

# THE CITY OF VAUGHAN

## CORPORATE POLICY

**POLICY TITLE:** BID EVALUATION

**POLICY NO.:** 15.A.07

|                            |   |                             |                               |
|----------------------------|---|-----------------------------|-------------------------------|
| <b>Section:</b>            | Procurement   |                             |                               |
| <b>Effective Date:</b>     | August 28, 2023   | <b>Date of Last Review:</b> | Click or tap to enter a date. |
| <b>Approval Authority:</b> | <b>Policy Owner:</b>                                    |                             |                               |
| Administration             | DCM, Legal and Administrative Services & City Solicitor |                             |                               |

### POLICY STATEMENT

Bid Evaluations are required to evaluate, assess, and score Bids received in response to Bid Requests issued by the City, to ensure Suppliers are selected in an impartial manner.

### PURPOSE

This policy establishes the Bid Evaluation Criteria, the composition of the Bid Evaluation Committee and the process of Bid disqualification.

### SCOPE

This policy applies to all Bid Requests issued by the City that require a Bid Evaluation.

### LEGISLATIVE REQUIREMENTS

Municipal Act, 2001, S.O. 2001, Section 270(1) stipulates that a municipality shall adopt and maintain policies with respect to its procurement of goods and services.

Corporate Procurement policy 15.C.03, which was adopted by Council on May 16, 2023.

### DEFINITIONS

- Bid:** A proposal, offer or submission from a Bidder in response to a Bid Request.
- Bid Evaluation Committee:** A committee, consisting of a minimum of three City staff, established to evaluate Bids received during the Bid Request process.

**POLICY TITLE: BID EVALUATION**

**POLICY NO.: 15.A.07**

- 3. Bid Request:** A solicitation from the City to potential Suppliers to submit a Bid.
- 4. City:** The Corporation of the City of Vaughan.
- 5. Consensus Meeting:** A meeting when Bid Evaluation Committee members meet to select a Supplier in response to a Bid Request.
- 6. Contract:** An agreement between the City and a Supplier for the supply of Goods and/or Services.
- 7. Department Consultant:** City Department staff or external third-party Consultants hired by the Department, who possess specialized knowledge and or expertise with respect to the contents and subject matter of a Bid Request and Bids, but will not score the Bids.
- 8. Department Contract Manager:** A City employee to whom a Department Director has assigned procurement process responsibility and/or Contract management responsibility.
- 9. Director:** The City staff responsible for the operation of a City Department and includes any person who has been authorized, in writing, to temporarily act during absence or vacancy in that office.
- 10. Department:** An organizational unit of the City headed by a Director.
- 11. Evaluation Criteria:** The benchmarks against which Bids are evaluated to select a Supplier. Evaluation Criteria may include Mandatory Requirements, Technical Proposals, Financial Proposals.
- 12. Evaluation Matrix:** The document which outlines the Technical Proposal Criteria and scoring for the Bid Request.
- 13. Financial Proposal:** The Supplier's pricing quotation as part of the Bid Request.
- 14. Mandatory Requirements(s):** The Mandatory minimum Requirements that are essential to the successful completion of the scope of work documented in the Bid Request.
- 15. Procuring Department:** The City Department Requesting the procurement to be issued through the Procurement Services Department.
- 16. Procurement Services:** The Department organizational unit responsible for the Procurement of Goods and/or Services for the City.

**POLICY TITLE: BID EVALUATION**

**POLICY NO.: 15.A.07**

**17. Subject Matter Expert (SME):** An individual who possesses specialized knowledge and/or expertise with respect to the contents and subject matter of a Bid Request.

**18. Supplier:** A legal entity with whom the City has entered into a Contract.

**19. Technical Proposal:** Criteria used to determine the relative technical merit of each Bid, and the best overall value to the City.

Any other terms capitalized in this procedure have the same meaning as in the City's Corporate Procurement policy, 15.C.03, as amended, (the "City's Corporate Procurement Policy").

## **POLICY**

### **1. General Requirements**

1.1. The procuring Department shall identify the Evaluation Criteria as part of the Bid Request.

1.2. The procuring Department shall identify Bid Evaluation Committee Members as part of the Bid Request.

1.3. The Department may elect to use a Department Consultant who will provide advice regarding Bid submission(s) but will not score the Bids.

