



Date: August 1, 2016

Revised: April 1, 2018

RE: BCTS Planting Contract Performance Security Directive

As of August 2016, BCTS eliminated performance securities on planting contracts. Through a LEAN initiative, it was found that the risk of removing the performance securities was deemed to be mitigated by contract mandatories and administrative penalties already in place. In lieu of requiring a monetary performance security, BCTS would instead suspend any contractor who defaulted on a signed planting contract for two years province wide.

This policy was tested and subsequently reviewed. BCTS is committed to continuous improvement of contract processes. A new two tiered approach will be implemented.

An amendment to the policy directive is as follows:

Planting contractors who sign a contract and default on the contract will be suspended *Province Wide* from bidding on BCTS contracts and renewing Option to Renew (OTR) planting contracts, according to the following:

- For the first default, the contractor will be suspended for one (1) year.
- For the second default, the contractor will be suspended for two (2) years.

Suspended contractors will be put on the CSNR Disqualified Bidders List.



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