

# Alberta Infrastructure and Transportation

## Management Framework: Procurement Process

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### Introduction

#### Purpose

This document is a guide to Alberta Infrastructure and Transportation's procurement process for Public Private Partnerships (P3s) for capital infrastructure projects. The framework consists of a series of protocols that provide details on recommended procedures within the process.

#### Public Private Partnerships

Public private partnership is a generic term for a “cooperative venture between the public and private sectors, built on the expertise of each partner that best meets clearly defined public needs through the appropriate allocation of resources, risks and rewards.”<sup>1</sup> The term can be used to describe a wide variety of working arrangements from loose, informal and strategic partnerships to design build finance and operate (DBFO) type contracts and formal joint venture companies.<sup>2</sup>

#### Definition of Government of Alberta P3's

For the purposes of Government of Alberta capital projects, a Public Private Partnership (P3) is defined as a form of procurement for the provision of capital assets and associated long term operations that includes a component of private finance. Payment to the contractor is performance based.

#### Program Ministries' and Stakeholders' Involvement

Program ministries (such as Learning, Advanced Education and Health and Wellness) are key players in procuring all projects that address their specific program. The Supported Infrastructure Organizations (SIOs) and program ministries will be part of the project team to ensure projects meet the requirements of the program being addressed.

#### Alberta Justice and Alberta Finance Involvement

Alberta Justice and Finance are key ministries in procuring all P3 projects. These ministries must be involved from the start of the P3 process and should have representatives on the project team.

#### External Consultants/Advisors Involvement

The project team must include expertise in all aspects of the procurement. The department should retain external consultants and advisors to provide any expertise that is not readily available within the Alberta government. All external consultants should be retained immediately following approval to proceed with the P3 procurement and before the issuing of any project specific procurement documents. It is likely that the following external consultants will be retained;

- Technical consultant. The department Engineering/Architect consultant's role is to assist Alberta Infrastructure and Transportation in successfully preparing the project specific

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<sup>1</sup> The Canadian Council for Public-Private Partnerships.

<sup>2</sup> 4ps (Public private partnership programme). UK government

documentation and implementation of the P3 process. The technical consultant team will provide expert assistance to the department regarding all phases of the work from reviewing the draft project specific documentation, to assisting in the final preparation of the project specific documentation and assisting in the evaluation process.

- **Process and Financial Consultants.** The department Financial and Process Consultant's role is to assist Alberta Infrastructure and Transportation in successfully preparing the final documents and assisting in the procurement stages. The Financial and Process consultant teams will provide expert assistance to the department regarding all phases of the work from updating the project specific P3 procedures from start to finish, assisting in the review of the submissions, assisting in the review documentation and reporting.
- **Fairness Auditor.** The role of the Fairness Auditor is to oversee the process to ensure that it is fair and to provide an independent opinion by observing and reviewing the transaction process. The Fairness Auditor must be independent to the Government of Alberta and will report directly to the Steering Committee.

As a result of the department Consultants involvement on the project, the Consultants, their affiliates and sub-consultants are not eligible to participate as members of any Respondent/Proponent Team.

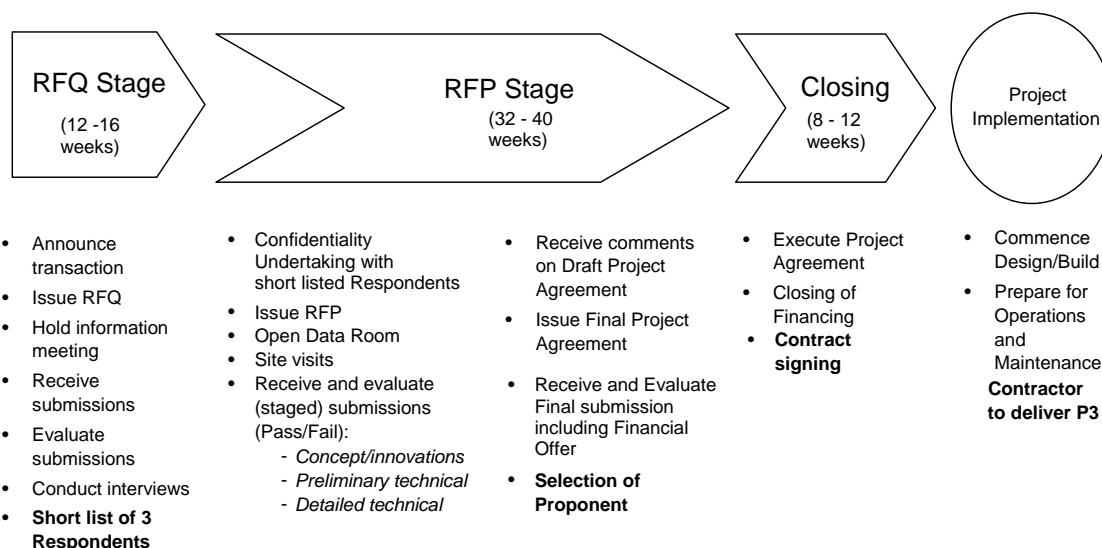
All members of the consultant teams must sign a confidentiality agreement with the department. If a member of a consultant team leaves the employment of the firm, that member will not be allowed to work with any respondent or proponent team from the time of departure to the signing of the Project Agreement.

## Orientation

This document provides guidance to the project team members regarding the conduct of the procurement process and must be made available to all project team members. Orientation and training on the framework should be provided to all Alberta Infrastructure and Transportation internal team members, other departmental and supported infrastructure organization (SIO) team members and all Consultant/Advisor team members in order to provide a common perspective.

## Overview of the Procurement Process

The following chart provides an overview of a typical Alberta government P3 transaction process. The indicative timelines are those for a large, complex P3 project. These timelines will be adjusted depending on the nature of the project and the specific details of the procurement process. The timelines do not include the issuing of a Request for Expression of Interest (REOI). A REOI may be issued during the P3 assessment and approval stage (see Management Framework: Assessment guidelines).



The details of the RFQ and RFP stages are highlighted below.

## The RFQ Stage

The RFQ stage serves the following purposes:

- Officially signaling the intent of the Department to proceed with the Project and heighten its profile.
- Marketing the project to a wide audience to encourage participation and competition.
- Presenting an overview of the proposed scope and structure of the transaction to Interested Parties.
- Allowing Interested Parties to assemble the requisite resources and form teams as appropriate.
- Requesting Respondents to demonstrate their technical and financial capability to assume the role and responsibilities expected by the Province.
- Shortlisting of three Respondents to proceed to the RFP stage.

In response to the RFQ, Respondents are asked to demonstrate their experience and approach in following areas (as appropriate):

- Design
- Build
- Operations and Maintenance
- Service provision
- Finance.

Based upon established evaluation criteria, Respondents are ranked by the Selection Committee. It is anticipated that the top three Respondents are invited to respond to the RFP.

## The RFP Stage

The RFP stage serves the following purposes for the Project:

- Providing Proponents the opportunity to demonstrate their understanding of the Project, as well as their respective role and responsibilities.
- Allowing Proponents access to the site, the RFP data room and all relevant project related information.
- Providing Proponents with the opportunity to develop their technical and financial proposals.
- Allowing Proponents to review and comment on the draft Project Agreement that will be signed by the Preferred Proponent.
- Finalizing contractually what is being agreed upon as to the design, construction, operation and maintenance as well as the required payments.

The department's preference is to use a multi-staged submission process. The intention is to provide early "feedback" to Proponents in order to minimize the possibility of unacceptable technical proposals and optimize the effort expended by the Proponent.

The department's preference is to evaluate technical proposals on a pass/fail basis. Among the Proponents with acceptable technical proposals, the Preferred Proponent is selected based on the best financial (price) proposal. The Department will subsequently execute the Project Agreement with the Preferred Proponent.

This technical pass/fail, low net present value price wins approach is an open, accountable, objective, competitive and transparent process. This approach selects the Proponent that meets the minimum acceptable requirements at the best value. It requires the project team to clearly define these requirements. It does not recognize any intangible/qualitative additional value that a Proponent may be able to offer. For example, a Proponent may offer to provide an on-site fitness centre with a discounted membership for government employees. The revenue from the fitness centre should be accounted for in the financial proposal but the added value for employee wellness would not be.

For projects with significant potential for qualitative added value a scoring system may be used to evaluate the proposals. The technical aspects are scored by the selection committee against predetermined criteria, provided in the RFP document. In this situation, the financial proposal is awarded a "points per price" score. For example, if 60 points are available for "price" and 40 points for technical quality, one scheme could be that the best (lowest NPV) financial proposal would receive all 60 points and the other proposals lose 1 point for every percent the financial proposal was higher (i.e. if 10% higher, receive 50 points). The Proponent with the highest total score (technical and financial) would be the Preferred Proponent. Under this type of scoring system it is imperative that;

- The use of a qualitative scoring system is approved by the Project steering committee and the reasons for adopting this type of approach are recorded in the project documentation.
- Proponents are not re-evaluated on qualitative factors already considered at the RFQ stage.
- The evaluation criteria and weighting are provided in the RFP document and are adhered to by the selection committee.

Preparing a detailed Proposal is time consuming and costly for Proponents. Potential proponents are reluctant to commit resources to preparing a response if they do not consider that they have a reasonable chance of success (usually more than 3 proposals). Also, evaluating RFP's is a detailed and time consuming task for the project team. Consequently, single stage procurements using an open RFP call (no RFQ) are not used on Alberta government P3 projects.

The use of a Best and Final Offer (BAFO) approach where the field is narrowed to two “finalists” and parallel negotiations held with each finalist before they submit a final financial offer is not recommended on Alberta government P3 projects;

- BAFO can be time consuming with extended negotiation periods.
- The process is potentially unfair to other proponents who may claim to be able to make a better offer if allowed to participate in negotiations.
- The negotiations may be perceived as changing the objectives of the project or the “rules of the game”.
- There may be perception that the negotiations are not truly parallel and independent.
- Demonstrating value for money is difficult and requires a robust Public Sector Comparator (PSC) and Shadow Bid (see Management Framework: Assessment guidelines).

A recommendation to use a BAFO approach must be approved by the Steering Committee and the decision to use this approach must be supported by documented reasoning as to why a competitive multi-stage evaluation is not viable and how a BAFO will offer better value for money, including how the risks outlined above will be mitigated. Alberta Justice and Alberta Finance must be involved in the decision to recommend a BAFO.

The decision to adopt a BAFO must be made at the Business Case stage.

