



Bid Evaluation and Award Recommendation

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Inter-Departmental / Discipline Approval (where required)

Department	Department Manager Approval	Date
	Name	
	Name	
	Name	
	Name	

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1 PURPOSE

To outline the process to be followed in evaluating and documenting the responses to the Request for Proposal (RFP). The proposal evaluation is prepared to reflect the pertinent details of a proposal in order to determine conformity and to rank each bidder relative to the other against a set of documented evaluation criteria determined prior to the opening of the proposals.

Proposals are assessed fairly against a set of pre-established criteria which normally include the following as established in the package Bid Evaluation Plan (Form No. LCP-SN-CD-0000-SC-FR-0020-01):

- Commercial (including exceptions to Agreement Articles)
- Technical
- Health & Safety
- Environmental
- Quality
- Risk
- Benefits

Bids are analyzed using the above criteria to establish conformity to the RFP requirements and to identify and evaluate exceptions, rank the bids received which may include developing a short list for further evaluation. This short list leads to further analysis of the short listed bids, both commercially and technically in order to select the best acceptable bid and award the Contract/PO.

2 SCOPE

This Project Instruction is applicable to all RFP's issued for Contracts and Purchase Orders for the Lower Churchill Project.

3 DEFINITIONS

The term RFP means Request for Proposal.

4 RESPONSIBILITIES

Contract Administrator/Buyer

- Prepares commercial analysis;
- Leads clarification process and coordinates team evaluation;
- Prepares the award recommendation in order to proceed with the award of the Contract/PO; and
- Obtains the budget allocation and package schedule information from Project Controls.

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Package Engineer

- Prepares technical evaluation and/or coordinates its preparation, identifies the technically acceptable bids and prepares the Purchase Requisition (PREQ).

QA

- Prepares QA evaluation.

Risk Management

- Prepares Risk evaluation.

Health and Safety

- Prepares H&S evaluation.

Environment

- Prepares Environment evaluation.

Project Controls

- Provides budget allocation input.

Benefits

- Prepares Provincial Benefits evaluation.

Supply Chain Manager

Ensures compliance and required updates of this procedure.

5 REFERENCES

- LCP-SN-CD-0000-SC-PR-0005-01 Preparation and Issue Contract/PO
- LCP-SN-CD-0000-SC-FR-0025-01 Meeting Agenda
- LCP-SN-CD-0000-SC-FR-0026-01 Meeting Attendance Sign In Sheet
- LCP-SN-CD-0000-SC-FR-0027-01 Minutes of Meeting
- LCP-SN-CD-0000-SC-FR-0028-01 Bid Evaluation and Award Recommendation
- LCP-SN-CD-0000-SC-FR-0029-01 Bid Clarification Table – Commercial

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- LCP-SN-CD-0000-SC-FR-0030-01 Bid Clarification Table – Technical
- LCP-SN-CD-0000-SC-FR-0031-01 Nalcor Requisition

6 INSTRUCTION

Proposals are evaluated technically and commercially. The preparation of the Proposal evaluation is a team effort requiring input from all the disciplines: Procurement, Engineering, QA, Environment, H&S, Benefits, and Risk. The CA/Buyer will ensure the coordination between these parties throughout the Proposal evaluation phase.

As with all Procurement activities, it is of the utmost importance to protect the confidentiality of the evaluation process and the integrity of the bidding process. Priced copies of RFPs will be restricted to the commercial evaluation team. The technical evaluation will be completed by the technical evaluation team using copies of unpriced proposals.

The Bid Evaluation and Award Recommendation (Form No. LCP-SN-CD-0000-SC-FR-0028-01) constitutes the document to proceed with the award recommendation of a Contract/PO.

6.1 Preparation and Evaluation

Prior to opening proposals the CA/Buyer will have prepared and had approved a Bid Evaluation Plan (Form No. LCP-SN-CD-0000-SC-FR-0020-01). After the opening of the proposals, the CA/Buyer will distribute the relevant sections of the proposals to the evaluation team members for their review and analysis. The CA/Buyer retains the priced copies of the proposals for the commercial evaluation. Priced copies of the proposals may be issued to Project Controls Manager, as required.

