

## DEPARTMENT POLICY STATEMENT

<b>TITLE</b>	<b>Consultant Selection Policy for Consulting Services</b>	
<b>Division/Branch</b>	Capital Projects Division, Program Management	
<b>Version Number</b>	<b>Replaces Previous Policy Number</b> Consultant Selection Policy for Building Infrastructure Consulting Services, April 1, 2007	<b>Effective Date</b> <b>April 1, 2009</b>
<b>Purpose</b>	This policy sets out the principles and criteria that govern the procurement of Consulting Services by Alberta Infrastructure (INFRA).	
<b>Principles</b>	<p>This policy applies to the procurement of all Consulting Services contracted directly by INFRA and must be read together with INFRA's Procurement Policy O 1250, the Department's general policy on procurement.</p> <p>This Consulting Services policy <i>does not</i> apply to sub-consultants, whose selection is normally at the discretion of the prime consultant.</p> <p>The policy <i>does not</i> apply to the procurement of Consulting Services for infrastructure projects that are funded in whole or in part by INFRA but are contracted directly by supported entities (e.g. School Boards, Alberta Health Services, or Post-Secondary Educational Institutions). INFRA does not control the consultant selection policies of these entities, although they are expected to comply with public sector procurement principles similar to those in INFRA's Procurement Policy O 1250.</p>	
<b>Criteria</b>	<p><i>General Policy</i></p> <ol style="list-style-type: none"> <li>1. The Value Based Selection method, the Price Based Selection method and the Sole Source Selection method may all be employed in procuring different types and values of Consulting Services as described in this policy.</li> <li>2. When the Value Based Selection or Sole Source Selection methods are used, the following broad selection criteria categories are considered, weighted according to project needs: <ol style="list-style-type: none"> <li>a) The firm's experience record, including any special area(s) of expertise.</li> <li>b) The firm's past performance record on similar services performed for INFRA. For firms that have not previously performed services for INFRA, references from other clients are considered instead.</li> <li>c) The firm's capacity to perform the required services.</li> <li>d) The firm's specialized knowledge of an existing facility, project or program, through other previous (or current) engagements.</li> </ol> </li> </ol>	

3. When the Value Based Selection method is used, the following additional price related criterion is considered together with those listed above:
  - a) A stipulated price fee, an hourly rate(s) fee, cost reimbursement plus a fee, or a combination of the foregoing, for a given scope of services. The weighting of this criterion may be 20% or more (but may not be less than 20%) of the total weighting.
4. Architectural and engineering firms that wish to be considered for INFRA's A&E Services contracts with a Contract Value between \$75,000 and \$500,000 or \$1 million as the case may be (see clause 14.a & 14.b) must be registered in INFRA's Vendor Registry for A&E Services (VRAES). Self-registration of new vendors (firms) and updating of existing vendors' information in VRAES may be initiated from the INFRA website at any time. Mandatory vendor information recorded in VRAES includes:
  - a) Confirmation of registration with the Alberta Association of Architects or a permit to practice from the Association of Professional Engineers, Geologists and Geophysicists of Alberta.
  - b) Corporate information.
  - c) Category(s) of services provided.
  - d) Previous experience information.
  - e) Past performance information.
5. Vendors are responsible for self-managing their information in VRAES and keeping it up-to-date.
6. More detailed procedures for selecting consultants for A&E Services are contained in INFRA's Architectural and Engineering Services Consultant Selection Consultant Guide.
7. For every consultant selection, the following information is recorded in INFRA's Consultant Selection and Management System (CSAM) at the time of approval:
  - a) Description of scope of services.
  - b) Reason(s) for selection of a particular firm.
  - c) Maximum consultant cost (Contract Value) for the selection.
8. All consultant selections must be approved by the Contracts Review Committee or delegated authority level for approval, in accordance with the Expenditure Officer Authority Guidelines. Delegated approvals are monitored by the Contracts Review Committee.
9. Terms and conditions of Consulting Services contracts are based on INFRA's standard documents. Contracts are signed by delegated authorities in accordance with INFRA's Expenditure Officer Authority Guidelines.

10. Following is a description of the "normal" selection policy for each of four different types and dollar values of Consulting Services contracts. Some selection methods, other than those described, may be used on an exception basis if considered appropriate for a given procurement. Others are not permitted by this policy. Refer to Appendix A for a policy summary, which indicates other selection methods that are, and are not, permitted. The specified dollar thresholds used to determine the applicable "normal" selection policy for a given type and dollar value of Consulting Services contract relate to Contract Value.

