

FACT SHEET

Valley Line (SE to WEST LRT)

May 2014

PROCUREMENT PHASE

The Valley Line LRT project has entered the procurement phase. This phase involves undertaking a rigorous competitive process to select a team who can effectively carry out the design, building, vehicle procurement, operation and maintenance of the Valley Line LRT, as well as provide partial financing for the project. At the end of this process, the Valley Line contract will be awarded to the most competitive bid.

The procurement phase involves two stages:

- Request for Qualification (RFQ) Stage
- Request for Proposal (RFP) Stage and Contract Award

REQUEST FOR QUALIFICATION (RFQ) STAGE

HOW DOES THE REQUEST FOR QUALIFICATION STAGE WORK?

During the RFQ stage, experienced private sector participants will form teams. These teams will consist of companies with different industry strengths. Each team will then submit a bid outlining their qualifications to deliver the Valley Line LRT project, and to operate and maintain it for 30 years.

At the end of the RFQ process the City of Edmonton will shortlist the three most qualified bidders. The shortlisted bidders will participate in the Request for Proposal (RFP) stage of the procurement.

WHAT IS THE PURPOSE OF THE REQUEST FOR QUALIFICATION STAGE?

An RFQ is the first step in the procurement process for selecting a team to deliver, operate and maintain the project. The purpose of the RFQ stage is:

- To officially signal the City's intent to proceed with the project.
- To encourage participation and competition in the procurement process.
- To present an overview of the proposed scope and structure of the project, including not only the design and construction, but also the vehicle selection, operation and maintenance of the Valley Line, and partial financing of the project.
- To confirm there is sufficient interest among experienced private sector participants to proceed effectively with the procurement process.
- To allow the City to evaluate the technical and financial capabilities of the bidders, and to ensure that those who proceed to the RFP stage have the capabilities and capacity to complete the project in a manner that provides Edmontonians with the best value over the project's life cycle.
- To allow the City to select three bidders to proceed to the Request for Proposal (RFP) stage.

REQUEST FOR PROPOSAL (RFP) STAGE

HOW DOES THE REQUEST FOR PROPOSAL STAGE WORK?

The three shortlisted teams at the end of the RFQ stage are invited to submit a proposal at the RFP stage. The City of Edmonton will use the RFP stage to determine the successful bidder and award the contract to deliver, operate and maintain the Valley Line LRT project.

The City will use a multi-stage submission process, interim design review sessions, and a question and response process, based on the [Alberta Infrastructure P3 procurement model](#). The intention of this process is to provide the teams submitting proposals with early feedback to help ensure the submissions meet the City's expectations and objectives for the project, and to optimize the effort expended by the teams submitting proposals.

For more information about the Alberta Infrastructure P3 procurement model, please visit <http://www.infrastructure.alberta.ca/Content/doctype309/production/ait-p3-procurementframework.pdf>

WHAT IS THE PURPOSE OF THE REQUEST FOR PROPOSAL STAGE?

- To provide the shortlisted teams the opportunity to demonstrate their understanding of the project, as well as their respective roles and responsibilities.
- To enable each of the shortlisted teams to develop their solution package—including solutions for the design, construction, vehicles, operation and maintenance, and partial financing—and show how these solutions will meet the project objectives.
- To allow the shortlisted teams to review and comment on the draft project agreement that will be signed by the successful team.
- To ensure value for money by selecting a successful bidder who meets all of the project requirements for the lowest lifecycle cost.

CONCLUSION

By engaging in the RFQ and RFP processes, the City of Edmonton is able to ensure competition among experienced private sector participants. The end result of this process will be the selection of a successful bidder who can deliver the project in a manner that provides Edmontonians with the best value for their money over the project life cycle, including both the construction and 30-year operation stages of the Valley Line LRT project.

FURTHER INFORMATION

FIND OUT MORE ABOUT THE VALLEY LINE PROJECT

- visit www.edmonton.ca/valleyline
- call the LRT Project Information Centre at 780-496-4874
- e-mail lrtprojects@edmonton.ca