The CA/Buyer will compare the commercial information provided in the proposals with the requirements set forth in the RFP document, taking into account:

- Pricing;
- Place of origin;
- Currency and exchange rates;
- Work schedule for drawing preparation, submittal of drawings, shop fabrication and shipment;
- Terms of payment;
- Degree of acceptance of Agreement Articles;
- Warranties/Guaranties;

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- Proposal bid validity period;
- Date of expiration of labour agreements;
- Major sub-contractors, sub-manufacturers and material sources;
- Alternatives offered;
- Execution plan;
- Packaging, marking, preservation, shipping instructions;
- Lay down area / storage requirements;
- Labour and material rates for extra work and applicable overhead and profit;
- Site Job hours;
- Site Utility requirements;
- Rates for rental equipment;
- Exceptions and/or omissions to RFP documents.

The Package Engineer will commence with the technical evaluation of the proposals to identify the compliant / non-compliant proposals and/or the preferred technical option.

The other members of the package team will commence with their assessment of the proposals and make any necessary observations and/or recommendations.

The CA/Buyer will manage all bid clarifications required to be issued to the Bidders. Clarifications can be conducted via email, meetings or conference call. All clarifications shall be documented in writing and acknowledged by the Bidder as being correct and accurate. These clarifications shall be properly numbered and filed for future reference.

6.2 Clarification Meetings

Clarification meetings, as required, are held to enable the commercial and technical evaluation team and the Bidders to review and clarify the RFP requirements and the Bidder’s proposal. Nalcor representatives (commercial and technical) shall be invited to all clarification meetings. Separate confidential meetings shall be held with bidder to clarify pricing information, as required.

These meetings are held prior to the finalization of the Bid Evaluation and Award Recommendation.

The CA/Buyer is responsible for scheduling the meetings and for compiling the commercial questions.

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The technical evaluation team shall prepare any technical questions and forward them to the CA/Buyer. The CA/Buyer will submit all the commercial clarifications using Bid Clarification – Commercial (Form No. LCP-SN-CD-0000-SC-FR-0029-01), and technical clarifications using the Bid Clarification - Technical (Form No. LCP-SN-CD-0000-SC-FR-0030-01). The questions shall be forwarded to the Bidders in advance of the meeting to allow the Bidder to prepare responses.

The CA/Buyer will prepare the Meeting Agenda (Form No. LCP-SN-CD-0000-SC-FR-0025-01) for the clarification meeting and attaching the commercial and technical questions allowing the invited Bidder appropriate time to prepare for the meeting.

The CA/Buyer will be the chairperson for the meeting. The Meeting Attendance Sign-In Sheet (Form No. LCP-SN-CD-0000-SC-FR-0026-01) will be signed by all attendees. After introduction of the parties, the scope of work, schedule, work plan may be reviewed with the bidder first, as these items may have a financial impact on the bidder's proposal.

Where clarifications cannot be answered at the meeting, a reasonable time limit will be set for the reply.

The CA/Buyer is responsible for recording the Minutes of Meeting (Form No. LCP-SN-CD-0000-SC-FR-0027-01) with assistance from the Package Engineer and to issue the minutes of meeting to attendees.

The CA/Buyer will request the Bidder's acceptance of the meeting minutes and a copy of the acknowledgement will be kept in the appropriate procurement file.

6.3 Bid Evaluation and Award Recommendation

The Bid Evaluation and Award Recommendation (Form No. LCP-SN-CD-0000-SC-FR-0028-01) is the document with which approval is obtained to proceed with the award of a Contract/PO.

The CA/Buyer will coordinate all evaluations with the Project Team and, if necessary, arrange a team meeting to discuss and agree on the recommendation for Contract/PO award.

Recommendations are to reflect all pertinent and significant details of a bid and permit the ranking of each bid relative to the others in comparing their commercial and technical merits.

The Bid Evaluation and Award Recommendation will be completed and contain each package team member's signed detailed evaluations and supporting documentation leading to the recommendation being made.

- Detailed evaluations will consist of the following, as applicable:
 - Technical;
 - Commercial Bid Tabulation (Bid Tab);

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- Health & Safety;
- Environment;
- Quality Assurance;
- Risk Management;
- Benefits;
- Estimated Contract Value and Comparison to Budget

6.4 Requisition

An approved Requisition (Form No. LCP-SN-CD-0000-SC-FR-0031-01) is required to be prepared in conjunction with the Bid Evaluation and Award Recommendation. The Estimated Contract Value and Comparison to Budget document will form the basis of the Requisition. The Requisition will be approved according to Nalcor's Capital Expenditure Authorization Procedure (Nalcor Document No. LCP-PT-MD-0000-FI-PR-0001-01). The Requisition must be approved prior to award of the Contract/PO.

7 RECORDS

All original documents related to the Bid Evaluation and Award Recommendation will be filed within the procurement project file.

8 ATTACHMENTS

Not used.