Pre-Proposal Session

Proponent Training

SFU

Agenda

- Overview of the Procurement Process
  - Fundamental Concepts
  - SFU's Intent and Objectives

- How to Prepare a Successful Proposal Response
  - Risk Assessment Plan
  - Value Added Plan
  - Interviews of Key Personnel
  - Summary of Evaluation Procedures

A note on terminology…

Owner / Client / Buyer = Simon Fraser University (SFU)

- The buyer, purchaser, receiver of services
- Includes Procurement & Operations/Project Management
  - Internal user groups are the "Client's Client"

Proponent / Vendor / Contractor / Designer / Engineer / AEC / Consultant / Software Provider

- The firm/team who will execute the services being procured… different terms for each industry sector

Scope of Work / SOW / Specifications / Statement of Work / Minimum Requirements / Minimum Qualifications / Technical Requirements

- The requirements, expectations, and details of the services being procured

RFP / RFQ / Tender / Solicitation

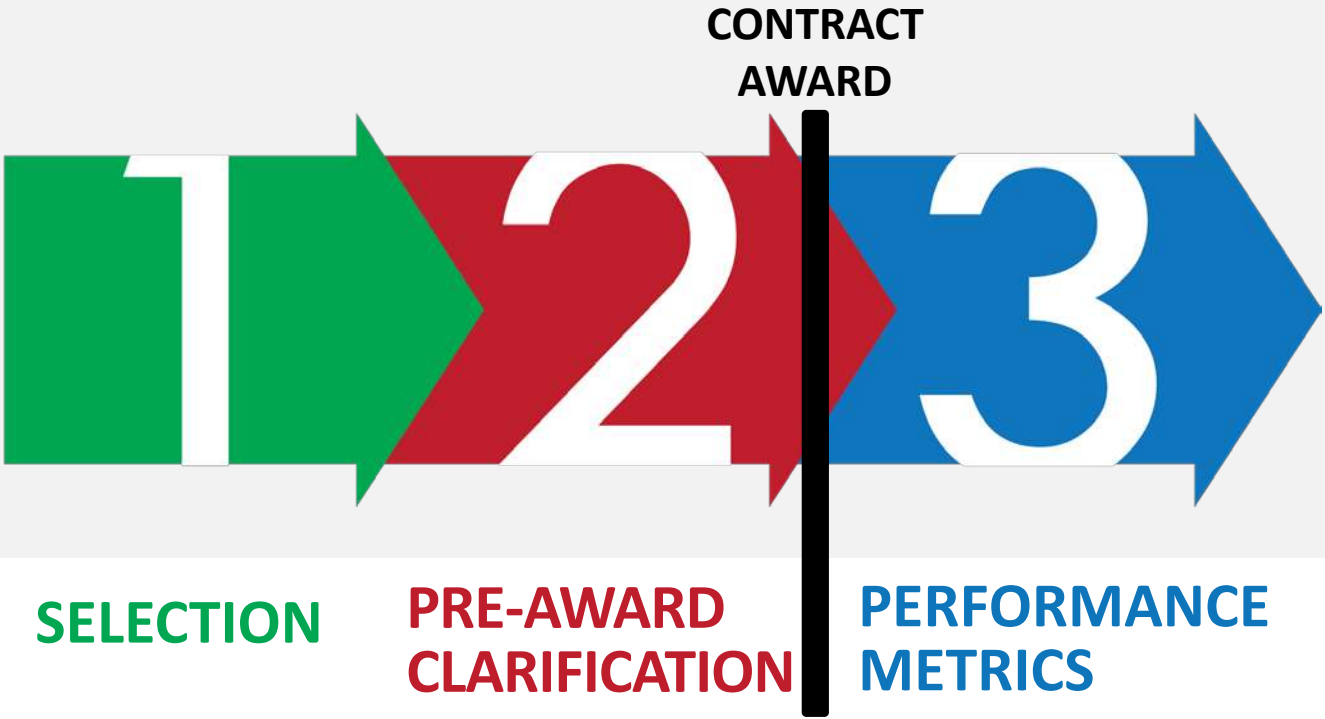
This presentation is being provided for educational purposes only.

Please refer to the Solicitation for specific instructions.

If there are any inconsistencies, the project's Solicitation and Amendments shall take precedence over this presentation

OVERVIEW OF THE PROCUREMENT PROCESS

Procurement Process



Does not change the…

- Contract
- Scope
- Specifications
- Terms and Conditions
- Insurance & Safety
- Cost / Pricing / Financials

What Percent of

Solicitations / RFPs / RFQs / Scopes / etc.

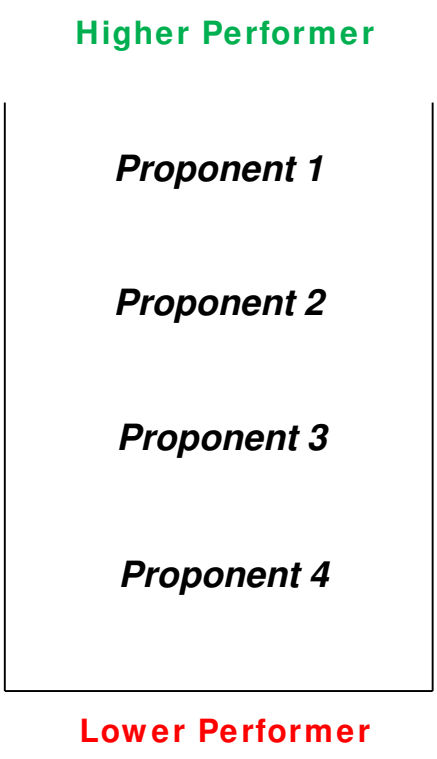
are 100% Accurate?

0%

Who Should Know More About Performing/Executing the Required Services?

