

September 15th, 2004

Ministry of Transportation
Partnerships BC

PROVINCE REQUESTS PROPOSALS FOR SEA-TO-SKY HIGHWAY

VICTORIA – The Province has issued a Request for Proposals from three shortlisted proponent teams to design, build, finance and operate improvements to the Sea-to-Sky Highway.

Three qualified proponent teams were short-listed in May 2004 to participate in the Request for Proposals (RFP) stage of the competitive selection process. Each of these proponent teams is made up of firms with experience in constructing highways in mountainous terrain while continuing to keep the highway open for the travelling public. As well, each firm has experience in British Columbia. The three short-listed proponent teams are:

- Black Tusk Highway Group
- S2S Transportation Group
- Sound Highway Development Consortium

The Ministry of Transportation has involved the private sector in designing, building, and maintaining highways for many years. Road and bridge maintenance contract terms have recently been increased to ten years in order to enable contractors to undertake more planning in the maintenance of the Province's highways. This type of arrangement has several benefits for taxpayers. Making a contractor responsible for the maintenance and operations of the highway for 25 years provides incentives for the contractor to design and build a durable, reliable project on time and on budget.

The ministry will monitor the contractor during construction of the highway and for the 25 years afterwards to ensure compliance with performance standards for the highway improvements. The contractor must meet a series of performance standards set out in the RFP and will be subject to financial incentives and penalties associated with meeting these standards. In addition to monitoring performance standards, the ministry has the ability to step in and ensure appropriate remedial measures are implemented should performance problems arise during any stage.

The Sea-to-Sky Highway Improvement Project will be completed by 2009. The highway improvements will serve population growth, economic development in corridor communities and increasing demand for resident travel, visitor travel and goods movement.

RFP Evaluation

The ministry and Partnerships BC will be responsible for assessing proposals from the three short-listed proponent teams to find the best highway improvement solution that meets the project goals for safety, reliability and capacity within the project budget. This extensive evaluation will include experts in highway design, construction, safety, traffic management, finance, consultation and other technical areas

vital to the competitive selection process. The ministry, supported by these experts, will evaluate proposals focusing on the areas of design and construction, operations and maintenance, commercial and legal, financial, and consultation.

The competitive selection process will reduce the proponent teams from three to one and ultimately lead to a contract with the selected proponent team to design, build, finance, operate and maintain the Sea-to-Sky Highway Improvement Project for 25 years. The selected proponent team will invest in the project and assume significant risks such as construction, schedule and maintenance.

Fairness Auditor

To ensure this competitive process is fair and equitable, the Honourable W.J. Wallace, QC has been engaged as a fairness reviewer in association with Mr. Ted Hughes, OC, QC, with responsibility as an independent observer, to review the development and implementation of the entire competitive selection process from a fairness perspective. The fairness reviewer will provide a written report about the proposal evaluation process, which will be made public at the time of selection of the preferred proponent.

Competition/Selection

The Sea-to-Sky Highway Improvement Project has three phases; *competition/selection*, (2003-2005), *construction* (2005-2009), and *operation* (2005-2030).

The competition/selection is a two-stage commercial competition designed to elicit the best highway improvement solution that meets the project goals for safety, reliability and capacity at a competitive price and with the least risk. It includes:

Stage One:

- The Registration of Interest, issued in January 2004
- The Request for Qualifications, issued in March 2004

Stage Two

- The Request for Proposals, September 2004. Technical Proposals in response to the RFP are due in December 2004 with final election of a preferred proponent team in January 2005
- Construction anticipated to commence in Spring 2005

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Additional information available on the Sea-to-Sky website:

- Request for Proposals (RFP) Document
- Fact Sheet
- Proponent Team Profiles
- Fairness Reviewer's Report (Report #1)

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