



Assessment of the Effectiveness of the Two- Stage Pilot Process

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1. Executive Summary

In March 2010, PPI Consulting Limited (“PPI”) was engaged by the Ministry of Education (“Ministry”) to develop a resource package to support a two-staged procurement process for student transportation services. This included piloting the two-stage process in two pre-determined sites, the North East Tri-Board Student Transportation (“NETBST” or “Northeast”) and the Northwestern Ontario Region (“Northwest”). The Northwest consisted of four Consortia; Rainy River Transportation Services, Northwestern Ontario Student Services Cooperative, East of Thunder Bay Transportation Consortium, and Student Transportation Services of Thunder Bay. Transportation Consortia provide student transportation services to two or more school boards. This report provides an overview of the development of the draft resource package, two-stage pilot processes and summarizes the lessons learned and modifications to the resource package.

The development of the draft two-stage resource package included input from the relevant stakeholder groups. PPI sought input from stakeholders in three stages: initial consultations, Stage One consultations and Stage Two consultations. Initial consultations were held with all stakeholders to collect high-level perspectives on the design and strategy of the two-stage process. Stage One consultations were held with Consortia and operators to collect feedback on the first stage, the Request for Supplier Qualifications (“RFSQ”). Stage Two consultations were held with Consortia to collect feedback on the second stage, the Request for Services (“RFS”). PPI used the feedback to refine the draft two-stage resource package.

The draft two-staged resource package was then piloted in the Northeast and Northwest Consortia. PPI provided support and advice to the two sites on the procurement process by assisting in the development of the procurement documents, training for Consortium staff, and facilitation of the evaluation, selection and debriefing process.

Once the Northeast and Northwest pilots were completed, PPI conducted feedback sessions with all parties involved to solicit lessons learned and identify recommendations for refining the tools, templates, and processes. The modifications for consideration based on PPI’s review of the draft documents, lessons learned, and feedback sessions have been presented, and where appropriate, incorporated into the two-stage resource package. The final two-stage resource package is attached as Appendix B and C to this report.

2. Introduction to the Project

2.1 Background

In 2006, the Ministry introduced Effectiveness & Efficiency (“E&E”) Reviews to evaluate Consortia in four areas of performance including: consortium management, policies and practices, routing and technology use and contracting practices. Among other things, the E&E Reviews identified contracting practices as an area for improvement. In many consortia, there were no signed contracts, no clear expectations, and no open or transparent pricing mechanisms. The reviews highlighted the need to competitively procure student transportation services to ensure accountability, transparency, openness, fairness, and value for money.

In response to the recommendations around contract management weaknesses the Ministry convened a Contracting Practices Advisory Committee (“CPAC”) to work collaboratively with relevant stakeholders to develop a resource package containing templates and guidelines for fair and transparent contracting practices. The resource package was released as draft in December 2008 and contained a contract template, an RFP template, a statement of work template, and a procurement guidelines document.

To support a stable transition to competitive procurement, the Ministry piloted the RFP process and CPAC tools and templates in three sites: Halton Student Transportation Services, Student Transportation Services of York Region and Wellington-Dufferin Student Transportation Services. The pilot sites considered the RFP process a success, lessons learned were shared with the necessary stakeholders and the tools and templates were reviewed.

2.2 BPS Supply Chain Guidelines / BPS Procurement Directive

In April 2009, the *Supply Chain Guideline* (“SCG”) was released by the Ministry of Finance through the Ontario Buys Secretariat. Broader Public Sector (“BPS”) organizations that received more than \$10 million per fiscal year from the Ministries of Health and Long-Term Care, Education, or Training, Colleges and Universities -- including school boards – were to comply with the SCG’s Code of Ethics and Procurement Policies and Procedures by March 31, 2010. In fact, the Ministry of Education included a reporting mechanism in Transfer Payment Agreements with school boards to ensure compliance with the SCG.

In December 2010, the Government of Ontario introduced the *Broader Public Sector Accountability Act*, which gave the Government “authority to the Management Board of Cabinet to issue the *BPS Procurement Directive* and the *BPS Expenses Directive* to designated BPS organizations” (source Ministry of Finance). The *BPS Procurement Directive* (“Directive”) replaced the *BPS Supply Chain Guideline*, effective April 1, 2011. The Directive created 25 mandatory Procurement Policies and Procedures and combined them with the force of a directive issued under legislation. Hospitals, School Boards, Colleges, Universities, Community Care Access Corporations, and Children’s Aid Societies are required to comply by April 1, 2011. In addition, publicly-funded organizations that received public funds of \$10 million or more in fiscal year 2010 from the Government of Ontario must comply by January 1, 2012.