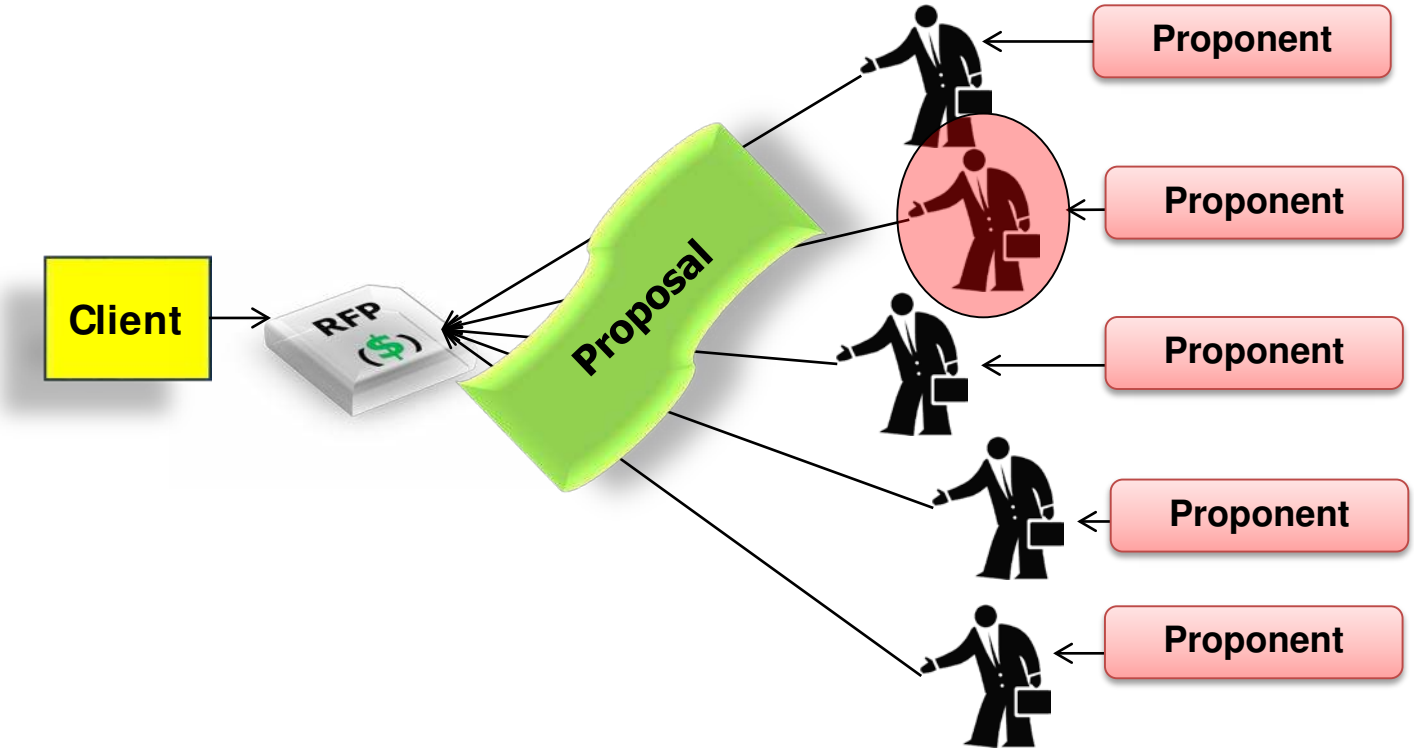
The Proponent is the Expert

Observed Trends in the Industry

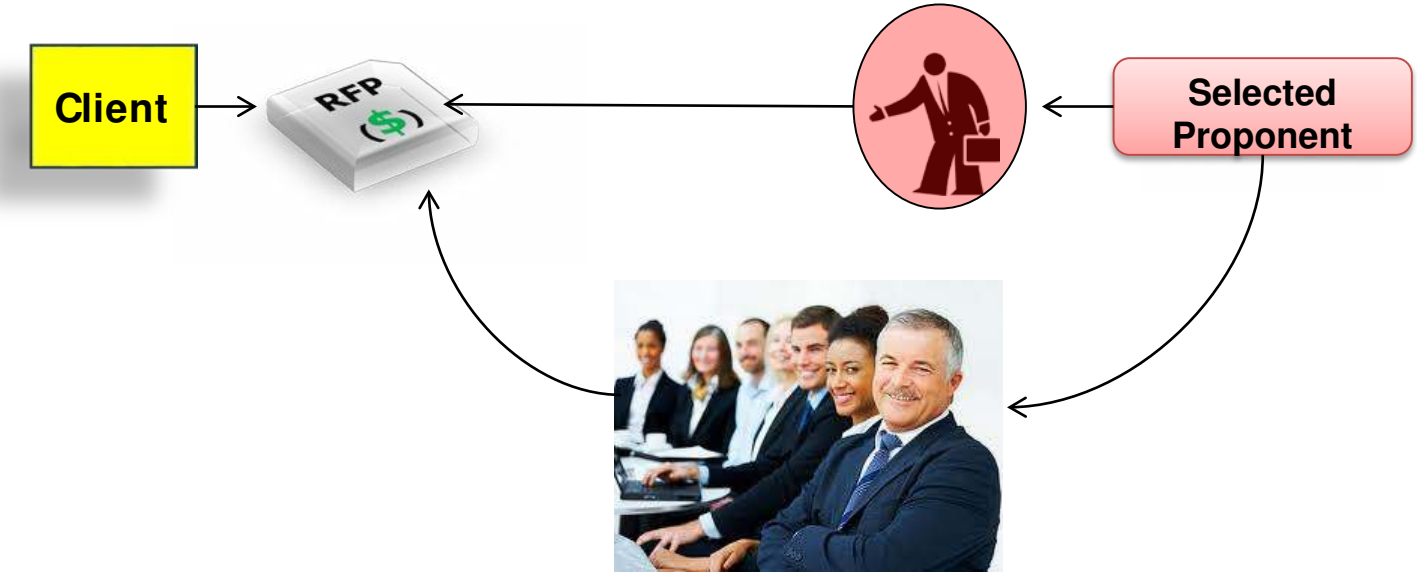


Who says they are the best for the project?