### Comparison to Business Case

A detailed business case forms the basis of Treasury Board approval to proceed with a P3 procurement (see Management Framework: Assessment guidelines). The Final Submission from the Preferred Proponent must be compared to the business case, including the finalized PSC, to ensure that the Government of Alberta is receiving the anticipated value for money. Award of the P3 contract must be referred back to Treasury Board if the anticipated value for money is not realized.

### Fairness Principles

In order to ensure that the transaction is conducted fairly and consistently, the following fairness principles are used as guidelines throughout the transaction process:

- All Interested Parties, Respondents and Proponents have the same opportunity made available to them to access information.
- The information made available to Interested Parties, Respondents and Proponents is sufficient to ensure that they have the opportunity to fully understand the opportunity.
- All Interested Parties, Respondents and Proponents have reasonable access to the opportunity.
- The criteria established in the invitation documents truly reflect the needs and objectives in respect of the project.
- The evaluation criteria and the evaluation process are established prior to the evaluation of submissions.
- The evaluation criteria, RFQ/RFP, and evaluation processes are internally consistent.
- The pre-established evaluation criteria and evaluation process are followed.
- The evaluation criteria and process are consistently applied to all submissions.

### Agreement on Internal Trade (AIT)



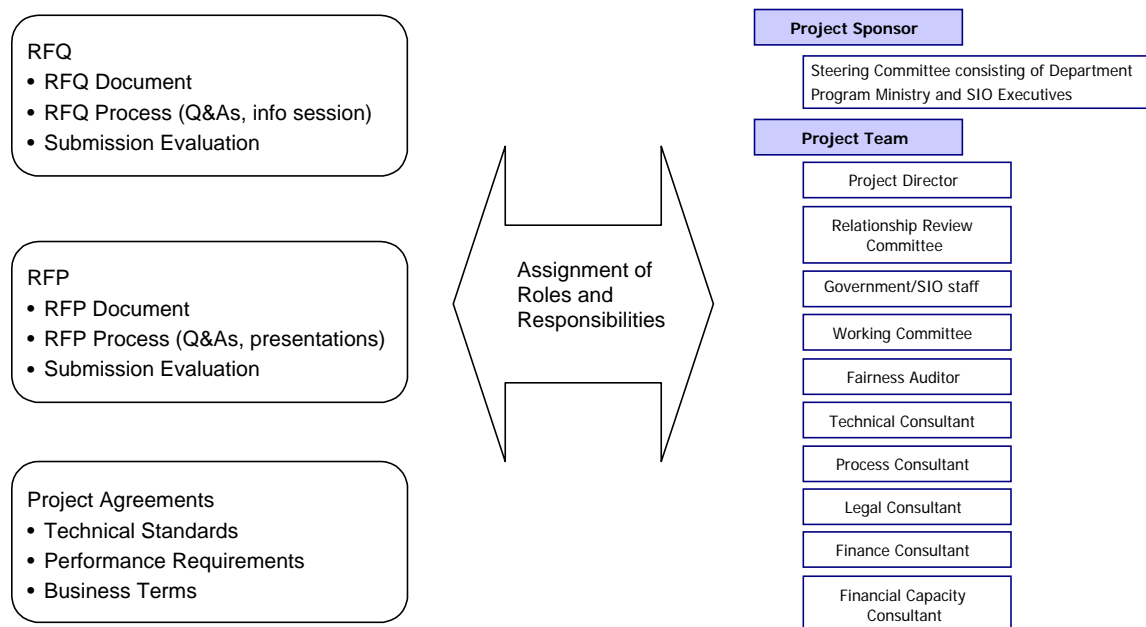
The procurement must comply with the provisions of AIT. The RFQ should be widely advertised to encourage participation in the process.

### Honoraria

Alberta Infrastructure and Transportation generally pays an honorarium to the unsuccessful Proponents who submit a compliant Final Submission to partially offset their pursuit costs.

## Project Team Roles and Responsibilities

Three key streams of work and various parties involved in the transaction process are shown below:



Each stream of work contains tasks and sub-tasks which require participation from various parties. "Task organizations" will be formed to carry out individual tasks.

### Summary of RFQ Tasks

Key RFQ tasks are:

- Prepare and issue RFQ:
  - Draft and review RFQ – refine and revise as required to reflect specific project requirements.
  - Develop evaluation criteria and scoring system.
  - Establish Evaluation Teams.
  - Prepare appropriate training process (to the extent necessary, Department will undertake the training).
  - Develop and implement marketing strategy.
  - Obtain necessary approvals.
- Run RFQ process:
  - Hold information meetings.
  - Respond to questions from Interested Parties.
  - Set up the evaluation office.
  - Finalize RFQ evaluation score sheets and checklists.
  - Conduct training for the Evaluation Teams.
  - Prepare for receipt of submissions.

- Evaluate and approve short-listed Respondents:
  - Formally receive RFQ submissions.
  - Evaluate completeness (RFQ Completeness Team).
  - Review of conflict of interest.
  - Evaluate technical capability (RFQ Technical Team).
  - Evaluate financing capability (RFQ Financing Team).
  - Evaluate financial capacity (RFQ Financial Capacity Team).
  - Interview any or all of the Respondents.
  - Summarize evaluation and create recommended shortlist (approximately three Respondents).
  - Present results internally and obtain necessary approvals.
- Issue notification letters and formally announce the short listed Respondents.
- Hold debriefing session with unsuccessful Respondents who request a debriefing session.

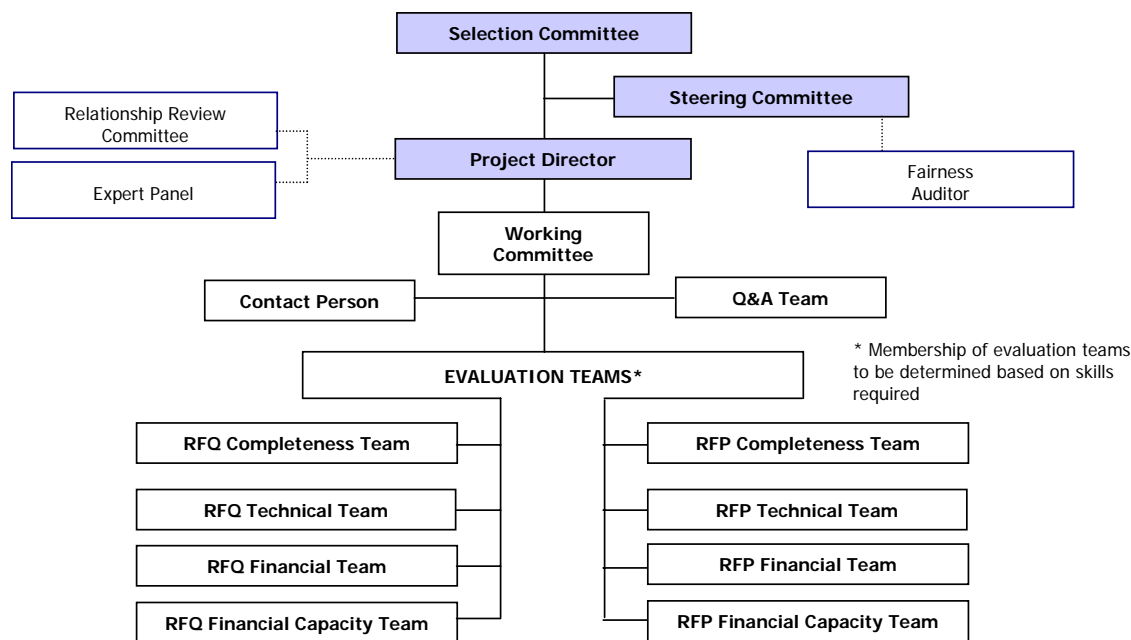
### Summary of RFP Tasks

Key RFP tasks are:

- Prepare and issue RFP:
  - Draft and review RFP – refine and revise as required to reflect specific project requirements.
  - Develop evaluation criteria (and scoring system).
  - Establish Evaluation Teams.
  - Prepare appropriate training process (to the extent necessary).
  - Obtain necessary approvals.
- Run RFP process:
  - Hold information meetings.
  - Respond to questions from Proponents.
  - Set up the evaluation office.
  - Finalize RFP evaluation scoring and checklists.
  - Conduct training for the Evaluation Teams.
  - Prepare for receipt of submissions.
- Evaluate Proponents and select and approve Preferred Proponent:
  - Formally receive RFP submissions.
  - Evaluate completeness (RFP Completeness Team).
  - Review of conflict of interest.
  - Evaluate technical proposal (RFP Technical Team).
  - Evaluate financing proposal (RFP Financing Team).
  - Evaluate financial capacity as appropriate (RFP Financial Capacity Team).
  - Interview any or all of the Proponents.
  - Summarize evaluation and select Preferred Proponent.
  - Present results internally and obtain necessary approvals.
- Issue notification letters and formally announce the Preferred Proponent.
- Hold debriefing session with unsuccessful Proponents who request a debriefing session.

RFQ/RFP Project Organization

For the RFQ/RFP process and submission evaluation, an organization similar to the following should be used:



Summary of Roles and Responsibilities

The table outlines the typical membership of the key roles within the Project. Actual make-up will vary with the project specifics:

	Key Role	Member
(i)	Steering Committee	<ul style="list-style-type: none"> <li>• ADM, Infrastructure and Transportation, line division</li> <li>• ADM, Program Ministry/SIO (if applicable)</li> <li>• ADM, Infrastructure and Transportation, Policy and Corporate Services</li> <li>• Alberta Finance Representative</li> <li>• Alberta Justice and Attorney General Representative</li> </ul>
(ii)	Selection Committee	<ul style="list-style-type: none"> <li>• Deputy Minister, Infrastructure and Transportation</li> <li>• Deputy Minister, Program Ministry (as applicable)</li> <li>• CEO, SIO (as applicable)</li> <li>• Other Deputy Ministers and key Stakeholder Senior Officers (e.g. City Manager): minimum 3</li> </ul>
(iii)	Fairness Auditor	<ul style="list-style-type: none"> <li>• Independent non-government resource</li> </ul>
(iv)	Relationship Review Committee	<ul style="list-style-type: none"> <li>• Project director</li> <li>• Senior Manager, Infrastructure and Transportation</li> <li>• Senior Manager, Program Ministry or SIO</li> </ul>