2.3 Two-Stage Pilot Project

During the RFP pilot consultations, the industry association, the Ontario School Bus Association (OSBA) expressed interest in examining other methods of procuring student transportation services. To further assist the industry transition to competitive procurement and to give school

boards flexibility in selecting the procurement option that best suits their local circumstances and supplier market, the Ministry determined that a two-stage procurement process in compliance with the *Supply Chain Guideline*¹ be developed as an alternative.

PPI was the external consultant engaged to develop the resource package for the two-stage procurement process and then assist with two separate pilot processes. The Ministry also acquired the services of Knowles Canada to act as a Fairness Commissioner to oversee the development and implementation of the two-stage project. Knowles was closely involved in each step of the process. They reported separately on the fairness of the process in each of the five consortia.

The work included the following activities:

Stakeholder Consultations

- Moderate and facilitate discussions with relevant transportation stakeholder groups to assist with the development of the resource guide for a two-staged procurement approach. These consultations included:
 - Gathering information, comments, and perspectives on criteria for the development of the two-stage model resource guide;
 - Soliciting feedback from stakeholder groups after developing and piloting the guide; and
 - Refining the guide, including the tools and templates, based on feedback received from stakeholder groups.

Resource Guide for a Two-Stage Procurement Approach

- Development of a pre-qualification framework including pre-qualification criteria, methodology of pre-qualification;
- Development of guidelines, tools and templates to be combined with the resource guide;
- Research and identify procurement best practices in other industries and jurisdictions that may be applicable to the student transportation industry in Ontario;
- Develop separate tools and templates for Stage One – Request for Supplier Qualification and Stage Two - Request for Services;
- Develop tools and templates that are consistent with best practices in procurement, the *Supply Chain Guideline*, and align with public sector procurement standards;
- Develop tools and templates that include and identify potential variations that can be easily modified by users to suit procurement policies of local school boards/consortia and other local conditions and circumstances; and

¹ Note: the *BPS Procurement Directive* came into effect after the completion of the pilot project. The pilot itself was run with a view to ensure compliance with the SCG, and references to the SCG appear throughout this report. However, the final products have been designed to comply with the *BPS Procurement Directive*.

- Develop a set of guidelines as part of the tools and templates that transportation consortia can use to establish a local process for procurement using a two-stage approach.

Two-Stage Pilots

- Pilot the two-stage process using the resource package in two pre-determined regions and provide advice, training to Consortium staff, and planning assistance to the two pilot sites;
- Conduct the pilot process in the 2010-2011 school year for awarding 2011-12 contracts;
- In the Northwest, proceed with a joint first stage to pre-qualify vendors for the pilot comprised of the four consortia sites, but have four separate second stage procurement documents;
- Facilitate and attend a kick-off meeting with the two sites to ensure consistency in understanding the objectives for the pilots and the tools and training sessions detailing processes using the tools and templates;
- Conduct onsite visits to each pilot site to confirm and finalize timelines, major milestones, and deliverables for both stages and develop a project plan with timelines;
- Evaluate the consequences and expectations of certain specification decisions and finalize the final RFSQ and RFS document for release;
- Facilitate an onsite information session for each Consortium for both stages;
- Assist Consortia to review and develop Addenda to be distributed to the proponents;
- Facilitate the evaluation process for each pilot site;
- At the conclusion of the selection process, prepare a summary document that identifies the key findings, observations, and conclusions from the two-stage competitive process; and
- At the conclusion of the pilots, meet with participating stakeholders to solicit comments and identify recommendations for refining the tools, templates, and processes and incorporate necessary refinements into the resource package and the draft documents developed.

2.4 Project Team

PPI led the project and Knowles Canada monitored the development and implementation of the project with a view to the fairness, openness, and transparency of the process followed by each Consortium.

For each pilot site, the Transportation Manager was responsible for the two-stage procurement process which included:

- Coordinating with the consultants, the operators and the Consortium;
- Participating in stakeholder consultation sessions;
- Development of the Stage One – RFSQ and Stage Two – RFS procurement documents;
- Conducting the information sessions and development of addenda;
- Reviewing the RFSQ Submissions and evaluating the RFS Submissions;

- Conducting the pricing evaluations and calculating final scores;
- Executing the contract with the successful Qualified Suppliers; and
- Conducting debriefing sessions.

3. Overview of the Pilot Locations

3.1 North East Tri-Board Student Transportation Consortium

The North East Tri-Board Student Transportation Consortium consists of three member school boards, the District School Board Ontario North East, Northeastern Catholic District School Board and Conseil scolaire public du Nord-Est de l'Ontario. The Northeast Consortium district covers more than 25,000km² to service the transportation needs of students who require daily transportation utilizing 245 routes which provide 494 daily runs. NETBST operates with an annual budget of approximately \$10 million.

