</p> |
| <p>Pricing is not submitted separately and is included in the technical submission.</p>                         | <p>The Purchasing and Risk team will remove the pricing from the technical submission before the submission is shared with the selection committee.</p>  |



| Situation   | Response  |
|---|---|
| <p>Other irregularities</p> <p>(The above noted list of irregularities should not be construed to be all inclusive)</p> | <p>The Manager of Purchasing &amp; Risk Management or designate, in consultation with the Procurement Review Committee and /or the Township’s Solicitor will review irregularities not listed.</p> <p>The Manager of Purchasing &amp; Risk Management or designate in consultation with the Procurement Review Committee, shall have the authority to</p> <ol style="list-style-type: none"> <li>1. waive irregularities not listed, in order to accept a substantially compliant Bid.</li> <li>2. Reject bids based on irregularities not listed.</li> </ol> |

**Table 2: Hard Copy Submissions**

| Situation  | Response   |
|--|--|
| Late Bids  | Automatic Rejection, as determined by the Purchasing and Risk team |
| A specific term of the competitive request or of the process identified in the request document is not followed and this is cause for the perception of an unfair advantage to the other Bidders in the competitive process; | Automatic Rejection, as determined by the Purchasing and Risk team |
| Did not attend and/or sign in at a mandatory meeting held for Bidders (e.g., Site Visit)   | Automatic Rejection, as determined by the Purchasing and Risk team |
| Submission from a bidder that has been disqualified or suspended from working with the Township during the time of the competition request   | Automatic Rejection, as determined by the Purchasing and Risk team |
| No deposit Bid as requested in the Bid document  | Automatic Rejection, as determined by the Purchasing and Risk team |



| Situation   | Response   |
|---|--|
| <p>Partial Bid (all items not Bid)</p>  | <p>Automatic Rejection, as determined by the Purchasing and Risk team unless otherwise provided in the Request.</p> <p>N/A if the Rfx allows bidders to select which parts of the Rfx they would like to submit for.</p>   |
| <p>Bids received on documents other than those Bid documents provided by the Township.</p>  | <p>Automatic Rejection, as determined by the Purchasing and Risk team</p>  |
| <p>Bids containing errors (non-mathematical).</p>   | <p>Automatic Rejection, as determined by the Purchasing and Risk team unless the errors do not materially affect the Bid, as determined at the sole discretion of the Manager, Purchasing and Risk Management.</p>   |
| <p>Form of Tender/Proposal not submitted</p>  | <p>Automatic Rejection, as determined by the Purchasing and Risk team</p>  |
| <p>Failure to sign Form of Offer</p>  | <p>Automatic Rejection, as determined by the Purchasing and Risk team</p>  |
| <p>Qualified Bid</p> <p>Bid is restricted by a counteroffer in the form of a: covering letter; statement; alteration; reservation; condition; out of scope alternative which has been included with the Bid, or added to any page of the Bid.</p>   | <p>Automatic Rejection as determined by the Purchasing and Risk team, unless the Bid Document specifically permits such qualifications; or in the opinion of the Purchasing Review Committee, the qualifications or restriction is trivial or not significant.</p> |
| <p>Bid Security (Bid Bond or Agreement to Bond):</p> <ul style="list-style-type: none"> <li>• Is not provided</li> <li>• Is not in the amount specified</li> <li>• Does not name the Township as an Obligee</li> <li>• Security company is not licensed to do business in Ontario;</li> <li>• Is not executed by the Security company;</li> </ul> | <p>Automatic Rejection, as determined by the Purchasing and Risk team</p>  |