*Selection Policy for A&E Services \$75,000 and Greater*

11. A standing "opportunity notice" appears on the Alberta Purchasing Connecting (APC) website notifying firms, which are interested in providing A&E Services to INFRA, of the opportunity to self-register in VRAES at any time.

12. In addition, a periodically updated "opportunity notice" list, which is accessible in VRAES to registered vendors only, is maintained for all A&E Services "opportunities" with a Contract Value of \$75,000 and greater. Each listed "opportunity" has a closing date for "expressions of interest". Firms interested in specific opportunities must submit an expression of interest before the closing date.

13. After the closing date for each opportunity, the previous experience and past performance of all interested vendors is evaluated, based on the vendor information in VRAES. A formal evaluation methodology is applied by a team assembled for this purpose. The *three* best scoring firms are then shortlisted to receive a Request for Proposals (RFP).

14. Notwithstanding the foregoing, a project specific RFP may be publicly advertised, or alternatively a project specific Request for Qualifications or Request for Expressions of Interest may be publicly advertised followed by an invitational RFP to shortlisted respondents, for:

- a) single discipline contracts with a Contract Value of \$500,000 or greater,
- b) multiple discipline contracts with a Contract Value of \$1 million or greater, or
- c) special projects requiring complex or specialized A&E Services (e.g. services not covered by the categories of services in VRAES).

15. Proposals received in response to the RFP are evaluated using the Value Based Selection method, based on pre-determined project specific evaluation criteria and weightings that have been disclosed to the proponents. A formal evaluation methodology is applied by a team assembled for this purpose.

16. Selection of the best scoring proponent is recommended to the Contracts Review Committee for approval.

*Selection Policy for A&E Services Under \$75,000*

- 17. The Sole Source Selection method is used. (Value Based Selection is inefficient for small dollar value contracts.) Qualified firms are considered based on their known qualifications relative to the applicable selection criteria stated under "General Policy" and a single firm is selected to submit a proposal. The selection is recommended to the delegated authority level for approval in accordance with the Expenditure Officer Authority Guidelines.
- 18. Terms of the Consulting Services contract, including scope, time and cost of services are negotiated with the approved firm.

*Selection Policy for Non-A&E Services \$75,000 and Greater*

- 19. A project specific RFP or bid call is publicly advertised on the APC. Alternatively, a project specific Request for Qualifications or Request for Expressions of Interest may be publicly advertised on APC, followed by an invitational RFP to shortlisted respondents.
- 20. Proposals received in response to an RFP are evaluated using the Value Based Selection process, based on pre-determined project specific evaluation criteria and weightings that have been disclosed to the proponents. A formal evaluation methodology is applied by a team assembled for this purpose.
- 21. Selection of the best scoring proponent or lowest price compliant bid is recommended to the Contracts Review Committee for approval.


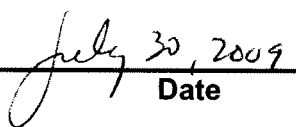
*Selection Policy for Non-A&E Services Under \$75,000*

- 22. The Sole Source Selection method is used. (Value Based Selection is inefficient for small dollar value contracts.) Qualified firms are considered based on their known qualifications relative to the applicable selection criteria stated under "General Policy" and a single firm is selected to submit a proposal. The selection is recommended to the delegated authority level for approval, in accordance with the Expenditure Officer Authority Guidelines.
- 23. Terms of the Consulting Services contract, including scope, time and cost of services are negotiated with the approved firm.

*Sole Source Exceptions for Consulting Services \$75,000 or Greater*

- 24. For Consulting Services that normally require a competitive process, exceptions to the "normal" consultant selection policy are permitted in circumstances that fall within one or more of the permitted exceptions for government procurement under Part V of the Trade, Investment and Labour Mobility Agreement (TILMA) or under Article 506, section 11 and 12, of Agreement on Internal Trade (AIT), as applicable.