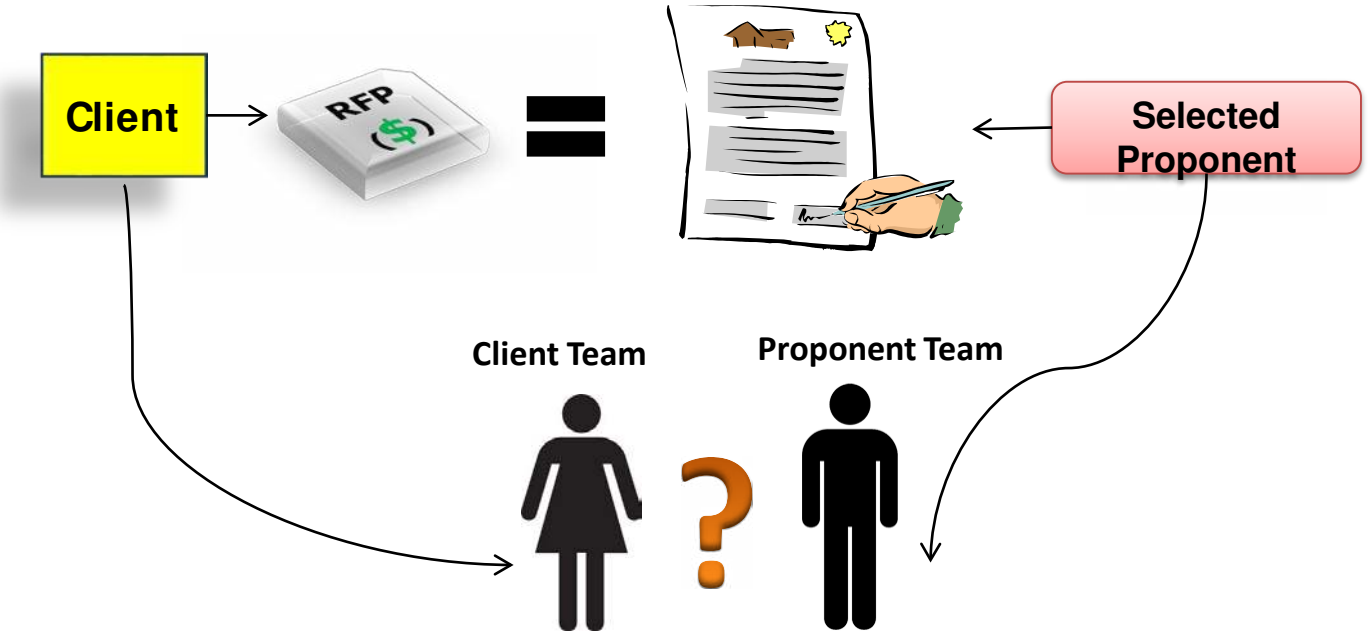
Observed Trends in the Industry



Observed Trends in the Industry



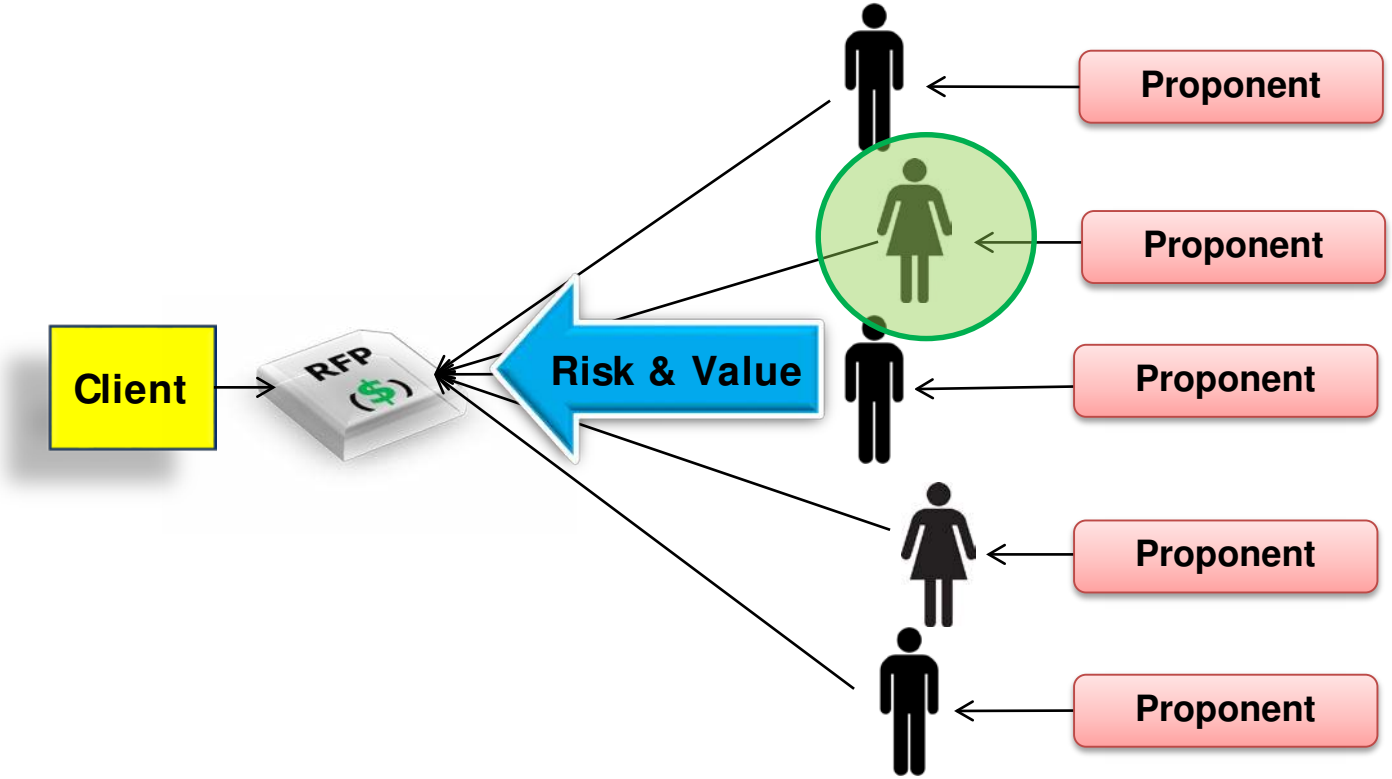
Observed Trends in the Industry



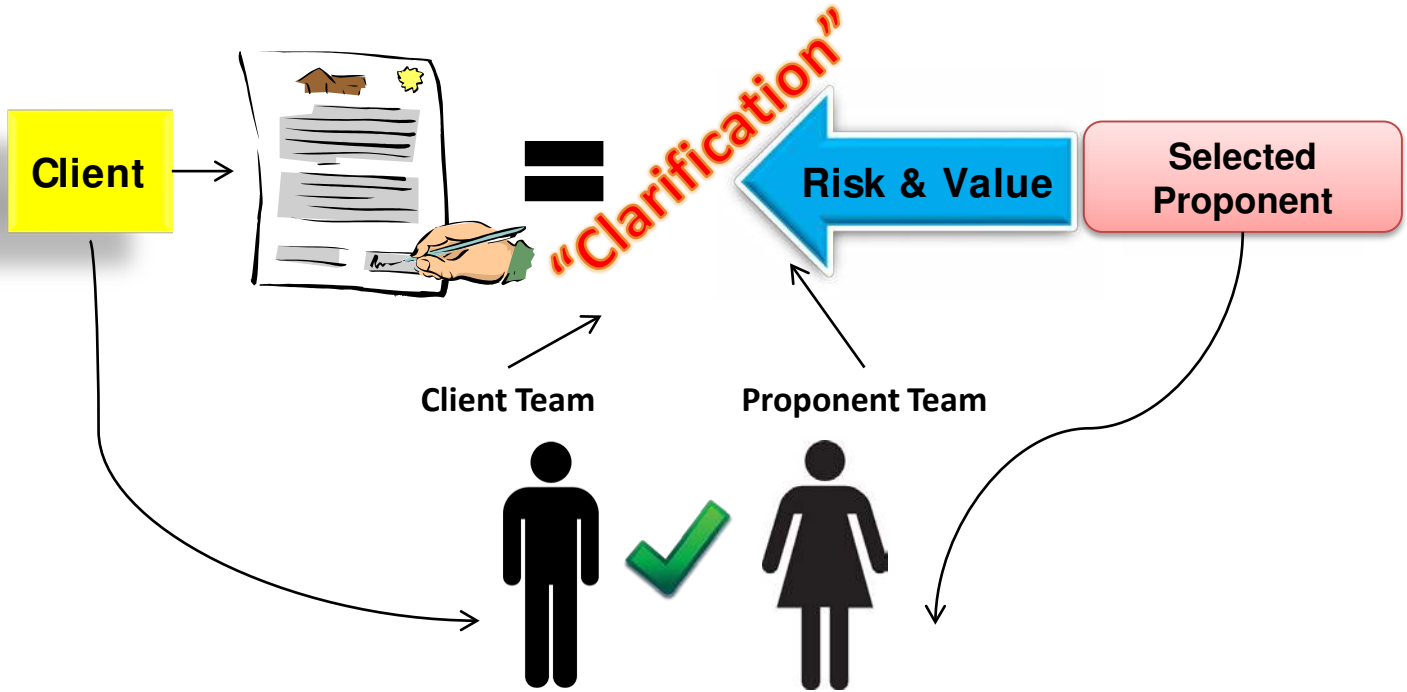
"The greatest risk I face
is how to accomplish
all of the things
that our sales team
promised we could do."