Key Role		Member
(v)	Project Director	<ul style="list-style-type: none"> <li>• Infrastructure and Transportation</li> </ul>
(vi)	Working Committee	<ul style="list-style-type: none"> <li>• Project Director</li> <li>Representatives from;                             <ul style="list-style-type: none"> <li>• INFTRA, program area</li> <li>• INFTRA, P3 Policy</li> <li>• INFTRA, Finance branch</li> <li>• Program Ministry</li> <li>• SIO</li> <li>• Alberta Justice (Legal consultant)</li> <li>• Alberta Finance</li> <li>• Process Consultant</li> <li>• Financial Consultant</li> <li>• Engineering Consultant</li> </ul> </li> </ul>
(vii)	Contact Person	<ul style="list-style-type: none"> <li>• Project Director or individual authorized by the Project Director</li> </ul>
(viii)	RFQ Q&A Team	<ul style="list-style-type: none"> <li>Representatives from;                             <ul style="list-style-type: none"> <li>• Process consultant</li> <li>• INFTRA program area</li> <li>• Program Ministry/SIO</li> </ul> </li> </ul>
(ix)	RFP Q&A Team	<ul style="list-style-type: none"> <li>Representatives from;                             <ul style="list-style-type: none"> <li>• INFTRA program area</li> <li>• Program Ministry/SIO</li> <li>• Alberta Justice</li> <li>• Alberta Finance</li> <li>• Process Consultant</li> <li>• Financial Consultant</li> </ul> </li> </ul>
<b>Evaluation Teams</b>		
(x)	RFQ/RFP Completeness Team	<ul style="list-style-type: none"> <li>• Administrative officer (INFTRA)</li> <li>• Administrative assistant (INFTRA)</li> </ul>
(xi)	RFP Concept/Innovation Team	<ul style="list-style-type: none"> <li>• Project Director</li> <li>• INFTRA Representative</li> <li>• Program Ministry/SIO Representative</li> </ul>
(xii)	RFQ/RFP Technical Team	<ul style="list-style-type: none"> <li>• Subject matter experts in all required project disciplines including design, construction, operations, maintenance, service, quality control/assurance, regulatory requirements, project management and communication.</li> <li>• INFTRA Roll-up team</li> </ul>
(xiii)	RFQ/RFP Financial Team	<ul style="list-style-type: none"> <li>Representatives from;                             <ul style="list-style-type: none"> <li>• Financial Consultant</li> <li>• Alberta Finance</li> <li>• INFTRA Finance</li> </ul> </li> </ul>
(xiv)	RFQ/RFP Financial Capacity Team	<ul style="list-style-type: none"> <li>Representatives from Financial Capacity Consultant (at least 2)</li> </ul>

### Steering Committee

The Steering Committee provides strategic and policy input to the transaction process. It also decides on issues as brought forward by the Project Director. Members of the Steering Committee also serve as part of the expert panel for the Project Director to consult on an as-needed basis for technical matters.

The Steering Committee is responsible for due diligence of the following aspects of the transaction process:

- RFQ/RFP evaluation criteria.
- RFQ/RFP evaluation process.

The Project Director presents the evaluation criteria and process to the Steering Committee for review. The Steering Committee reviews the evaluation criteria to assess whether adequate efforts have been invested in following through the process of determining the evaluation criteria. With respect to the evaluation process, the Steering Committee reviews the presentation to assess whether:

- The pre-established evaluation process has been followed.
- The pre-established evaluation criteria have been applied diligently.
- The pre-established evaluation criteria have been applied consistently.
- The pre-established evaluation criteria have been applied without bias.

### Selection Committee

The Selection Committee is the main decision authority for the transaction. Its role includes:

- Approval of the shortlist based on the evaluation of RFQ submissions.
- Approval of the Project Agreement to be executed with the Preferred Proponent.

At the RFQ stage, the Selection Committee participates directly in the evaluation of submissions received. The Selection Committee shortlists the Respondents based on pre-established criteria, using:

- Review of results and synopses from detailed evaluation by the Evaluation Teams.
- Review of the preliminary scoring by the Evaluation Teams.
- Additional research or clarification to be performed by the Evaluation Teams as requested by the Selection Committee.
- Direct review of submission material, clarification questions and answers with Respondents, and other material received and developed during the evaluation process, as necessary.
- Interviews with Respondents, if deemed necessary.

The Selection Committee decisions will be documented and members must sign off on these decisions.

At the RFP stage, the Selection Committee reviews and approves evaluation results of the Evaluation Teams at various stages of the RFP process. The Selection Committee verifies that the Preferred Proponent offers value for money in accordance with the business case and approves award of the Agreement provided the proposal falls within the price range determined by the public sector comparator and set out in the business case.

### Fairness Auditor

The Fairness Auditor's responsibilities include the following:

- Review any transaction documents at the Auditor's discretion, including invitation documents and their addenda and the process framework and evaluation worksheets.
- Attend meetings where evaluation findings and recommendations are formally presented and monitor the fairness of such proceedings and the findings made there, and attend and monitor any other meetings at the Auditor's discretion.
- Deliver interim reports at the selection of short listed Respondents and at selection of the Preferred Proponent, and a final report consolidating the two interim reports, providing the Fairness Auditor's independent opinion as to the fairness of the transaction process conducted by Alberta Infrastructure and Transportation, in each instance first providing drafts of such reports to Alberta Infrastructure and Transportation for comment prior to finalization of each report.
- Provide proactive input at the earliest stage possible with respect to potential fairness issues, were it not for such input, might give cause to a finding of a breach of fairness.
- Report to Alberta Infrastructure and Transportation on an as required basis, participate in meetings in person and by telephone as scheduled, identify fairness related priority issues and fairness related critical path constraints, and manage his/her assignment in a timely and cost-effective manner.

### Relationship Review Committee

The Relationship Review Committee manages conflict of interest matters with the support of the Project Director. The role of the Relationship Review Committee is to:

- Review relationships disclosed by project team members and determine whether there are conflict of interest issues.
- Determine the list of parties to be excluded from joining Respondent/Proponent teams (namely, parties that would provide a Proponent team with a material unfair advantage).
- Review relationships disclosed by Proponents in their submissions.
- Approve final documents.

The Relationship Review Committee advises the Project Director on action to be taken regarding conflict of interest issues (e.g., exclusion from process, mitigating strategies).

### Project Director

The Project Director oversees the entire transaction process and manages work tasks and work teams. The Project Director is supported by department, program ministry and SIO staff, and external department consultants.

Issues arising from the transaction process are brought to the attention of the Project Director who decides how best to resolve the issue within the process framework.

The Project Director is responsible for the development of the RFQ and RFP documents, the evaluation criteria, the evaluation process, the draft and final legal agreements, proposed new legislation (as required), and any addenda or amendments to any of the foregoing. The Project Director seeks approval from the Steering Committee and Selection Committee and the Advisory Committee on Alternative Capital Financing prior to public release.

The Project Director approves all communications to Interested Parties, Respondents, and Proponents, as well as all public communications.

The Project Director reviews and accepts the recommendations and evaluation results presented by the Evaluation Teams or requests additional clarification from the Teams.

### Working Committee

The Working Committee is responsible for the day-to-day working requirements. The main responsibility is to review major issues, options and provide recommendations that require Steering Committee direction. This group meets weekly via teleconference.

### Contact Person

The Contact Person serves as the single point of contact between the Province and Interested Parties, Respondents, and Proponents. The Contact Person is listed in the documents issued from the Department with respect to the Project. The Project Director may authorize a Contact Person for a specific aspect of the transaction (e.g. legal review).

### Question and Answer Team

The Q&A Team reviews incoming questions from Interested Parties and determine appropriate responses. It coordinates with other project team members in developing answers as necessary and seeks approval from the Project Director before answers are issued to Respondents or Proponents.

### RFQ/RFP Completeness Team

The role of the RFQ/RFP Completeness Team is to:

- Determine completeness requirements and develop checklists based on the RFQ/RFP documents.
- Evaluate whether the submissions meet the pre-established completeness requirements.
- Compile the list of parties on the team of each Respondent/Proponent (to facilitate relationship review).

### RFQ/RFP Technical Team(s)

The role of the RFQ/RFP Technical Team is to:

- Conduct a detailed review of technical submission material and prepare synopses for the Selection Committee as required.
- Conduct research on Respondents and Proponents as necessary.
- Apply the technical criteria against the RFQ and RFP submissions received.
- Assign each submission a preliminary score at the RFQ stage. This score is based only on the documentation received and does not include any consideration of the presentations made to the Selection Committee.
- Assign each submission a score or pass/fail as appropriate at the RFP stage.
- Present evaluation results to the Project Director and the Selection Committee as required.
- Raise and assist in resolving technical issues that arise throughout the transaction process.



### RFQ/RFP Financial Team

The role of the RFQ/RFP Financial Team is to:

- Conduct a detailed review of the financing submission material and prepare synopses for the Selection Committee as required.
- Conduct research on Respondents and Proponents as required.
- Apply the financing criteria against the RFQ and RFP submissions received.
- Assign each submission a preliminary score at the RFQ stage. This score is based only on the documentation received and does not include any consideration of the presentations made to the Selection Committee
- Assign each submission a score or pass/fail as appropriate at the RFP stage.
- Present evaluation results to the Project Director and the Selection Committee as required.
- Raise and assist in resolving financing issues that arise throughout the transaction process.

### RFQ/RFP Financial Capacity Team

The role of the RFQ/RFP Financial Capacity Team is to:

- Apply the financial capacity criteria against the RFQ and RFP submissions received.
- Assign each submission a score or pass/fail as appropriate.
- Present evaluation results to the Project Director.
- Raise and assist in resolving financial capacity issues that arises throughout the transaction process.

Project Plan and Schedule

Project Plan

The project plan is intended for internal use within the Working Committee to clarify the scope and responsibility of each entity's work for various tasks throughout the Project.

The project plan is updated by the Process Consultant, with the approval of the Project Director, on an as-needed basis and is circulated to members of the Working Committee.

Issues or items identified but not yet on the project plan should be brought to the attention of the Project Director. The Project Director will initiate discussions within the Working Committee to determine how to resolve various issues or document the items in the project plan.

Schedule

The project team will establish a transaction schedule at the start of the Project. However, when necessary, the schedule of the Project will be updated. Any change to the schedule will be communicated to all individuals involved in the Project.

Where appropriate, the Respondents/Proponents are notified of the revised schedule in writing.

A sample project schedule is shown below:

Key Milestones	Tentative Date
Issue RFQ	
Closing of RFQ	
Approval and announcement of short-listed Respondents	
Issue RFP	
Closing of Concept/Optional Innovation Submissions	
Closing of Preliminary technical submission	
Closing of Detailed technical submission	
Closing of Final submission	
Notification of Preferred Proponent	
Legal Agreement execution	
Design and construction	
Facility open	

Detailed schedules are included in the RFQ and RFP documents.

