

**PM 01****Property Projects**

Classification:	Property Management
Responsible Authority:	Executive Director, Facilities Management
Executive Sponsor:	Vice President, Finance and Administration
Approval Authority:	Algonquin College Executive Team
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**PURPOSE**

To determine the manner in which property projects are awarded by public or invitational tender.

**SCOPE**

All property projects undertaken by the College.

**DEFINITIONS**

Word/Term	Definition
Emergency	A situation in which an immediate procurement decision is necessary to prevent a delay, which could result in danger to life or damage to property or suspension of an essential service.
RFP	Request for proposal.
Vendor of Record	A vendor of record arrangement is a procurement arrangement resulting from a fair, open, transparent and competitive procurement process that authorizes one or more vendors to offer specific goods or services to the College for a defined time period, with terms and conditions and pricing as set out in the particular vendor of record agreement.

**POLICY**

1. The College shall conduct one of the following tendering processes for property projects:

**1.1 Vendor of Record**

The pre-qualification process for the designation of a Vendor of Record (VOR) is a call for tender advertised to the public. Evaluation criteria used to select a contractor for VOR status shall include, but is not limited to:

- Demonstrated experience;
- Bonding capability;
- Concurrence with the Occupational Health and Safety policies and practices of the College;
- Demonstrated capabilities for project delivery.

A VOR status is awarded to contractors meeting the pre-qualification criteria. They may subsequently be invited to quote on specific construction and renovation projects.

### **1.2 Traditional Process**

A public tender to secure a contractor to deliver a project based on specifications and drawings sufficiently completed to allow the selection of the winning bid based on price as the sole criteria.

### **1.3 Design-Build Process**

A publicly tendered Request for Proposal (RFP) process is used to procure a design-build team consisting of a contractor, architect, engineer and specialist consultants. The design-build team is used to plan, design, and deliver the specific project based on the best value criteria for the College. This selection is based on the following criteria, but may include others:

- Experience with projects of like scope and complexity;
- Approach to the project;
- Project team composition;
- Fixed price or combination of percentage fee, labour rates and mark-ups

The RFP process may be preceded by a publicly tendered pre-qualification process to identify a short list of qualified contractors to whom to issue the RFP.

### **1.4 Construction Management Process**

A publicly tendered RFP process is used to procure a construction management firm to provide input on the design process for a specific project followed by provision of general contractor services to deliver the project including the tendering of sub-contracts.

## **2. Financial Limits - Projects**

### **2.1 Projects of \$100,000 or more:**

For projects of \$100,000 or more, a public tender is required for all acquisitions of services and is to include the VOR pre-qualification process described in item 1.1 above.

### **2.2 Projects of \$25,000 to \$99,999:**

For projects between \$25,000 to \$99,999, a minimum of three written quotes are required. The lowest bid that represents the best value for the College will be accepted.

**2.3 Projects of \$1 to \$24,999:**

For projects between \$1 to \$24,999, a requisition for work between \$1 to \$24,999 will have one or more quotes at the discretion of the Executive Director, Facilities Management or designate. The VOR arrangement may be used to select any one pre-qualified VOR vendor. Also, the P Card may be used up to \$999 with no quotes.

**3.0 Financial Limits – Vendor of Record (VOR) Contracts****3.1 Contract Maximum under VOR:**

The maximum value of procurement under a public pre-qualification (VOR) contract is \$750,000.

**3.2 Contracts between \$250,000 and \$749,999:**

For contracts between the value of \$250,000 and \$749,999, at least five pre-qualified vendors will be asked to bid.

**3.3 Contracts between \$25,000 and \$249,999:**

For contracts between \$25,000 and \$249,999, at least three pre-qualified vendors will be asked to bid.

**3.4 Contracts between \$1 and \$24,999:**

For contracts between \$1 and \$24,999, the VOR arrangement may be used to select any one pre-qualified VOR vendor.

**4. Calls for Public Tender****4.1 Calls for public tender shall be advertised in one of the following:**

- a. Electronic tendering service – MERX
- b. Local newspaper(s)
- c. Provincial newspapers, such as the Globe and Mail, for goods and services
- d. The Daily Commercial News for construction projects.

