



RECOMMENDED GUIDELINES FOR PRE-QUALIFICATION OF GENERAL CONTRACTORS AND TRADE CONTRACTORS

Pre-qualification may be considered where it is determined that there is a need to Pre-qualify General Contractors or Trade Contractors because of certain special expertise requirements, such as specific environmental considerations, specialized public safety requirements or other clearly identified criteria.

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1. INTRODUCTION:

These guidelines are recommended for publicly funded projects in which the Owner intends to enter into a contract with a Contractor(s) for delivery of the project on land owned or controlled or licensed for use by the Owner. **Pre-qualification may be considered where it is determined that there is a need to Pre-qualify General Contractors or Trade Contractors because of certain special expertise requirements, such as specific environmental considerations, specialized public safety requirements or other clearly identified criteria.** It should be noted that conducting a contractor pre-qualification may be difficult and contentious if established tendering principles of openness, accountability and fairness are not followed.

All qualified Contractors, without limiting the number of bidders, should be permitted to bid on publicly funded projects. On such projects bidders lists should not limit the number of bidders to an invited list; all those that have been pre-qualified shall be allowed to bid. Pre-qualification based on clearly noted stated criteria shall be completed prior to the issuance of tender documents.

2. DEFINITIONS:

Publicly Funded Projects are those projects which are funded or underwritten by any level of government, whether represented by government ministries, crown corporations, public boards, municipalities, or government agencies.

Owner is the Owner or the Owner's authorized agent or representative as designated to the Contractor, but does not include the Consultant.

Pre-qualification is a method by which a Contractor is evaluated by the Owner (or their agent), prior to tender. Evaluation criteria typically include the ability to deliver a construction project, which may include the capacity to provide bonding, as well as other considerations such as specialized expertise, staff resources, contract administration systems, relevant work experience and satisfactory references.

3. GUIDELINES FOR PRE-QUALIFICATION REQUIREMENTS:

1. The following are appropriate for a Pre-qualification request:
 1. Pre-qualifications are to be completed on a project-by-project basis, however, they may include a number of identified projects over an extended period of time, ideally not to exceed one year. However, where projects are over one year the prequalification shall identify the time period. Where a Pre-Qualification has been completed for a number of projects, each tender call for the individual project must identify a process by which contractors can become prequalified. A sample format for a Pre-qualification Advertisement is provided with these Guidelines.
 2. CCDC11 Contractor's Qualification Statement (latest edition) shall be the form executed by the Contractor in their application for Pre-qualification. **Note:** If a copy of CCDC11 is to be included with the invitation for Pre-qualifications it should be identified only as a 'Sample', as this is a copyrighted document.
 3. Where Trade Contractors are to be Pre-qualified the format as defined herein should be used.

4. As well as the information included under CCDC11 the Contractor may be requested to provide the following additional information:
 - i. Letter from a recognized Surety Company stating the availability of required bonding for the particular project.
 - ii. A detailed 'description' of the Contractor's health and safety policy.
 - iii. A Workers' Compensation Board letter of clearance.
 - iv. Information on a Contractor's quality control program, keeping in mind the various levels of complexity that may be required to perform the work in question and the availability of such information from smaller Contractors.
 - v. Availability of warranty programs such as BC Home Owner Protection.
 - vi. Familiarity with local applicable laws, by-laws, ordinances, rules, regulations, or codes of authorities having jurisdiction.
 - vii. A Contractor's systems resources for schedule and construction management.
 - viii. Evidence of specialized expertise required for the project, e.g., experience with renovation of occupied buildings
 - ix. Specify and clarify the submission requirements for references, e.g., minimum number of references, for work completed in the last two years, provide (#) references from [Owners], (#) references from [Consultants / specify type], for work of similar nature. Indicate that the evaluation criteria will include contacting the specified references and that the Contractor, by submitting the contact names, consents to those references being contacted as part of the evaluation. Describe the reference questions, e.g., References will be asked to comment on the Contractor's performance on past projects with respect to contract administration, site supervision, quality of work, attitude and cooperation and compliance with the schedule.
5. Clearly state that a weighted scoring system will be used to qualify bidders and provide a schedule of the rating formula, including the minimum quantitative value, which must be achieved for an applicant to qualify. Two sample formats are included with these Guidelines.
6. The Owner in consultation with the Prime Consultant should do the evaluation of applicants where applicable.
7. The evaluation process must be transparent. Therefore, upon completion of the Pre-qualification review each applicant shall be informed of the results of their application. Upon request applicants shall be provided with their scores for each of the categories and their total score . Information gathered during reference checks shall remain confidential.
2. The following are examples of inappropriate requirements for a Pre-qualification request or for consideration in the evaluation of an application:
 1. Limitations on the numbers of Contractors that can apply for Pre-qualification or be Pre-qualified.
 2. Pre-qualification is not to be for an extended period of time for unidentified projects or an unidentified number of projects. Pre-qualifications are to be completed on a project-by-project basis (except as identified in 3.1.1. for Appropriate requirements for a number of identified projects.)
 3. Financial information not provided in CCDC11 or, which is not available in the public realm (i.e. a Contractor's Financial Statements).