1.3.1. The Department Consultant may provide a report on their findings related to specific components of the Bids.

1.4. Procurement Services will review the Evaluation Criteria, Bid Evaluation Committee Members and Department Consultant(s), and may provide recommendations to the Department, to add or remove or amend Evaluation Criteria and/or Bid Evaluation Committee membership, to ensure fair, consistent and comprehensive review of Bids received by the City.

1.5. Procurement Services may recommend the use of a Fairness Monitor to review the Evaluation Criteria and/or oversee selection of the Bid Evaluation Committee Members.

### **2. Evaluation Criteria**

2.1. The procuring Department must develop Bid Evaluation Criteria on, at a minimum:

2.1.1. Mandatory Requirements(s), if any, which are evaluated on a pass or fail basis;

2.1.2. Technical proposal Criteria which is scored on a point system to identify

value-added factors and provide a means to assess and distinguish one Bid from another; and

2.1.3. Financial proposal and scoring.

2.2. The procuring Department must develop an Evaluation matrix to evaluate and score each Bid in a fair and consistent manner. Procurement Services will provide assistance and make recommendations as appropriate.

### **3. Bid Evaluation Committee**

3.1. The procuring Department will be required to select a minimum of three City staff to participate on the Bid Evaluation Committee of a Bid Request.

3.2. The procuring Department is required to ensure that Bid Evaluation Committee members possess the required, relevant technical understanding, skills, and expertise to support the successful Evaluation of the Bid Request.

3.3. Bid Evaluation Committee members must declare a conflict of interest to the Procurement Category Specialist handling the Bid Request.

3.4. The Bid Evaluation Committee must include:

3.4.1. A minimum of two Subject Matter Experts; and

3.4.2. At least one Bid Evaluation Committee member must not be a direct report of the Department Contract Manager and/or the Department staff responsible for approving the Bid Request and/or contract.

3.5. Bid Evaluation Committee member selection must be finalized prior to issuance of a Bid Request.

3.6. Bid Evaluation Committee members must attend an evaluator's meeting prior to Evaluations that will outline the Bid Evaluation Committee members roles and responsibilities.

3.7. Bid Evaluation Committee members must evaluate Bids received independently.

3.8. Bid Evaluation Committee members must attend the Consensus Meeting to select a supplier in response to the Bid Request.

3.9. Bid Evaluation Committee members must evaluate Bids based on the Evaluation Criteria and framework as set out in the Bid solicitation document.

3.10. The Procuring Department is required to ensure that the majority of the Bid Evaluation Committee is made up of subject matter experts with a deep understanding of the scope of work and/or project.

**POLICY TITLE: BID EVALUATION**

**POLICY NO.: 15.A.07**

**4. Bid Disqualification**

- 4.1. Procurement Services will review Bids received for compliance to Bid Request documents and applicable City policies, after the Bid Request has publicly closed.
- 4.2. If a Bid does not comply with applicable City policies and/or Requirements(s) of the Bid Request, the Bid will be disqualified and will not be evaluated further.
- 4.3. Procurement Services will retain records of disqualified Bids.
- 4.4. Procurement Services will permit Bidders to Request a debriefing up to 15 calendar days following the Bid result notification generated from the City's electronic submission system.

**ADMINISTRATION**

*Administered by the Office of the City Clerk.*

|                             |   |                          |               |
|-----------------------------|---|--------------------------|---------------|
| <b>Review Schedule:</b>     | Other (specify)<br>Aligned with 15.C.03 | <b>Next Review Date:</b> | March 1, 2027 |
| <b>Related Policy(ies):</b> | Corporate Procurement – 15.C.03         |                          |               |
| <b>Related By-Law(s):</b>   |   |                          |               |
| <b>Procedural Document:</b> |   |                          |               |

**Revision History**

| <b>Date:</b>                  | <b>Description:</b>                           |
|-------------------------------|---|
| Click or tap to enter a date. | Review schedule and related policies updated. |
| Click or tap to enter a date. |   |
| Click or tap to enter a date. |   |