BC Timber Sales Continuous Bid Deposit Process

Guidance Document for Use and Application of the Continuous Bid Deposit for All BCTS Silviculture Contracts

BCTS has standardized the requirement for bid deposits on BCTS silviculture contracts. All BCTS silviculture contracts will require bid deposits as follows:

- $5,000 bid deposit for a contract bid less than $250,000;
- $10,000 bid deposit for a contract bid greater than $250,000.

As an alternative to this new requirement, contractors can submit a one-time Continuous Bid Deposit in the amount of $25,000 prior to bidding on any BCTS silviculture contract.

1. The participation and application processes of the Continuous Bid Deposit, for silviculture contracts, will adhere to the following guidelines:

   - Contractors bidding on BCTS silviculture contracts will submit a $25,000 bid deposit in guaranteed funds, in one of the formats described in the Conditions of Tender prior to bidding on any BCTS silviculture contracts. They will indicate, in writing, that they wish to have the bid deposit retained as a Continuous Bid Deposit.
   - The Timber Sales Office receiving the in writing request will handle the request as per the BCTS Continuous Bid Deposit Tracking Process.
   - When the contractor has finished bidding for the season they may request that the Continuous Bid Deposit be returned from the Timber Sales Office where it was originally submitted. The request must be in writing and state the following:
     - The contractor does not currently have any pending awards of contracts requiring the Continuous Bid Deposit.
     - They do not plan on bidding on any silviculture contract in the near future.
   - The Timber Sales Office, upon receiving the written request to return a Continuous Bid Deposit, will follow the regular process of releasing an individual bid deposit.

2. The Continuous Bid Deposit process is ONLY for use with BCTS silviculture contracts.

3. The Contractor is responsible for the maintenance of the Continuous Bid Deposit, for example the contractor must ensure that the financial instrument does not expire and that the amount remains at $25,000.
4. Contractors who are bidding on planting contracts are allowed a 48 hour grace period from the time of tender close to assess their capacity. During this time the contractor may withdraw any bid(s) that exceeds the contractor’s capacity. The withdrawal must be submitted to the Timber Sales Manager in writing with explanation of how they have reached capacity. After 48 hours the withdrawal of a bid will result in forfeiture from their continuous bid deposit and will be required to top-up to the Continuous Bid Deposit back to the $25,000 amount.

5. Planting contractors not utilizing the Continuous Bid Deposit process the Bid Deposit forfeiture after the 48 hour grace period will apply as follows:

- $5,000 will be forfeited for a contract less than $250,000;
- $10,000 will be forfeited for a contract greater than $250,000.

To be eligible to bid after declaring they have reached their capacity a planting contractor must provide a rationale approved by a Timber Sales Manager that identifies how capacity issues have been addressed.

6. Silviculture contractors who do not wish to use the Continuous Bid Deposit process can still submit an individual bid deposit for a single tender submission. The standard silviculture contract bid deposit is $5,000 bid deposit for a contract bid less than $250,000 and $10,000 bid deposit for a contract bid greater than $250,000. The rules of forfeiture as indicated above will still apply even though the Continuous Bid Deposit process is not being utilized.