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Governance and Approval Models and Protocols Summary

Valley Line LRT - Stage 1

LRT Governance Board November 26 2013



Introduction

- Examine the role and visibility of a P3 Project Governance Board during the selection of a preferred proponent
- Provide an overview of best practice
- Highlight recent Canadian P3 transit projects that will provide context for the consideration of different approaches

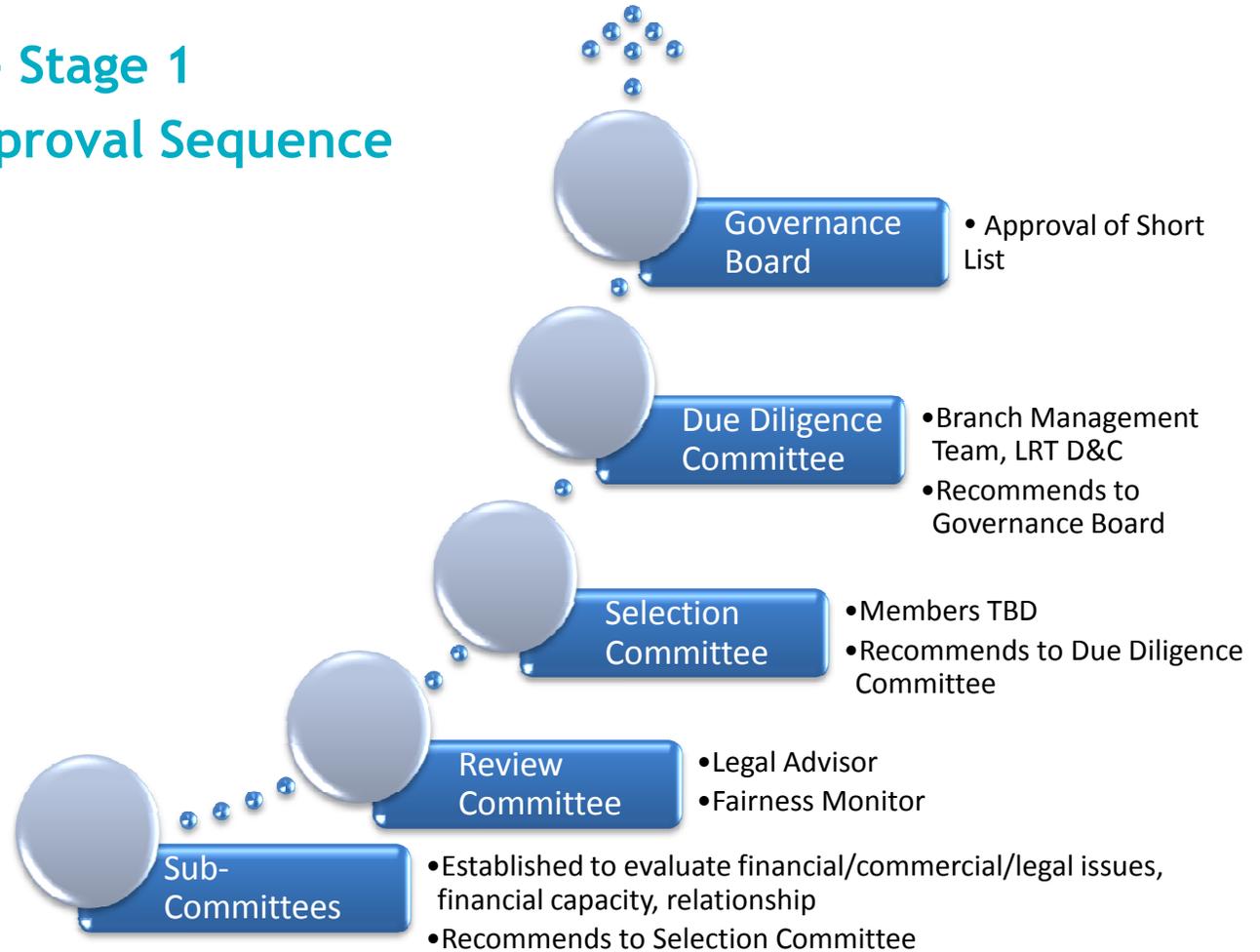
Comparison of Canadian Transit P3 Projects

Project	Jurisdiction	Selection Committee (make up)	Selection Approval
Canada Line	Regional	Selection Committee (Senior Project Staff and Advisors)	CLCO Board (Non-elected)
Ottawa Light Rail	Municipal	Executive Steering Committee (Senior Municipal Staff)	City Council
Waterloo Light Rail	Regional	Evaluation Committee (Senior Staff and Advisors)	Regional Planning & Works Committee / Regional Council
Alberta Model	Provincial	Deputy Ministers Project Steering Committee (Senior Provincial Bureaucrats)	ACACF, Treasury Board and Cabinet
Valley Line – Stage 1 (Proposed)	Municipal	Selection Committee (Senior Staff and Advisors)	Governance Board and City Council

