



Contracting Services and Tendering

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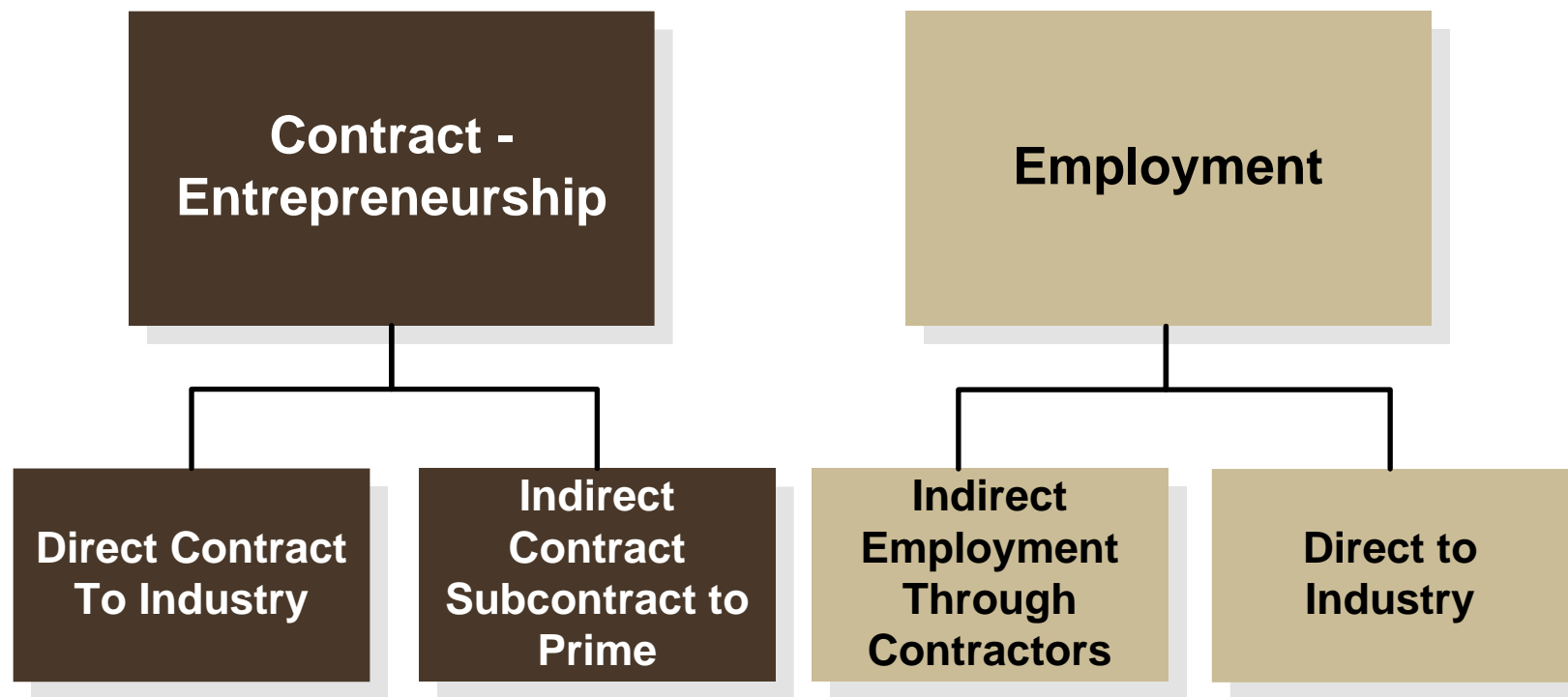
Date: **November 5, 2014**

What is Procurement / Tendering?

The acquisition of goods and / or services at the best possible total cost of ownership, in the right quantity and quality, at the right time, in the right place for the direct benefit or use of governments, corporations or individuals, generally via a contract.



Employment or Contracting?




Prime Contractor Responsibilities

General or Prime Contractor manages a number of subcontractors to perform specific services not performed by the prime contractor.

Prime Contractor is responsible for:

- Contractor prequalification.
- Awarding contracts.
- Management of cost, schedule and safety.
- Execution of the work on behalf of the owner.

