



## ***Saskatchewan Municipal***

# **Management Resource**

## **How to Write a Request for Proposal**

### **Introduction**

Most municipalities do not have the specialized resources to handle everything they may need to do. When they don't, municipalities need to consider contracting out these projects or services. One way that municipalities can determine who would best be able to deliver this project or service is by issuing a Request for Proposal (RFP).

A RFP is a document that solicits proposals from potential vendors and allows the municipality to specify what their needs are. A RFP specifically describes what the municipality is looking for, and what their requirements are. The RFP document also outlines what kind of information potential vendors must submit and it usually describes the manner and timeline in which the information must be provided.

### **Benefits of Using a RFP**

- An RFP ensures that every submission you get from vendors is in a similar format, which makes them easier to review;
- The RFP process sets up a level playing field for all vendors;
- While writing a RFP, your municipality will be forced to think about exactly what you want done, and what you expect your successful vendor to do for you; and
- RFPs allow you to find out more about your vendors, and particularly about their relevant experience and expertise.

### **Tips for Writing a RFP**

One thing you should consider doing before you write an RFP is to get some examples of RFPs that have been used by other municipalities. Looking at the experiences of others will help you to write a more effective RFP and hopefully avoid any mistakes that might be made. You can view Saskatchewan municipal best practices on the Municipal Capacity Development Program website at [www.municipalcapacity.ca](http://www.municipalcapacity.ca).

Make sure that your RFP contains enough detail to give potential vendors a clear picture of what you expect. It is particularly important to clearly articulate the scope and nature of the project.

Set limits on the amount of information that potential vendors can provide you. This will force them to be more strategic about what they tell you, and help you to see how well they follow directions. Consider holding pre-submission meetings with your potential vendors. This will help to make sure that potential vendors understand your requirements and that any potential problems are identified and addressed. These meetings are best held one-on-one with your potential vendors so that they can feel comfortable being open. If your municipality decides to hold these meetings, it is important that all potential vendors are offered the chance to meet with you ahead of time, so that there is no bias or unfair advantage in the process.

Remember, it is never too late to make changes to your RFP, even after it has been issued. After a RFP has been issued, mistakes can be corrected and changes can be made to any part of the RFP by issuing an addendum to all vendors.

## What should RFPs Include?

Every RFP is different, however there are a few basic things that you should consider putting in to your RFP:

- **Purpose/General Information**  
The first section usually identifies information about your municipality. It should probably include a brief paragraph highlighting your organization and population, and sharing your mission or vision statement if your municipality has one. This first section also needs to provide recipients with contact information for the person who is managing the RFP process for your municipality. It should explain why the RFP is being prepared, and tell the recipient about the proposed project. Where relevant, it needs to present a proposed timeline of important dates both in the RFP process and for the project.
- **Submission Information**  
This area of the RFP needs to specify what the instructions are that the vendors need to follow in submitting their proposal. This might include information on the length of the proposals, the number of copies they need to provide, and the means and date by which the proposals must be received.
- **Specifications**  
This is the most important section of a RFP because the quality of the specifications will determine the quality of the proposal and the quality of the final product or service. Examples of the types of information contained in the specifications are performance criteria, work to be completed, experience, qualifications of offers, scheduling, delivery, references, financial information, service contracts, and similar items. Proposals that fail to meet the specifications should not be evaluated further and should not be selected by the municipality.
- **Evaluation Criteria**  
The criteria with which each proposal will be evaluated should be basically explained in the RFP. In addition to identifying the criteria you will use, it is helpful to let vendors know the weighting values that will be used with the criteria. The criteria should directly relate to the specifications. Each specification should fit into one of the evaluation criteria. If a specification does not fit into your evaluation criteria, there is no method of considering the vendor's response to that specification.

## The Agreement on Internal Trade

The Agreement on Internal Trade (AIT) is an agreement between the Government of Canada and each of the provinces. The AIT outlines the rules regarding trade within Canada. Chapter Five of the IAT deals specifically with the issue of procurement. The goal of the AIT procurement rules is to ensure equal access to procurement for all Canadian suppliers without geographic restriction.

Annex 502.4 of the AIT describes the procurement rules for municipalities. These rules apply to all municipalities in Canada. However, the procurement rules only kick-in when the procurement value is:

- \$100,000 or greater, in the case of goods and services; or
- \$250,000 or greater, in the case of construction.

When a municipality is developing a RFP for a procurement that may meet or exceed the above thresholds for the AIT Annex, that municipality must follow the tendering process laid out in the Annex. The process is designed to ensure that procurements are transparent and non-discriminatory. Procurements meeting or exceeding the thresholds must be electronically-tendered, and must treat any bid from a Canadian supplier equally, regardless of geographic location.

Annex 502.4 does provide some instances in which exceptions can be made. If you aren't sure whether or not the AIT rules apply to your procurement, you may wish to seek a legal opinion before proceeding.

You can get more information about the AIT, and Annex 502.4, by visiting <http://www.ait-aci.ca/>.

If you would like to talk to someone to find out more about the AIT, you can contact the Trade Policy Branch of Saskatchewan's Ministry of Intergovernmental Affairs. They can be reached at:

Telephone: (306) 787-2172  
Fax: (306) 787-7317  
Mailing Address: 800 – 1919 Saskatchewan Drive, Regina SK, S4P 4H2  
URL: [www.gov.sk.ca/intergovernmental-affairs/](http://www.gov.sk.ca/intergovernmental-affairs/)

For technical issues related to procurement, you can contact the Purchasing Branch of Saskatchewan Government Services. They can be reached at:

Telephone: (306) 787-6871  
Fax: (306) 787-3023  
Mailing Address: 1920 Rose Street, Regina SK, S4P 0A9  
URL: [www.property.gov.sk.ca/purchasing/](http://www.property.gov.sk.ca/purchasing/)

## Conclusion

In the end, the whole RFP process is designed to help your municipality end up with the right vendor. The right vendor is someone who can meet all of your specifications, within the timeline and budget you have set.

To make sure that you get the right vendor you might want to talk with other municipalities that have used similar RFPs to ask them for the vendors they worked with. You should also consider asking your vendors for references from their previous customers as well as samples of other RFP proposals that the vendors have completed.

Good luck with your RFP process!