- Proponent Project Teams

What is Different in this Process?



What is Different in this Process?



Objectives

- **SFU**: Enhance Project Performance
  - Justify selection of the greatest qualifications
  - Leverage proponent expertise to optimize the project approach
  - Be a "Client of Choice" (*procurement AND post-award*)

- **Proponent**: Maximize Efficiency in Project Execution
  - Ability to lay out the optimal project approach
  - Ability to address potential risks & agree to solutions
  - Ability to confirm client action items & resources
  - Opportunity to maximize profit by being more efficient

Thank you for watching!

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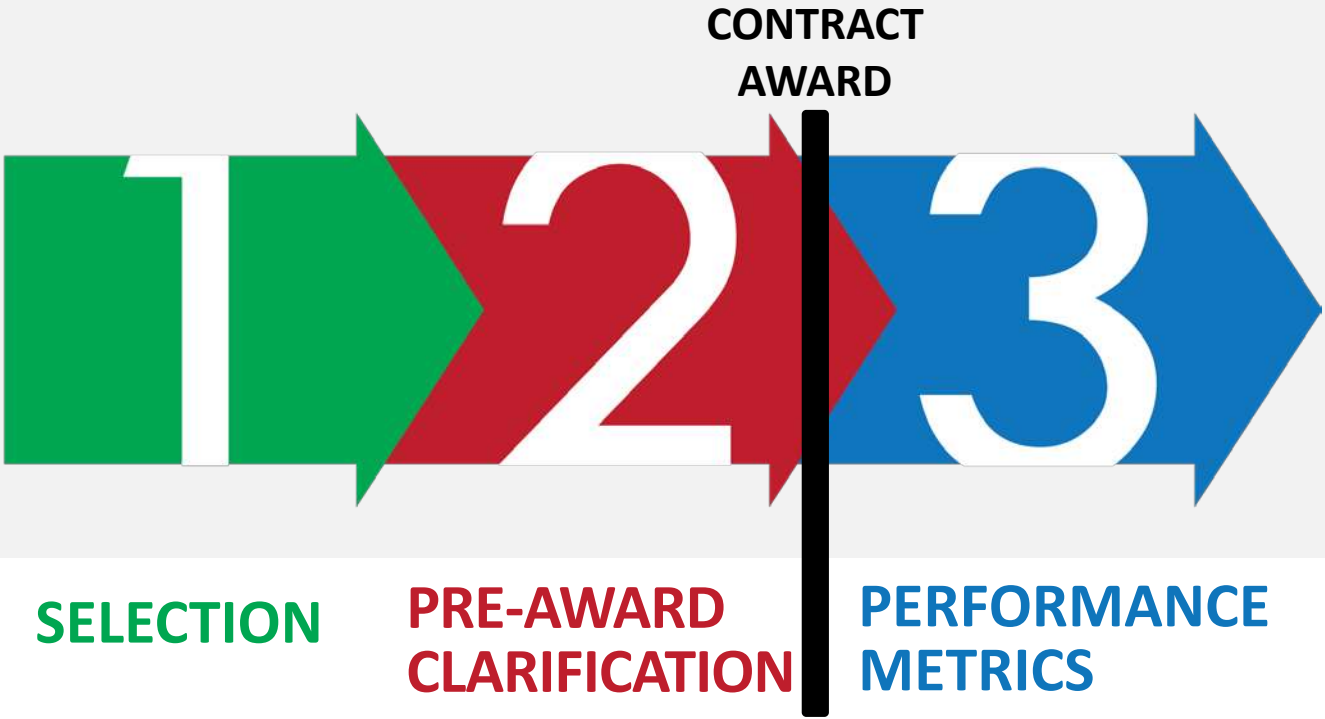
Procurement Process



Risk Assessment Plan
Value Added Plan
Interviews of Key Personnel
Evaluation Summary

HOW TO PREPARE A SUCCESSFUL PROPOSAL RESPONSE

SFU

Sample Evaluation Criteria & Weights

No	Criteria	Weight
1	Submission Forms Completeness	Pass / Fail
2	Mandatory Requirements of Schedule 1	Pass / Fail
3	Cost	200
4	Risk Assessment Plan	250
5	Value Added Plan	150
6	Past Performance Information	100
7	Interview of Key Personnel	300
	Total:	1,000

Note that each specific solicitation may include additional evaluation criteria and different weighting schemes.

Scope of this Pre-Submittal Training

This presentation will cover the following submittals in detail:

- Risk Assessment Plan
- Value Added Plan
- Interviews of Key Personnel

Note that your specific solicitation **will** include ADDITIONAL evaluation criteria (***not covered by this presentation***)

Risk Assessment Plan

Controllable Risks

- Focus on specific technical elements of the scope – prioritize which areas are critical.
- Based on your expertise/experience, explain your recommended approach to each of these elements?

