

## VALLEY LINE PROJECT GOVERNANCE OPTIONS

OPTIONS	KEY ELEMENTS	ADVANTAGES	DISADVANTAGES	DIFFERENCES FROM CURRENT MODEL & BOARD COMMENTS
<p><b>OPTION 1</b> <b>Board as Approving Body</b></p>	<ul style="list-style-type: none"> <li>• Board would receive and consider all project reports relating to procurement</li> <li>• Board would need to consider most of these reports in private in order not to prejudice the procurement process although it could only pass a motion to give direction or approvals in public</li> <li>• The primary motions which would be required relate to the approval of the procurement process elements – RFP Document (including draft P3 agreement and technical requirements), and RFP Evaluation Process.</li> <li>• The Board's bylaw would be amended to clearly provide this authority, establish regular reporting on project status to</li> </ul>	<ul style="list-style-type: none"> <li>• Decision making will be independent of administration and political process providing confidence to the private sector proponents that award will be made in an objective manner free from bias or political interference</li> <li>• Members are experts in the fields of finance, transportation planning, civil engineering, and legal issues in large scale infrastructure projects</li> <li>• Administration has retained experts to provide services and detailed advice for the development and implementation of the procurement.</li> <li>• Administration has considerable experience in public procurement and is guided by well documented</li> </ul>	<ul style="list-style-type: none"> <li>• The formal Council committee procedures may inhibit the free flow of communications needed by the Board and Administration in order for the Board to be comfortable with approving the elements of the procurement process</li> <li>• The need for timely approvals of procurement elements is inhibited by the requirement to develop formal agendas and reports</li> </ul>	<p><b>Differences</b></p> <ul style="list-style-type: none"> <li>• Authority for approval of the procurement process elements (RFP Document (including draft P3 agreement and technical performance requirements), and RFP Evaluation Process and reporting structures will be clear</li> <li>• Formal project reporting from Board to Council</li> </ul> <p><b>Board Comments</b></p> <ul style="list-style-type: none"> <li>• Board is comfortable with an approving role</li> </ul>

	<p>Council, and remove unnecessary authorities (e.g. settlements and land acquisition)</p> <ul style="list-style-type: none"> <li>The Board will cease after the P3 agreement is signed</li> </ul>	<p>procedures and rules</p> <ul style="list-style-type: none"> <li>Combined expertise with Board members would facilitate a further level of diligence in the procurement</li> </ul>		
<p><b>OPTION 2</b> <b>Board as Project Auditor</b></p>	<ul style="list-style-type: none"> <li>Like the City Auditor, the Board would review and evaluate the efficacy of business decisions made by Administration and report to Council</li> <li>Audit would be initiated by the Board on procurement matters as it progresses</li> <li>Board would report to Council on issues arising in the procurement – necessarily reporting in private to protect the integrity of the procurement</li> </ul>	<ul style="list-style-type: none"> <li>Council would have the opportunity to have review and reporting performed by experts</li> </ul>	<ul style="list-style-type: none"> <li>Administration would still present information reports to the Board but the Board would not have a decision making role. It would not be appropriate for the Board to approve a decision and audit it</li> <li>This may be a redundant body because of the roles of the Fairness Monitor and the City Auditor. A Fairness Monitor has been retained for the project to monitor and report on the fairness of the procurement. The City Auditor already has an audit role.</li> </ul>	<p><b>Differences</b></p> <ul style="list-style-type: none"> <li>Board authority with respect to approvals would be removed.</li> <li>Board audit function would be outlined.</li> </ul> <p><b>Board Comments</b></p> <ul style="list-style-type: none"> <li>Board wishes to have a meaningful role in the Project and was recruited for decision making capacity</li> </ul>
<p><b>OPTION 3</b> <b>Board as Advisor</b></p>	<ul style="list-style-type: none"> <li>Board would be reconstituted as an administrative committee that would work with Administration to prepare</li> </ul>	<ul style="list-style-type: none"> <li>No requirement to publish a formal meeting schedule, prepare council style reports or meet in public. This less formal meeting</li> </ul>	<ul style="list-style-type: none"> <li>Greater meeting frequency than monthly may be required during the procurement process. Administration has not</li> </ul>	<p><b>Differences</b></p> <ul style="list-style-type: none"> <li>Board would become an</li> </ul>