<p><b>Definitions</b></p>	<p>25. A Sole Source selection recommendation, with appropriate justification and identifying the applicable TILMA or AIT permitted exception clause, is submitted to the Contracts Review Committee in accordance with the Expenditure Officer Authority Guidelines.</p> <p>26. Terms of the Consulting Services contract, including scope, time and cost of services are negotiated with the approved firm.</p> <p><i>Increases to Approved Contract Value</i></p> <p>27. Any increase to an approved maximum consultant cost (Contract Value) for an approved consultant selection requires the reason(s) for the increase to be recorded in CSAM and is recommended to the Contracts Review Committee or delegated authority level for approval, in accordance with the Expenditure Officer Authority Guidelines. Delegated approvals are monitored by the Contracts Review Committee.</p> <p><i>Architectural and Engineering (A&amp;E) Services</i> are professional Consulting Services required by law to be provided by a registered architect or an engineer with a permit to practice.</p> <p><i>Consulting Services</i> are the provision of knowledge based work and deliverables in a specialized field. For INFRA, these services are predominantly A&amp;E Services for building projects owned by INFRA or managed by INFRA on another owner's behalf. They also include non-A&amp;E Services, such as technical services, cost management services, information and communications technology services, finance or accounting related services, human resources related services, etc.</p> <p><i>Contract Value</i> is the maximum total dollar amount of fees, <i>estimated at the time of selection</i>, to be paid to a selected firm for a given scope of Consulting Services regardless of the method of fee calculation. It <i>includes</i> all sub-consultant costs and all reimbursable expenses.</p> <p><i>Price Based Selection</i> is a selection method wherein bids are solicited (publicly or by invitation) by means of a competitive bidding process and a firm is selected taking into consideration only price and compliance with the bid call.</p> <p><i>Request for Proposals (RFP)</i> is a document and a process used to solicit proposals (publicly or by invitation) which are evaluated based on disclosed criteria.</p> <p><i>Sole Source Selection</i> is the selection of a firm without a competitive process. Permitted for low Contract Value procurements. Permitted for other than low Contract Value procurements in exceptional circumstances only.</p>
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<p><b>References</b></p>	<p><i>Value Based Selection</i> is a selection method wherein proposals are solicited (publicly or by invitation) by means of a competitive RFP process and a firm is selected whose proposal offers the best value, taking into consideration both qualifications of the firm and price.</p> <p><i>Vendor Registry for Architectural and Engineering Services (VRAES)</i>: An on-line registry through which firms interested in providing A&amp;E Services to INFRA submit and regularly update their qualifications information.</p> <p>Agreement on Internal Trade (AIT) (<a href="http://www.ait-aci.ca/index_en/ait.htm">http://www.ait-aci.ca/index_en/ait.htm</a>)</p> <p>Alberta Purchasing Connection (APC) (<a href="http://www.purchasingconnection.ca/">http://www.purchasingconnection.ca/</a>)</p> <p>Architectural and Engineering Services Consultant Selection Consultant Guide (<a href="http://www.infrastructure.alberta.ca/Content/Publications/production/consultguidevraes.pdf">http://www.infrastructure.alberta.ca/Content/Publications/production/consultguidevraes.pdf</a>)</p> <p>Contracts Review Committee Mandate and Terms of Reference (<a href="http://infrapolicy/public/CRC%20Mandate.pdf">http://infrapolicy/public/CRC%20Mandate.pdf</a>)</p> <p>Expenditure Officer Authority Guidelines (<a href="https://intranet.infrastructure.alberta.ca/pcsd/finance/Expenditure%20Oficer%20EO%20Guidelines/Expenditure%20Officer%20Authority%20Guidelines,%20effective%20December%2017,%202008.pdf">https://intranet.infrastructure.alberta.ca/pcsd/finance/Expenditure%20Oficer%20EO%20Guidelines/Expenditure%20Officer%20Authority%20Guidelines,%20effective%20December%2017,%202008.pdf</a>)</p> <p>Procurement Policy O 1250</p> <p>Trade, Investment and Labour Mobility Agreement between B.C. and Alberta (TILMA) (<a href="http://www.tilma.ca/pdf/TILMA_Agreement_April2009.pdf">http://www.tilma.ca/pdf/TILMA_Agreement_April2009.pdf</a>)</p>
<p><b>Approved by</b></p>	<p style="text-align: center;">   <hr/> <b>Barry Day, Deputy Minister</b> </p> <p style="text-align: right;">   <hr/> <b>Date</b> </p>

APPENDIX A  
Policy Summary

Selection Method	Type and Contract Value of Procurement			
	Architectural and Engineering (A&E) Services		Non-Architectural and Engineering Services (Non-A&E) Services	
	≥\$75,000	<\$75,000	≥\$75,000	<\$75,000
Value Based Selection	<u>Normal</u>	Permitted	<u>Normal</u>	Permitted
Price Based Selection	Not permitted	Not permitted	Permitted	Permitted
Sole Source Selection	Permitted <sup>1</sup>	<u>Normal</u>	Permitted <sup>1</sup>	<u>Normal</u>

<sup>1</sup> In exceptional circumstances only, subject to permitted exceptions in TILMA and AIT.