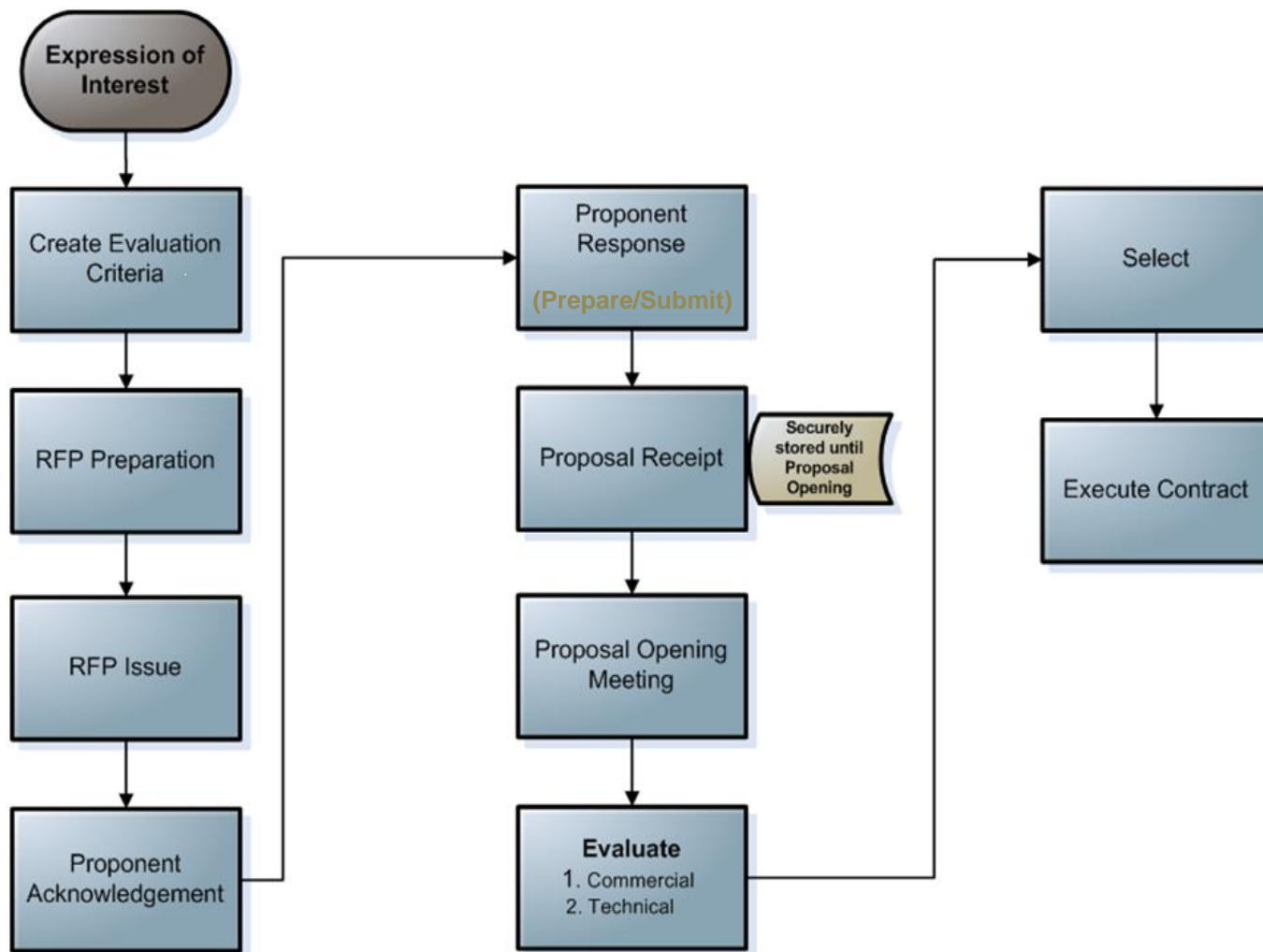
Direct Contract Activity

Service		Water Hauling	
<p><u>General Description</u></p> <ul style="list-style-type: none"> • Water hauling services for pipeline construction consists of the hauling of water for human consumption as well as for road construction/compaction, dust control, pipeline welding fire guard and pipeline and vessel hydro-testing. • Water hauling trucks are usually differentiated between potable water (drinking water) and grey water. 			
<p><u>Equipment</u></p> <ul style="list-style-type: none"> • Water trucks are simply a truck with a steel or stainless steel tank on the back, and may have a set of hoses to direct where the water is to go • They are usually manufactured in single or tandem configurations with bigger rigs and trailers available • Prices for water trucks range from \$80,000 to \$125,000 	<p><u>Personnel</u></p> <ul style="list-style-type: none"> • Most water trucks require a single operator with experience and training relative to providing service on a pipeline ROW 	<p><u>Minimum Certification</u></p> <ul style="list-style-type: none"> • Satisfactory ISNetworld rating • Satisfactory WCB coverage • Satisfactory insurance • Certificate of Recognition 	
<p>When is this Service Required?</p>		<p>During construction phase.</p>	

What is an RFP/RFQ?

A Request for Proposal (RFP) or Request for Quote (RFQ) is one of the common starting points in the procurement / tendering process. It is the formal request of a company seeking to obtain information and pricing for the provision of a particular product or service.





Where to Find an RFP/RFQ

Industry will issue registered contractors an RFP/RFQ through a Pre-Qualification Vendor in either written or electronic format.