4. The availability of designated site supervision, however, an appropriate qualified site supervisor from those submitted with the CCDC11 must be available.
5. Lists of Trade Contactors that a General Contractor may hire during the construction of the project. (Pre-qualification of Trade Contractors, where deemed necessary, should be as defined herein).
6. Lists of equipment owned by the Contractor.
7. Applicant's certification that they or any subcontractors or suppliers they would hire are a resident/member of a designated jurisdiction.
8. Automatic disqualification based solely on past or current litigation. Owners should consult their legal counsel on what legal rights they have on this matter.

4. SAMPLE FORMS - COMMENTARY

The following process should be used for conducting contractor pre-qualifications (General Contractors and/or Mechanical & Electrical Subcontractors or other Subcontractors as deemed necessary) utilizing an **"Expression of Interest"** (EOI) format.

1. Advertisement

The approved pre-qualification advertisement should be placed on a *national electronic bulletin board(s) to meet the requirements of the Agreement on Internal Trade and ensure maximum exposure for the Facility and the BC construction industry. The advertisement is to state a minimum three (3) week time period for receipt of the Expressions of Interest. Sample format for an advertisement follows.

The advertisement may also be placed in the Journal of Commerce and appropriate local **"project-area"** newspaper(s).

* Forwarding a copy to a Regional Association of BC Construction Association will result in posting of the project on COOLNET (Construction Opportunities On Line Network), which will meet the Agreement on Internal Trade requirements.

And forward a copy to the following organizations for information purposes (when applicable):

Mechanical Contractors Association of BC
Electrical Contractors Association of BC.

2. Evaluation process

Two Evaluation Criteria formats follow. The received EOI's should be reviewed by a Selection Committee comprised of three (3) representatives one of whom it is recommended be the Consultant. The Owner or the Owner's Agent must conduct and record the Reference Check material for review by members of the Selection Committee. The evaluation scores are to be recorded and filed for reference.

3. Conducting Reference Checks

It is important to create a consistent process for evaluating contactor references to ensure fairness in the evaluation of references, to make certain that appropriate information is gathered from reference checks and to keep a record of the information. A format for conducting and recording a Reference Check follows.

Appendix 1: Advertising Format Guidelines - Contractor Prequalification

A. Example of **Brief Description of Project**

The Work of this contract will consist of, “a 3000 m2 addition and renovations to the Surgical Suites and ancillary spaces including the construction of a new 1000 m2 Surgical Daycare facility”.

B. Example of **Work of this Contract**

The work consists of, “a new steel structure on top of an existing concrete structure, SBS roofing, stucco and brick exterior cladding, concrete floor topping, metal stud and gypsum board infill walls, interior finish renovations, millwork, suspended T-bar ceiling system with acoustic tile and gypsum board finishes, mechanical and electrical systems additions, renovations, and upgrades to sprinkler system, medical gases, HVAC, and plumbing. The project must be completed within a pre-scheduled time-frame”.

