



## **REQUEST FOR PROPOSAL**

**Annual External Audit Services**

**(2014-2018)**

# REQUEST FOR PROPOSAL

Annual External Audit Services (2014-2018)

## INVITATION TO SUBMIT PROPOSAL

The District of Sparwood invites qualified accounting firms to submit proposals to perform annual financial audits for the District. Audits must be planned and executed in accordance with public sector accounting standards for local governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and the provisions of the Local Government Act and Community Charter. Audits will result in an opinion to the District's Council according to the fairness of the annual consolidated financial statements and related schedules. The Auditor should have experience and expertise in performing municipal audits, be free of any obligations or interests that may conflict or affect their ability to perform and act as the Auditor of the District, and have the capacity to provide this service in a timely manner.

**Description:** RFP for Annual External Audit Services (2014-2018)

**Date Issued:** Monday, September 29, 2014

**Submission Deadline:** Monday, October 20, 2014

**Submission Time:** 4:00 p.m. (local time)

The District of Sparwood reserves the right to accept or reject any and all proposals and to waive irregularities and informalities at its discretion. The District of Sparwood reserves the right to accept a proposal other than that with the lowest price or highest evaluated score without stating reasons. By submitting a proposal, the Proponents waive any right to contest, in any proceedings or action, the right of the District of Sparwood to accept or reject any proposal in its sole and unfettered discretion. Without limiting the generality of the foregoing, the District of Sparwood may consider any other factors besides price and capability to perform the work in its sole and unfettered discretion.

This Request for Proposal does not commit the District of Sparwood to award a contract or pay any costs incurred in the preparation of a proposal or attendance at meetings with the District of Sparwood.

Interested Proponents may obtain additional details for the submission of a proposal on BC Bid [www.bcbid.gov.bc.ca](http://www.bcbid.gov.bc.ca).

The Standard Terms and Conditions shown in **Appendix 2** will apply to this Request for Proposal and to any subsequent Contract.

To ensure that your company receives any addenda and other correspondence related to the Request for Proposal, firms are required to complete **Appendix 3**.

For additional information, please contact:

**LOUISE KAISER**

Deputy Director of Finance

District of Sparwood,  
156 Spruce Avenue  
Sparwood BC V0B 2G0  
Phone: 250.425.6271  
[lkaiser@sparwood.ca](mailto:lkaiser@sparwood.ca)

## INSTRUCTION TO PROPONENTS

### **Inquiries:**

Refer all proposal inquiries in writing to, Louise Kaiser, Deputy Director of Finance by e-mail at [lkaiser@sparwood.ca](mailto:lkaiser@sparwood.ca).

### **Proposals:**

Request for Proposal submission should be signed by the proponent and submitted in a sealed envelope marked with the **Request for Proposal Annual External Audit Services (2014-2018)** and addressed to:

Louise Kaiser, Deputy Director of Finance  
District of Sparwood  
136 Spruce Avenue  
Sparwood, BC V0B 2G0

Proposals must be received at the above specified address at or prior to the predetermined time and date set forth in the Notice. Proposals received late will not be considered. Faxed and e-mailed proposals will not be accepted nor considered.

The District of Sparwood is not responsible for the timeliness of documents delivered nor will the District of Sparwood accept responsibility for receipt of any proposal delivered to a location other than at the above specified address.

### **Proposal Copies:**

The Proponent shall provide one (1) original and one (1) paper copy of the proposal along with a digital version in a single PDF file on a USB flash drive.

## BACKGROUND

The District of Sparwood was incorporated on May 12, 1966 and like most municipalities across BC, continues to provide and expand a range of essential, expected, and extended services for our residents.

The current population is about 3,800 and a seven member Council governs the District.

The District's 2014 total operating budget is approximately \$10.1 million, with an additional capital budget that varies in amount depending on the magnitude of capital projects underway. Major services provided to the District's residents include water and sewer services, garbage collection and public health, roads and sidewalks, parks, playgrounds and trails, recreation, fire protection and bylaw enforcement and finance and administration.

The District's financial activities are accounted for through three operating funds (Operating, Water, and Sewer), three Capital Funds and ten Reserve Funds. The District's operating revenues consist largely of property taxes and utility fees from residents. The chart of accounts contains approximately 1,100 active accounts. The District issued approximately 2,800 accounts payable transactions (cheque and EFT) in 2013. Net taxation collected for 2013 was approximately \$6.3 million. The District has approximately 40 permanent staff and bi-weekly payroll is an average of \$100,000 net. Employees are paid by direct deposit. The District has one MFA long term loan valued at \$5.0 million.

