



BCTS Continuous Bid Deposit Process

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

Bid Deposits Required

BCTS has standardized the requirement for bid deposits on BCTS planting contract solicitations. Effective immediately, all **BCTS planting contract solicitations** 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 onetime Continuous Bid Deposit in the amount of \$25,000.

Planting contractors who do not wish to use the Continuous Bid Deposit process can still submit an individual bid deposit for a single tender submission.

Handling of Continuous Bid Deposits

1. The Continuous Bid Deposit process is **only for use with BCTS planting contracts**.
2. The participation and application processes of the Continuous Bid Deposit, for planting contracts, are as follows:
 - Planting contractors bidding on BCTS planting contracts will submit with their tender submission a \$25,000 bid deposit in one of the formats described in the Conditions of Tender. 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 written request, will handle the request as per the BCTS Continuous Bid Deposit Tracking Process and the information will be made available province wide.
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.

Withdrawal of Bid (Capacity)

4. Contractors 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. After 48 hours the withdrawal of a bid will result in forfeiture from their continuous bid deposit. 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.

Forfeiture

5. For contractors utilizing the Continuous Bid Deposit process, where a contractor withdraws a bid after the 48 hour grace period the forfeiture will be in the following amounts:
- \$5,000 will be forfeited for a contract less than \$250,000;
 - \$10,000 will be forfeited for a contract greater than or equal to \$250,000.

Release of Bid Deposits

6. 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 that the contractor does not currently have any pending awards of contracts requiring the Continuous Bid Deposit and they do not plan on bidding on any planting contract in the near future.

The Timber Sales Office will require 2-3 days to confirm that the Continuous Bid Deposit is no longer required and once confirmed will release the Continuous Bid Deposit to the contractor.