3.1.1 Supplier Market

For the 2010-2011 school year, NETBST had 15 operators varying in size with the smallest operator servicing one route and the largest operator servicing 31 routes. One operator has international operations while the rest are local small to medium size businesses. Some of the operators have had previous experience with competitive procurement for other school boards.

3.2 Northwestern Ontario Region

The Northwestern Ontario Region consists of the following four Consortia:

3.2.1 Rainy River Transportation Services

The Rainy River District Transportation Services (“RRTS” or “Rainy River”) is comprised of the Rainy River District School Board and the Northwest Catholic District School Board. The coverage area is from Rainy River to Atikokan and north to Nestor Falls. RRTS manages student transportation services for 17 schools comprising of approximately 2,600 students. RRTS operates with an annual budget of approximately \$2.4 million. RRTS has 42 routes; 23 routes in the Fort Frances and Atikokan area, and 19 routes in the geographic region west of Fort Frances.

3.2.2 Northwestern Ontario Student Services Consortium

The Northwestern Ontario Student Services Consortium (“NWOSSC” or “Northwestern Ontario”) is comprised of four District School Boards, including Kenora Catholic, Keewatin-Patricia, Northwest Catholic and Conseil Scolaire de District Catholique Aurores boreales. NWOSSC covers an area neighbouring Upsala in the east, the Manitoba border in the west, Red Lake, Sioux Lookout and Pickle Lake in the north, and Sioux Narrows in the south. This involves approximately 80,000km² and includes the communities of Kenora, Vermilion Bay, Ear Falls, Dryden and Ignace as well as the other areas mentioned. NWOSSC has a fully integrated transportation system that enables school buses to carry students from multiple boards and schools. NWOSSC services 30 schools and transport approximately 3,800 students with 80 units in 6 distinct operating areas which are Kenora, Dryden/Vermilion Bay/Ignace, Red Lake/Ear Falls, Sioux Lookout, Pickle Lake and Upsala. NWOSSC operates with an annual budget of approximately \$5.0 million.

3.2.3 Student Transportation Services of Thunder Bay

The Student Transportation Services of Thunder Bay (“STSTB” or “Thunder Bay”) is comprised of three school boards, including Thunder Bay Catholic District School Board, Lakehead District School Board and Conseil Scolaire de District Catholique des Aurores boreales. STSTB was established to facilitate collaboration among its members for the delivery of student transportation services. STSTB manages all transportation contracts on behalf of the member boards. STSTB services its area with 192 buses providing transportation to 14,989 students. STSTB operates with an annual budget of approximately \$11.4 million.

3.2.4 East of Thunder Bay Transportation Consortium

The East of Thunder Bay Transportation Consortium (“ETBTC” or “East of Thunder Bay”) is responsible for providing student transportation for four school boards, Superior Greenstone District School Board, Superior North Catholic District School Board, Conseil Scolaire de district du Grand Nord de L’Ontario, and Conseil Scolaire de District Catholique Aurores Boreales. ETBTC’s region covers approximately 640km of lineal distance along highway 11 and 17, and consists of approximately 30,720km². ETBTC services 33 schools with 35 routes in the towns of Beardmore, Caramat, Dorion, Geraldton, Hurket, Longlac, Manitouwadge, Marathon, Nakina, Nipigon, Red Rock, Schreiber, Terrace Bay, Rosspport, Jellico and Pays Platt. Some routes are considered to be rural, specifically in the towns of Nipigon, Dorion, Geraldton and Longlac. ETBTC operates with an annual budget of approximately \$2.2 million.

3.2.5 Supplier Market

For the 2010-2011 school year:

- RRTS had 17 operators, mostly single bus operators;
- NWOSSC had 5 operators;
- STSTB had 3 operators; and
- ETBTC had 6 operators.

All operators in the Northwest are considered to be local small to medium size businesses with the exception of 1 multinational operating in the Thunder Bay area. The operators vary in size with the smallest operator servicing one route and the largest operator servicing 101 routes. The majority have had no previous experience with competitive procurement.

4. Introduction to the Two-Stage Pilot Project

4.1 Pre-Process Stakeholder Consultations

The pre-process consultations were structured in three phases:

1. **Initial Consultations** - collected high-level perspectives on the proposed two-stage process;
2. **Stage One – RFSQ Consultations** - collected detailed feedback on the first stage, the Request for Supplier Qualifications; and
3. **Stage Two – RFS Consultations** - collected detailed feedback on the second stage, the Request for Services.

In this manner the two-stage strategy could be designed early in the project, with the specifics of each stage evolving over the course of the project. The tools and templates were continually refined based on the feedback received from the consultations.

