SUPREME COURT OF NOVA SCOTIA

Citation: Santec Construction Managers Ltd, v. Windsor (Town), 2005NSSC132

Date: 20050624 Docket: S.H. 173161 Registry: Halifax

Between:

Santec Construction Managers Limited,

a body corporate

Plaintiff

and

Town of Windsor

Defendant

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Judge: The Honourable Justice C. Richard Coughlan

Heard: October 18, 19, 20, 21 and 25, 2004, January 4, 5, 6 and 21,

2005 and February 4, 2005, at Halifax, Nova Scotia

Final Written

Submissions: February 14, 18 and 25, 2005

Decision: June 24, 2005

Subject: Contract - Tendering Process - Compliant Bids - Duty to

Treat Tenderers Fairly and Equally

Summary: The Town of Windsor decided to build a Water Treatment

Plant. It retained CBCL Limited as its consultant on the project. Tenders were called. Santec submitted the lowest bid. CBCL had previous experience with Santec that it viewed unfavourably. While not saying Santec was not qualified to do the job, CBCL reported to the Town the increased level of supervision Santec required would

increase the cost of the Project to the Town. The Town awarded the contract to Winbridge Construction Limited, the

second lowest bidder.

Issue: Was Winbridge's bid compliant?

> Did the Town fulfil its obligation to treat Santec fairly in awarding the contract?

Result:

The Tender required tenderers to give information in bids including the names of subcontractors to be employed. Winbridge, in its tender bid, used the expression "own estimate" for the civil site work, formwork and contract finishes. Winbridge did not give the names of subcontractors to be used in those areas. Winbridge intended to use subcontractors. By not giving the required information, Winbridge's bid was non-compliant. In awarding the contract to Winbridge, the Town breached its obligation to award the Tender to a compliant bidder.

Santec was not treated fairly in the tendering process. Before Santec's bid was analyzed, it is clear CBCL had concerns about awarding the contract to Santec. The manner in which the Santec and Winbridge bids were reviewed makes it clear the contract was not going to be awarded to Santec. Any shortcomings or lack of information in the Winbridge bid was excused or not a concern to CBCL.

Santec is entitled to damages for breach of contract.

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