The District of Sparwood utilizes Vadim financial software. The software is run in a Windows environment and includes modules for general ledger, payroll, accounts payable, business licensing, taxes and utilities, building permits and cash receipting.

Auditor qualifications, duties, and powers are referenced in Sections 169-172 of the Community Charter.

Audit firms who are considering a Proposal pursuant to this request are encouraged to visit the District of Sparwood's website at [www.sparwood.ca](http://www.sparwood.ca) for a more detailed overview of the District's characteristics and activities.

## **SCOPE OF WORK**

### **General:**

The Auditor will be required to examine the financial records, systems, and controls of the District of Sparwood in accordance with public sector accounting standards for local governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and the provisions of the Local Government Act and Community Charter, and to then provide written audit reports with an audit opinion on the consolidated financial statements as prepared by the Auditor. The Auditor's report should be suitable for printing within the financial statements and be addressed to the Council of the District of Sparwood. The Auditor will be required to attend a meeting of Council to present and explain, as necessary, the audit reports and audit opinion.

In compliance with the Community Charter, Council will appoint an Auditor (or Audit Firm) for audit services; however, other firms may be used for other financial services if it is deemed more advantageous or appropriate to do so. The District, therefore, expressly reserves the right, at its sole discretion, to use other financial services and financial firms.

The District wishes to be advised of any weaknesses in internal control noted during the audit or other area of concern, prior to the issue of the Management Letter. The Auditor shall provide appropriate beneficial suggestions to improve areas of concern. The Auditor shall communicate in a post-audit report and in the form of a Management Letter to the District Council any reportable conditions, as determined by the Auditor, found during the audit.

The Auditor will ensure all new or changed reporting requirements and auditing standards are communicated to the District of Sparwood, in writing, to ensure that financial statements and notes prepared by management are in compliance with current reporting requirements and auditing standards.

The Auditor will respond to and discuss with the District's staff accounting, auditing, tax and other issues arising throughout the year. Inquiries, if any, are infrequent, usually brief and specific in nature, and may require a written confirmation. It is expected that such inquiries would be included in the fee schedule provided and would not incur additional billing or that District staff would be advised of any additional charges prior to services being provided.

If applicable, the Auditor shall immediately upon discovery of information or conditions, which would otherwise lead to the inclusion of a qualified opinion with respect to the financial statements, inform and fully discuss such matters with the appropriate District staff. In addition, the Auditor shall as far as

possible, allow a reasonable period of time for District staff to make an investigation, analyze, report and take such corrective action as to avoid the inclusion of such qualification.

**Annual Audit Schedule:**

Before November 30 each year, the Auditor shall correspond with District staff to discuss and agree upon a schedule of activities that will lead to the completion of the annual audit. The schedule of activities shall be finalized by November 30 each year and shall set out the key dates by which necessary information is to be assembled by both parties. The basic time line will be as follows:

AUDIT ACTIVITY	TIMETABLE
Audit plan and schedule	November
Year-end audit	Late March
Draft audit report to the Deputy Director of Finance	April
Final audit report and presentation to Council	1st week of May
Audit findings report and management letter(s)	1st week of May

District staff will be responsible for the year-end close and the District will assist the Auditor by preparing the consolidated Financial Statements, full set of working papers, schedules, a trial balance and supporting documentation on a timely basis.

Both the District staff and the Auditor will be jointly responsible for the preparation and processing of all confirmation letters.

<b>PROPOSAL FORMAT AND REQUIREMENTS</b>
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A covering letter shall be provided with the proposal clearly stating the accounting firm’s understanding of the services to be provided. The letter must include the name(s) of the person(s) who will be authorized to make representations for the firm, their title(s) and telephone number(s). The person signing the covering letter must be authorized to bind the Proponent.

Proponents must respond to the items listed below in the order they are presented. The proposal should include a table of contents identifying the topics by page number. Proposals should include the following mandatory criteria:

1. **Company Profile and Contact:** A brief profile of your firm (1 to 2 pages) indicating the scope of its practice, the range of activities performed by the firm such as auditing, tax service, accounting or management services. Identify the Proponent’s contact person, phone number and email address. State the home office address as well as the address and phone number of any local office that will manage or assist in managing this audit.
2. **Experience with Municipal Audits:** List current and past public sector audit clients and indicate the number of years your firm has been the auditor for each client. Describe your familiarity and experience with PSAB accounting and auditing standards.