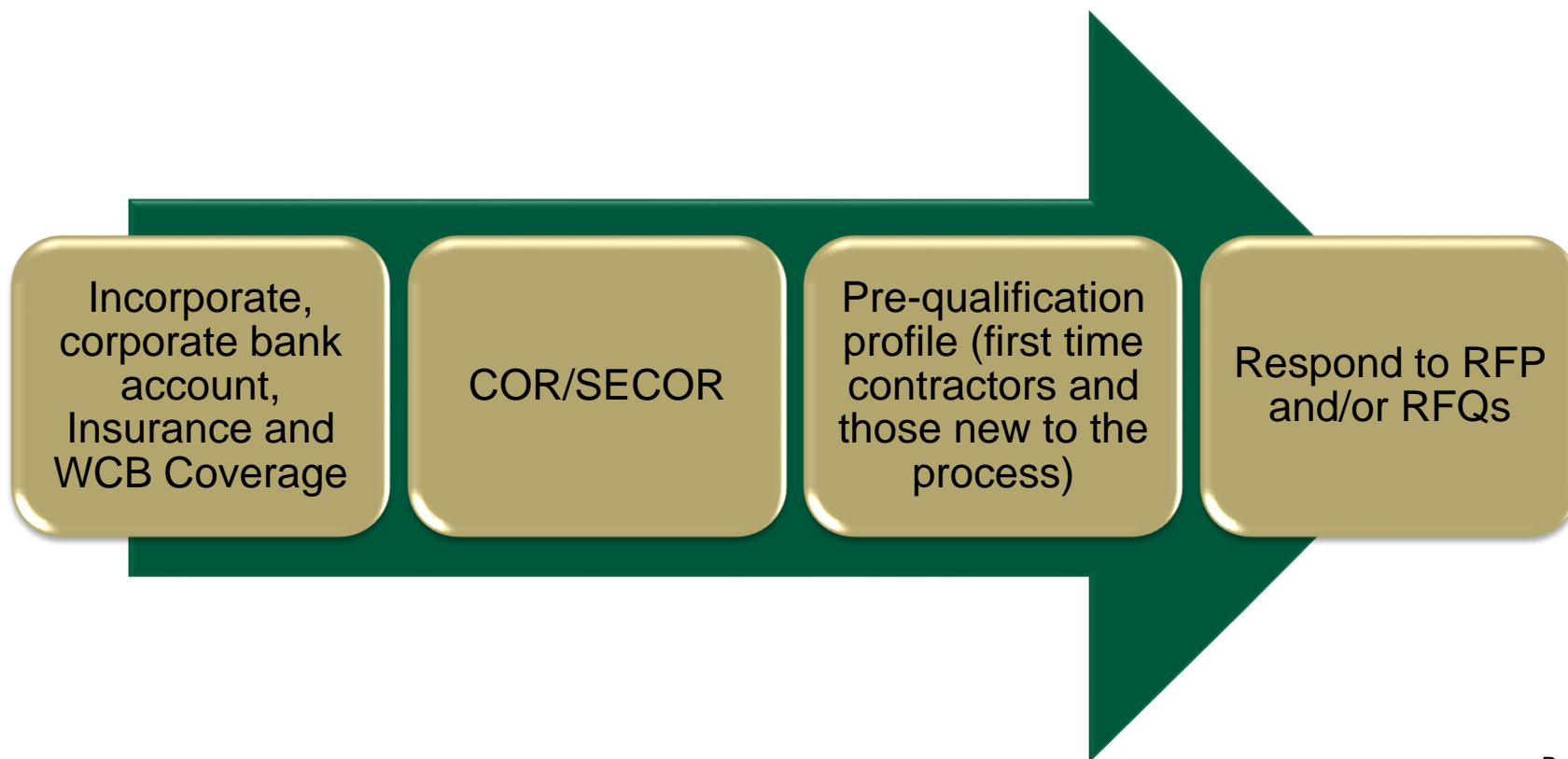


<http://www.merx.com>



<http://www.purchasingconnection.ca/>

Contracting with Industry Pre-requisites



Industry

Industries often award work to contractors based on a number of criteria (examples only):

- Ability to complete work.
- History of safe practice.
- Cost.
- Local community participation.

Safety

- Legislation
- COR/SECOR
- Obtaining a COR/SECOR
- Creating your safety program.
- Keeping your safety program current.
- Keeping your safety program alive.



Other Safety Requirements

Pre-site alcohol and drug screening.

Equipment maintenance records.

Proof of background checks on your workers.

Signed suppliers declaration.

Safety orders.

Environmental orders/violations.

Tailgate meeting minutes.

Samples of completed safety documentation



Safety- Certifying Partners



<http://work.alberta.ca/occupational-health-safety/337.html>

Pre-Qualifying Vendors

Helps to qualify suppliers to meet Industry requirements for direct contract opportunities.

Identifies the magnitude of gap suppliers may have in meeting industry quality and safety standards, for example:

- Training.
- Management responsibility.
- Lost time incident reports.

Impacts:

- Cost.
- Schedule.
- Rework impact in the projects.





