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| **Section Cover Page** |
| **Section 00 43 13**  **2015-04-17 Bid Security** |

Use this Section to specify bid security. The purpose of bid security is to ensure that a Bidder whose bid is accepted will enter into a formal contract, as failure to do so will result in forfeiture of the bid security.

Specify bid security (and contract performance security) when the estimated contract price is $100,000.00 or greater. Bid security should normally be specified in conjunction with contract performance security, i.e. do not specify one without the other.

This Master Specification Section contains:

.1 This Cover Sheet

.2 Specification Section Text:

.1 Type and Amount of Bid Security

.2 Bid Bond

.3 Certified Cheque or Bank Draft

.4 Bidder Default

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| **Change Log** |
| **Section 00 43 13**  **2015-04-17 Bid Security** |

**Changes made in this Section Update (2015-04-17):**

**Changes**

1. Deleted amount for bid bond; maintain the 10% of bid price.
2. Added the term of the bid bond
3. Updated footers and Headers
4. Type and Amount of BID SECURITY

.1 Provide bid security in the form of a bid bond, a certified cheque or bank draft in an amount not less than 10% of the bid price.

.2 Bids not accompanied by bid security will be rejected as non-compliant.

1. BID Bond

.1 Bid bond shall be based on the Canadian Construction Documents Committee (CCDC) standard form of bid bond, CCDC 220, 2002 edition.

.2 Consign bid bond to “Her Majesty the Queen in right of Alberta, as represented by the Minister of Infrastructure”. Ensure that the bid bond is **executed, sealed,** and **dated** by both Bidder and surety.

.3 The bond shall be enforceable for the earlier of the bid acceptance period as specified in the Instructions to Bidders or until the bond’s principal enters into the formal contract and gives the specified Performance Security and Security for Payment of Claims.

.4 A bid bond that is improperly completed or executed may cause the bid to be rejected as non-compliant if, in the Province's judgment, such improper completion or execution of the bid bond potentially renders the bid bond unenforceable.

.5 Bid bond may, upon request and at the Province’s sole discretion, be returned to unsuccessful bidders.

1. Certified Cheque OR Bank Draft

.1 Bid security provided in the form of a certified cheque or bank draft does not negate the successful bidder's obligation to provide surety bonds as specified in Section 00 61 13 and Section 00 61 90.

.2 Bidders providing bid security in the form of a certified cheque or bank draft shall, as a condition of contract award, submit a Consent of Surety or Agreement to Bond issued by duly incorporated surety company authorized to transact business of surety ship in the Province of Alberta. If a Bidder fails to submit an acceptable Consent of Surety or Agreement to Bond by the earlier of:

.1 a date that the Province may request in writing, or

.2 seven days before expiry of the bid acceptance period,

the bid will be rejected as non-compliant.

.3 Make certified cheque or bank draft payable to the “Government of Alberta”.

.4 The Province will return certified cheques and bank drafts to unsuccessful bidders promptly upon expiry of the bid acceptance period or, at the Province’s sole discretion, before expiry of the bid acceptance period.

4. BIDDER DEFAULT

.1 If a Bidder whose bid is accepted by the Province in writing, without conditions, and within the acceptance period specified in the Bid Documents, refuses or fails within 15 days after the date of issuance of the written acceptance of the bid:

.1 to sign a formal Agreement with the Province for the performance of the Work, and

.2 to provide surety bonds as specified in Section 00 61 13 and Section 00 61 90,

the Bidder shall be liable to the Province for the difference in money between the amount of its bid and the greater amount for which a contract for the Work is entered into with some other Bidder, up to the maximum amount of the bid security provided.

.2 If a Bidder provides bid security in the form of a certified cheque or bank draft, and fails to submit a Consent of Surety or Agreement to Bond as specified in 3.2, the Bidder shall be liable to the Province for the difference in money between the amount of its bid and the greater amount for which a contract for the Work is entered into with some other Bidder, up to the maximum amount of the bid security provided.

**END OF SECTION**