| Situation  | Response   |
|--|--|
| <ul style="list-style-type: none"> <li>Is not in a form acceptable to the Township</li> <li>Has not been authenticated by an authorized third party acceptable to the Township</li> </ul>  |  |
| <p>Bid Security (Bid bond or Agreement to Bond)</p> <ul style="list-style-type: none"> <li>Is not executed by the Security Company</li> <li>Has not been authenticated by an authorized third party acceptable to the Township</li> <li>Is not executed by the Bidder</li> </ul> | <p>The Bidder will be given a specified time period for the signature to be applied to the original document. If the Bidder fails to do so within the specified time period, the Bid will be rejected.</p>   |
| <p>Bid Security (Bid Bond or Agreement to Bond)</p> <ul style="list-style-type: none"> <li>Is not in compliance with the number of days open for acceptance as stated in the Bid document</li> </ul>   | <p>The Bidder will be given a specified time period to resubmit an original replacement Security with the correct number of days open for acceptance. If the Bidder fails to do so within the specified time period, the Bid will be rejected.</p>                       |
| <p>Erasures, overwriting, strikeouts, or failure to initial changes made on Bid.</p>   | <p>Where, at the sole discretion of the Manager of Purchasing &amp; Risk Management, the changes are clear and unambiguous, the Bidder will be given a specified time to initial the changes. Bid will be rejected if not corrected during the Rectification Period.</p> |
| <p>Failure to acknowledge on the Form of Tender/Proposal that all addenda form part of the submission in the Bid.</p>  | <p>Bidder allowed to rectify by resubmitting the Form of Tender/Proposal in specified time period. Bid will be rejected if not corrected during the Rectification Period.</p>  |
| <p>Mandatory submission requirements not included in the Bid, in whole or in part.</p>   | <p>Automatic Rejection, unless in the opinion of the Procurement Review Committee, the requirement is trivial or not significant.</p>  |
| <p>Failure of a Bidder to identify itself on the Bid.</p>  | <p>Automatic Rejection as determined by the</p>  |



| Situation  | Response  |
|--|---|
|  | Purchasing and Risk team.   |
| Failure by Bidder to provide all names of Sub-contractors it proposes to use on a project                | Unless otherwise specified in the Bid Document, the Bidder will be allowed a specified amount of time to provide the names of the Sub-contractors. If the Bidder fails to do so within the specified time period, the Bid will be rejected.   |
| Mathematical errors which are not consistent with the unit prices.                                       | <p>Where there is a discrepancy between unit, stipulated, or lump sum prices and the extension calculation; the unit, stipulated, or lump sum prices will prevail.</p> <p>The Township shall make corrections to the extension total, correct the total tax calculation and the total Bid amounts accordingly. All Bidders will be bound by such corrections.</p> |
| Unit Price, Stipulated Price or Lump Sum Price is missing  | Automatic Rejection, by the Purchasing and Risk team unless Bid Document specifically allows for partial Bids   |
| Pricing that appears unbalanced or substantially lower than market value providing for an unbalanced Bid | The Bidder will be allowed a specified time to provide an explanation for such pricing methodology. If the Bidder fails to do so within the specified time period and if the explanation is, in the opinion of the Manager of Purchasing & Risk Management, not reasonable, the Bid will be rejected.   |
| Pricing is not submitted separately and is included in the technical submission.                         | The Purchasing and Risk team will remove the pricing from the technical submission before the submission is shared with the selection committee.  |



| Situation   | Response   |
|---|--|
| <p>Other irregularities</p> <p>(The above noted list of irregularities should not be construed to be all inclusive)</p> | <p>The Manager of Purchasing &amp; Risk Management or designate, in consultation with the Procurement Review Committee and /or the Township’s Solicitor will review irregularities not listed.</p> <p>The Manager of Purchasing &amp; Risk Management or designate in consultation with the Procurement Review Committee, shall have the authority to</p> <ol style="list-style-type: none"> <li>1. waive irregularities not listed, in order to accept a substantially compliant Bid.</li> <li>2. Reject bids based on irregularities not listed..</li> </ol> |

**Procedure**

1. Purchasing and Risk Division and/or third-party consulting support assigned to project, reviews Bids received to check for irregularities.
2. If an irregularity is found, a decision will be made in accordance with the Bid Irregularity Tables noted above.
  - a. The Purchasing and Risk Division will not share Bids containing known Bid irregularities or those that require a decision from the Manager of Purchasing and Risk Management, with the responsible Division until a final decision has been made or the irregularity has been rectified.
  - b. If rectification is allowed, the Purchasing and Risk Division will contact bidders and ask for rectification within the noted rectification period.
  - c. If a bid is being rejected, the Purchasing and Risk Division will notify the bidder about the rejection and the reason for rejection.

**NB:**

1. All Procurement template outlines that bidders may be given the opportunity to rectify their submissions. It does not specify a time, but notes that the notice will include a specified time for the bid to be rectified.
2. Submissions received through the Electronic bidding system may be subsequently rejected pending a review from Township staff.





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Approval:

DocuSigned by:

*Dan Wilson*

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Dan Wilson, CAO