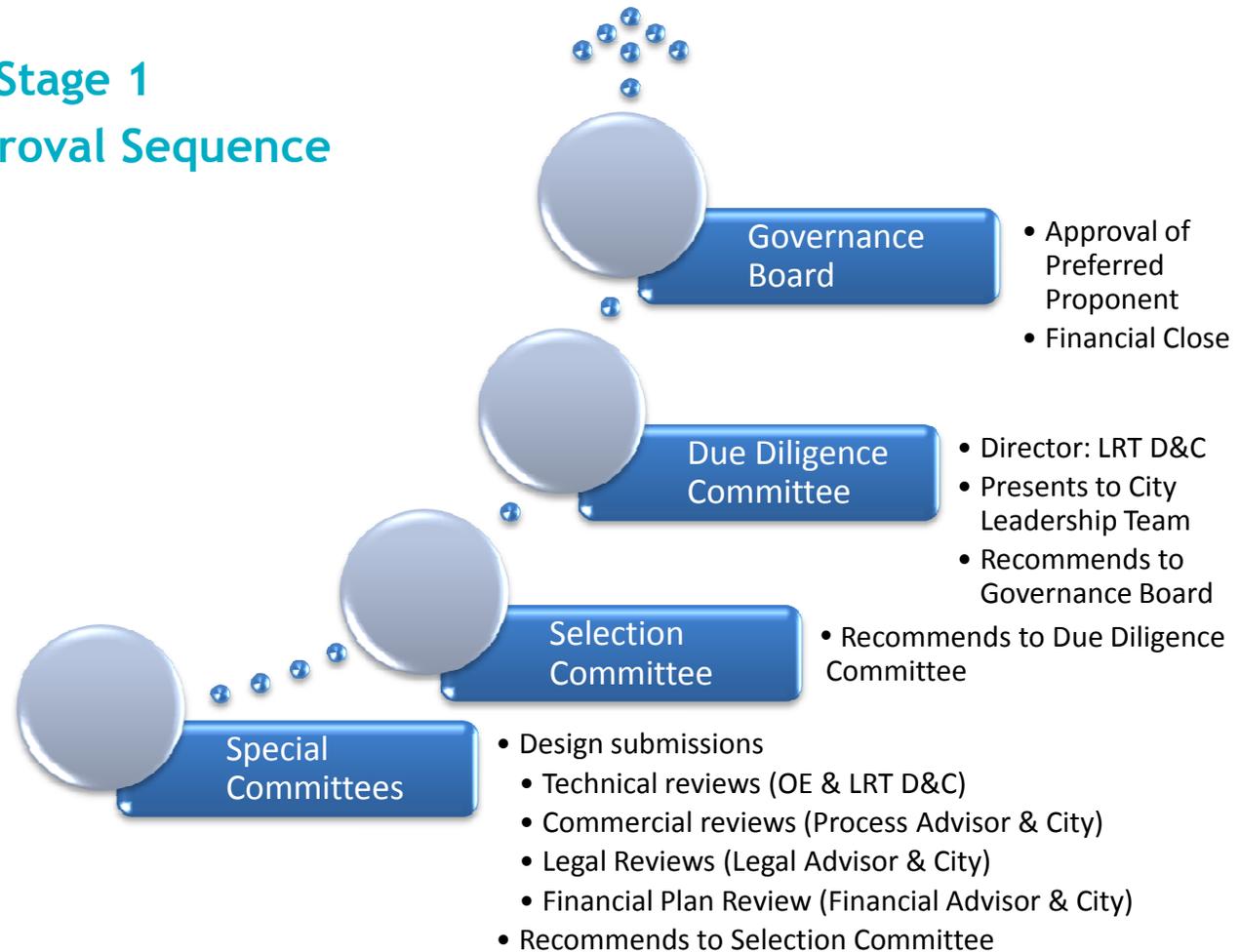
Best Practice

- Mechanisms to maintain private sector confidence are critical to the P3 procurement process
 - Must be perceived as free of political interference
- Selection Committee
 - Tasked with evaluation of proponent presentations
- Fairness Monitor
 - Tasked with independent confirmation of fair and unbiased proceedings
- Recommended short list (RFQ Stage) and Preferred Proponent (RFP Stage) presented to governing approval entity for formal approval

Valley Line LRT - Stage 1 Procurement Approval Sequence RFQ Stage



Valley Line LRT - Stage 1 Procurement Approval Sequence RFP Stage



Alternatives Considered

- Additional direct meetings between Governance Board and shortlisted proponents
 - Following approval of RFQ shortlist and prior to release of RFP, Governance Board receives in-person information presentations
 - Following approval of RFQ shortlist and release of RFP, Governance Board members are in attendance at RFP information session or individual proponent team meetings

Best Practice

- Canadian P3 model is praised for being a consistent and predictable procurement process
- Uncommon for direct meetings between approval granting bodies and proponents prior to selection
 - Greater risk for municipal P3 projects as a result of the municipal decision making process
- The City of Edmonton P3 Policy C555
 - Approval by Committee/City Council prior to the procurement commencing and only requires further approval if scope or budget changes are required during the procurement process

Conclusions

- Insertion of the Governance Board into the evaluation and selection process other than as an approving body, may create a sense of uncertainty amongst proponents
- No precedence for direct meetings until such time as the Preferred Proponent has been selected

Recommendation

- Governance Board ensures due diligence of RFQ/RFP evaluation process through adherence to board ratified Procurement Approval Sequence



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Questions?