- 3. **Audit Staffing:** Name and brief resume of the partner(s), manager(s), and other key staff who would be assigned to this audit.
- 4. **Audit Implementation:** Proposals must clearly show the firm’s understanding of the work to be performed, audit approach, and commitment to perform the work within the time period specified in the annual schedule. This would include the approach to be used to gain an understanding of the District’s structure and systems as well as a proposed schedule and any specific techniques or processes to be used for the annual audit.
- 5. **Other Services:** Description of the methodology to be used for keeping the District abreast of any changes in accounting principles or legislation that would impact the annual financial statements. Description of non-auditing professional services provided to other local government clients and innovative products offered by your firm as well as any specific pricing structure for such services.
- 6. **Fee Proposal:** Your firm's audit fee in the following format:

<b>Staff Assigned</b>	<b>Hours</b>	<b>Rate</b>	<b>Fee</b>
Partners	xx	\$xxx	\$xxx
Managers	xx	xxx	xxx
Seniors	xx	xxx	xxx
Staff Support	xx	xxx	xxx
<b>Total Hours/Fees</b>	<b>xxx</b>		<b>xxx</b>
Other Disbursements (please identify)			xxx
<b>Total Fixed Fee</b>			<b><u>\$xxx</u></b>

The fee schedule should include an all-inclusive maximum cost for the requested work for *each* of the five years. Any travel, hotel, meal costs and other disbursements are to be included in the Total Fixed Fee above. No additional disbursements of any kind will be paid by the District.

- 7. **References:** Three references at least two of which must be municipal audits within the last three years. Include numbers of years of service to and a contact name, telephone number and email address for each reference.
- 8. **Insurance:** The Auditor shall, at his own expense, provide and maintain, until the completion of the Audit, the following insurance in a form acceptable to the District with an insurer licensed in British Columbia:
  - Confirmation of Commercial General Liability Insurance, including liability assumed under contract, containing a cross liability clause, and protecting the District and the Firm from and against any and all claims that may arise in an amount not less than \$5,000,000 inclusive per occurrence against bodily

injury and property damage. The District is to be added as an additional insured under this policy.

- Confirmation of Professional Liability Insurance insuring the Firm's legal liability for errors, omissions and negligent acts, to the extent of \$500,000 per claim and \$2,000,000 aggregate.
- Confirmation of Automobile Liability Insurance on all vehicles owned, operated or licensed in the name of the Firm as covered under own insurance.
- Confirmation of a District of Sparwood Business License for each year that the work is performed.

The Auditor shall be responsible for any deductibles or reimbursement clauses within the policy. The Auditor shall provide the District with a certificate or certificates of insurance as evidence that such insurance is in force including evidence of any insurance renewal or policy or policies for the duration of the engagement.

## **EVALUATION AND SELECTION CRITERIA**

Proponents must meet the following mandatory requirements to be considered for further evaluation:

1. The assigned supervisory staff must hold a valid accounting designation and have previous experience in performing a municipal audit engagement.
2. Completed a municipal audit of similar size and scope (or greater) within the last two years.
3. Demonstrate an understanding of legislation relevant to the local government environment.
4. Have sufficient staffing, facilities, financial resources and expertise to address the scope of the audit services.
5. Demonstrate a commitment to providing reasonable annual continuity of experienced and qualified personnel.
6. Proposal completed and signed by a person authorized to bind the Proponent to statements made in the submission.
7. One duly signed copy of the Proposal submitted.
8. Proposal received at the closing location by the specified Closing date and time.

Proposals that comply with the mandatory requirements will be evaluated on the basis of the following criteria using the scoring matrix outlined in Appendix 1:

1. Understanding of Engagement
2. Municipal Audit Experience
3. Audit Firm Personnel Qualifications and Experience
4. Audit Implementation
5. Additional Services
6. References
7. Audit Fee

Shortlisted firms may be required to attend a brief phone interview. At a minimum, the audit partner and audit supervisor shall attend.

The proponent must provide an affirmative statement that it is independent of the District of Sparwood.