C. Example of **Type(s) of Contractor**

- *General Contractors*
and/or
- *Mechanical Contractors*
and/or
- *Electrical Contractors*

D. Example of **building type**

- *Acute Care (Hospital) or Multilevel Care facility*

E. Example of **Date** (for receipt of submissions)

- *3:00 PM, June 17, 2002*

A minimum three (3) week time period is sufficient for receipt of the EOI's.

F. Supplementary Information

- Where information on the evaluation scoring system is available and any other supplementary information.

Pre-Qualification Advertisement

The proposed advertisement is generic in form and may require minor modifications to suit specific projects, building types, and type(s) of Contractor(s).

END OF ADVERTISEMENT GUIDELINE EXAMPLE

Appendix 2 - Sample Advertisement Contractor Prequalification - Capital Projects

**(Name of Owner/Agency)
(Name of Facility)**

Pre-Qualification of **(Type of Contractor(s))** for
(Project Name), (Location)

The **(name of Facility)** a site of the **(Name of Owner/Agency)** invites submissions for pre-qualification of **(type of Contractor)** Contractors for construction and related development of **(name of Project)** located at **(Facility Address, City)** BC, **(Postal Code)**.

The work of this contract will consist of **(Brief description of Project)**. Construction documentation is currently being prepared for an anticipated tender date of **(Month and Year)**.

The work consists of **(Work of this Contract)**.

In order to maintain continuing operations of the existing facilities during the proposed construction process, it is essential that a competent construction team be selected. **(NOTE: use the preceding sentence only if relevant to the scope of this project)** To pre-qualify to submit on the forthcoming tender, Contractors must demonstrate an experience base and proficiency specific to the project type and dollar value. Additional mandatory requirements include financial credibility, name of bonding company and disclosure of bonding limits, a demonstrated ability to manage and complete projects on schedule by citing prior examples, ability to establish and maintain a good working relationship with the facility/client and, **(NOTE: use the following sentence only if relevant to the scope of this project)** the timely completion of renovation and/or additions to building areas that will remain operational during the construction process.

CCA Document No. 11, latest edition (available from one of the Regional Associations of the BC Construction Association), filled out in entirety, must be used for submissions. Documentation must also include relevant project examples, construction costs, construction schedule time frames of recently completed **(building type)** projects, present workload, and solid references. A corporate profile and resumes of experienced senior staff proposed to manage and supervise this project must be included. Incomplete forms and submissions may result in non-selection.

Contractors submitting for pre-qualification consent to the **(Facility)** verifying the information provided in their submission. The relative weight assigned to selection criteria will be at the sole discretion of the selection committee.

Submissions will be received until **(Time)** local time, **(Date)**, at the **(Facility)**'s Administration Office at the address listed below. Facsimile submissions will not be accepted. Please provide three (3) copies of your submission.

(Facility Contact Person), (Title)
(Facility Name)
(Address)
(City, Province) (Postal Code)
(Area Code) (Phone Number)

The advertisement must appear on a nationally recognized electronic bulletin board to meet the requirements of the Agreement On Internal Trade and may also be displayed in a local area newspaper and the "Journal of Commerce" under Legal Notices, double column, 8 point Helios typeface with single black border. In addition, a copy of the approved advertisement must be forwarded to the appropriate Regional Association of the BC Construction Association, Mechanical Contractors Association of BC and the Electrical Contractors Association of BC.

APPENDIX 3: EXAMPLE A - CONTRACTOR PRE-QUALIFICATION EVALUATION FORM

- A.
- B.
- C.
- D.
- E.
- F.
- G.
- H.

LEGEND

WF = Weighting Factor

RV = Rating Value

WS = Weighted Score

WS = WF * RV

This evaluation form may be used to Pre-Qualify General Contractors, Mechanical and Electrical Subcontractors and specialized trade contractors.