<p><b>to Administration</b></p>	<p>and implement the procurement process</p> <ul style="list-style-type: none"> <li>Board and Administration would report to Council or Committee on project status on a regular basis</li> </ul>	<p>structure facilitates more efficient and effective discussions and decision making</p> <ul style="list-style-type: none"> <li>Board members would be able to apply their expertise in developing and implementing the procurement</li> <li>Administration has retained experts to provide services and detailed advice for the development and implementation of the procurement.</li> <li>Combined expertise with Board members would facilitate a further level of diligence in the procurement</li> </ul>	<p>canvassed the Board members to determine if this would be an issue for them.</p>	<p>administrative committee that works directly with Administration</p> <p><b>Board Comments</b></p> <ul style="list-style-type: none"> <li>Board wishes to have a meaningful role in the Project and was recruited for decision making capacity</li> <li>Board members were recruited with a lower expectation of time than this would require</li> </ul>
<p><b>OPTION 4</b></p> <p><b>Transportation Committee as Approving Authority</b></p>	<ul style="list-style-type: none"> <li>Transportation Committee would approve the procurement process elements – RFP Document (including draft P3 agreement and technical performance requirements), RFP Evaluation Process, evaluators, final execution of P3 agreement and related documents.</li> <li>Transportation Committee</li> </ul>	<ul style="list-style-type: none"> <li>This is the ordinary process for a tender or RFP which exceeds the City Manager’s decision making authority of \$20 million or 10 years</li> </ul>	<ul style="list-style-type: none"> <li>The formal Council committee procedures may inhibit the timely approvals of procurement elements and lead to delays in the procurement and Project timelines</li> <li>One of the reasons for the establishment of the Board was to streamline the process to meet project deadlines.</li> </ul>	<p><b>Differences</b></p> <ul style="list-style-type: none"> <li>There would be no formal role for the Board members</li> </ul> <p><b>Board Comments</b></p> <ul style="list-style-type: none"> <li>Board members are willing to provide their expertise for the</li> </ul>

	<p>would need to consider most of these reports in private in order not to prejudice the procurement process although it could only pass a motion to give direction or approvals in public</p>		<p>Value of Board member expert input will be lost</p>	<p>Project at Council's direction.</p>
<p><b>OPTION 5</b> <b>Administration as Approving Authority</b></p>	<ul style="list-style-type: none"> <li>Administration would develop the procurement process elements – RFP Document (including draft P3 agreement and technical performance requirements), RFP Evaluation Process, evaluators, final execution of P3 agreement and related documents.</li> <li>Administration would develop and implement the procurement in accordance with City public policy requirements and input from experts retained for the project (P3 Advisors including financial, process and legal).</li> <li>Administrative committees can be established as required</li> <li>Administration would provide progress to Council through its Standing Committee at</li> </ul>	<ul style="list-style-type: none"> <li>Administration has considerable experience in public procurement and is guided by well documented procedures and rules</li> <li>Expert input would be leveraged to provide a better product</li> <li>Procurement would progress in a timely manner as issues are addressed through internal mechanisms</li> <li>The Fairness Monitor would provide oversight and report with Administration to Council through its Standing Committee</li> <li>Less political process in keeping with large volume of technical, commercial and legal decisions to be made</li> <li>Ottawa developed its LRT by way of a delegation to</li> </ul>	<ul style="list-style-type: none"> <li>Greater use of internal processes may cause transparency concerns but this is necessary for the integrity of the procurement regardless of which model is used</li> </ul>	<p><b>Differences</b></p> <ul style="list-style-type: none"> <li>A separate delegation Bylaw would be prepared to outline the authority to be provided to the City Manager with respect to the procurement.</li> <li>There would be no formal role for the Board members</li> </ul> <p><b>Board Comments</b></p> <ul style="list-style-type: none"> <li>Board members are willing to provide their expertise for the Project at Council's direction</li> </ul>

	regular intervals	Administration to keep the project on deadline with reporting to Council in relation to budget accountability		
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