**APPENDIX 1 - RFP FOR EXTERNAL AUDIT SERVICES - EVALUATION MATRIX**

**PROPONENT** \_\_\_\_\_

CRITERIA	SCORE	COMMENTS
<p><b>1. Understanding of Engagement/Proposal</b></p> <ul style="list-style-type: none"> <li>* Demonstration of full understanding of District structure and governance</li> <li>* Knowledge of information systems used by the District</li> </ul>	/5	
<p><b>2. Experience with Municipal Audits</b></p> <ul style="list-style-type: none"> <li>* Municipal auditing experience</li> <li>* Knowledge of Vadim software</li> </ul>	/15	
<p><b>3. Personnel</b></p> <ul style="list-style-type: none"> <li>* Technical experience of the firm in performing public sector audits and experience with organizations of a similar size and complexity.</li> <li>* Experience and qualifications of audit team proposed for the District's audit.</li> </ul>	/10	
<p><b>4. Audit Implementation</b></p> <ul style="list-style-type: none"> <li>* Statement of full understanding of the audit objectives and overall scope of work to be performed.</li> <li>* Audit plan including number of person- hours anticipated to perform the services for the entity for the five years.</li> <li>* Approach used to gain an understanding of the District structure and operations.</li> <li>* Quality of the proposal in terms of methodology and approach to the audit, including a description of substantive and compliance testing, and internal control evaluation</li> <li>* Estimate of District staff time required including a schedule outlining when required.</li> </ul>	/15	
<p><b>5. Additional Services</b></p> <p>Accounting firm's ability to provide additional services to the District such as:</p> <ul style="list-style-type: none"> <li>* PSAB advice</li> <li>* GST/PST advice</li> <li>* General Income Tax Act Advice</li> </ul>	/5	
<p><b>6. References</b></p>	/10	
<p><b>7. Audit Fee</b></p> <p>The proposed fees for the entity for the five year term which are to be shown exclusive of taxes and include:</p>		



CRITERIA	SCORE	COMMENTS
<ul style="list-style-type: none"> <li>* professional fees of audit and support staff based on person hours</li> <li>* all disbursements and administrative fees</li> <li>* value added services bundled with the audit service fees</li> <li>* Estimated hours required and levels of staff to be assigned and hourly billing rates.</li> </ul>	/40	
<b>Total Points</b>	/100	

## APPENDIX 2 - STANDARD TERMS AND CONDITIONS

### 1. Terminology

The following terms will apply to this Request for Proposal and to any subsequent Contract. Submission of a proposal in response to this Request for Proposal indicates acceptance of all the following terms:

- “Auditor”** means the successful Proponent to this Request for Proposal.
- “Audit Services”** means the financial audit of and resulting opinion on the annual consolidated financial statements of the District of Sparwood.
- “Best Value”** means the value placed upon quality, service, past performance and price.
- “Contract”** means the written agreement resulting from the Request for Proposal executed by the District of Sparwood and the successful proponent.
- “District”** means the District of Sparwood.
- “District Representative”** means the Representative or appointee engaged by the District to supervise the work.
- “Must”, “mandatory” or “required”** means a requirement that must be met in order for a PROPOSAL to receive consideration.
- “PSAB”** means the Public Sector Accounting Board of Canada.
- “Premises”** shall mean building(s) or part of a building with its appurtenances.
- “Proposal”** shall mean the proponent’s submission in response to this RFP.
- “Proponent”** means a party submitting a proposal to this RFP.
- “RFP”** means this Request for Proposal.
- “Request for RFP”** (RFP) includes the documents listed in the index of the Request for RFP and any modifications thereof or additions thereto incorporated by addenda before the close of RFP’s.
- “Should” or “desirable”** means a requirement having a significant degree of importance to the objectives of the Request for RFP.

**“Special Conditions”** means the special conditions, which are included in the RFP.

**“Specifications”** means the specifications, which are included in the RFP.

**“Subcontractor”** includes, inter alia, a person, firm or corporation having a contract with the Successful Proponent for the execution of a part or parts, or furnishing to the Successful Proponent materials and/or equipment called for in the RFP.

**“Successful Proponent”** means the proponent submitting the most advantageous RFP as determined by the District.

**“Work”** means any labour, duty and/or efforts to accomplish the purpose of this project.

## **2. Form of Proposal**

The Proponent confirms it has obtained and carefully examined all of the documents making up the Request for Proposal issued by the District of Sparwood and any addenda issued in connection therewith.