Non-Controllable Risks

- Where have similar projects deviated in the past?
- Unknown / concealed / unconsidered conditions that may impact the project
- Critical actions & support from the Client
- Accuracy & availability of scope, data, assessments, etc.
- Schedule & Budget Constraints
- Potential roadblocks, challenges, inefficiencies

Assessment of Controllable Risks

SCHEDULE 4 – RISK ASSESSMENT – Controllable Risks

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Risk 1: _____
Why is it a Risk? _____
Solution: _____

Risk 2: _____
Why is it a Risk? _____
Solution: _____

Risk 3: _____
Why is it a Risk? _____
Solution: _____

Risk 4: _____
Why is it a Risk? _____
Solution: _____

Risk 5: _____
Why is it a Risk? _____
Solution: _____

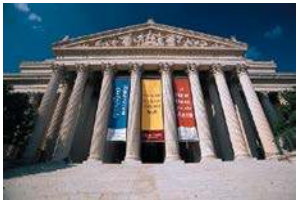
Risk 6: _____
Why is it a Risk? _____
Solution: _____

Risk 7: _____
Why is it a Risk? _____
Solution: _____

SFU

Controllable Risk

Description of Means & Methods



Solution 1:

- We will work with the user to minimize the impact of noise from demolition.

Solution 2:

- We have planned to demolition during off hours and weekends. This will have a slight impact on our cost (less than 1%), but the impact to customer satisfaction justifies this.
- We will also install rubber sheets on the floors to diminish noise and vibrations.
- Both solutions can be performed within your budget.
- Both solutions have been used on previous projects with high customer satisfaction (9.4/10).

Controllable Risk

Delivering the Required Service Levels

Solution 1

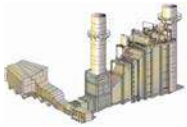
- We will use our 20 years of experience to properly ensure an efficient and effective cleaning program is executed across the Client's buildings.

Solution 2:

- Our workloads and service plan are built to meet the stipulated APPA levels (daily staffing 22 staff/day at 1/ 22,000m2), which exceeds the RFP minimums.
- High occupancy, high traffic buildings (i.e. Vliet, CAB, HUB) have a productivity rate of 305 m2/person/hour.
- Low occupancy, low density, low traffic buildings (i.e. Ab. Hall, Trif. Hall, Arts Building) have productivity rates of 530 m2/person/hour
- Each building will have a dedicated working supervisor.
- Our work plan also dedicates 3 FTE to the carpet care program and 4.5 FTE to the floor care program
- Night staffing and product usage estimates address floor-care targets

Controllable Risk

Design Project: Approaches to a Critical Aspect of the Scope



Solution:

Assessment of the north-side will be critical to redevelopment efforts. We foresee two strategies:

Strategy A – Focus design attention on the main & second levels

- Open the main & 2nd floor facades for greatest impact to animate North laneway.
- Reinforce the existing loading dock access points.
- Leave the upper level punch windows intact as it will provide adequate access for prescribed operational uses. Redevelopment of the upper levels with larger expanses/openings is costly for the minimal functional benefit.

Strategy B – Provide a corridor addition along the entire face of façade (must be coupled with relocation of elevator cores as identified in Risk #1)

- Provides energy efficiency and functional gains to floor plate.
- The addition can connect levels 5 and 6 to stair 4 in the East and West wings, eliminating the need to extend stair cores and construct roof additions
- The increased floor plate depth creates more efficient room configurations

Controllable Risk

How to maintain blind/anonymous proposals

Not Blind/Anonymous:

- **Based on our experience as a Construction Manager at Risk constructing a brand new NHL arena in Alberta, we have the experience to construct a new arena for [the Client].**

Blind/Anonymous Version of the same content:

- **We have completed multiple large projects as a CM at Risk, including a large multi-purpose municipal arena which has similar size and scope to this project.... [and our performance outcomes/results included…]**

Controllable Risk

Approach to achieve specific outcomes of the Scope

Solution:

- To the extent that carbon-intensive grid power can be replaced by natural gas-fired cogenerated power, CO2e emissions will be reduced by over 40%.

- For one similar client, we identified and fully implemented a natural gas cogeneration system which provides 70% of the total facility complex power needs while reducing total CO2e emissions by 40%. This was accomplished while producing a 20% return on the additional investment in cogeneration.

Assessment of Non-Controllable Risks

SCHEDULE 4 – RISK ASSESSMENT – Non Controllable Risks

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Solution: _____

Risk 2: _____
Why is it a Risk? _____
Solution: _____

Risk 3: _____
Why is it a Risk? _____
Solution: _____

Risk 4: _____
Why is it a Risk? _____
Solution: _____

Risk 5: _____
Why is it a Risk? _____
Solution: _____

Risk 6: _____
Why is it a Risk? _____
Solution: _____

Risk 7: _____
Why is it a Risk? _____
Solution: _____

SFU

Non-Controllable Risks

Common Types:

- Coordination with the Client or other Third Parties
- Client's Schedule or Budget Constraints
- Unclear information in Scope & Requirements
- Unknown Conditions (i.e. "known" unknowns)
- Potential "Trigger Points" for cost, schedule, scope change
- ***Anything that can cause the Proponent to be inefficient***

Non-Controllable Risk

Concealed Conditions / “Known Unknowns”

Risk

- **There may be concealed existing conditions and other unknowns of a variety of types. These are a risk because they may impact the project budget and/or the project schedule.**

Solution:

- **“Commitment that the team will have 24/7 availability to respond to risks”**

Non-Controllable Risk

Concealed Conditions / “Known Unknowns”

Solution:

Site conditions for available water pressure will not be known until 3-4 weeks into the project schedule (due to required excavations)

There are 3 potential outcomes upon investigation:

- 1) Adequate pressure available: No change in building parameters
- 2) Inadequate water pressure: Impact to some building parameters such as size and/or quality of finishing, etc.
- 3) Worst-case of no water pressure available: substantial underground work, tanks, etc. Significant impact to building size & finish level, resulting in a reduction of project scale.

Non-Controllable Risk

Concealed Conditions: Excavation & Remediation

Solution 1:

- Communication between all parties when a condition is found.
- Commitment that representatives will be available 24/7 to respond
- Impact: delay of progress, increased scope, and increased cost.

Solution 2:

- Perform wall excavation & sampling by week 2
- If coal-tar encountered, confirm material type & removal procedure
  - On-site disposal with crushed concrete is possible
- Expected impact if coal-tar is encountered:
  - Add +/- 2 weeks to schedule and +/- $42,300 to cost

Non-Controllable Risk

Client's internal activities (with an "if… then…" format)

- The Owner is upgrading GIS versions, migrating to a new geodatabase file structure, and publishing map services. None of these tasks has been previously performed by the Owner.

- We will provide Asset Management GIS requirement documentation during Phase 1: Design and map services should be published by the end of this Phase. In the case the Owner does not, we will move forward with other project areas.

- If the GIS has not been properly integrated prior to the end of Phase 3: Configuration, the Asset Management system will NOT contain a GIS integration and this project will continue forward.

