

# **PART B**

# **BIDDING PROCEDURES**

## **PART B - BIDDING PROCEDURES**

### **B1. PROJECT TITLE**

B1.1 PROVISION OF INSURANCE AND RELATED RISK MANAGEMENT SERVICES

### **B2. SUBMISSION DEADLINE**

B2.1 The Submission Deadline is 4:00 p.m. Winnipeg time, November 8, 2004.

B2.2 Proposal Submissions determined by the Manager of Materials to have been received later than the Submission Deadline will not be accepted and will be returned upon request.

B2.3 The Contract Administrator or the Manager of Materials may extend the Submission Deadline by issuing an addendum at any time prior to the time and date specified in B2.1.

### **B3. BIDDERS' CONFERENCE**

B3.1 Further to GC.2.01, the Contract Administrator will hold a Bidders' conference at 510 Main Street, Civic Administration Building, 2<sup>nd</sup> floor Conference Rooms 2 & 3, from 9:00 AM to 11:00 AM on October 18, 2004.

B3.2 The Bidder shall not be entitled to rely on any information or interpretation received at the Bidders' conference unless that information or interpretation is provided by the Contract Administrator in writing.

### **B4. BACKGROUND INFORMATION**

B4.1 The City specifically requests that Bidders not contact or solicit the insurance markets or reinsurers on behalf of the City of Winnipeg prior to the award of Contract. Bidders are advised that doing so may result in their Proposal Submission being rejected.

B4.2 The following is provided for the information of Bidders:

- (a) The City of Winnipeg operates under the City of Winnipeg Charter Act as a municipal government in the Province of Manitoba; consists of an elected Mayor and Council, and related committees, and administrative and operating departments; provides such services as, but not limited to, animal services, financial management, recreation programs, community resources, fire, paramedic, museums, cemeteries, inspections, permits, recreation facilities, insect control, public works, streets, fleet management, overpasses and bridge infrastructure, gravel pit, street clearing and maintenance, sewer infrastructure, public transit system, water and waste systems, and police;
- (b) The City of Winnipeg has in excess of \$2 billion worth of buildings and contents, including, but not limited to, parks and cultural facilities, swimming pools, recreation centres, fire/paramedic stations, police stations, arenas, libraries, community centres, golf courses, business offices, buildings, museums, pump stations, landfill, zoo, tax sale properties, parkades, repair facilities, garages, water reservoirs, aqueduct, water treatment plants, aqueduct railroad, wastewater pollution control centres, skateboard parks, underground concourse, overhead walkways, cemeteries, computer systems and equipment, etc.;
- (c) The City of Winnipeg has two main fleets of approximately 450 buses and 1,650 licensed vehicles, plus a large fleet of unlicensed machinery;
- (d) The City of Winnipeg has an Insurance Reserve Fund with a forecasted 2004 balance of approximately \$6 million; and

- (e) The City of Winnipeg has an insurance program that includes (see B4.5), but may not be limited to, the following insurance policies: Main Property (subscription); Leased Property; Main Boiler & Machinery; Leased Boiler & Machinery; Commercial General Liability: Primary Umbrella; Excess Layers; Buy-Back CGL; Crime; Auto – Fire Department; Auto – Fire Chiefs; Standard Garage Auto; Non-Owned Aircraft; Aviation Premises Liability; Aviation Excess Liability; Travel Accident; and Volunteers Accident.
- (f) Business hours are between 8:30 AM and 4:30 PM Winnipeg time.

B4.3 The Risk Management Branch of the City of Winnipeg is responsible for the insurance portfolio, claims and claim adjusting, risk management, insurance reserve fund, loss prevention and related matters. The City has a significant self-insured liability and property retention, and completely self-insures its professional, environmental and employment practices exposures. All policies are renewed on an annual basis.

B4.4 The City paid the following approximate insurance commissions:

Description	2000	2001	2002	2003
AutoPac	77,381	66,365	112,478	125,002
General Insurance	202,451	301,298	285,539	299,331

The increase in AutoPac commissions, starting in 2002, was primarily the result of the Transit Bus Fleet being included under Manitoba Public Insurance Corporation's insurance program.