For detailed information on the feedback collected from each consultation, please refer to Appendix A for the Pre-Process Consultation Record. The Pre-Process Consultation Record lists all participants, the dates consultations took place, and describes how the feedback is incorporated into the two-stage process. If the feedback is not incorporated, the reasoning is provided.

4.1.1 Initial Consultations

PPI facilitated discussions with all stakeholders for the initial consultation phase to collect perspectives on the first and second stage design and criteria. The following is a list of all stakeholders consulted prior to the development of the two-stage process:

- Ontario School Bus Association;
- Independent School Bus Operators Association;
- Ontario Association of School Bus Officials;
- RFP Pilot Sites;
- Sharp Bus Lines Ltd.;
- Conseil scolaire de district du Centre-Sud-Ouest;
- Ministry of Transportation;
- Ministry of Education;
- Two-Stage Pilot Site: Northwest School Boards;
- Two-Stage Pilot Site: Northwest Operators;
- Two-Stage Pilot Site: Northeast School Boards; and
- Two-Stage Pilot Site: Northeast Operators.

For the two pilot sites, this also served as an introduction to the project team, competitive procurement and the relevant rules that govern competitive procurement.

4.1.2 Stage One – RFSQ Consultations

Based on the initial consultations, a draft procurement strategy was developed for Stage One. PPI solicited feedback on the design of Stage One from the Consortia and operators of the two pilot sites and also discussed high level concepts for Stage Two. PPI used the feedback to finalize the development of the RFSQ documents.

4.1.3 Stage Two – RFS Consultations

While the pilot sites were conducting Stage One, PPI developed a draft Stage Two - RFS template. The draft RFS template along with a high-level overview of the Stage Two procurement strategy was presented to the Northeast pilot site and then the Northwest pilot site. Given the staggered start dates of the two processes, PPI was able to incorporate the feedback from the Northeast session prior to presenting the Stage Two documents to the Northwest. PPI used the feedback to finalize the development of the RFS documents.

To ensure the fairness of the process, once the pilot sites began the open competitive process with the release of the RFSQ, the operators of the pilot sites were not consulted on the Stage Two –RFS documents until the completion of the two-stage pilot process.

4.2 Development of the Two-Stage Procurement Approach

In designing the two-stage process, PPI considered the achievement of both business outcomes and process outcomes. The desired business outcome for the school board and Consortia is to transport students to schools safely, on time, and ready to learn. The desired process outcome is to ensure rules are followed such that value-for-money, vendor access, fairness and transparency, geographic neutrality, and responsible management are promoted.

In addition to the feedback received from the consultations, the development of the resource package also followed several guiding principles which are listed below:

- Conduct a process that is fair, open and transparent;
- Leverage best practices from the Government of Ontario where available;
- Leverage the Consortia existing contracts;
- Incorporate information received from the consultations where applicable;
- Leverage the CPAC RFP and pilot site procurement documents;
- Comply with the *Supply Chain Guideline*;
- Have documents and a process that:
 - Is simple for Consortia to develop and evaluate
 - Is simple for operators to understand and respond to;
 - Is flexible and adaptable within the various geographies of Ontario;

- Is understandable to and respectful of consortia and operators of all sizes; and
- Encourage healthy competition.

4.3 Overview of the Two-Stage Process and Resource Package

4.3.1 Stage One – the Request for Supplier Qualifications

The purpose of Stage One is to invite all suppliers interested in providing student transportation services to submit a proposal to be included on the Qualified Suppliers List. Operators that are pre-qualified at this stage are eligible to participate in Stage Two - the RFS. The pre-qualification stage is designed to be a set of straightforward qualifying pass/fail hurdles that limit the responses to the information essential to qualifying suppliers.

The following is a summary of the tools and templates of the RFSQ resource package. Please note that the documents attached as appendices include the recommended modifications as set out in section 7.1.1 of this report.

4.3.1.1 RFSQ Procurement Guide

The RFSQ Procurement Guide (attached as Appendix B to this report) provides guidance to the Consortium in preparing for and undertaking Stage One of a two-stage procurement process. The structure of the RFSQ Procurement Guide is:

- **Section 1: Introduction** - Provides an introduction to the guide, RFSQ, intended audience and procurement principles.
- **Section 2: Definitions** - Provides the definitions of common terms used in the RFSQ.
- **Section 3: Preparing the RFSQ** - Outlines the sections in the RFSQ Template that a Consortium needs to modify for its process.
- **Section 4: Issuing the RFSQ** - Identifies the methods that can be used to inform potential Respondents of the RFSQ.
- **Section 5: Activities during the Response Preparation Period** - Identifies events that may occur during the response preparation (“open”) period of the RFSQ.
- **Section 6: Receiving the Submissions** - Identifies the activities associated with receiving the Submissions.
- **Section 7: The Submission Review Process** - Describes the review process the Consortium is to undertake to determine which Respondents will be selected for inclusion on the Qualified Suppliers List.
- **Section 8: Creation and Maintenance of the Suppliers’ List** - Identifies the process for maintaining the Qualified Suppliers List.
- **Section 9: Debriefing Process** - Outlines the activities that occur in the event a Respondent requests a debriefing session.
- **Appendix A: Addendum Structure** - A format the Consortium can use for Addendums.

