

Fairness Monitor - Valley Line LRT

Recommendation:

That the September 17, 2013, Transportation Services report CR_604, be received for information.

Report Summary

This report provides a summary of the scope of work, key deliverables, and reporting relationship of the Fairness Monitor; and the timing for the addition of this Public-Private-Partnership (P3) Advisor to the Valley Line LRT - Stage 1 project organization.

Previous Council/Committee Action

At the February 20, 2013, City Council meeting, the following motion was passed:

That the revised Southeast to West LRT Capital Profile 11-66-1673, as outlined in Attachment 1 of the February 20, 2013, Financial Services and Utilities report 2013CF8262, and the budget of \$60 million for Phase 2, Stage 1a - Southeast LRT line from Millwoods Town Centre to Centre West, be approved.

Report

The budget for advisory services was approved by City Council on February 20, 2013, included funding for a Fairness Monitor. A Fairness Advisor function and reporting hierarchy was illustrated in the Valley Line LRT - Stage 1 project organization chart presented to the Board at their May 21, 2013, meeting. An updated version of the

organization chart is shown in Attachment 1.

In the updated chart, the name of the role has been changed from Fairness Advisor to Fairness Monitor. This change was made to more accurately reflect the scope of services to monitor the City's adherence to an established Procurement process from a fairness perspective. The organization chart clarifies that the Fairness Monitor reports to the Project Manager and Governance Board. The chart has also been updated to include the names of the other previously engaged P3 Advisors (engaged between May 2013, and August 2013).

Scope of Work

In general, the Fairness Monitor is expected to review and monitor certain aspects of the City's implementation and administration of the P3 Procurement to assess its overall fairness to both P3 proponents and the City. Their activities will be self-determined but sufficient to enable them to produce the required reports. More specifically, the Fairness Monitor will:

- Review and comment on Request for Qualifications and Request for Proposal documentation from a fairness perspective prior to the issuance of these documents
- Monitor discussions and meeting between the City and P3 proponents
- Monitor the Request for Qualifications and Request for Proposals evaluation processes including questions, answers and clarifications
- At the request of the Governance Board or the Project Manager, provide advice and direction on the fairness of the proposed decisions

and actions of City management responsible for the implementation and administration of the Procurement.

The Fairness Monitor brings a working understanding of, or previous experience with, the Alberta P3 Procurement Model. The Fairness Monitor only provides comments or advice directly related to fairness.

The Fairness Monitor will be provided full access to all information related to the project competitive selection process as well as all meetings and telephone conferences. As well, the Project Manager will be the Fairness Monitor's primary contact on the Project team. The Project Manager will ensure that the Fairness Monitor is fully informed of all documents and activities associated with the Procurement.

Consistent with the other Valley Line LRT – Stage 1 advisory services contracts, the Fairness Monitor's work is divided into two phases:

- Phase 1: Procurement document development – begins immediately upon execution of the contract for services. This phase includes all activities required to review and comment on the Procurement, RFQ and RFP documents and packages that will be provided to the P3 Proponents
- Phase 2: Procurement implementation – begins subsequent to confirmation of balance of funding required to deliver the Valley Line LRT – Stage 1 project. This phase includes all activities required to execute the procurement of the project and achieve Financial Close.

Key Deliverables - Fairness Reports

The Fairness Monitor will prepare and deliver a minimum of three written reports to the Project Manager and Governance Boards as follows:

1. A first report at the completion of the Request for Qualifications phase for the evaluation and selection of the short-list P3 Proponents.
2. A second report at the completion of the Request for Proposals phase for the evaluation and selection of the preferred P3 Proponent and Financial Close.
3. A final report consolidating the two above-mentioned reports, providing the Fairness Monitor's independent opinion as to the overall fairness of the Procurement process conducted by the City.

Timing

On August 9, 2013, the City of Edmonton issued a Non-Contract Request for Proposal for a Fairness Monitor for the Valley Line LRT – Stage 1 project. Following receipt of proposals on September 9, 2013, the Project team will undertake an evaluation of proposals to identify a preferred candidate. It is anticipated that the successful candidate will be issued a Notice to Proceed on September 24, 2013.

The Project team will provide a report on the outcome of the procurement for the Fairness Monitor at the next scheduled Governance Board meeting.

Policy

Transportation Master Plan - The Way We Move Strategic Direction 5.1:

The City will pursue expansion of the LRT to all Sectors of the city with a goal to increase transit ridership and transit mode split, and spur the development of compact urban communities.

Corporate Outcomes

Citizens use public transit and active modes of transportation

Edmonton has sustainable infrastructure that fosters and supports civic and community needs.

Attachments

1. Project Organization Chart - Valley line LRT