## Evaluation Process Guidelines

To ensure a fair and competitive transaction process, the following guidelines are followed in determining the appropriate evaluation criteria and in establishing the appropriate evaluation process:

- The evaluation criteria and evaluation process are established prior to any submissions being reviewed.
- The evaluation criteria, evaluation process, and transaction documents are internally consistent.
- The pre-established evaluation criteria and evaluation process are consistently applied.

The evaluation teams will undertake the evaluation of submissions subject to:

- Appropriate skills and qualifications. Selection of evaluators is based on the skills and qualifications that they possess. Additional subject experts may be consulted on an as-needed basis.
- No conflict of interest. Evaluators are free from conflict of interest issues.
- Development of evaluation criteria. Evaluation criteria should be based on requirements of the Province and SIO, and be practical.
- Training. Evaluators participate in training sessions covering the material required for evaluation process. This includes project orientation and the principles of the Government of Alberta P3 model.
- Application of evaluation criteria. Evaluation criteria should be applied consistently to all submissions.
- Thorough and careful review of submissions. All evaluators should familiarize themselves with the entire submission, regardless of whether their evaluation roles cover the entire submission or specific elements.
- Validation of information supplied. Evaluators are to satisfy themselves as to the accuracy of information provided. Evaluators may conduct reference checks and research publicly available sources as appropriate.
- Use of reasonable professional judgment. The application of evaluation criteria is not intended to be a purely mechanical exercise.
- Clarification questions. Clarification questions to Respondents or Proponents may be required in order to properly evaluate their submissions. The intention is not to generate new information and hence typically the timeframe for responses is short (e.g., two business days).
- Unanimous decisions. The scores or ratings assigned to each submission should be unanimous. If this is not possible, a majority vote shall decide. The full Selection Committee during the RFQ stage is required to confirm in writing their decision. The Evaluation Teams during the RFP stage are required to confirm in writing their decisions.
- Role of Evaluation Team Chair. A Chairperson is to be nominated for each Evaluation Team. The Chairperson is responsible for facilitating discussion and the documentation of evaluation results.

### Training for Evaluators

The primary objective of the training is to help evaluators prepare for the responsibility of evaluating the submissions by providing evaluators with information on the transaction in

general and the evaluation process in specific. The training for evaluators mainly consists of two components: a training package containing pertinent documentation and background materials; and a training session where evaluators will learn about the transaction process and their role as the evaluators.

Separate training sessions are held for the evaluation of the RFQ submissions and RFP submissions. The Project Director, with the assistance of the Process Consultant and Evaluation Team Chairs, leads the training sessions.

At the end of a briefing session, evaluators will be familiar with the following:

- The Project. This may include a visit to critical sites on the project.
- The principles of the Alberta Infrastructure and Transportation P3 model and public-private partnerships.
- The RFQ/RFP documents.
- The transaction process, including the objectives and the structure of the transaction.
- The roles and responsibilities of the Evaluation Teams and the evaluators.
- The process for evaluating the submissions, including how to make decisions and how to apply the evaluation criteria.

To the extent practicable, all evaluators should attend the training together. For those unable to attend, a separate briefing session can be held by the Project Director. All evaluators should go through the training prior to the commencement of the evaluation process.

### Training Packages

The training package will provide evaluators the following documents that are also available to Respondents/Proponents for preparing their evaluation of the submissions:

- RFQ/RFP and all addenda
- Q&A documents
- Documents within the data room, if applicable

The training package may also contain information such as the following:

- Training Objectives and Structure & Background of the Project
- Transaction Process
- Evaluation Process
- Evaluation Criteria and Score Sheets

### Training Sessions

The agenda for the training session may include the following:

- Objectives of the training session
- Description of the project including major technical issues.
- Description of the Alberta Infrastructure and Transportation P3 model and contractual structure of P-3's.
- Description of the selection process (e.g., the two stages – RFQ and RFP)
- The transaction process (specifically the RFQ or RFP process depending which stage the training is for).
- Evaluation team structure
- Scope of work for evaluators

- Project schedule

### RFQ Evaluation Process

The RFQ evaluation process is typically conducted as follows:

#### Completeness Evaluation

During the RFQ stage, the evaluation of completeness of the submissions will follow these procedures:

1. All submissions are to be submitted to the Project Contact.
2. The Completeness Team will open the submissions in the evaluation office. The Completeness Team will keep the Financial Submission sealed. The Completeness Team will transfer the sealed Financial Submission to the Financial Capacity Consultant.
3. The Completeness Team will create a list of all Respondents, including both corporations and individuals.
4. The Financial Capacity Consultant will open the Financial Submission
5. The Completeness Team will provide the list of all Respondents to the Project Director.
6. All members of the evaluation teams will declare any relationships they have with the Respondents.
7. Any evaluation team member who cannot be cleared of conflict of interest will be excused from the evaluation process.
8. The Completeness Team will assess the completeness of each submission according to the Completeness Checklist. If the Completeness Team requires any clarification, it will consult with the Project Director to determine whether clarification questions are necessary. If so, the clarification process will be followed.
9. The Completeness Team will transfer the basic respondent information onto the Evaluation Score sheets for use by the technical evaluators.

#### Review of the Technical Submissions

During the RFQ stage, the evaluation of the Technical Submissions will follow these procedures:

1. The Evaluation Teams will access the already-opened Technical Packages in the evaluation office.
2. All the evaluation conducted by the evaluation teams will take place in the evaluation office. None of the submissions will be allowed taken outside the evaluation office without the express consent of the Project Director.
3. The Evaluation Teams will review all the submissions and document their evaluation in the evaluation score sheets.
4. Each Evaluation Team will prepare a preliminary scoring for their aspect of the evaluation. Evaluation Teams will not share their preliminary scoring with the other teams except the Roll-Up Evaluation team.
5. The Evaluation Teams will establish their own work schedule provided that they will endeavour to complete their work within the overall project schedule.
6. The Evaluation Teams will follow the clarification procedures on an as-needed basis.
7. The Roll-Up Evaluation Team (may consist of some of the evaluation team leads) will initiate the reference check procedures based on their own progress through the evaluation process and at the request of the other Evaluation Teams.

8. The Roll-Up Evaluation Team will compile the preliminary scorings and validate any apparent inconsistencies between team scorings; and between individual respondent scores and the associated commentary.
9. Upon completion of the evaluation, the Roll-Up Evaluation Team will summarize their findings in a report format for submission to the Project Director. This report will include briefing and presentation materials to the Evaluation Committee. The report will append the complete detailed evaluation score sheets. The Roll-Up Evaluation team will verify with the Chairs of the other teams that the summary accurately reflects the consensus of that team.
10. The Project Director, the Roll-Up Evaluation Team and Chairs of the other Evaluation Teams will brief the Selection Committee on their findings.
11. Members of the Roll-Up Evaluation team and Chairs of the other Evaluation Teams may be asked to attend the Respondent presentations to the Selection Committee as technical advisors to the selectors.

## Review of Financial Submissions

The Financial Capacity Consultant will conduct its evaluation in a separate room from the Evaluation Teams in order to protect the confidentiality of the Respondents.

1. The Financial Capacity Consultant will review the Financial Submissions and document their evaluation in the evaluation score sheets.
2. The Financial Capacity Consultant will initiate the reference check procedures based on their own progress through the evaluation process.
3. The Financial Capacity Consultant will establish their own work schedule provided that they will endeavour to complete their work within the overall project schedule.
4. The Financial Capacity Consultant will follow the clarification procedures on an as-needed basis.
5. Upon completion of the evaluation, the evaluation teams will report their findings to the Project Director.

## RFP Evaluation Process

The RFP may require up to four submissions for evaluation:

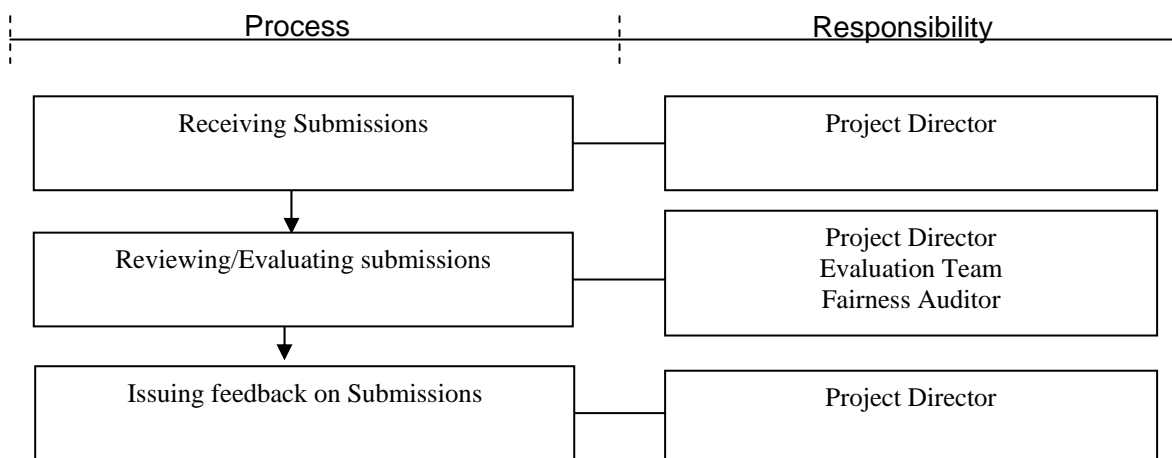
- Optional Concept/Innovation submission
- Preliminary Technical submission
- Detailed Technical submission
- Final submission including Financial Offer

## Review of submissions

1. All submissions are to be submitted to the Project Contact.
2. All submissions will be reviewed for completeness.
3. All members of the evaluation teams will declare any relationships they have with the Proponents.
4. Any evaluation team member who cannot be cleared of conflict of interest will be excused from the evaluation process.
5. All submissions are to be reviewed by the evaluation teams simultaneously to ensure consistency.
6. All submissions will be reviewed based on pre-established evaluation criteria.
7. Clarification questions to Proponents regarding any submission will follow the clarification process.

8. Access to submissions will be limited those directly involved in the evaluation as approved by the Project Director to ensure strict confidentiality is maintained.
9. The Roll-Up Evaluation Team will compile the evaluations and validate any apparent inconsistencies between evaluation teams or between evaluations and the associated commentary.
10. Feedback to all submissions is to be drafted by the evaluation teams with the assistance of the Process Consultant as a batch to ensure fairness and consistency.
11. Upon completion of the evaluation, the Roll-Up Evaluation Team will summarize their findings in a report format for submission to the Project Director. The summary will include recommendations on the pass/fail (or score) of the technical submissions. The Roll-Up Evaluation team will verify with the Chairs of the other teams that the summary accurately reflects the consensus of that team.