- **Appendix B: Notice of Proposed Procurement (NPP)** - Provides a summary of the opportunity and expected release date of the RFSQ.
- **Appendix C: Newspaper Advertisement** - Provides a summary of the opportunity and provides information to interested Respondents on how to access the RFSQ.
- **Appendix D: Letter to Potential Respondents** - Provides a summary of the opportunity and information on how to access the RFSQ, which can be sent to potential Respondents.
- **Appendix E: MERX Registration Instructions** - Provides Respondents information on how to access MERX.
- **Appendix F: Control Document** - Provides the Consortium with a format to monitor and keep track of the process.
- **Appendix G: RFSQ Evaluation Matrix** - Provides the RFSQ Review Team a format to record the results and comments given to each submission.
- **Appendix H: Service Area Table** – Provides a format the Consortium can use to record which service areas Respondent indicate interest in providing service for.
- **Appendix I: Sample Notification Letter to Successful Respondents** - A format the Consortium can use for notifying successful Respondents.
- **Appendix J: Sample Notification Letter to Unsuccessful Respondents** – A format the Consortium can use for notifying unsuccessful Respondents.
- **Appendix K: Sample Debriefing Confirmation Letter** - A template letter the Consortium can use to receive written confirmation of the debriefing request.
- **Appendix L: Debriefing Template** – A template the Consortium can use for RFSQ debriefing sessions for successful and unsuccessful Respondents.
- **Appendix M: Sample Information Session Sign-In Sheet** – A format the Consortium can use to record participants that attend the RFSQ Information Session.

4.3.1.2 RFSQ Template

The RFSQ Template (attached as Appendix B to this report) is the Stage One procurement document that sets out the process by which Respondents will be evaluated and selected to be included on the Qualified Suppliers List. Consortia must modify the template to meet their local requirements. The structure of the RFSQ Template is:

- **Section 1: General Information** – Provides an introduction to the opportunity and describes the two stage approach.
- **Section 2: Nature of the Services** - Provides a background of the Consortium and its transportation service requirements.
- **Section 3: Instruction to the Respondents** – Details important information about the RFSQ process such as a schedule of events, contact information, Submission requirements, and communication protocols.

- **Section 4: Submission Review Process** - Explains how a Respondent's Submission will be reviewed.
- **Section 5: Submission Requirements** - Details the information that must be provided by the Respondent in their Submission to the RFSQ.
- **Section 6: Terms and Conditions of This RFSQ** - Details the rights of the Consortium and Respondent and provides information regarding the maintenance of the Qualified Suppliers List.
- **Appendix A: Consortium Service Areas** - For informational purposes only, routes that the Consortium intends to include in Stage Two.
- **Appendix B: Submission Label** - The Respondents are to affix the label to their Submission envelope.
- **Appendix C: Submission Compliance Checklist** - This checklist is to assist Respondents with ensuring that all materials are contained in their Submission.
- **Appendix D: Tax Compliance Declaration Form** - Respondents must submit the Ontario Tax Compliance Declaration Form to state that their taxes are in good standing.

4.3.1.3 RFSQ Submission Form

The RFSQ Submission Form (attached as Appendix B to this report) is a standardized template in Microsoft Word that all Respondents must use for their Submission to the RFSQ. The RFSQ Submission Form format follows the submission requirements set out in section 5 of the RFSQ Template. The uniform submission form enables the Review Team to efficiently review the Submissions and assists Respondents in ensuring they have provided a response to each requirement in the RFSQ.

4.3.1.4 RFSQ Reviewer Training Guide

The *RFSQ Reviewer Training Guide* (attached as Appendix B to this report) provides guidelines for individuals reviewing the Submissions received in response to the RFSQ process. The *RFSQ Reviewer Training Guide* also contains a *Code of Conduct* that all individuals must complete and sign prior to reviewing Submissions. The *Code of Conduct* provides details on the responsibilities of a Reviewer, confidentiality, and requires the declaration of any conflicts of interest.

4.3.2 Stage Two – the Request for Services

The purpose of Stage Two – the RFS, is to invite operators on the Qualified Suppliers List to submit proposals for the provision of student transportation services in a specific region or bundle of routes. The RFS uses a combination of quality criteria and price to identify successful suppliers with whom the Consortium may eventually contract.