The Proponent undertakes and agrees that:

## **3. Execution of Contract**

If the offer contained in this proposal is accepted, upon being advised that the Contract Documents are available, the Proponent will obtain the Contract Documents, if any, and will execute and identify the Documents in a form and manner acceptable to the District and will deliver the same within 14 days from the time when the same are available or are delivered or mailed to the Proponent.

## **4. No Collusion**

Except as otherwise specified or as arising by reason of the provision of the Contract Documents, no person whether natural, or body corporate, other than the Proponent has or will have any interest or share in this proposal or in the proposed contract which may be completed in respect thereof. There is no collusion or arrangement between the Proponent and any other actual or prospective Proponents in connection with proposals submitted for this project and the Proponent has no knowledge of the contents of other proposals and has made no comparison of figures or agreement or arrangement, express or implied, with any other party in connection with the making of the proposal.

## **5. Acceptance of Proposal**

The acceptance of the proposal by the District shall be made only by the notice in writing, and will be addressed to the successful Proponent at the address given in this Form of Proposal; and if the Proposal Documents are so worded, the proposal may be accepted either in whole or in part.

#### **6. Failure or Default of Proponent**

If the Proponent for any reason whatsoever fails or defaults in respect of any matter or thing which is an obligation of the Proponent under the terms of this proposal, the District at its option may consider the Proponent has abandoned the offer made or the contract if the offer has been accepted, whereupon the acceptance, if any, of the District shall be null and void and the District shall be free to select an alternate solution of its choosing.

#### **7. Instructions to Proponents**

The following terms will apply to this RFP and to any subsequent Contract. Submission of an RFP in response to this RFP indicates acceptance of all the following terms:

- a. The law applicable to this RFP shall be the law in effect in the Province of British Columbia. Except for an appeal from a British Columbia Court to the Supreme Court of Canada, no action in respect to this RFP shall be brought or maintained in any court other than in a court of the appropriate jurisdiction of the Province of British Columbia.
- b. In carrying out its obligations hereunder, the Proponent shall familiarize itself and comply with all applicable laws, bylaws, regulations, ordinances, codes, specifications and requirements of all regulatory authorities, and shall obtain all necessary licences, permits and registrations as may be required by law. Where there are two or more laws, ordinances, rules, regulations or codes applicable to the Services, the more restrictive shall apply.
- c. Applicability of law: All references in the RFP to statutes and regulations thereto and District bylaws shall be deemed to be the most recent amendments thereto or Replacements thereof.
- d. Copyright: All designs, drawings, concept drawings, specifications, digital, hard copies, web pages, internet pages, maps and plans commissioned by the District of Sparwood, shall remain the property of the District of Sparwood.
- e. In the case of any inconsistency or conflict between the provisions of the RFP, the provisions of such documents and addenda thereto will take precedence in governing in the following

order: (1) Addenda; (2) RFP; (3) Special Conditions; (4) Specifications; (5) Drawings; (6) Executed Form of RFP; (7) all other documents.

- f. Headings are for convenience only: Headings and titles in the RFP are for convenience only and are not explanatory of the clauses with which they appear.
- g. District policy as well as applicable Federal and Provincial laws govern method of payment.
- h. The RFP, accepted submission, and District contract documents represent the entire Agreement between the District and the Successful Proponent and supersede all prior negotiations, representations or agreements either written or oral. The contract documents may be amended only by written instrument agreed and executed by the Successful Proponent and the District.

## **8. Request For Proposal Process**

### **a. Not a Tender Call**

This RFP is not a tender call, and the submission of any response to this RFP does not create a tender process. This RFP is not an invitation for an offer to contract, and it is not an offer to contract made by the District.

### **b. No Obligation to Proceed**

Though the District fully intends at this time to proceed through the RFP, in order to select the services, the District is under no obligation to proceed to the Contract, or any other stage. The receipt by the District of any information (including any submissions, ideas, plans, drawings, models or other materials communicated or exhibited by any intended Proponent, or on its behalf) shall not impose any obligations on the District. There is no guarantee by the District, its officers, employers or Managers, that the process initiated by the issuance of this RFP will continue, or that this RFP process or any RFP process will result in a contract with the District for the purchase of the equipment, service or project.