The following summarizes the process of evaluation of the submissions:



### Individual meetings (if held)

- Each individual meeting will cover the Submission from that Proponent only.
- Fairness Auditor will attend the meetings.
- Records from each meeting will only be distributed to the Proponent who was present at the particular meeting.
- Records of these meetings will be drafted and reviewed as a batch before issuance to ensure that no Proponent is given material advantage or disadvantage over others.

### Confidentiality

- All information submitted in the Submissions must be kept in strict confidence. None of the contents in the Submissions will be shared with other Proponents.
- Only the appropriate evaluation team will have access to the information in the particular Submissions. None of the contents in the Submissions will be shared with those outside the evaluation team, unless explicitly authorized by the Project Director.
- Should the evaluation team require outside assistance in its review, only the relevant portions of the Submissions will be revealed on an anonymous basis to those outside the evaluation team.

### Technical Submissions

Proponents who have passed the technical evaluation will be notified of their option to continue in the process. Proponents who have failed the technical evaluation will be provided the opportunity to comply with the technical requirements. Proponents that fail to comply will be notified of their termination in the process.

### Indicative Financial Plan

If the RFP requires the submission of an indicative financial plan and financial model prior to the Final Submission, the evaluation of indicative financial plan will be conducted independent of the technical evaluation. Technical Team Members will not have access to the Indicative Financial Plan or the Indicative Financial Model. Access will be limited to individuals directly involved in the evaluation of the financial plan of Proponents as approved by the Project Director.

No feedback or evaluation will result from the review of the indicative financial plan. The review only serves to assist the Financial Team to expedite its evaluation of the final Financial Submission.

### Final Submission

A complete technical resubmission should be submitted along with the financial (price) proposal. This technical resubmission must consolidate all previous submissions and include all clarifications and addenda.

The Financial Proposal is reviewed by the Financial Team. The net present value of the Financial Offers will be calculated by the Financial Team and used to rank the Proponents.

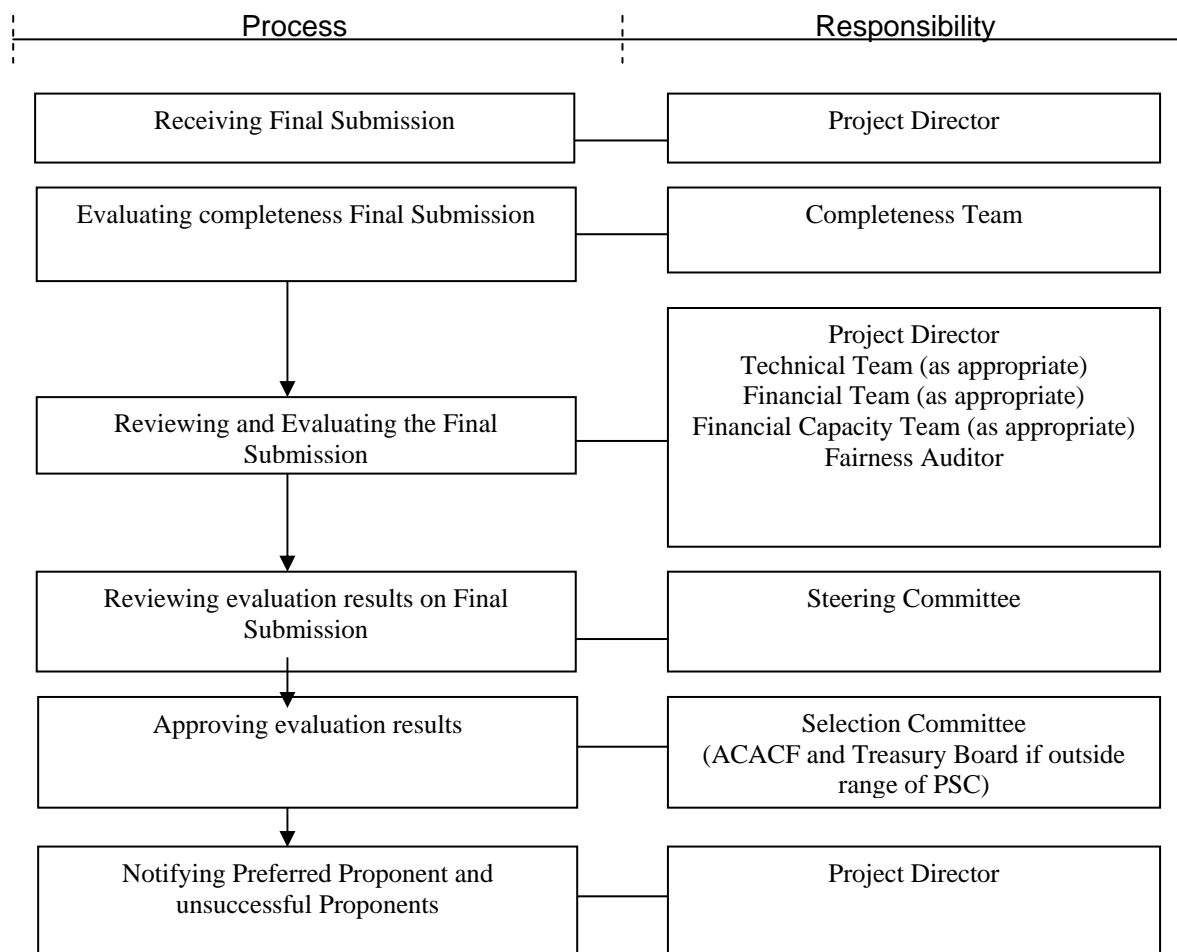
The Proponent who has passed the evaluation of technical resubmission and has presented the lowest net present value in its Financial Offer will be selected as the Preferred Proponent.

The Financial Team will assess the Preferred Proponent's Financial Offer against the Public Sector Comparator and will summarize their findings in a report to the Project Director.

Technical Teams may cross-reference to the Final Financial Plan to check for consistency between capital costs/O&M costs and the proposed design/build/operate work.



The following summarizes the process of evaluation of Final Submission:



### Reference Checks

The evaluation team will be responsible for satisfying themselves as to the accuracy and comprehensiveness of the information provided in the submissions. They will do so by contacting the references provided by Proponents, by researching publicly available sources (e.g., media, web sites) and by using any other means as necessary.

Information collected through the verification work will be considered in the evaluation of the submissions. The information collected through the verification process will be designed solely to verify the accuracy and comprehensiveness of the information submitted in order to accurately apply the evaluation criteria.

The evaluation team will determine if any information collected through the verification process indicates that the Proponent has submitted false or misleading information that is material to the evaluation of the submissions. Depending on the significance of the issues, the evaluation team will determine whether the Proponent should be recommended for disqualification.

Reference checks are mainly for the Corporate and Staff Experience sections of the RFQ evaluation. The evaluators will be responsible for conducting reference checks during the evaluation process by following the procedures below:

- Evaluators will check at least one reference for the key staff put forward in the RFQ submission. The number of references required for each staff depends on whether the evaluators are satisfied with the amount of information provided.
- Evaluators will determine which reference(s) to contact for each of the key staff members. The selection of the reference(s) is based on projects that demonstrate the following characteristics:
  - Relevant to the Project
  - Requiring clarification
  - Representative of the staff's overall experience
- Reference checks should be conducted via telephone. The evaluator(s) will identify themselves to the reference and briefly introduce the project, including the reference check process.

The questions used during the reference check will be determined by the evaluators. However, the following questions may be considered:

Technical qualifications:

- Confirm the facts with respect to specific projects.
- Confirm the staff responsibility with respect to specific projects
- Verify that the project listed by the staff has been completed satisfactorily (e.g., on budget and on time).
- Verify whether the project listed by the staff is considered as a success by the reference.
- Verify the performance of the staff on the specific project

Financial qualifications:

- Confirm the figures reported in the Lead Team Member's financial statements.
- Identify, as practical to do so, any off-balance sheet financing arrangement.

The evaluators will document all the information provided by the reference as part of the evaluation. The evaluators will incorporate the information collected through reference checks into the evaluation. In the event that none of the references for a particular staff could be available for reference checks or evaluators require additional references to satisfy themselves, evaluators will request alternative or additional references from the Respondent through the clarification process. To the extent practical, references should be contacted only once, in case the same reference is used by multiple Respondents/Proponents and/or for multiple projects.

### Clarification Process

All clarification questions are to be prepared by the evaluation team and submitted to the Project Director to approve and send the Respondent/Proponent. The clarification question process will follow the same process as the Question and Answer from the Respondent/Proponent. In order that the evaluation teams fully understand the information submitted by Proponents, clarification questions will be sent to Respondents or Proponents as necessary. To the extent possible, clarification questions will adhere to the following guidelines:

- Respondents/Proponents will be required to respond to clarification questions in writing (including fax or email).
- Respondents to the RFQ should not be asked to submit substantial, new information.
- Clarification questions should ask Respondents/Proponents to confirm whether the insufficient, ambiguous or inconclusive information meets the requirement according to the RFQ/RFP. In the event where the evaluation teams could not locate specific information for the evaluation, clarification questions should ask Proponents to point out where such information is located, rather than providing new information.
- Clarification questions may require Proponents to provide additional information for the technical submissions when the original information submitted was deemed insufficient.
- Clarification questions should refer to specific sections in the RFQ/RFP to reiterate the requirements of the RFQ/RFP.
- Clarification questions should be consistent particularly when similar questions are posed to different Respondents/Proponents. If one Proponent is asked to clarify on a particular issue, another Respondents/Proponent with the same or similar issue should be asked the same clarification question.

All evaluation teams will determine whether clarification questions are needed and draft the clarification questions they need to pose to the Respondents/Proponents.

Respondents/Proponents need to have a reasonable amount of time (generally two business days) to prepare their responses to clarification questions. The amount of time may vary depending on the nature and complexity of the clarification questions. The evaluation teams may reduce the response time if the clarification questions are deemed sufficiently simple. If Respondents/Proponents request additional time, the evaluation teams will need to be prepared to address such requests from the fairness perspective.

For convenience, questions from the evaluation teams will be batched prior to issuance to Respondents/Proponents.