The following is a summary of the tools and templates of the RFS resource package. Please note that the documents attached as appendices include the recommended changes as set out in section 7.1.1 of this report.

4.3.2.1 RFS Procurement Guide

The RFS Procurement Guide (attached as Appendix C to this report) provides guidance to the Consortia in preparing for and undertaking Stage Two of a two-stage procurement process. The structure of the RFS Procurement Guide is:

- **Section 1: Introduction** - Provides an introduction to the guide, RFS, intended audience and principles of public sector procurement.
- **Section 2: Definitions** - Provides the definitions of common terms used in the RFS.
- **Section 3: Preparing the RFS** - Outlines the sections in the RFS Template that the Consortium needs to modify for its process.
- **Section 4: Issuing the RFS** – Outlines the timing and method of issuing the RFS to Qualified Suppliers.
- **Section 5: Activities during the Response Preparation Period** - Identifies events that may occur during the Response Preparation Period of the RFS.
- **Section 6: Receiving the Submissions** - Identifies the activities associated with receiving the Submissions.
- **Section 7: The Submission Evaluation Process** - Describes the evaluation process the Consortium is to undertake to determine which Qualified Suppliers will be selected to enter into the Form of Agreement.
- **Section 8: Verification** – Provides guidance on the verification process.
- **Section 9: Contract Award** – Identifies the activities associated with executing the Form of Agreement with the successful Qualified Suppliers.
- **Section 10: Debriefing Process** - Outlines the activities that occur in the event a Qualified Supplier requests a debriefing session.
- **Appendix A: Addendum Structure** - A format the Consortium can use for Addendums.
- **Appendix B: Control Document** - Provides the Consortium a format to monitor and keep track of the process.
- **Appendix C: RFS Individual Evaluation Matrix** - Provides the RFS Evaluation Team a format to record the results and comments given to each Submission.
- **Appendix D: RFS Consensus Evaluation Matrix** – Provides the RFS Evaluation Team a format to record consensus scores and comments given to each Submission.
- **Appendix E: Sample Pricing Evaluation Matrix** – Provides the Consortium a format to evaluate the pricing component of the Submissions.
- **Appendix F: RFS Evaluation Summary** – Provides the Consortium a format to summarize the results of the evaluation.

- **Appendix G: Due Diligence and Financial Assurance Request Letter** – A format the Consortium can use to request information during the verification process from preferred Qualified Suppliers.
- **Appendix H: Sample Notification Letter to Successful Respondents** - A format the Consortium can use for notifying successful Qualified Suppliers.
- **Appendix I: Sample Notification Letter to Unsuccessful Respondents** – A format the Consortium can use for notifying unsuccessful Qualified Suppliers.
- **Appendix J: Sample Debriefing Confirmation Letter** - A template letter the Consortium can use to receive written confirmation of the debriefing request.
- **Appendix K: Debriefing Template** – A template the Consortium can use for RFS debriefing sessions for successful and unsuccessful Qualified Suppliers.
- **Appendix L: Sample Information Session Sign-In Sheet** – A format the Consortium can use to record participants that attend the RFS Information Session.

4.3.2.2 RFS Template

The RFS Template (attached as Appendix C to this report) is the Stage Two procurement document that details the specific requirements for student transportation and sets out the process by which Qualified Suppliers will be evaluated and selected for contract award. Consortia can modify the template to meet their local requirements. The structure of the RFS Template is:

- **Section 1: Introduction.** This section introduces the opportunity, the contracting approach and provides some background information.
- **Section 2: Statement of Work (“SoW”).** This section describes the services that are required by the Consortium. The Statement of Work will be appended to and form part of the agreement between the Successful Supplier(s) and the Consortium.
- **Section 3: Submission Evaluation Process.** This section explains how Qualified Suppliers will be evaluated.
- **Section 4: Submission Requirements.** This section details the information that must be provided by the Qualified Suppliers in responding to the RFS.
- **Section 5: Terms and Conditions of the RFS Process.** This section details important information about the process such as dates and times, contact information, and rights of the Consortium and Qualified Supplier.
- **Appendix A: Form of Agreement.** These are the terms and conditions of what will become the contract with Qualified Suppliers. The Statement of Work and the Pricing Evaluation Form are attached to the Form of Agreement to create the contract.
- **Appendix B: Form of Offer.** Qualified Suppliers must sign this form to accept the terms and conditions of the process and to formalize their financial offer.
- **Appendix C: Route Information.** This identifies the areas for which the Consortium requires student transportation.