### **c. Late Proposals**

Proposals received after the final date and time for receipt of Proposals will be considered as "Late Proposals". Late proposals will not be accepted and will be returned unopened to the sender.

## **9. Pre-RFP Information**

### **a. Cost of Preparation**

Any cost incurred by the proponent in the preparation of this Proposal will be borne solely by the Proponent.

**b. Intention of the District**

The Proponent that submits to the District the most advantageous proposal and which represents the interests of the District, best overall, may be awarded the contract. The District reserves the right to accept or reject all or part of the RFP, however, the District is not precluded from negotiating with the successful Proponent to modify its Proposal to best suit the needs of the District.

**c. Rejection of Proposals**

The District reserves the right to reject, at the District's sole discretion, any or all proposals, without limiting the foregoing, any Proposal which either:

- i. is incomplete, obscure, irregular or unrealistic;
- ii. has non-authorized (not initialed) erasures or corrections in the Proposal or any schedule thereto;
- iii. omits or fails to include any one or more items in the proposal for which a price is required by the RFP;
- iv. fails to complete the information required by the RFP to be furnished with a Proposal or fails to complete the information required whether the same purports to be completed or not;

Further, a Proposal may be rejected on the basis of the Proponents past performance, financial capabilities, completion schedule and compliance with Federal, Provincial and Municipal legislation. As it is the purpose of the District to obtain a Proposal most suitable to the interests of the District and what it wishes to accomplish, the District has the right to waive any irregularity or insufficiency in an Proposal submitted and to accept the Proposal which is deemed most favorable to the interest of the District.

**d. Confidentiality**

The District will endeavour to keep all proposals confidential. The material contained in the Successful Proposal will be incorporated in a contract and information which is considered sensitive and/or proprietary shall be identified as such by the Proponent. Technical or commercial information included in the District contract shall not be released if the District

deems such releases inappropriate, subject to the Freedom of Information and Protection of Privacy Act.

**e. Clarification**

The District reserves the right to seek Proposal clarification with the proponents to assist in making evaluations.

**f. Gifts and Donations**

Proponents will not offer entertainment, gifts, gratuities, discounts or special services, regardless of value, to any employee of the District. The Successful Proponent shall report to the Chief Administrative Officer any attempt by District employees to obtain such favours.

**g. Acceptance of Proposal**

The District of Sparwood shall not be obligated in any manner to any Proponent whatsoever until a written agreement has been duly executed relating to an approved Proposal.

No act of the District other than a notice in writing shall constitute an acceptance of a Proposal. Such acceptance shall bind the successful proponent to execute in a manner satisfactory to the District.

**h. Negotiation Delay**

If a written Contract cannot be negotiated within thirty days of notification of the successful proponent, the District may, at its sole discretion at any time thereafter, terminate negotiations with that proponent and either negotiate a Contract with the next qualified proponent or choose to terminate the RFP process and not enter into a Contract with any of the Proponents.

**10. Proposal Preparation**

**a. Alternative Solutions**

If alternative solutions are offered, please submit the information in the same format, as a separate Proposal.

**b. Changes to Proposal Wording**

The proponent will not change the wording of its proposal after closing and no words or comments will be added to the proposal unless requested by the District for purposes of clarification.

**c. Limitation of Damages**

The Proponent, by submitting a "Proposal" agrees that it will not claim damages, for whatever reason, relating to the RFP, by reason of submitting a Proposal, in respect of the competitive process, or in respect of any breach of any implied duty of fairness, including but not limited to any costs incurred by the Proponent in preparing its Proposal. The Proponent, by submitting a Proposal, waives any and all such claims.

**d. Firm Pricing**

Proposals must be firm for at least 60 days after the final date. Prices will be firm for the entire contract period.

**e. Currency and Taxes**

Prices quoted are to be:

- In Canadian dollars
- Inclusive of duty, where applicable;
- FOB destination, delivery charges included where applicable; and
- Including GST and PST, as applicable.

**11. Additional Terms****a. Sub-Contracting**

Using a Subcontractor (who must be clearly identified in the proposal) is acceptable. This includes a joint submission by two Proponents having no formal corporate links. However, in this case, one of these proponents must be prepared to take overall responsibility for successful interconnection of the two product or service lines and this must be defined in the proposal.

Subcontracting to any firm or individual, whose current or past corporate or other interests may, in the District's opinion, give rise to a conflict of interest in connection with this project will not be permitted. This includes, but is not limited to, any firm or individual involved in the preparation of this proposal.