The processing of sending clarification questions to Respondents/Proponents and receiving clarification answers from Respondents/Proponents should follow these procedures:

1. The evaluation teams will send clarification questions to the Project Director, who will review them with the Process Consultant. The Process Consultant will receive, review and file those questions. The Process Consultant will assign a number to each clarification question indicating which evaluation team asks the clarification question, which Respondent/Proponent each clarification question is for, when each clarification question is sent to Respondents/Proponents and when the clarification answer is received from Respondents/Proponents. If a clarification question is not sent, this fact is to be noted and the reason for not sending the clarification question specified.
2. The Process Consultant will, on a frequent basis as determined appropriate:
  - Prepare a consolidated set of clarification questions for each Respondent/Proponent, using the numbers assigned in step (1).
  - Propose any necessary changes to wording to ensure fairness and consistency.
3. The Project Director will distribute the clarification questions to Respondents/Proponents by e-mail to the Designated Respondent/Proponent Contact Person
4. The e-mail will clearly specify the deadline to provide answers to the Project Director.
5. Respondents/Proponents will be given two business days to provide clarification answers in writing by fax or e-mail to the Project Director. In the event that Respondents/Proponents

request additional time, the Project Director will consult with the department Consultants to ensure that the project objective and process probity are not materially compromised by granting the request.

6. Answers received by the Project Director will be distributed to the evaluation teams that posed the clarification questions.
7. The evaluators will incorporate the clarification answers into the evaluation process.
8. In the event that the clarification answers are deemed insufficient, follow-up clarification questions will be sent according to the same procedures.
9. If a Respondent/Proponent fails to provide clarification answers by the specified deadline, the Project Director will contact the Respondent/Proponent to confirm whether the clarification answers should be expected.
10. If the Respondent/Proponent confirms that it has no intention of providing the clarification answers, the Project Director will notify the evaluation teams that clarification answers from the Respondent/Proponent will not be included in the evaluation process. In this case, the evaluation teams will continue the evaluation process based on information already available.

### Interviews

Interviews may be conducted with Respondents and Proponents at the RFQ and RFP stage, respectively. The objective of conducting interviews with Respondents during the RFQ is to allow Respondents to present their qualifications to the Selection Committee and allow the Selection Committee to interview the Respondent team members. The objective of conducting interviews with Proponents is to clarify materials found in the RFP submissions

The interviews with Respondents/Proponents are conducted according to the following protocol:

- The interviews are not intended as a forum for Respondents/Proponents to provide any substantive additional information to their submissions.
- While the interviews may be used to clarify information specific to the submissions of Respondents/Proponents, the interviews are intended to be conducted as consistently as possible among different Respondents/Proponents.
- All the information exchanged during the interviews shall be treated as part of the particular Respondent/Proponent's submission and evaluated accordingly.
- All information exchanged during an interview related to a RFP submission shall be recorded.

### Documentation

The documentation of the RFQ evaluation process includes, but not limited to, the following:

- Record of receiving the RFQ submissions.
- RFQ Completeness Checklist.
- RFQ Evaluation Score Sheet.
- Confidentiality Undertakings executed by all relevant project team members and evaluators.
- Disclosure of Relationships Forms completed by all relevant project team members and evaluators.
- Documentation of the reference checks.
- Documentation of the clarification questions and answers.
- Documentation of the interviews with Respondents.
- Summary document including selection committee briefing materials

- Final Respondent ranking signed off by all members of the selection committee
- The documentation of the RFP evaluation process includes, but not limited to, the following:
- Record of receiving the RFP submissions.
  - RFP Completeness Checklist.
  - RFP Evaluation (Score) Sheet.
  - Confidentiality Undertakings executed by all relevant project team members and evaluators.
  - Disclosure of Relationships Forms completed by all relevant project team members and evaluators.
  - Documentation of the clarification questions and answers.
  - Documentation of the interviews with Respondents
  - Approval of Preferred Proponent signed off by all members of the selection committee.

### Confidentiality and Security

All communications, documents and electronic files will be properly secured and stored in order to preserve confidentiality.

Confidential information will be shared on a need-to-know basis to minimize potential breaches and to minimize the number of individuals and firms that will have restrictions placed on their involvement with the Project.

A higher level of security will be required once submissions are received at the RFQ or RFP stage. The evaluation process will remain strictly confidential.

#### Access and Protection

The physical and electronic protection of information must be preserved.

#### Physical Information Security

The security of the physical information is protected according to the following protocol:

1. All project team members with offices will have doors that lock, and at times when the individual is not in the office, the office will remain locked (e.g. at night, during out-of-office meetings, etc.). A secure location will be available for team meetings and a secure common work area (project office) will be provided with telephones and computers. All RFQ and RFP documents will be stored in locked cabinets. No information is to be removed from the common work area. All RFQ and RFP are to be locked in the cabinets overnight.
2. Any staff with keys to the project office will sign a key registry.
3. Copies of other keys will be tracked and restricted to individuals who need to access the offices or cabinets.
4. All paper documents related to the Project will be stored in a locked cabinet or office.
5. An appropriate security protocol regarding shredding will be established and adhered to.
6. A "clean desk" policy will be adhered to where possible.
7. All final materials integral to the transaction process will be appropriately retained and filed.
8. All other documents that are not integral to the official transaction process record may not need to be retained (such as duplicate copies, rough notes and preliminary drafts used to develop the official record).

#### Electronic Information Security

The security of the electronic information is protected according to the following protocol:

1. All project information will be stored on portions of the Alberta Infrastructure and Transportation server(s) that have restricted access. For information stored off-site, access to the portions of the server(s) or computer(s) is restricted.
2. Appropriate back-up procedures of this information will be conducted on a weekly basis and those individuals involved in back-up must adhere to at least the same level of confidentiality as the project team.
3. Where appropriate and practical, all documents sent via e-mail should be sent via the Alberta Government server.

4. All documents sent via servers other than those of the Alberta Government will be password-protected. The Project Director will determine the password and notify the appropriate individuals of the password. Passwords have to change on a regular basis.
5. Information with a high level of sensitivity will not be sent via e-mail but sent by registered mail or courier.

### Additional Measures for Evaluation

In addition to the above Protocols, additional measures should be implemented during the evaluation stage.

1. A separate and dedicated space(s) will be made available for the evaluation process ("evaluation offices").
2. All evaluation related activity will take place in the evaluation offices.
3. All evaluation team meetings will take place at the evaluation offices.
4. No one other than the evaluation Chairs and the Project Director will have the keys to the evaluation offices.
5. Keys will not be made available to cleaning or security staff during the evaluation.
6. Only those individuals involved in the evaluation process will be permitted to enter the evaluation offices.
7. Each Evaluation Team member must sign in and out of the office.
8. All evaluation material (including electronic material) will remain in the evaluation office and be stored in locked cabinets at the end of each day.
9. Only the designated administrative assistant(s) and Project Director will have the keys to these cabinets storing evaluation materials.
10. Electronic materials will only be saved on computers made available to the Evaluation Teams in the evaluation office.
11. Once the evaluation is complete, one copy of all evaluation files will be saved on CD-ROM.
12. The hard drives of the computers and any back-up disks will be formatted.
13. Each copy of submissions will be numbered and tracked via the document log.
14. The administrative assistant(s) will be responsible for monitoring all movement of submission documents.
15. Formal checklists and supporting working papers will be filed and stored in the evaluation office.

### Confidentiality Undertaking

To ensure that all individuals involved in the Project are aware of the confidentiality provisions for the Project, the following protocol is implemented:

- Confidentiality undertakings will be signed by all individuals privy to confidential information.
- Firms that serve as department Consultants must execute confidentiality undertakings.
- The Project Director is responsible for ensuring that all project team members and department Consultants have executed their confidentiality undertaking.

### Freedom of Information and Protection of Privacy Act

All requests for access to project information under the Freedom of Information and Protection of Privacy Act are addressed to the Project Director, who notifies appropriate personnel in Alberta Infrastructure and Transportation and, if necessary, other departments.

All requests are documented, along with decisions made regarding the request, and any documentation sent to the requester.



### Communications

All communications must be managed in order to preserve the confidentiality of transaction information and maintain the integrity of the transaction process.

Communications with Interested Parties, Respondents and Proponents will be through a single point of contact. To the extent possible, communications will be in writing. Interested parties, Respondents and Proponents will be informed that all other forms of communications will not be binding and should not be relied upon.

All project team members will be instructed to direct all external inquiries regarding the project to the Contact Person.

Respondents and Proponents must follow the communication process as outlined in the RFQ and RFP.

#### Among Project Team Members

For the purpose of this procurement process framework, internal communication is referred to as communication among individuals who are directly involved in the Project and have executed confidentiality undertakings specifically for the Project. The internal communications among project team members is conducted according to the following protocol:

1. All internal communications are conducted on need-to-know basis. Information is only circulated to individuals who are required to have the information.
2. No project specific information will be discussed in a public place.
3. Project team members should be cognizant of their discussions within the office environment.
4. Meetings must take place in offices and meeting rooms out of the general earshot of non-project team members.
5. Confidential and project specific information discussed via cell phones will be minimized and cell phone use should be disclosed at the start of the conversation.
6. Faxes, in-coming mail, and photocopies will be handled in a fashion such that no confidential information is viewed by non-project team members.

#### External

External communication may take place between project team members and the following parties:

- Individuals within Alberta Infrastructure and Transportation or other departments and the SIO who are not directly involved in the Project and have not executed confidentiality undertaking specifically for the Project.
- Interested Parties, Respondents and Proponents.
- The general public and the media.

External communications is conducted according to the following protocol:

1. All the requests for communication from external parties are directed to the Project Director or the Contact Person. Communication is only to take place between external parties and the Project Director or the Contact Person.

2. With respect to communication within the Government of Alberta and SIO, the Project Director determines and documents the appropriate information to release on the need-to-know basis. If confidential information is deemed necessary for a particular individual, the Project Director ensures that a confidentiality undertaking is executed by such individual prior to releasing the confidential information. All communication external to the project team but within the Government of Alberta and SIO is documented by the Project Director.
3. Individuals other than the Project Director are not authorized to release any information with respect to the Project to Interested Parties, Respondents, Proponents, the general public or the media, unless otherwise explicitly specified.
4. Communications with Respondents/Proponents are conducted only through the Contact Person. All communications with Respondents/Proponents are documented. Unless specified in the RFQ/RFP, individual meetings or discussions with Respondents/Proponents are not allowed.
5. All requests for communication from the general public or the media are directed to the Project Director, who notifies appropriate personnel in Alberta Infrastructure and Transportation and if necessary, other departments and the SIO to determine whether or not a request is granted. All requests are documented, along with the decision to grant the request or not, and any information released to the requester.

### Official Announcements

Official announcements with respect to the short-listing results and the award of the Contract are released jointly through the Minister's office, the program Minister's and SIO Executive office.