- **Appendix D: Pricing Evaluation Form.** This is the formal pricing offer from the Qualified Supplier.
- **Appendix E: Submission Labels.** Qualified Operators will be responding to this RFS in two envelopes. The first envelope will contain the written response to Section 4, Submission Requirements. The second envelope will contain the response to Appendix D, Pricing Evaluation Form. A submission label is provided for each envelope.
- **Appendix F: Submission Checklist.** This checklist is to assist Qualified Suppliers with ensuring that all materials are contained in their submission.
- **Appendix G: Reference Form.** Qualified Suppliers must provide at least one reference.

4.3.2.3 RFS Submission Form for Envelope #1

The RFS Submission Form for Envelope #1 (attached as Appendix C to this report) is a standardized template in Microsoft Word that all Qualified Supplier must use for their Submission to the RFS. The RFS Submission Form format follows the submission requirements set out in section 4 of the RFS Template and includes both the mandatory and rated requirements. The uniform submission form enables the Evaluation Team to efficiently evaluate the Submissions and assists Qualified Suppliers in ensuring they have provided a response to each requirement in the RFS.

4.3.2.4 RFS Submission Form for Envelope #2

The RFS Submission Form for Envelope #2 (attached as Appendix C to this report) is the Pricing Evaluation Form that all Qualified Supplier must use for their Submission to the RFS. The RFS Submission Form for Envelope #2 has been provided in Microsoft Word. It is optional to the Consortia to provide the Pricing Evaluation Form in other formats such as Microsoft Excel.

4.3.2.5 RFS Evaluator Training Guide

The *RFS Evaluator Training Guide* (attached as Appendix C to this report) provides guidelines for individuals evaluating the Submissions received in response to the RFS process. The *RFS Evaluator Training Guide* also contains a *Code of Conduct* that all individuals must fill out and sign prior to evaluating Submissions. The *Code of Conduct* provides details on the responsibilities of an Evaluator, confidentiality, and requires the declaration of any conflicts of interest.

5. Review of the Pilot Processes

5.1 Northeast

The following is a summary of key activities of the two-stage pilot process for the North East Tri-Board Student Transportation Consortium.

5.1.1 Stage One: Request for Supplier Qualifications

5.1.1.1 RFSQ Development

The RFSQ and accompanying RFSQ Submission Form was developed by the Supervisor of Transportation Services using the RFSQ resource package during August 2010. The documents were reviewed by the Consortium's board, PPI and Knowles.

Several measures were taken to ensure all potential suppliers interested in the opportunity were notified, including: posting a Notice of Proposed Procurement on MERX, advertising the opportunity in the local newspapers and sending a courtesy letter to all known potential suppliers across the province.

The RFSQ Timetable

The following is a summary of the key activities and dates:

Activity	Date
NPP posted on MERX	August 18, 2010
RFSQ released on MERX	August 31, 2010
Respondent Information Session	September 20, 2010
Deadline for questions	September 27, 2010
Deadline for issuance of Addenda	October 4, 2010
Reviewer Training Session	October 12, 2010
Submission Deadline	October 14, 2010
Mandatory Requirements Review	October 18, 2010
Notification to Respondents	October 28, 2010

5.1.1.2 RFSQ Open Period

Respondent Information Session

On September 20, 2010, the Northeast Consortium facilitated a one hour Respondent Information Session that was open to all interested Respondents. Given the Northeast Consortium's large service area, Respondents had the option of attending the information session in person or via videoconference at one of six videoconferencing locations. The Consortium followed the *Sample Information Session Agenda* which reminded Respondents of key aspects of the RFSQ process then participated in a question and answer period. Questions and answers were recorded and provided to all Respondents through an Addendum.

Addendum

During the RFSQ open period, Respondents were invited to ask clarification questions about the RFSQ. The answers to the questions and amendments to the RFSQ were published through an Addendum and made available to all Respondents through MERX. For this process, the Northeast Consortium issued one Addendum.

Operator Training

The Ministry also provided funds to the Ontario School Bus Association (OSBA) so that they could assist any interested operators with information about the RFSQ process.

5.1.1.3 RFSQ Review Process

Pre-Review

On October 12, 2010, PPI held a reviewer training session for all members of the Review Team to explain the process and protocol to be followed for the review of Submissions. The materials provided to the Review Team included the *RFSQ*, *RFSQ Reviewer Training Guide* and *RFSQ Evaluation Matrix*.

All reviewers signed a *Code of Conduct* that is attached to the *RFSQ Reviewer Training Guide*. The *Code of Conduct* is used to ensure that no conflict of interest exists, conduct provisions are clearly understood by all Review Team members, and confidentiality is maintained.

RFSQ Close

The deadline for Submission was October 14, 2010. The Northeast Consortium received 21 Submissions, 15 from existing operators and 6 from new operators. All Submissions were received at the designated location and before the submission deadline.