- Costs associated with implementing the GIS integration at a future date will be billed to the Owner at standard billable rates defined in the contract. Estimated costs as a result of delay may range from 5-10 billable days (40-80 hours). This scenario has occurred in less than 5% of previous implementations.

Non-Controllable Risk

Client's Project Schedule Constraints

Risk 1	**The project schedule is quite compressed**
Solution 1:	Establishing a solid work plan that is embraced by our staff, along with the [Owner] will be important to offset delays

Critical Item 3:	Schedule
Project Plan:	We will prepare an unbiased and realistic construction schedule the Team can achieve, and then compare that schedule to the Owner's requirements in an effort to find any discrepancies and rectify them. We would review and update the schedule weekly to ensure that we stay on track and complete the project within the specified time frame. Project Team Meetings will review upcoming work that involves excessive noise, toxic applications or odours.

Non-Controllable Risk

Client's Schedule Constraints

- Compress design development to quickly produce CDs.
- Project award by Oct. 1 enables excavations to be complete before December holidays and minimizes freeze impacts during excavations.
- Mass hoarding of bunker structure to minimize impact of winter weather.
- Project sequencing: once main floor steel stud framing structure is complete, M&E subs can work on deck level above while additional sub-trades are working on the M&E rough-in and finishing work below. This will reduce schedule time significantly.
- Multiple Value Assessment options to minimize schedule constraints, such as:
  - Alternate interior finishes critical path reduction by multiple months reduce this trade by multiple months by switching to a partition system
  - ($1.6M project budget impact – see Value Add #2 for full details)

Non-Controllable Risk

Client inputs and existing data

(how will the Proponent assist and guide this?)

- **Why it is a risk**: Data inaccuracies arise when combining data from multiple sources, multi-use fields in legacy systems, unedited data entry, and other reasons. Data inaccuracies include data omission, which may occur when data fails to convert.

- **Potential Impact**: Data inaccuracies can cause delays in data conversion to the new system and can also cause invalid test results

- **Solution**:
- Our conversion process is customized to each Owner to evaluate customer data and generate a merge result list. This is effective in 95% of cases.
- If pervasive data inaccuracies exist, we have a validation stage in the target system after every conversion cycle. **The most common of these are…**
- The owner will provide a resource with authority to make decisions about data conversion results.
- A further data cleansing stage can be added if necessary. **We have seen this in…**

Non-Controllable Risk

Feedback to improve Risk Assessment submittals

Risk 1:	Natural Disaster, Threats, Terrorist Activity
Why is it a Risk?	These events may take priority over the new [redacted] implementation
Solution:	If such an event occurs, the Department and Vendor will conduct an implementation assessment to determine if there are opportunities to continue with implementation and focus on implementation deliverables. The assessment may require the re-engineering of project schedule.

Is this really the #1 most concerning risk/constraint to the project?

How often have previous projects been affected by this risk?

Is this the solution of an expert who's successfully responded to this risk in the past?
The solution essentially states: "We will hold a meeting to figure out a solution later."

Non-Controllable Risk

Minimizing Boilerplate Content

Risk 1: Misalignment of the proposed solution with [] expectations.

Solution: Our approach is to "Embrace" your current business processes and then to "Extend" those processes with new functionality. This approach minimizes stakeholder misalignment as we will leverage the knowledge of your mature business processes and collaboratively determine what, how and when new features and functionality are added to "Extend "your system. In the first phase of the project, the current mainframe applications will be re-hosted on Windows servers. Our team will leverage our experience and tools to modernize your technology while preserving your current business processes. After this early stage, it will be possible to retire your legacy system, resulting in operational support savings early in the project. The next phases will build the foundation for future system expansion and add functionality on top of our flexible architecture. Our approach provides immediate and incremental benefit to [], allowing

Value Added Plan

SCHEDULE 5 – VALUE-ADDED

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Item 1: _____
Why is it a Value Add?: _____

Item 2: _____
Why is it a Value Add?: _____

Item 3: _____
Why is it a Value Add?: _____

Item 4: _____
Why is it a Value Add?: _____

Item 5: _____
Why is it a Value Add?: _____

Item 6: _____
Why is it a Value Add?: _____

Item 7: _____
Why is it a Value Add?: _____

SFU

Value Added Plan

NOTE: Value items are options are items that are **NOT** reasonably included in the Scope/Requirements. Instead, value options are:

- - Proposed Scope Alternates
- - Alternatives in implementation strategies, timelines, project scope, equipment, testing, goals, etc.
- - Additional services & options
- - Cost savings opportunities
- - Showcase qualifications that are above and beyond the requirements. What makes your firm/team/qualifications/approach unique?

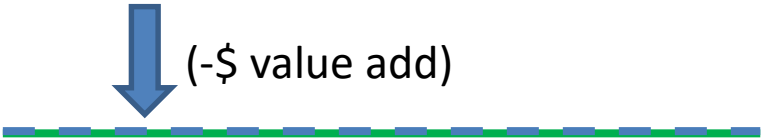
- Respondent should identify what adjustments are recommended & why they are beneficial to the Owner/project.

- Recommended have a specific **dollar and schedule** impact, if appropriate. Or indicate that there is no impact (zero)

Value Assessment

Scope is above the budget

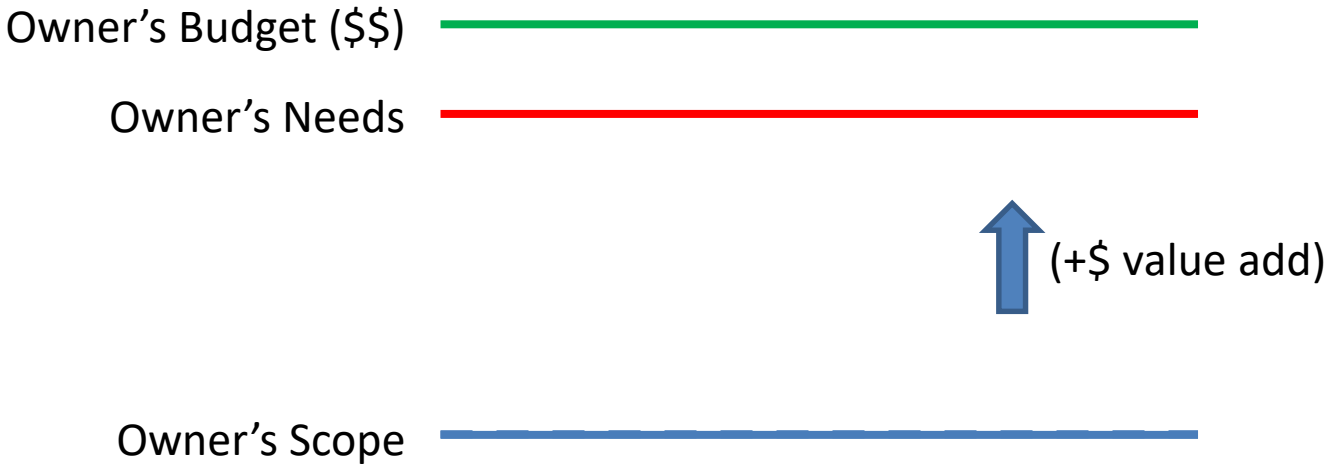
Owner's Scope



Owner's Budget ($$)