**b. Liability for Errors**



While the District has used considerable efforts to ensure an accurate representation of information in this RFP, the information contained in this RFP is supplied solely as a guideline for Contractors. The information is not guaranteed or warranted to be accurate by the District, nor is it necessarily comprehensive or exhaustive. Nothing in this RFP is intended to relieve Contractors from forming their own opinions and conclusions with respect to the matters addressed in this RFP.

**c. Agreement with Terms**

By submitting a proposal the Contractor agrees to all the terms and conditions of this RFP. Contractors who have obtained the RFP electronically must not alter any portion of the document, with the exception of adding the information requested. To do otherwise will invalidate the proposal.

**d. Use of Request for RFP**

This document, or any portion thereof may not be used for any purpose other than the submission of proposals.

**12. Special Conditions**

- a. A qualified proposal is one which meets the needs and specifications of the District, the terms and conditions contained in the RFP. The preferred proposal is a qualified proposal offering the best value, as determined by the District.
- b. The District will decide whether a proposal is qualified by evaluating all of the proposals based on the needs of the District, specifications, terms and conditions and price. The District will examine all proposals and recommend which proposal is in the District's best interest.
- c. A proposal which is unqualified is one that exceeds the cost expectations of the District and/or does not meet the terms and conditions contained in the RFP and/or does not meet the needs and specifications of the District. The District reserves the right to reject any or all unqualified proposals.
- d. The District reserves the right to cancel this RFP at any time.
- e. The District recognizes that "Best Value" is the essential part of purchasing a product and/or service and there the District may prefer a proposal with a higher price, if it offers greater

- value and better serves the District's interests, as determined by the District, over a proposal with a low price. The District's decision shall be final.
- f. The District reserves the right to negotiate with a preferred Proponent, or any Proponent, on any details, including changes to specifications and price. If specifications require significant modification, all Proponents shall have the opportunity to adjust their proposals or re-submit altogether, as determined by the District.
  - g. All equipment, goods and workmanship must conform to all Laws and Standards necessary for use in Canada and the Province of British Columbia.
  - h. The Successful Proponent, herein named the Contractor, shall guarantee that his proposal will meet the needs of the District and that any or all item(s) supplied and/or service(s) rendered shall be correct. If the item(s) supplied by the Contractor and/or the service(s) rendered by it are in any way incorrect or unsuitable, all correction costs shall be borne solely by the Contractor.
  - i. All proposed prices shall include delivery F.O.B. to District of Sparwood, or other destination point, as specified by the District, and the Contractor shall bear all risks of loss and/or damage.
  - j. Where only one proposal is received, the District reserves the right not to make public the amount of the proposal. The amount of the proposal will be made public if a contract is awarded. The District reserves the right to accept or reject a proposal, where only one proposal is received.
  - k. The District reserves the right in its sole discretion to accept or reject all or part of any proposal which is non-compliant with the requirements of this Invitation.
  - l. The District shall not be obligated either to accept or reject any non-compliance with the requirements of this Invitation.
  - m. Cancellation Clause - The District reserves the right to cancel the Contract Agreement for goods and/or services as outlined in this RFP, at any time, by providing 30 days written notice to the Vendor.
  - n. Warranty - All warranty coverage must be specified. The warranty period and coverage for the equipment is to commence from the date of acceptance and entrance into District service.
  - o. Safety Regulations - All equipment offered must meet Canadian Federal and British Columbia Provincial safety regulations.

**13. Contractor's Insurance**

The Successful Proponent must indemnify the District and their employees, officers, directors and agents (each an "Indemnified Person") against all claims, actions, proceedings, damages, losses, costs, expenses and liabilities of any kind incurred that an Indemnified Person may sustain, incur, suffer or be put to, either before or after this Contract ends, which are based upon, arise out of or occur, directly or indirectly, by reason of, any act or omission by you or by any of your agents, employees, officers, directors, or successful Proponents in providing the Services, except liability arising out of any independent negligent act by the District.

The Contractor accepts responsibility for the acts and omissions of all Subcontractors it may engage in rendering the Service on the Project.

**14. Modification**

The District reserves the right to modify the terms of the Request for Proposal at any time at its sole discretion. The District will endeavour to distribute all modifications to proponents that register. To register, please submit an email address.

