

Evaluation Process Summary

Dawson Wastewater Treatment Project

May 12, 2009

The value-driven procurement process was chosen for this project because it places emphasis on finding the most technically sound and best long term solution and not necessarily the cheapest capital construction cost. The value-driven procurement process relies on the issuing of a thorough, clear Request for Proposals, and the submission of carefully prepared proposals. Considerable amounts of effort are put into the writing of the RFP and the preparation of the submissions.

It is important to remember that only the proposals themselves are being evaluated. It is a standard tenet of contract law that an evaluation team may not use their knowledge (good or bad) of a team or technology when determining scores. They must rely on what is submitted. Also, the evaluation team may not ask for more information, or do research on their own to supplement what is submitted. An evaluation team may ask for clarifications if part of the submission seems to contradict another part.

Preparation of the Dawson Wastewater Treatment Plant Request for Proposals included deciding how to evaluate the end product (the proposals) before issuing the RFP. To explain the expected end product to proponents, two chapters called "Proposal Format and Content" and "Evaluation Selection Process" were included in the Dawson Wastewater Treatment Plant RFP. These chapters include the details of the information that would be evaluated, and the points that were allocated for different sections in the proposals.

The evaluators used pre-determined criteria and points allocations to judge the RFP's.

Like many value-driven procurement processes, the Dawson RFP included two envelopes. The first contained the "technical proposal" (including O&M and long term maintenance costs) and the second contained the "financial proposal" (including capital costs). The financial proposal cannot be opened unless the technical proposal earns enough points to meet the minimum requirement (also called the threshold). If a technical proposal does not earn the minimum number of points, it is disqualified from further evaluation. To ensure that only technically sound proposals are considered, the financial envelopes are returned unopened if a technical proposal does not qualify.

The evaluation process involves each evaluator using the details from the RFP chapters described above and the technical proposals. The proposals are scored separately against the pre-determined criteria, using the set points allocation. The technical proposals are not compared to each other; they are only compared to the requirements in the guidebook/ RFP. In this case the evaluators were Norm Carlson and Jim Regimbal (City of Dawson) and Leslie Anderson and Catherine Harwood (Yukon Government). Extra resources were hired to provide expert advice to the team. They were a procurement expert, Brian Sugrue, from BC Procurement Services and an engineer, Dr. David Lycon, from AECOM. Neither of these gentlemen evaluated the individual proposals. They were there to answer questions from the evaluators. All six people signed a confidentiality and disclosure statement. When answering questions, Mr. Lycon had access to the other technical staff at AECOM.

Evaluators' deliberations determined the final scores for each technical proposal.

The elements of the total score are set out in the RFP as follows:

- Technical Proposal (including information about the Corporate Team, and all the Project Management) was worth up to 100 points and a minimum of 65 points was necessary to have the rest of the proposal evaluated.
- If the minimum (threshold) of 65 was reached, then the O&M costs of any qualified proposals would have been compared to each other and given points according to a formula published in the RFP, comparing the proposals. In this case, only one proposal was qualified. O&M costs were worth up to 75 points.
- If the minimum (threshold) of 65 was reached, then the long term maintenance costs of any qualified proposals would have been compared to each other and given points according to a formula published in the RFP, comparing the proposals. In this case, only one proposal was qualified. Long term maintenance costs were worth up to 25 points.
- If the minimum (threshold) of 65 was reached, then the capital costs of any qualified proposals would have been compared to each other and given points according to a formula published in the RFP, comparing the proposals. In this case, only one proposal was qualified. Capital cost was worth up to 50 points.
- The Yukon content of the proposals was also given up to 10 points.
- When more than one proposal qualifies technically, then the one with the highest number of points is considered the lead proponent.

There is another process that holds evaluators accountable for the evaluation. It is the Bid Challenge process. More information can be found at www.hpw.gov.yk.ca/selling/bidchallenge.html.

The whole purpose of the value-driven procurement process is to find the proposal that has the best value for the owner. In conclusion, the key points are as follows. Only the proposals themselves are evaluated and no other information can be gathered or considered. The technical proposals are compared to a set of published, pre-determined criteria, with points allocated to them. The costs of the technically qualified proposals are compared to each other and points given accordingly. The proposal with the highest number of points is the lead proponent.

www.dawsonwastewater.ca

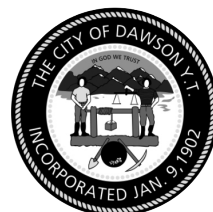


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