## Conflict of Interest Review

All individuals working on the Project are required to disclose their relationships with the Respondents as soon as they are identified by the Completeness Team during the RFQ stage or prior to starting work on the project, if later.

The Relationship Review Committee (RRC) is responsible for reviewing all relationships disclosed by individuals of the project team to determine whether any relationship constitutes conflict of interest. The Steering Committee is responsible for reviewing all relationships disclosed by Respondents/Proponents to determine whether any relationship constitutes conflict of interest.

Conflict of interest needs to be managed from two perspectives:

- Internal project team perspective – The project team cannot have individuals who have a known relationship with a Respondent or Proponent or member thereof, be placed in a position of influence over decisions regarding the relative competitive position of a Respondent or Proponent (e.g. setting of evaluation criteria and process, actual evaluation of submissions, or setting of transaction parameters).
- External parties' perspective – Proponents must comply with the Conflict of Interest Act (Alberta). Proponents and their advisors should not have an unfair advantage by virtue of access to material non-public information that is not made available to all Proponents.

Respondents and Proponents are to declare no conflict of interest or disclose potential issues and relationships that may constitute conflicts of interest. Individuals who are privy to material non-public information must be prohibited from discussing this information with or joining Interested Parties, Respondents, or Proponents.

### Internal Review

The review of relationships between project team members and Respondents/Proponents is conducted according to the following protocol:

1. As soon as the RFQ/RFP submissions are received and opened by the Completeness Team. The Completeness Team will prepare a list of Respondents and Proponent teams:
  - All Respondent teams, team members, key personnel, consultants and advisors identified in RFQ responses (after RFQ submissions are received).
  - All Proponent teams, team members, key personnel, consultants and advisors identified in RFP responses (after RFP submission are received).
2. A relationship disclosure form together with the list of Respondent/Proponent teams will be sent to relevant project team members before commencing evaluation of RFQ or RFP submissions. Relevant project team members include members of the Working Committee, the Steering Committee, the Evaluation Teams, and department Consultants on the Project.
3. Relevant project team members will complete the relationship disclosure form and forward it to the RRC. Relevant relationships will be disclosed without self-assessment as to whether or not a conflict of interest or other problem exists.
4. The RRC may make such investigations, including conducting interviews as are necessary to assess whether a conflict of interest exists.
5. The RRC will make decisions and, where a conflict of interest or problem exists, notify the relevant person of results.

6. The RRC may suggest mitigating measures such as information barriers if appropriate, and may make such investigations as are necessary to explore possibilities to manage conflicts of interest.
7. The RRC will notify the Project Director of conflicts of interest or problems and how they will be managed.
8. Individuals found to have conflict that cannot be managed will be excluded from the evaluation process.

## External Parties

In the RFQ/RFP responses, Proponent teams will be asked to declare no conflict of interest and disclose relationships and issues which could be viewed as conflict. The Steering Committee will consider the relevant forms in each RFQ/RFP Submission received and decide if a conflict exists. The Steering Committee can seek clarification from a Respondent or a Proponent (either information about the relationship, or information about mitigating measures such as information barriers that are or can be put in place) before making a decision.

Among other options, the Steering Committee may decide that a potential conflict can be managed without disqualification by an information barrier or through other steps. Such a Respondent or Proponent team will be required to undertake to comply with the conflict of interest requirements before its submission will be considered by the Evaluation Teams.

The Contact Person will notify the Respondent or Proponent of the decision. Respondents/Proponents may appeal decisions made by Steering Committee in writing within ten business days of being notified. The Deputy Minister, Infrastructure and Transportation, will review the appeal of the Respondent/Proponent and make the final and binding decision.

## Relationship Review Committee

The review of relationships of the RRC Committee members is performed by the RRC:

1. Based on the list of Respondents/Proponents prepared by the Completeness Team, members of the RRC will complete the relationship disclosure form.
2. The RRC will review the relationships and determine whether any relationship presents a conflict of interest.
3. The RRC may suggest mitigating measures such as information barriers if appropriate, and may make such investigations as are necessary to explore possibilities to manage conflicts of interest.
4. The RRC will notify the Project Director of conflicts of interest or problems found by the RRC and how they will be managed.

### Questions and Answers

Questions from the Interested Parties, Respondents and Proponents regarding the RFQ/RFP or the transaction are allowed up to a specified time before submission date. Questions of a substantive nature received after the deadline will not be answered. Questions of a logistical nature will be answered as appropriate.

In providing answers the intention is to clarify information already provided in the RFQ/RFP documents, rather than to provide new information. The Project Director will delegate responsibility to the Process Consultant or other Project Team member to collect and monitor all incoming questions and draft responses as appropriate (authorized delegate).

Answers will be approved by the Project Director prior to being released. The authorized delegate will assist the Project Director in processing the incoming questions and disseminating answers.

The Government of Alberta reserves the right but not the obligation to circulate answers to all parties. In general, answers to questions that contain information relevant to all parties will be circulated. Care is taken to treat questions from each party as confidential.

#### Protocol

Process:

1. Proponents are to submit all questions in writing to the Project Contact as indicated in the RFQ/RFP.
2. All questions and answers will be filed by the authorized delegate. The file will assign numbers to questions, indicate which interested party asked each question, indicate when each question was received and when the corresponding response was issued, and cross-reference the outgoing question number. If a written response was not provided, this fact is to be indicated and the reason for not providing a written response specified.
3. The authorized delegate will serve as the clearinghouse for the questions and answers.

Drafting answers:

1. The authorized delegate will draft answers to questions with input from appropriate team members. The initial answers are to be reviewed by key individuals from the process, legal, technical and financial perspectives. Additional individuals or experts could be accessed on an as-needed basis.
2. Q&A conference calls will be conducted as required to discuss and finalize initial answers.
3. The Fairness Auditor may review the Q&A from the fairness perspective.
4. The Project Director will review all Q&A documents and provide final approval prior to issuing them.

### Site Investigation

Proponents are allowed to inspect the site where the Project will be constructed by individual site investigation. Site investigation provides Proponents with the opportunity to personally review the site where the Project will be constructed and to satisfy themselves as to the technical aspect of the Project.

Proponents are allowed to investigate the site on their own. Site investigation will be arranged according to the following protocols:

- Proponents will request access to the site for site investigation through Alberta Infrastructure and Transportation (if owned by the department) or the SIO (if owned by the SIO).
- Proponents are allowed to conduct site investigation up until the deadline of the RFP.
- Proponents are allowed to visit the site more than once for site investigation. Nonetheless, Alberta Infrastructure and Transportation or SIO reserves the right to limit the number of site visits to ensure fairness of the process.
- Proponents are required to enter into an agreement with Alberta Infrastructure and Transportation or the SIO specifically for the site investigation. The agreement must be executed prior to granting access to the site to Proponents. The terms and conditions should be identified in the RFP
- Alberta Infrastructure and Transportation or the SIO will endeavour to accommodate the date/time of preference for Proponents to access the site.
- Proponents are required to report any accidents that have occurred during their site investigation.

### Information Meetings

Information meetings for Respondents/Proponents are conducted according to the following protocol:

1. Any information meetings for Respondents/Proponents are announced to all Respondents/Proponents in writing.
2. Respondents/Proponents are provided a reasonable period of time to make travel arrangement.
3. Respondents/Proponents are required to sign up or register their intent to attend the information meeting.
4. Information presented by Alberta Infrastructure and Transportation, program Ministry or SIO in the information meeting shall be consistent with the RFQ/RFP. Information presented by Alberta Infrastructure and Transportation, program Ministry or SIO in the information meeting constitutes as official communication with Respondents/Proponents.
5. Information presented or exchanged during the information meeting is documented and disseminated to all Respondents/Proponents via the data room.
6. The Fairness Auditor will review the transcripts of the information meeting.
7. The Process Consultant will draft the summary of the information meeting to be distributed to Respondents/Proponents via the data room.

A separate meeting(s) may be held for the Proponents with utility companies, municipalities and other stakeholders. The utility companies, municipalities and other stakeholders will be asked to present their key requirements for the Project. The same protocol as the information sessions shall be followed.

Proponents will be allowed to contact utilities companies/municipalities/stakeholders on their own and pose their questions directly. Information directly provided by utility companies/municipalities/stakeholders is not binding on Alberta Infrastructure and Transportation, program Ministry or SIO.

### Data Room

The control of access to the data room will follow these procedures:

- Only registered Respondents are provided access to the data room on the FTP site during the RFQ stage. Only Proponents are provided access to the data room on the FTP site during the RFP stage.
- All Respondents/Proponents are notified via e-mail as soon as new information has been added to the data room.
- No Respondents/Proponents are allowed to transfer their access to the data room to individuals who are not part of their Project Team.
- It is the responsibility of the Respondents/Proponents to investigate the material made available in the data room.
- All documentation regarding the project will be posted in the data room.

#### Contents of data room

- The initial set of documents will be posted on the electronic data room.
- Subsequent additions or changes to the data room will be added directly to the electronic data room.
- Proponents will be notified by e-mail when new information has been posted or added to the electronic data room.

#### Review of data room before opening

- Disclosure – All material data should be included.
- Confidentiality – Personal data are not to be included. If such data are necessary, they will be blacked out or protected in order to keep the data anonymous and confidential.
- Sufficiency – Sufficient data should be included to allow Proponents to develop binding proposals. Also, sufficient data are to be included to ensure level playing field (e.g., maintenance contracts).