Modifications to the RFP will be made in the form of written addenda or re-issued documents. All addenda shall be considered to be integral to the RFP and having the same effect as if part of the original RFP. It is the proponent's responsibility to ensure that they have all modifications. The modifications will be made available on BC Bid ([www.bcbid.gov.bc.ca](http://www.bcbid.gov.bc.ca)). Proposals should include acknowledgement of receipt of all addenda.

**15. Liability**

While the District has used considerable efforts to ensure an accurate representation of the information in this Request for Proposal, the information contained in the Request for Proposal is supplied solely as a guideline for Proponents. The information is not guaranteed or warranted to be accurate by the District, nor is it necessarily comprehensive or exhaustive. Nothing in this Request for Proposal is intended to relieve Proponents from performing their own due diligence and forming their own opinions and conclusions with respect to the matters addressed in this Request for Proposal.

**16. Safety**

The successful Bidder will be designated as the Prime Contractor for this project, assuming all health and safety obligations and requirements.

#### **17. Agreement**

The successful Proponent agrees that by submitting a proposal the Proponent agrees to all the terms and conditions of this Request for Proposal will form part of the contract. Proponents who have obtained the Request for Proposal must not alter any portion of the document, with the exception of adding information requested. To do so will invalidate the proposal.

#### **18. Irrevocability**

Prior to the time and date of the Request for Proposal closing deadline, any proponent may withdraw or change their proposal without penalty or forfeiture, by giving notice in writing to: Louise Kaiser, Deputy Director of Finance, [lkaiser@sparwood.ca](mailto:lkaiser@sparwood.ca) District of Sparwood, 136 Spruce Avenue, PO Box 520, Sparwood, BC V0B 2G0. Upon the closing deadline, all proposals become irrevocable and no words or comments may be added to, or removed from, the proposal unless requested by the District for purposes of clarification. By submission of a proposal, the Proponent agrees that should its proposal be deemed successful, the Proponent will enter into a Contract with the District. This irrevocability is only valid for a period of 60 days after the closing date.

#### **19. Award**

The District may not necessarily accept the lowest priced proposal or any proposal. At its sole discretion, the District reserves the right to reject any or all proposals received and to accept any proposal which it considers advantageous, whether or not it is the lowest priced proposal. The District is not under any obligation to award a contract, and reserves the right to terminate the Request for Proposal process at any time, and to withdraw from discussions with all or any of the Proponents who have responded. The District shall not be obligated in any manner to any Proponent whatsoever until a written agreement has been duly executed relating to an approved proposal. No Contract is formed as a consequence of this Invitation to Submit Proposals. The District reserves the right to accept the proposed offer in total or in part, to reject any or all offers, to waive any minor informalities, irregularities, or technicalities, and to accept the offer deemed most favourable to the District. The District may, however, in its sole discretion, reject or retain for its consideration Proposals, which are nonconforming because they do not contain the context or form required by this RFP or for failure to comply with the process for submission set out in this RFP.

Proposals that are unsigned, incomplete, conditional, illegible, unbalanced, obscure or that contain additions not called for, reservations, erasures, alteration, or irregularities of any kind may be rejected. The District reserves the right to obtain additional information from the Proponents to clarify the information in their submission. In the event that only one proposal is received, the District reserves the right to return the proposal unopened.

**20. Closing**

Proposals will be received in a sealed envelope, clearly marked with the name and address of the proponent and the name of the Project as defined in the **INVITATION TO SUBMIT PROPOSAL**.

Proposals must not be sent electronically. Proposals and their envelopes should be clearly marked with the name and address of the Proponent and the RFP project title.

Proposals received after the closing deadline will not be accepted and will be returned unopened. Please keep in mind that courier services such as DHL, Purolator or Canada Post generally cannot provide one day delivery service to Sparwood.

**APPENDIX 3 - REGISTRATION OF RFP - INTENT TO BID**

To ensure that your company receives any addenda and other correspondence related to the Request for Proposal, you are required to return this sheet by email to Louise Kaiser, Deputy Director of Finance [lkaiser@sparwood.ca](mailto:lkaiser@sparwood.ca).

The following information is required (please print):

Company Name:

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Address:

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Contact Name:

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Title or Position:

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Phone Number: \_\_\_\_\_ Facsimile: \_\_\_\_\_

Email Address: \_\_\_\_\_

Date: \_\_\_\_\_