B4.5 The City currently has the following Insurance policies:

Policy Class	Policy Type	Basic Deductible	Basic Limit
Property	Property Main	250,000	300,000,000
Property	Managed Leased Prop-All Risk (6 bldgs./1 contents/ 1 rent)	2,500	various property values
Boiler and Machinery	Managed Leased Prop-Boiler & Machinery (6 bldgs.)	2 @ 2,500 & 4 @ 1,000	4,000,000
Boiler and Machinery	Boiler & Machinery	250,000	22,500,000
Crime	Crime	250,000	10,000,000
Primary Liability	Liability Buy Back	5,000	250,000
Primary Liability	Main CGL - \$5M excess of self insured retention	250,000	5,000,000
Excess Liability	PRIMARY and EXCESS UMBRELLAS	excess primary	90,000,000
Aviation	Liability Aircraft Premises	5,000	various with max of 20,000,000
Aviation	Liability Non-owned Aircraft		5,000,000
Accident and Travel	Travel Accident	various	various with max of 200,000
Accident and Travel	Accident-Volunteer	various	various with max of 50,000
Automobile	Auto Excess	excess basic	4,800,000 excess 200,000 basic liability
Automobile	Auto Liability - Fire Dept. Passenger	excess basic	4,800,000 excess 200,000 basic liability
Automobile	Primary Auto Liability - Fire Dept. Apparatus	250,000	5,000,000
Automobile	Auto - Standard Garage Liability	500 on collision & excess basic	50,000 on collision and 4,800,000 excess 200,000 basic liability
Automobile	Auto - Transit Excess Liability	excess basic	4,800,000 excess 200,000 basic liability

## **B5. ENQUIRIES**

- B5.1 All enquiries shall be directed to the Contract Administrator identified in D5.1.
- B5.2 If the Bidder finds errors, discrepancies or omissions in the Request for Proposal, or is unsure of the meaning or intent of any provision therein, the Bidder shall notify the Contract Administrator of the error, discrepancy or omission, or request a clarification as to the meaning or intent of the provision at least five (5) Business Days prior to the Submission Deadline.
- B5.3 Responses to enquiries which, in the sole judgment of the Contract Administrator, require a correction to or a clarification of the Request for Proposal will be provided by the Contract Administrator to all Bidders by issuing an addendum.
- B5.4 Responses to enquiries which, in the sole judgment of the Contract Administrator, do not require a correction to or a clarification of the Request for Proposal will be provided by the Contract Administrator only to the Bidder who made the enquiry.
- B5.5 The Bidder shall not be entitled to rely on any response or interpretation received pursuant to B5 unless that response or interpretation is provided by the Contract Administrator in writing.

## **B6. CONFIDENTIALITY**

- B6.1 Information provided to a Bidder by the City or acquired by a Bidder by way of further enquiries or through investigation is confidential. Such information shall not be used or disclosed in any way without the prior written authorization of the Contract Administrator.
- B6.2 The Bidder shall not make any statement of fact or opinion regarding any aspect of the Request for Proposals to the media or any member of the public without the prior written authorization of the Contract Administrator.

## **B7. ADDENDA**

- B7.1 The Contract Administrator may, at any time prior to the Submission Deadline, issue addenda correcting errors, discrepancies or omissions in the Request for Proposal, or clarifying the meaning or intent of any provision therein.
- B7.2 The Contract Administrator will issue each addendum at least three (3) Business Days prior to the Submission Deadline, or provide at least three (3) Business Days by extending the Submission Deadline.
- B7.2.1 Addenda will be available in Adobe Acrobat (pdf) format on the Bid Opportunities page at The City of Winnipeg, Corporate Finance, Materials Management Division internet site at <http://www.winnipeg.ca/matmgt>.
- B7.2.2 The Bidder is responsible for ensuring that he has received all addenda and is advised to check the Materials Management Division internet site for addenda shortly before submitting his Proposal.
- B7.3 The Bidder shall acknowledge receipt of each addendum in Paragraph 9 of Form A: Proposal. Failure to acknowledge receipt of an addendum may render a Proposal non-responsive.

## **B8. SUBSTITUTES**

- B8.1 The Work is based on the Plant, Materials and methods specified in the Request for Proposal.
- B8.2 Substitutions shall not be allowed unless application has been made to and prior approval has been granted by the Contract Administrator in writing.