**4.2 All public tenders shall have an established tendering period of not less than fifteen (15) working days unless otherwise authorized by the President or designate.****4.3 There shall be a quote period of not less than seven (7) working days for VOR quotes, unless otherwise specified by the Vice President, Finance and Administration or designate.****4.4 Tenders shall be addressed to the Board of Governors, care of the Purchasing Department.****4.5 Tenders shall be opened on the day and at the time designated in the advertisement or invitation unless changed by an addendum to the specifications or the tender.**

- 4.6 All public tenders or invitational tenders in excess of \$100,000 will be opened by the Manager of the Purchasing Department, in the presence of the Manager of the user department, and the Vice President, Finance and Administration as Treasurer of the Board of Governors, or designate.
- 4.7 Invitational tenders under \$100,000 may be opened by the Manager of the Purchasing Department in the presence of the Manager of the user department or designate, or by the Executive Director, Facilities Management or designate.
- 4.8 The lowest tender that represents the best value to the College shall be accepted, unless otherwise agreed to by the Vice President, Finance and Administration.
- 4.9 All contracts in the name of the College shall be signed by any two of the Chair, or Vice Chair, of the Board of Governors or the President and the Treasurer.
- 4.10 The Secretary to the Board of Governors shall affix the Corporate Seal and the Office of the Board of Governors shall act as custodian of such documents.

## **5. Exception to the Application of the Procurement Rules**

- 5.1 In the case of an emergency, or cases in which only one supplier can meet a very specialized need, the tendering process is determined by:
- a) The Executive Director, Facilities Management sources for projects less than \$100,000.
  - b) The Vice President, Finance and Administration sources for projects \$100,000 and above.
- 5.2 In the event a non-competitive process is used, a signed non-competitive approval form approved by the President must be provided to the Purchasing Department.

## **PROCEDURE**

<b><u>Action</u></b>	<b><u>Responsibility</u></b>
<b>1. Pre-Qualification Process for Vendor of Record</b>	
1.1 Advertise on an electronic tendering system, MERX, in local newspapers for vendors or contractors interested in obtaining a VOR status.	Executive Director, Facilities Management or designate
1.2 Select vendors or contractors for VOR status according to pre-determined criteria.	Executive Director, Facilities Management or designate

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|-----------------------------|--|--|
| 1.3                         | Maintain a list of qualified vendors and qualified contractors to be invited to quote on specific projects.  | Executive Director,<br>Facilities Management<br>or designate   |
| <br>                        |  |  |
| <b>2. Tendering Process</b> |  |  |
| 2.1                         | Advertise, allowing not less than fifteen (15) working days to respond, a call for public tender in at least one of the following: <ul style="list-style-type: none"> <li>a. Electronic tendering service – MERX</li> <li>b. Local newspaper(s)</li> <li>c. Provincial newspapers, such as the Globe and Mail, for goods and services</li> <li>d. The Daily Commercial News for construction projects</li> </ul> | Executive Director,<br>Facilities Management<br>or designate   |
| <br>                        |  |  |
| 2.2                         | Invite in writing VOR tenders to quote on a specific project, allowing at least seven (7) working days to respond.   | Executive Director,<br>Facilities Management<br>or designate   |
| <br>                        |  |  |
| 2.3                         | Open tenders on the day and at the time designated in the advertisement or invitation unless changed by an addendum to the specifications or the tender. <ul style="list-style-type: none"> <li>• Projects less \$100,000</li> <li>• Projects over \$100,000</li> </ul>  | Manager, Purchasing or<br>designate, Executive<br>Assistant to the Board of<br>Governors, user<br>department |

### SUPPORTING DOCUMENTATION

None.

### RELATED POLICIES

None.

### RELATED MATERIALS

Broader Public Service Procurement Directive:

<https://www.algonquincollege.com/purchasing/files/2014/09/Purchasing-Policy-and-Procedure-Manual.pdf>

Purchasing Policy and Procedures Manual:

<https://www.algonquincollege.com/purchasing/files/2014/09/Purchasing-Policy-and-Procedure-Manual.pdf>