



BC Timber Sales Continuous Bid Deposit Process and 48-Hour Grace Period (Capacity) Process

External Guidance Document

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; or
- \$10,000 bid deposit for a contract bid greater than \$250,000.

Continuous Bid Deposit Process for All Silviculture Tenders

As an alternative option to submitting a bid deposit with every tender, contractors may establish a Continuous Bid Deposit in the amount of \$25,000.

1. The participation and application processes of the Continuous Bid Deposit for silviculture contracts, will adhere to the following guidelines:
 - A Continuous Bid Deposit can only be used for bidding on BCTS silviculture contracts.
 - If contractors wish to use a Continuous Bid Deposit, **it must be established prior to bidding.**
 - The Continuous Bid Deposit must be in the amount of \$25,000 and must be in the form of cash, personal money order issued by a financial institution or postal money order issued by Canada Post Corporation, certified cheque or bank/credit union draft, made payable to the 'Minister of Finance'. Personal or company cheques, assignable bonds and notes, bearer bonds and notes or Canada Savings Bonds are not acceptable. No interest is payable on cash forms of security.
 - Contractors wishing to establish a Continuous Bid Deposit may submit it to any BC Timber Sales Office, indicating in writing that they wish to have the bid deposit retained as a Continuous Bid Deposit.
 - The Timber Sales Office receiving the written request will process it and advise the contractor when the Continuous Bid Deposit has been established and is ready to be relied upon.
 - 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:
 - i. The contractor does not currently have any pending awards of contracts requiring the Continuous Bid Deposit.
 - ii. They do not plan on relying on the Continuous Bid Deposit to bid on any silviculture contracts in the near future.



- The Timber Sales Office, upon receiving the written request to return a Continuous Bid Deposit, will process the request.
2. A Continuous Bid Deposit cannot be converted to a Contract Performance Security.
 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. 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.

48-Hour Grace Period (Capacity) Process

Planting 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 application process of the 48-Hour Grace Period will adhere to the following guidelines:

- The 48-hour grace period is **ONLY** available to **BCTS planting contractors**.
- The withdrawal must be submitted to the Timber Sales Manager in writing within 48 hours of tender closing outlining how they have exceeded their capacity.
- To be eligible to bid again after declaring they have reached their capacity, a planting contractor must submit a rationale that identifies how capacity issues have been addressed to the Timber Sales Manager for approval.
- After 48 hours, the grace period is over and the withdrawal of a bid will result in forfeiture of the bid deposit, whether it is in the form of a Continuous Bid Deposit or not, as follows:
 - \$5,000 will be forfeited for a contract bid less than \$250,000;
 - \$10,000 will be forfeited for a contract bid greater than \$250,000.