- B8.3 Requests for approval of a substitute will not be considered unless received in writing by the Contract Administrator at least five (5) Business Days prior to the Submission Deadline.
- B8.4 The Bidder shall ensure that any and all requests for approval of a substitute:
- (a) provide sufficient information and details to enable the Contract Administrator to determine the acceptability of the Plant, Material or method as either an approved equal or alternative;
  - (b) identify any and all changes required in the applicable Work, and all changes to any other Work, which would become necessary to accommodate the substitute;
  - (c) identify any anticipated cost or time savings that may be associated with the substitute;
  - (d) certify that, in the case of a request for approval as an approved equal, the substitute will fully perform the functions called for by the general design, be of equal or superior substance to that specified, is suited to the same use and capable of performing the same function as that specified and can be incorporated into the Work, strictly in accordance with the proposed work schedule and the dates specified in the Supplemental Conditions for Substantial Performance and Total Performance;
  - (e) certify that, in the case of a request for approval as an approved alternative, the substitute will adequately perform the functions called for by the general design, be similar in substance to that specified, is suited to the same use and capable of performing the same function as that specified and can be incorporated into the Work, strictly in accordance with the proposed work schedule and the dates specified in the Supplemental Conditions for Substantial Performance and Total Performance.
- B8.5 The Contract Administrator, after assessing the request for approval of a substitute, may at his sole discretion grant approval for the use of a substitute as an “approved equal” or as an “approved alternative”, or may refuse to grant approval of the substitute.
- B8.6 The Contract Administrator will provide a response in writing, at least three (3) Business Days prior to the Submission Deadline, only to the Bidder who requested approval of the substitute.
- B8.6.1 The Bidder requesting and obtaining the approval of a substitute shall be entirely responsible for disseminating information regarding the approval to any person or persons he wishes to inform.
- B8.7 If the Contract Administrator approves a substitute as an “approved equal”, the Bidder may use the approved equal in place of the specified item.
- B8.8 If the Contract Administrator approves a substitute as an “approved alternative”, the Bidder shall base his Total Bid Price upon the specified item but may indicate an alternative price based upon the approved alternative. Such alternatives will be evaluated in accordance with B19.
- B8.9 No later claim by the Contractor for an addition to the Total Bid Price because of any other changes in the Work necessitated by the use of an approved equal or an approved alternative will be considered.

## **B9. PROPOSAL SUBMISSION**

- B9.1 The Proposal Submission consists of the following components:
- (a) Form A: Proposal;
  - (b) Fee(s) for Service
  - (c) Form C: Qualification; and
  - (d) Form N: Insurance Broker and Related Services.

- B9.2 All components of the Proposal Submission shall be fully completed or provided, and submitted by the Bidder no later than the Submission Deadline, with all required entries made clearly and completely in ink, to constitute a responsive Proposal.
- B9.3 The Proposal Submission shall be submitted enclosed and sealed in an envelope clearly marked with the RFP number and the Bidder's name and address.
- B9.3.1 Samples or other components of the Proposal Submission which cannot reasonably be enclosed in the envelope may be packaged separately, but shall be clearly marked with the RFP number, the Bidder's name and address, and an indication that the contents are part of the Bidder's Proposal Submission.
- B9.4 Proposal Submissions submitted by facsimile transmission (fax) or internet electronic mail (e-mail) will not be accepted.
- B9.5 Proposal Submissions shall be submitted to:  
The City of Winnipeg  
Corporate Finance Department  
Materials Management Division  
185 King Street, Main Floor  
Winnipeg MB R3B 1J1

## **B10. PROPOSAL**

- B10.1 The Bidder shall complete Form A: Proposal, making all required entries.
- B10.2 Paragraph 2 of Form A: Proposal shall be completed in accordance with the following requirements:
- (a) if the Bidder is a sole proprietor carrying on business in his own name, his name shall be inserted;
  - (b) if the Bidder is a partnership, the full name of the partnership shall be inserted;
  - (c) if the Bidder is a corporation, the full name of the corporation shall be inserted;
  - (d) if the Bidder is carrying on business under a name other than his own, the business name and the name of every partner or corporation who is the owner of such business name shall be inserted.
- B10.2.1 If a Proposal is submitted jointly by two or more persons, each and all such persons shall identify themselves in accordance with B10.2.
- B10.3 In Paragraph 3 of Form A: Proposal, the Bidder shall identify a contact person who is authorized to represent the Bidder for purposes of the Proposal.
- B10.4 Paragraph 11 of Form A: Proposal shall be signed in accordance with the following requirements:
- (a) if the Bidder is a sole proprietor carrying on business in his own name, it shall be signed by the Bidder;
  - (b) if the Bidder is a partnership, it shall be signed by the partner or partners who have authority to sign for the partnership;
  - (c) if the Bidder is a corporation, it shall be signed by its duly authorized officer or officers and the corporate seal, if the corporation has one, should be affixed;
  - (d) if the Bidder is carrying on business under a name other than his own, it shall be signed by the registered owner of the business name, or by the registered owner's authorized officials if the owner is a partnership or a corporation.

B10.4.1 The name and official capacity of all individuals signing Form A: Proposal shall be printed below such signatures.

