



APPENDIX B

28 February 2008

Ottawa Congress Centre Redevelopment Program Procurement Policy

CONTRACTING PROCEDURES FOR PROFESSIONAL / TECHNICAL SERVICES

Scope

As an extension to the Ottawa Congress Centre (OCC) Procurement Policy, this Appendix outlines specific guidelines and procedures for the engagement of professional and technical services as required in the delivery of the OCC Redevelopment Program.

Statement of Qualifications (Stage One):

A terms of reference (TOR) document is prepared according to the following framework:

- General Instructions
- Project Description
- Scope of Services
- Submission Requirements
- Evaluation Process

To facilitate assessment, proponents are requested to submit the required documentation in the same sequence as prescribed in the submission requirements and not to exceed the maximum number of pages allowed.

From their previous experience, proponents are requested to choose one project that has strong relevance to the OCC Redevelopment Program and to elaborate on the participation of key personnel, challenges and achievements. Depending on the circumstances and nature of the services sought, the OCC Project Team may adjust the number of projects required to be submitted for elaboration.

Notices:

To ensure complete openness in the competitive proposal and/or bidding process, the invitation to submit a statement of qualifications is posted:

- on the MERX system
- on the OCC Web site

Addenda:

All requests for clarification must be submitted in writing and addressed to the designated OCC representative. All questions and all answers are issued as an addendum to all registrants for the TOR document so as to maintain a level playing field. Any OCC initiated changes or clarifications are issued by the same process. The TOR will state that OCC may issue addenda.

Evaluation:

An evaluation committee will be formed that includes representation from OCC Management and a representative from the OCC Project Team. If a member of the evaluation committee is also on a decision making authority, they will not participate in the decision for the award of that contract.

The submissions will be evaluated with reference to the significant project drivers and evaluation criteria as outlined in the TOR document. Committee members will prepare their own scores and observations in advance. A matrix will be used to compare the scores and then a consensus will be reached through discussion. The collective views of the committee are then summarized in an evaluation report and the report will be co-signed by all members of the committee.

From this report a short-list will of proponents who will be qualified to proceed to the second stage of the selection process be prepared. The number selected is at the sole discretion of the committee.

Proponents are given a short de-briefing after the completion of the selection process if they request one. This is based on the evaluation report, but the de-briefing deals only with that proponent's submission – all other information is held in confidence as it is considered to be proprietary. De-briefings at this stage should be brief.

This first stage is optional and may be combined with Stage Two, in which case the evaluation criteria will be blended.

Request for Proposals (Stage Two):

A second stage terms of reference (TOR) document is issued only to those proponents who have been short-listed. It is presented as a continuation of the previous first stage document. Where any revision, discrepancy or contradiction occurs between the two documents, the information as provided in the second stage takes precedence. The document has the following framework:

- General Instructions
- Background Information (Context and Project Drivers)
- Services to be Provided
- Submission Requirements

- Evaluation Process
- Appendices
- Proposal Form
- Fee Submission Form (optional)
- Model Agreement (optional)

As a general approach, the TOR document outlines requirements and expectations, but avoids being prescriptive. This gives the proponents much more latitude in which to demonstrate their understanding of what is required and to focus on how they would propose to deliver the service. This in turn gives the evaluators an opportunity to distinguish those proponents who have taken “ownership” of the project. Conversely, the proponents who adopt a cut and paste approach – either from the TOR document or from their own standard corporate text – receive a lower score.

The proposed fee is submitted in a separate, clearly marked and sealed envelope.

Bidders/proponents will be required to complete and sign a Conflict of Interest Declaration form and submit this form as part of their bid or proposal to confirm that they are not in a conflict of interest.

In all circumstances the OCC reserves the right to proceed by way of a single stage RFP without an RFI or RFQ stage. In such circumstances the reasons for the single stage process must be reasonable and documented by staff and must not impact on competition or value for money. An example of an appropriate circumstance is where the expertise, service or good sought is specialized in nature so as to limit the list of available experts or suppliers to an identifiable list. In such a circumstance all available suppliers or experts should be invited to participate.

Addenda:

The process is as described previously at Stage One.

Evaluation:

The evaluation process as described previously in Stage One is essentially repeated, and preferably, but not necessarily, with the same committee members.

The contents of the financial submissions will not be disclosed to the evaluation committee. Scoring for the financial component will not occur until after the interviews.