Value Assessment

Intent does not match the scope



Value Added Plan

Example: Air Duct System Improvements

- In lieu of using redundant dual duct air systems (shown in bridging documents), a design solution is proposed to substitute redundant variable air volume (vav) systems with reheat
- We believe the rationale for using dual duct was to eliminate the potential risk of having a wet heating system leak through the ceiling into the production areas
- With the proposed creation of an interstitial service space, the risk for leaking of the wet heating system is mitigated, servicing space is increased, control complexity is reduced, and capital cost is mitigated.
- Cost ($): ($158,000) Savings
- Schedule Impact: N/A

Value Assessment

Recommend a new contract / service delivery structure

- Instead of purchasing “Named Licenses,” the [CLIENT] may want to consider purchasing “Concurrent Licenses.”
- In a “Named Licensing” model, the software designates a license per user and only that particular named user can use/access the license. If that named user is in meetings, on vacation, or not using the system, the license is not utilized.
- In a “Concurrent Licensing” model, the server keeps track of the total number of licenses and loans the licenses to users as they log in. If a user is inactive, the server releases the license and allocates the license to the next user.
- The advantage is that the [CLIENT] is not required to purchase licenses that are not being used, which can result in approximately 25% savings in cost.

Value Assessment

Integrate New Technology

- Use a dual stream compactor for cardboard and paper waste
- Removes the cost of collection of paper by the Proponent from totes at the warehouse ($38 at 2x per week). The compactor will be equipped with a cart tipper to allow [Client] staff to easily load the compactor.
- Occupy 1 parking spot only, which frees up valuable space.
- Eliminates 108 lifts per month x $7.22 per lift.
- The volume is appropriate for the one unit and both materials will be taken to the processing facility every 5 days.
- The paper and cardboard streams will become eligible for rebates.
- $2,500 savings per year. Allow 60 days from Notification.

Value Assessment

Optimize an overly-prescriptive Scope

- The amount of elevators included in the Scope would not warrant a dedicated mechanic.

- Savings could be realized if this language is adjusted.

- Levels of service would not be adversely effected by having a dedicated mechanic who also has other buildings in close proximity to the site.

Value Assessment

Qualifications beyond the Solicitation Minimums

Item 4:	Sustainable Design Consultant
	We have engaged a sustainable design consultant as part of our architectural team. Our consultant's will coordinate and administer the projects Green Globes objectives as well as provide energy modelling services. The energy modelling will provide our team with information so that we can make informed decisions about building envelope improvements and building system selections. We have had success in the past working closely with this consultant to achieve high levels of sustainability for various renovation

Option 2:	Consultant is familiar with all top-tier solar PV OEMs, inverter and smart inverter technology providers, BESS solution providers, and microgrid control vendors.
Description:	Consultant has previous experience with top-tier technology providers that would be appropriate for use at this project. Consultant has third-party assessment (including component testing) and independent engineering experience, particularly in non-mature technologies such as BESS and microgrid controllers. This will shorten the review process of EPC bids and provide SCL with an industry-wide perspective on established, mature equipment suppliers that would not add risk to the project.

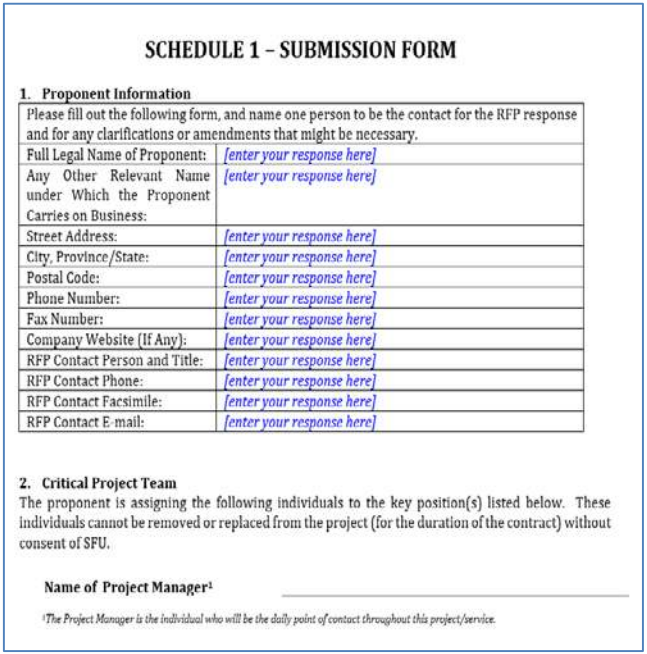
Sample Evaluation Criteria & Weights

No	Criteria	Weight
1	Submission Forms Completeness	Pass / Fail
2	Mandatory Requirements of Schedule 1	Pass / Fail
3	Cost	200
4	Risk Assessment Plan	250
5	Value Added Plan	150
6	Past Performance Information	100
7	Interview of Key Personnel	300
	Total:	1,000

Note that each specific solicitation may include different evaluation criteria and different weighting schemes.

Project Team

Proponents will be asked to identify project team individuals, for example:



SCHEDULE 1 – SUBMISSION FORM

1. Proponent Information

Please fill out the following form, and name one person to be the contact for the RFP response and for any clarifications or amendments that might be necessary.	
Full Legal Name of Proponent:	*[enter your response here]*
Any Other Relevant Name under Which the Proponent Carries on Business:	*[enter your response here]*
Street Address:	*[enter your response here]*
City, Province/State:	*[enter your response here]*
Postal Code:	*[enter your response here]*
Phone Number:	*[enter your response here]*
Fax Number:	*[enter your response here]*
Company Website (If Any):	*[enter your response here]*
RFP Contact Person and Title:	*[enter your response here]*
RFP Contact Phone:	*[enter your response here]*
RFP Contact Facsimile:	*[enter your response here]*
RFP Contact E-mail:	*[enter your response here]*

2. Critical Project Team

The proponent is assigning the following individuals to the key position(s) listed below. These individuals cannot be removed or replaced from the project (for the duration of the contract) without consent of SFU.