WRITING A WINNING PROPOSAL

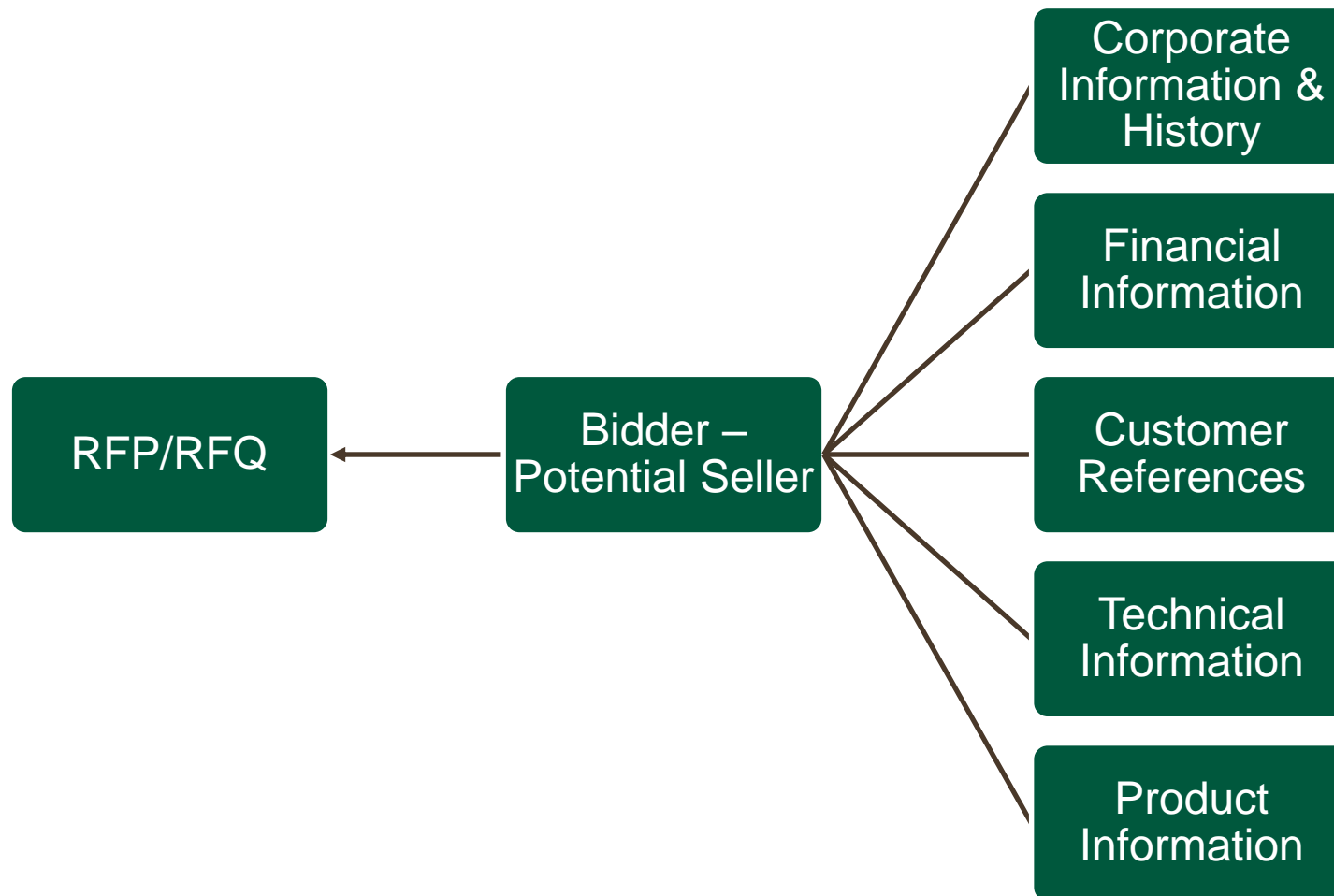
Structure/Format of Response

- **Pre qualification information** - outlines the general nature of the RFP/RFQ and should give you a quick indication about your suitability to bid on the work.
- **Instructions to bidders** - instructions on how to complete the RFP/RFQ. For example, the due date for submissions, the applicable terms and conditions for the RFP/RFQ process.
- **Bidder acknowledgement forms** - the acknowledgement form is used to give the Buyer indication as to the Bidders acknowledgement of intent to bid.

Structure/Format of Response

- **Scope of work** - this section of the RFP/RFQ outlines the detailed requirements of the work that needs to be completed. It will often request, at a minimum, confirmation of the Bidders ability to technically complete the work.
- **Price submission** – quotation from the Bidder for the work described in the bid package.

Response Requirements



Legally Binding

- The RFP/RFQ is a detailed document that invites bidders to submit a proposal or quotation to deliver a specific good or service.
- The RFP/RFQ is a bid process, which will ask each bidder to submit a price and other details regarding the requested services or goods.
- A submitted RFP/RFQ is legally binding.
- There are consequences for the bidder if once selected as the contractor they do not deliver on the contract.
- A typo can bind the contractor to an error.
 - For example: propose to complete a job at a cost of \$700.00 instead of \$7000.00

Content of a Proposal

- Title Page
- Executive Summary
- Table of Contents
- Understanding of Expectations
- Experience/case studies
- Team and Credentials
- Approach
- Project Budget/Fees
- About your Company
- Appendices



Time to Build Your Proposal


Effective content:

- Answers all questions in order and cross references to the numbers of the questions.
- Provides all requested material.