B10.4.2 All signatures shall be original and shall be witnessed except where a corporate seal has been affixed.

B10.5 If a Proposal is submitted jointly by two or more persons, the word "Bidder" shall mean each and all such persons, and the undertakings, covenants and obligations of such joint Bidders in the Proposal Submission and the Contract, when awarded, shall be both joint and several.

## **B11. FEE(S) FOR SERVICE**

B11.1 The Bidders shall submit their fees for service based on the services outlined in E2.2.

## **B12. QUALIFICATION**

B12.1 The Bidder shall:

- (a) undertake to be in good standing under The Corporations Act (Manitoba), or properly registered under The Business Names Registration Act (Manitoba), or otherwise properly registered, licensed or permitted by law to carry on business in Manitoba;
- (b) be responsible and not be suspended, debarred or in default of any obligation to the City;
- (c) be financially capable of carrying out the terms of the Contract;
- (d) have all the necessary experience, capital, organization, and equipment to perform the Work in strict accordance with the terms and provisions of the Contract;
- (e) have successfully carried out work, similar in nature, scope and value to the Work;
- (f) employ only Subcontractors who:
  - (i) are responsible and not suspended, debarred or in default of any obligation to the City (a list of suspended or debarred individuals and companies is available on the Information Connection page at The City of Winnipeg, Corporate Finance, Materials Management Division internet site at <http://www.winnipeg.ca/matmgt>); and
  - (ii) have successfully carried out work similar in nature, scope and value to the portion of the Work proposed to be subcontracted to them, and are fully capable of performing the Work required to be done in accordance with the terms of the Contract;
- (g) have a written workplace safety and health program in accordance with The Workplace Safety and Health Act (Manitoba);
- (h) be licensed in good standing in the Province of Manitoba as a property and casualty insurance broker and an Autopac Agent.

B12.2 The Bidder shall complete Form C: Qualification giving a list of previously completed work, similar in nature, scope and value to the Work, in sufficient detail to demonstrate the Bidder's qualification to undertake the Work.

B12.3 The Bidder shall be prepared to submit, within three (3) Business Days of a request by the Contract Administrator, proof satisfactory to the Contract Administrator of the qualifications of the Bidder and of any proposed Subcontractor.

B12.4 The Bidder shall provide, on the request of the Contract Administrator, full access to any of the Bidder's equipment and facilities to confirm, to the Contract Administrator's satisfaction, that the Bidder's equipment and facilities are adequate to perform the Work.



**B13. INSURANCE BROKER AND RELATED SERVICES**

B13.1 The Bidder shall provide a written response answering each question on Form N: Insurance Broker and Related Services.

**B14. OPENING OF PROPOSALS AND RELEASE OF INFORMATION**

B14.1 Proposal Submissions will not be opened publicly.

B14.2 After award of Contract, the name(s) of the successful Bidder(s) and the Contract Amount(s) will be available on the Closed Bid Opportunities page at The City of Winnipeg, Corporate Finance, Materials Management Division internet site at <http://www.winnipeg.ca/matmgt>.

B14.3 To the extent permitted, the City shall treat all Proposal Submissions as confidential, however the Bidder is advised that any information contained in any Proposal Submission may be released if required by City policy or procedures, or by other authorities having jurisdiction.

**B15. IRREVOCABLE OFFER**

B15.1 The Proposal(s) submitted by the Bidder shall be irrevocable for the time period specified in Paragraph 10 of Form A: Proposal.

B15.2 The acceptance by the City of any Proposal shall not release the Proposals of the next two lowest evaluated responsive Bidders and these Bidders shall be bound by their offers on such Work until a Contract for the Work has been duly executed and the performance security furnished as herein provided, but any offer shall be deemed to have lapsed unless accepted within the time period specified in Paragraph 10 of Form A: Proposal.

**B16. WITHDRAWAL OF OFFERS**

B16.1 A Bidder may withdraw his Proposal without penalty by giving written notice to the Manager of Materials at any time prior to the Submission Deadline.

B16.1.1 Notwithstanding GC.7.06(2), the time and date of receipt of any notice withdrawing a Proposal shall be the time and date of receipt as determined by the Manager of Materials.

B16.1.2 The City will assume that any one of the contact persons named in Paragraph 3 of Form A: Proposal or the Bidder's authorized representatives named in Paragraph 11 of Form A: Proposal, and only such person, has authority to give notice of withdrawal.