Compliance with Mandatory Requirements

Before the commencement of the technical evaluation, the proposals will be reviewed for compliance with the essential mandatory requirements. Mandatory requirements may include financial and non-financial requirements. Non-compliance with a mandatory requirement will result in bid or proposal rejection.

All of the financial proposals will be sealed at the completion of this stage of the process. They will be re-opened after the interviews in Stage Three.

An evaluation committee report is prepared, including a short-list of proponents to be invited to a Stage Three interview i.e. the proposals that are deemed compliant at the end of Stage Two of the evaluation process. Proponents are notified accordingly. If so requested, unsuccessful proponents are given a de-briefing – but only after completion of Stage Five.

Interview (Stage Three):

Short-listed proponents will be selected based on technical scores only, and will be interviewed. Immediately following the interviews, the evaluation committee will convene to establish a final score based on points assigned to each proponent for the statement of qualifications, the written proposals, the financial submission and the interview.

Procedures for the interview are outlined to the proponents in the second stage TOR document, including timeline and number of participants. The successful proponents are given notice as to the precise time and place for the interview and all committee members should attend. A common set of questions is prepared in advance for all proponents, to which specific questions for a particular proponent are added if there is a need for clarification of the written proposal. If possible, all interviews are held on the same day so as to facilitate comparative assessment.

Depending on the outcome of the technical evaluation of the written proposals and proposed fee, the interview stage may be by-passed entirely if the evaluation committee deems that it would serve no useful purpose in completing the selection process.

Final Ranking:

Following the Interview Stage, the qualified Financial Proposals will be scored. For each qualified proposal the Technical Score, the Interview Score and the Financial Score will be summed to determine the total score. Proposals will then be ranked according to total score, i.e. the proposal with the highest total score is the first ranked proposal. Each remaining proposal is then ranked according to their total score.

A final evaluation report is prepared with a recommendation to proceed to contract negotiations with the successful proponent. The report will include any issues that require clarification or resolution in the negotiation process.

The evaluation committee may, at its sole discretion, also recommend specific reference checks. Information obtained from these sources may compel the evaluation committee to re-assess the final ranking or to indicate specific issues that need to be addressed during the negotiation process.

Negotiations (Stage Four):

Prior to contract negotiations, key personnel of the proponent team participating in the negotiations will sign the Conflict of Interest, Confidentiality and Non-Compete Agreement.

The proponent with the highest ranking is invited to a meeting for the purpose of reviewing the proposed scope and level of services to be provided and the associated allocation of fee. With reference to the fee proposal, the proponent is required to demonstrate fair value and acceptable levels of service. All pricing components including hourly rates are also examined and compared with prevailing market rates.

At its discretion, OCC may elect to reduce or modify the scope of work and the corresponding fee. There may be alternatives to achieving the same outcome.

In the event that the proponent with the highest ranking and the OCC fail to agree on the scope and fee for the services to be provided, negotiations can be terminated by the OCC. The proponent with the second highest ranking may then be invited to participate in the negotiation process.

All other key personnel of the proponent team will sign the Conflict of Interest, Confidentiality and Non-Compete Agreement prior to work commencing and at the time of the execution of a contract.

Contract Award (Stage Five):

A model form of agreement is used as the basis for an agreement, and depending on the type of service being provided, the proponent must comply with specific financial and insurance requirements.

While the proponent may be given a letter of authorization to proceed with specific services, no contract exists until such time as the two parties sign a contractual agreement.

General:

The “funnel” approach to short-listing at each progressive stage in the selection process is strongly supported by professional service providers and by their respective industry associations, as it avoids time and money being spent by proponents who have no chance of overcoming the competition.

In the addendum process, distributing questions and answers to all registered proponents maintains consistency and fairness to the benefit of all proponents.

Closing and interview dates may be adjusted in the interest of fairness.

Interviews add a significant dimension to the selection process. Where professional services are involved, the critical success factors of leadership, teamwork, and attentiveness are difficult to measure from the written page. The interaction that begins in the interview process carries over directly into the negotiation stage to facilitate “best buy” with “best fit”.

Negotiating an Agreement:

Contract negotiations are critical to minimizing the risk of a large gap between client expectations and consultant intentions. The service provider must therefore be allowed the opportunity to develop a “surprise free” workplan with clearly articulated objectives, deliverables, service levels, fees and disbursements as described in the RFP. The proposed workplan then provides the level of detail that OCC requires to finalize a realistic yet affordable level of service.

In the event that OCC elects to modify, increase or reduce the deliverables, the workplan will facilitate re-calibration of the agreement.