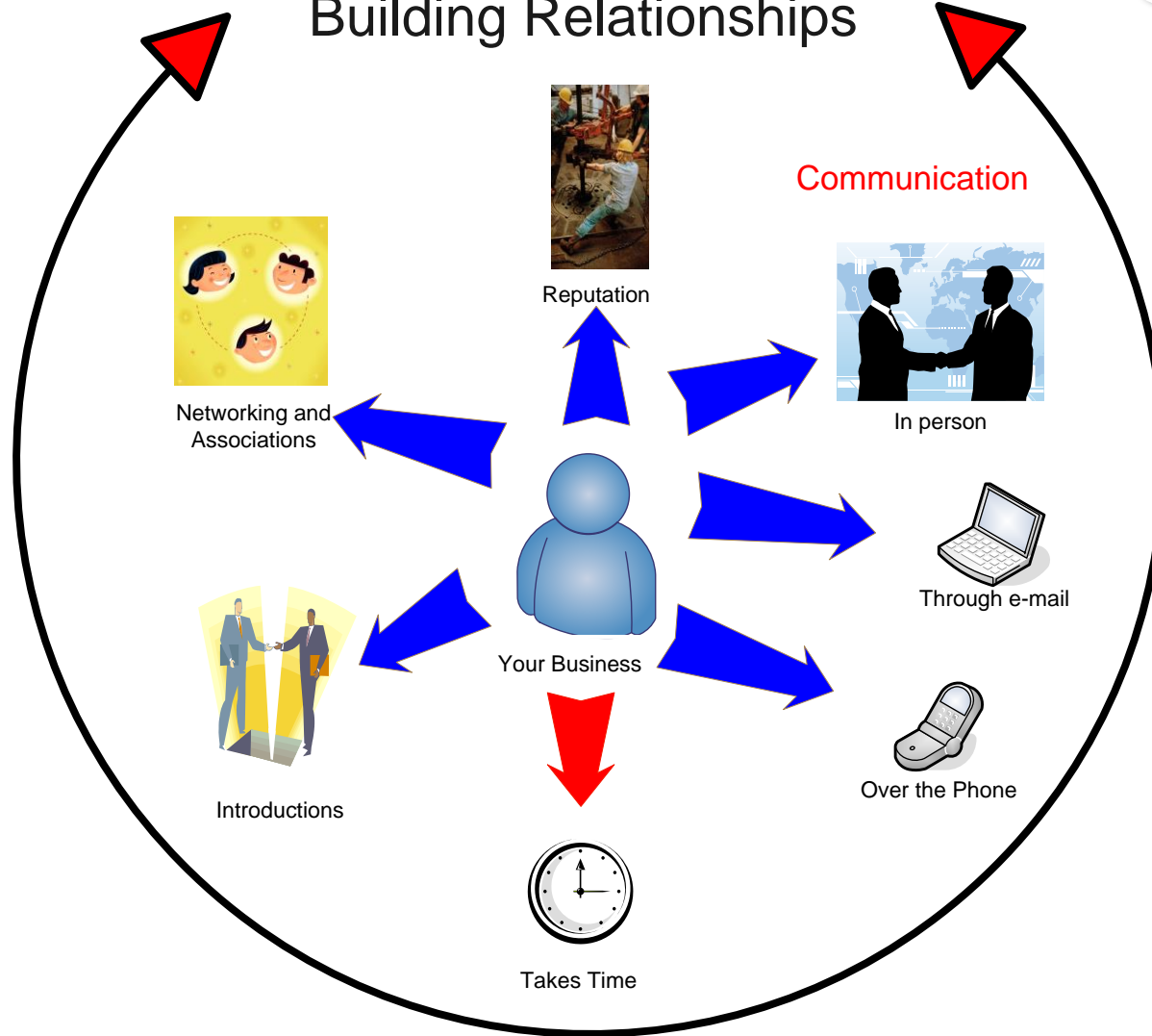


- What the reader is thinking...
 - Will I get what I really need?
 - Can they really do this?
 - Will I get good value?

Why do Proposals Fail?

- Because they don't:
 - Meet basic safety and business criteria.
 - Focus on the client's need – failure to answer the bid questions.
 - Offer a value proposition.
 - Differentiate your company.
 - Persuade the reader to buy.
 - Meet the submit deadline.
- 
- Debrief - find out why.
 - Send a letter to express disappointment but thank them for the opportunity to present.

Building Relationships



Questions?



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