B16.1.3 If a Bidder gives notice of withdrawal prior to the Submission Deadline, the Manager of Materials shall:

- (a) retain the Proposal Submission until after the Submission Deadline has elapsed;
- (b) open the Proposal Submission to identify the contact person named in Paragraph 3 of Form A: Proposal and the Bidder's authorized representatives named in Paragraph 11 of Form A: Proposal; and
- (c) if the notice has been given by any one of the persons specified in B16.1.3(b), declare the Proposal withdrawn.

B16.2 A Bidder who withdraws his Proposal after the Submission Deadline but before his offer has been released or has lapsed as provided for in B15.2 shall be liable for such damages as are imposed upon the Bidder by law and subject to such sanctions as the Award Authority considers appropriate in the circumstances. The City, in such event, shall be entitled to all rights and remedies available to it at law, including the right to retain the Bidder's bid security.

## **B17. INTERVIEWS**

B17.1 The Contract Administrator may, at his/her sole discretion, interview Bidders during the evaluation process.

## **B18. NEGOTIATIONS**

B18.1 The City reserves the right to negotiate details of the Contract with Bidders.

B18.2 Negotiations, if any, are intended to address administrative and technical details of the Contract. The Bidder is advised to present his/her best offer, not a starting position for negotiations, in his/her Proposal Submission; the City will not necessarily pursue negotiations with any Bidder.

B18.3 If, in the course of negotiations pursuant to B18.2 or otherwise, the Bidder amends or modifies a Proposal after the Submission Deadline, the City may consider any amended Proposal as an alternative to the Proposal as originally submitted without releasing the Bidder from the Proposal as originally submitted.

## **B19. EVALUATION OF PROPOSALS**

B19.1 Award of the Contract shall be based on the following evaluation criteria:

- |  |            |
|--|------------|
| (a) compliance by the Bidder with the requirements of the Request for Proposal   | pass/fail; |
| (b) qualifications of the Bidder and the Subcontractors, if any, pursuant to B12 | pass/fail; |
| (c) ability to market and service  | 25%;       |
| (d) experience and qualifications of personnel                                   | 20%;       |
| (e) communications and technology  | 10%;       |
| (f) risk management and other services   | 20%;       |
| (g) Service Fees and Value   | 25%;       |
| (h) economic analysis of any approved alternative pursuant to B8.                |            |

B19.2 Further to B19.1(a), the Award Authority may reject a Proposal as being non-responsive if the Proposal Submission is incomplete, obscure or conditional, or contains additions, deletions, alterations or other irregularities. The Award Authority may reject all or any part of any Proposal, or waive technical requirements if the interests of the City so require.

B19.3 Further to B19.1(b), the Award Authority shall reject any Proposal submitted by a Bidder who does not demonstrate, in his Proposal Submission or in other information required to be submitted, that he is responsible and qualified.

B19.4 Further to B18.1(c), ability to market and service will be evaluated considering the Bidder's Proposal or in other information required to be submitted.

B19.5 Further to B18.1(d), experience and qualifications of personnel will be evaluated considering the Bidder's Proposal or in other information required to be submitted. References are not restricted to only those submitted by the Bidder and may include organizations, business and individuals known to have done business with the Bidder.

B19.6 Further to B18.1(e), communications and technology will be evaluated considering the Bidder's Proposal or in other information required to be submitted.

B19.7 Further to B18.1(f), risk management and other services will be evaluated considering the Bidder's Proposal or in other information required to be submitted.

B19.8 Further to B19.1(g), the Service Fees and Value will be evaluated considering the information submitted in accordance with B9. The Bidder who submits the best overall package of service fees and value will receive highest marks and all other Bidders will be prorated accordingly.

B19.9 This Contract will be awarded as a whole.

**B20. AWARD OF CONTRACT**

B20.1 The Award Authority will give notice of the award of the Contract by way of a letter of intent, or will give notice that no award will be made.

B20.2 The City will have no obligation to award a Contract to a Bidder, even though one or all of the Bidders are determined to be responsible and qualified, and the Proposals are determined to be responsive.

B20.2.1 Without limiting the generality of B20.2, the City will have no obligation to award a Contract where:

- (a) the prices exceed the available City funds for the Work;
- (b) the prices are materially in excess of the prices received for similar work in the past;
- (c) the prices are materially in excess of the City's cost to perform the Work, or a significant portion thereof, with its own forces;
- (d) only one Proposal is received; or
- (e) in the judgment of the Award Authority, the interests of the City would best be served by not awarding a Contract.

B20.3 Where an award of Contract is made by the City, the award shall be made to the responsible and qualified Bidder submitting the most advantageous offer.