Name of Project Manager[1] _____

[1]*The Project Manager is the individual who will be the daily point of contact throughout this project/service.*

Note: Project Team individuals defined by % time allocation leading DAY-TO-DAY OPERATIONAL LEVEL activities

Interviews

- Conducted with the Project Team individuals as listed in the Solicitation. For example:

4.13 Interviews

The University will conduct Interviews with the following key personnel from the shortlisted firms:

- The Project Manager (Individual)

The individual(s) must be the same individual(s) that is/are listed in Schedule 1. Interviews are expected to last approximately 15 minutes per individual. No other individuals from the proponent's organization will be allowed to sit in or participate during the interview session. Interviewees may not bring notes, handouts, or presentation material. Interviewees will be prohibited from making any reference to their proposed cost proposal. If the University is interviewing multiple key personnel from each proponent, the University will interview the individuals separately from one another. All proposed team members must be available in person for interviews on the date specified in this solicitation. No substitutes, proxies, phone interviews, or electronic interviews will be allowed. Individuals who fail to attend the interview will be given a "1" score which may jeopardize the proponent's competitiveness. Extraordinary circumstances will be considered at the sole discretion of SFU. The University may also request additional information prior to interviews and may request to interview additional personnel. If awarded the Agreement, interview statements may become part of the final contract.

Interviews

Logistics:

- May be in-person and/or video/tele-conference
- No substitutes or proxies will be allowed.
- Notify in advance of foreseeable schedule conflicts
- Special circumstances may be considered with prior approval

Format:

- Q&A Interview, NOT a presentation
- Individuals will be interviewed separately
- A standard set of questions will be asked
- Interviews typically last 15-30 minutes per individual
- No extra materials/handouts unless specifically requested
- White board will be provided (optional but encouraged)

Common Interview Questions

Common Questions:

- Describe a similar project you have delivered.

- Draw out your project plan & major milestones on the whiteboard.
  - Identify major risk items and when they may occur?
  - How will you minimize the risks on this project?
  - Identify where critical decisions will need to be made.
  - Identify where any critical involvement will be needed from the Owner
  - Is there anything you'd do differently (i.e. Value options)

- Additional project-specific questions.

Evaluations and Shortlisting

Evaluation procedures:

- There ***may*** be blind/anonymous evaluation portions (the solicitation will clearly state whether is there is a blind/anonymous portion of evaluations)
- Focused on Clear Differential
- Cost is held separate from evaluated components

Short-Listing before Interviews if necessary

- Short-Listing will be based upon total evaluation points (all evaluation categories prior to Interviews)
- Some projects may also have a product demonstration alongside the Interviews.

Recap: What to ask yourself when reviewing your proposal content:

- Does this truly differentiate my proposal? Or can my competitors say the nearly same thing?
- Is my proposal project-specific? (does it pass the "copy-and-paste" test?)
- Have I considered the potential impacts? Based upon experience, what is the best case / worst case / most likely case?
- Am I explaining my recommendations & qualifications rather than overly selling & marketing?

Most Common Mistake in Proposal Development

Not involving Project Team individuals

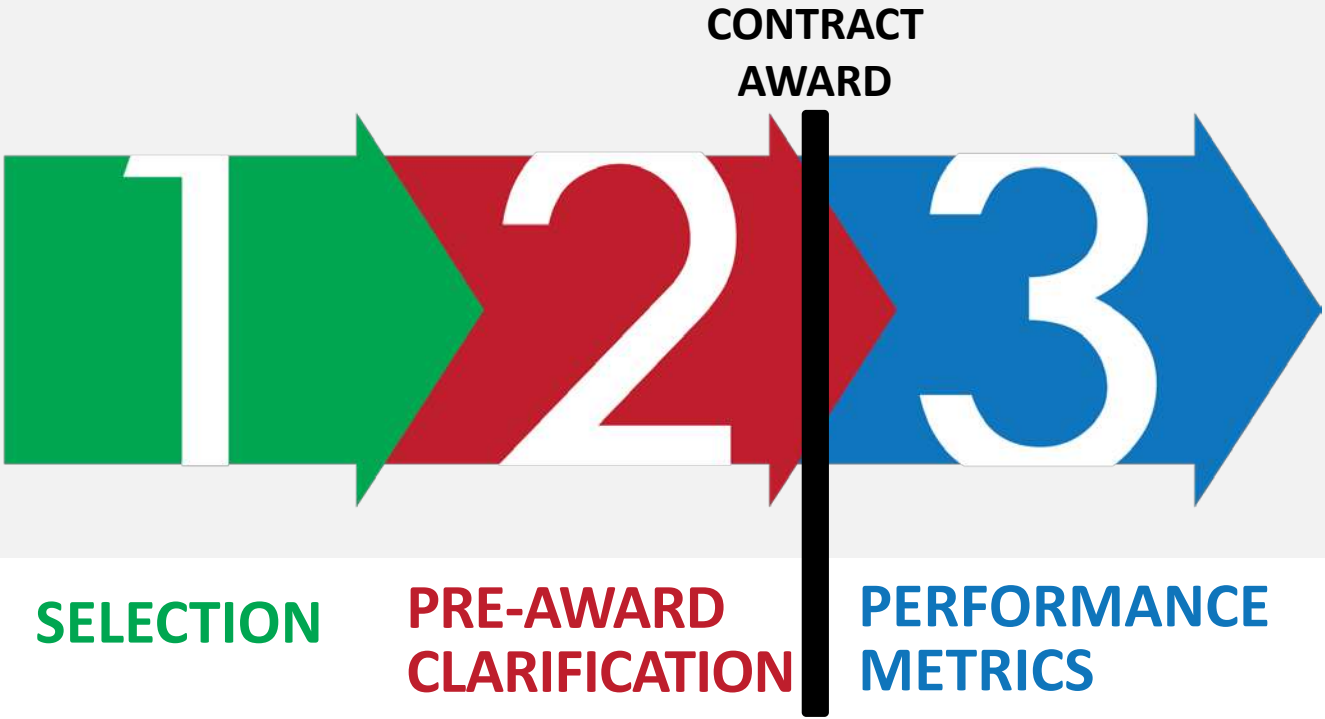
During the Pre-Submittal Conference
& Proposal Response

(by only or primarily involving marketing, business development, sales)

Tips for Preparing your Proposal Response

1. Identify the operations individuals that have the greatest expertise for this specific project.
2. Have your team lay out the project plan… how would they would execute it based upon the scope/requirements?
3. Identify what risks they see are involved within the plan (including scope clarity & assumptions)
4. If it was *your* project, what would you change to provide better performance/value/etc.?
5. Then price it out.
6. *Then,* write the response to the proposal.

Procurement Process



Thank you for watching!