This form is in a generalized format that may require minor modifications to suit specialized construction projects.

ITEM	WF	RV	A		B		C		D		E		F		G		H	
			RV	WS	RV	WS	RV	WS	RV	WS	RV	WS	RV	WS	RV	WS	RV	WS
Completeness of CCA#11 form (i.e., bonding etc.)	1	0-5																
\$ Value of projects	2	0-5																
Experience specific to project type and construction \$ value	3	0-5																
Renovation experience for an in-use facility (if req'd.)	1	0-5																
Time frame schedule - information on projects	1	0-5																
Reference checks	2	0-5																
	Total	50																

All of the above information can be found from a review of CCA # 11 and other submitted material.
 To be pre-qualified, submission must achieve a minimum score of 30 points (for a new facility) and 35 points (for a renovation project).
 All firms reaching the qualified stage must have a reference check undertaken by the Facility. If poor comments are received the contractor will be disqualified.

- INSTRUCTIONS:**
1. Enter rating value (RV) from 0 (poor) to 5 (excellent) for each sub-category.
 2. Calculate weighted score (WS) by multiplying weighting factor (WF) by rated value (RV).
 3. Add up weighted scores in each category for each contractor.

APPENDIX 4: EXAMPLE B - CONTRACTORS PRE-QUALIFICATION EVALUATION FORM

GENERAL CONTRACTORS PRE-QUALIFICATION		Contractor							
Combined evaluation as provided by the <i>(name of owner)</i>		A	B	C	D	E	F	G	H
MANDATORY CRITERIA	Pass/Fail								
(Proponents must submit all items in order to be evaluated)									
CCDC-11 submitted and completed									
Bonding capacity greater than \$ X million									
WCB Clearance provided									
Pass/Fail (complaint/non-complaint)									
EVALUATION CRITERIA	Maximum								
Company Experience - General									
Current project load	5								
Size of projects completed	5								
Overall company size and organization	5								
SUBTOTAL (min. req: 10)		15							
Company Experience - Specific									
Specific project upgrades over \$X	15								
Renovations in occupied building	15								
Institutional construction experience	15								
SUBTOTAL (min. req: 30)		45							
References									
Project Manager experience appropriate	10								
Site Superintendant experience appropriate	10								
Adherence to schedules, Response to Scope Change/Change Orders, General Attitude/Response	10								
SUBTOTAL (min. req: 20)		30							
Other									
Key Staff	5								
Value - Added	5								
SUBTOTAL (min. req: 5)		10							
TOTAL		100							

Appendix 5: Sample Reference Record Form - Contractor Pre-qualification

Reference for: _____ (Contractor name)

Name of reference: _____

Position: _____

Organization: _____

Reference Project: _____ (use, construction type, no. storeys, GFA)

Construction Cost: _____ (for reference project)

Date of reference: _____

Reviewer: _____

Score (1- 4) _____

Criteria	Score (1- 4) 1 – unsatisfactory; 4 - excellent
1. Contract Administration	
Provision of required documentation within required time, such as:	
• insurance, bonding, permits, WCB status, HPO license	
• construction schedule & monthly updates, schedule of values	
• written notice of delays, disputes and extras	
• submittals, shop drawings, test reports, mock ups, and meeting reports	
• adequate backup for COs, progress claims	
• project close out - as-built drawings, maintenance manuals, warranties, and guarantees	
2. Site Supervision	
Performance of site superintendent, including:	
• ability to coordinate subtrades	
• maintenance of a safe and tidy work site	
3. Quality of work	
• compliance with the standards for materials and execution in the Contract Documents	
• installation level, true, plumb	
• final cleaning	
• prompt correction of deficiencies	
4. Attitude & Cooperation	
• cooperation with consultant, inspectors, Owner	
• professional approach to communication, administration & meetings	
5. Schedule	
• adherence to the construction schedule	
6. Recommend hiring again? (yes / no)	
7. Comments - additional information related to criteria above:	
•	