#### Confidential information in data room

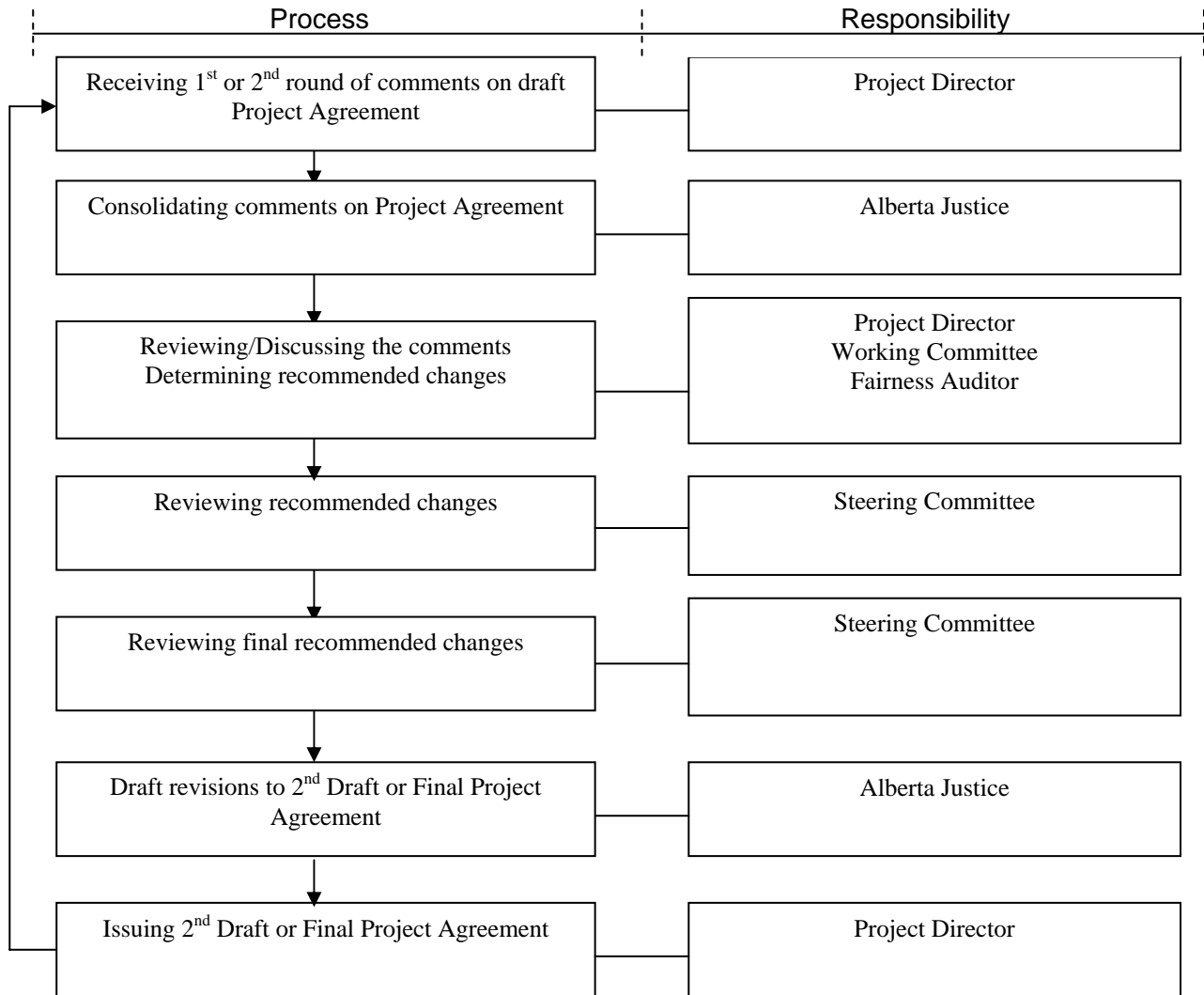
Proponents are not required to complete separate Confidentiality Undertakings to be granted access to the electronic data room during the RFP stage.



### Project Agreement

The Working Committee led by the Project Director and Alberta Justice will be responsible for the development of the Project Agreement, including the incorporation of comments from Proponents. Comments on the draft Project Agreement from Proponents are processed according to the following procedures:

1. Proponents submit their 1st round of comments on the draft Project Agreement and the related portions of the output/performance specifications to the project contact by the specified deadline in writing.
2. Alberta Justice will consolidate all comments from Proponents to facilitate analysis. A document containing the consolidated comments will be distributed to the Working Committee for review.
3. The Working Committee will meet to discuss the comments and consider revisions to the Project Agreement. The Fairness Auditor will participate to ensure the maintenance of fairness in the revisions.
4. As part of the process, individual or group meetings with Proponents to clarify their comments may be conducted.
5. Alberta Justice will draft the revisions to the draft Project Agreement as agreed by the Working Committee.
6. The Project Director will present the recommended changes to the Steering Committee.
7. The 2nd draft Project Agreement will be issued to all Proponents via the electronic data room.
8. Steps 1 to 7 will be repeated for the 2nd round of comments from Proponents on the 2nd draft Project Agreement.
9. The final form of the Project Agreement will be reviewed by the Steering Committee.
10. The final form of the Project Agreement will be issued to all Proponents via the electronic data room.



### Approval Process

The Project Director is responsible for overseeing the approval process and ensuring that the approvals are obtained.

All approvals shall be in accordance with the current version of Alberta Infrastructure and Transportation's P3 Management Framework: Assessment Process.

## Debriefings

Debriefings will be available to Respondents and Proponents at the RFQ and RFP stage after the announcement of the shortlist and the Preferred Proponent, respectively. If requested, debriefing during the RFQ is conducted according to the following framework:

- During the debriefing session, the debriefing panel (selected depending on the issues of the particular submission) will review the evaluation of the Respondent's RFQ submission or the Proponent's RFP submission.
- The debriefing session is intended to provide feedback to Respondents/Proponents. The objective is to review the evaluation process and provide comments on the Respondent's/Proponent's submission.
- The focus of the debriefing session is to emphasize the integrity of the evaluation process, not to disclose or discuss specific scores of any particular submission.
- The debriefing session is not intended for debating the evaluation results with the Respondent/Proponent. Alberta Infrastructure and Transportation will not alter its evaluation results as a result of the debriefing session.
- All Respondents/Proponents (whether they attend debriefing sessions or not) are to be treated fairly and consistently. Information shared during the debriefing sessions is not intended to give any particular Respondent/Proponent material advantage over others.
- The debriefing session will be recorded.
- The Fairness Auditor will attend all debriefings.

## Guidelines for debriefing meetings

- Limit the length of each debriefing session to two hours.
- Limit up to five attendees from each Respondent/Proponent.
- Discuss the evaluation process, instead of specific scoring.
- Do not discuss submissions or results of other Respondents/Proponents. Do not compare one submission to another, but rather the specific submission against the evaluation criteria.
- While highlighting areas for improvement, focus on how the Respondent/Proponent may choose to better address certain evaluation criteria or project requirements. Do not draw examples from other submissions as suggestions. Do not endorse specific firms, organizations or individuals.
- Do not disclose any information of any other Respondent/Proponent or submission.
- Do not allow the Respondent/Proponent to debate the evaluation results or to try to make the department change the evaluation results.
- Provide feedback to all Respondents/Proponents consistently in terms of the level of details and the breadth of discussion. If multiple Respondents/Proponents have similar issues in their submissions, feedback to them is to be consistent and similar.

### Records Management

Records management is the maintenance of the documents created during the course of the transaction. This section should be referred to in parallel with the Confidentiality and Security section.

Records management must be in accordance with the department's records retention and disposition schedule.

#### Electronic Mail

The Project Director maintains the current list of project team members and their e-mail addresses to ensure that e-mail is sent to the intended recipients.

At the conclusion of the transaction, project team members are to forward any key e-mail to the Project Director.

The Project Director compiles a hard copy master record of key e-mail.

#### Handwritten Notes and "Personal" Records

Project team members should maintain their own handwritten and personal notes related to the Project. Such personal notes may include calendars, discussion notes, meeting notes, phone messages, etc.

Care must be taken to ensure that key information is maintained.

At the conclusion of the transaction, project team members are to forward any key personal notes to the Project Director.

The Project Director compiles a master record of key notes.

#### Key Documents for Record

Throughout the transaction, copies of the following key documents are forwarded to the Project Director as a record of the transaction.

- Record of decision (such as the determination of evaluation criteria, evaluation results), including (but not limited to) the following;
  - Date of the meeting
  - Purpose and nature of the decision
  - Agenda of the meeting
  - The decision
  - Names of individuals present at the meeting (including, their roles at the meeting)
  - Items for next steps or action
- Issue identification and discussion papers, including a description of an issue identified and discussed by project team members and the resolution of the issue.

- Position paper and briefing notes produced by project team members for any committee or team within the Project or for individuals within the Government of Alberta or SIO but outside the Project.
- Minutes of regular conference calls
- Transaction Process Framework document and protocols
- Publicly released documents, including documents only released to Interested Parties, Respondents or Proponents; press or media releases; announcements; documents released under a Freedom of Information request; etc.

## Transparency and Accountability

The Alberta government is committed to open, transparent and accountable procurement. The aim is to disclose as much as possible in the public interest without impacting the government's ability to generate value for money for taxpayers.

While the goal of transparency in P3's is important, openness must not harm the competitive process, the government's negotiating position and must not discourage bidders.

### Disclosure Guidance

The following table describes the recommended disclosures. Disclosure should generally be through the Alberta Infrastructure and Transportation website.

<b>Milestone</b>	<b>Guidance</b>
Opportunity statement	Do not disclose. Disclosure would jeopardize government's position and harm the competitive process.
Business case	Do not disclose. Disclosure would jeopardize government's position and harm the competitive process
Request for Expression of Interest (REOI) document	Disclose. Publicly available document.
Name & number of parties who respond to REOI	Disclose number. Do not disclose names as unlikely to be meaningful.
Request for Qualifications (RFQ) document	Disclose. Publicly available document.
Name & number of parties who respond to RFQ	Disclose.
Name & number of parties who are short-listed at the RFQ stage and receive the Request for Proposal (RFP)	Disclose.
RFP document	Disclose.
Final form of Project Agreement	Disclose.
Name & number of Proposals received	Disclose
Name of preferred proponent	Disclose
Report of the Fairness Auditor (if applicable)	Disclose
Value for Money Report	Disclose
Proposals received from proponents	Do not disclose. Commercially confidential information
Executed agreement	Do not disclose. Commercially confidential information (see recommendation on disclosing final form of agreement).

### Acknowledgement

Procurement Related Disclosure for Public Private Partnerships. Partnerships B.C., August 2005. [www.partnershipsbc.ca](http://www.partnershipsbc.ca).

### Value for Money Report

The Value for Money Report is a concise and informative project summary of the procurement process for the general public showing how value for money is achieved. The report is prepared and published immediately following execution of the Project Agreement.

#### Content

The report should normally consist of;

- Project background, objectives and alternatives (typically traditional delivery and P3 delivery).
- Description of the selection process, short-listed proponents, preferred proponent, milestone dates, advisors (financial, engineering, process, fairness as applicable), and selection costs.
- Summary of the key terms of the Project Agreement.
- Financial summary including NPV lifecycle cost comparison, performance payment requirements and accounting treatment.
- Any material scope changes to the project during the procurement.
- Summary of the risk profile/allocation.
- Innovations and creativity.

#### Acknowledgement

Project Report: Achieving Value for Money (various), 2005. Partnerships BC  
[www.partnershipsbc.ca](http://www.partnershipsbc.ca)