Mandatory Requirements Review

On October 18, 2010, the Review Team reviewed the Submissions for compliance with the mandatory requirements. Each team member reviewed the Submissions independently and then participated in a consensus meeting. All Submissions were compliant with the mandatory requirements and therefore were included on the Qualified Suppliers List.

5.1.1.4 Notification to Successful Respondent

The Northeast Consortium notified the Respondents of the results on October 28, 2010.

5.1.1.5 Debriefings

No debriefings were requested as all Respondents were invited for inclusion on the Qualified Suppliers List.

5.1.2 Stage Two: Request for Services

5.1.2.1 RFS Development

The development of the RFS and accompanying RFS Submission Form took place during late October and early November 2010. The documents were developed by the Transportation

Manager using the RFS resource package, and were reviewed by the Consortium's board, PPI and Knowles.

All operators on the Qualified Suppliers List were provided with the RFS via email on November 12, 2010. Email was used as the primary method of communication for the Northeast's RFS process.

The RFS Timetable

The following is a summary of the key activities and dates:

Activity	Date
RFS released to all Qualified Suppliers	November 12, 2010
Qualified Suppliers' Information Session	November 25, 2010
Deadline for questions regarding RFS	December 2, 2010
Deadline for issuance of Addenda	December 14, 2010
Evaluator Training Session	December 16, 2010
Submission Deadline	December 22, 2010
Mandatory Compliance Review	December 23, 2010
Individual Evaluation Period	December 23, 2010 to January 5, 2011
Consensus Sessions	January 6 and 7, 2011
Pricing Evaluation and Cumulative Score	January 12, 2011
Notification of Award	March 25, 2011
Debriefings	April 12, 13, and 28, 2011

5.1.2.2 RFS Open Period

Qualified Suppliers' Information Session

On November 25, 2010, the Northeast Consortium facilitated a one-hour Qualified Suppliers' Information Session that was open to all Qualified Suppliers. In the same manner as the RFSQ Information Session, Qualified Suppliers had the option of attending the RFS Information Session in-person or via videoconference. The Consortium began the session with a question and answer period, followed by reminding Qualified Suppliers of key aspects of the RFS process. Question and answers were recorded and provided to all Respondents through an Addendum.

Addendum

During the RFS open period, Qualified Suppliers were invited to ask clarification questions about the RFS. The answers to the questions and amendments to the RFS were provided via email to all Qualified Suppliers through an Addendum. For this process, the Northeast Consortium issued five Addenda.

Operator Training

The Ministry also provided funds to the Ontario School Bus Association (OSBA) so that they could assist qualified operators with information about the RFS process.

5.1.2.3 RFS Evaluation Process

Pre-Evaluation

On December 16, 2010, PPI held an evaluator training session where the process and protocol to be followed for the evaluation of Submissions was explained to all members of the Evaluation Team. The materials provided to the Evaluation Team included the *RFS*, *RFS Evaluator Training Guide* and *RFS Individual Evaluation Matrix*.

All evaluators signed a *Code of Conduct* that is attached to the *RFS Evaluator Training Guide*. The *Code of Conduct* is used to ensure that no conflict of interest exists, conduct provisions are clearly understood by all Evaluation Team members, and confidentiality is maintained.

RFS Close

The deadline for Submissions was December 22, 2010. The Northeast Consortium received 18 Submissions, 13 from existing operators and 5 from new operators. All Submissions were received at the designated location and before the submission deadline.

Mandatory Requirements

On December 23, 2010, the Submissions were reviewed for compliance with the mandatory requirements.

All Submissions were compliant with the mandatory requirements and therefore proceeded to the evaluation of the quality criteria.

Quality Criteria

Each evaluator scored all the Submissions independently in a different pre-assigned order. Upon completion of the individual assessments, the evaluators participated in a consensus scoring session on January 6 and 7, 2011 that was facilitated by PPI. At the consensus session, individual scores were presented and if the scores were different, the Evaluation Team reviewed and debated the cause of the discrepancy and determined a final consensus score. If a single consensus score could not be reached, an average score was used. For each Submission, the final official score was recorded along with the team's rationale for the score in the *RFS Consensus Evaluation Matrix*.

At the conclusion of the evaluation of quality criteria, all Submissions met the minimum threshold of 60% (or 45 points) and moved on to the financial evaluation.

Pricing Evaluation

The pricing envelopes for all Submissions were opened and the proposed rates were entered in the pricing evaluation matrix. The number of points allocated for each bundle that the Qualified Supplier bid on was based on a relative formula outlined in the RFS.

Cumulative Score

Upon completion of the quality criteria and pricing evaluation, a total score was calculated for each bundle that the Qualified Supplier bid on. The highest scoring Qualified Supplier for each bundle was selected as the preferred Qualified Supplier subject to the Northeast Consortium's Competition and Diversity policy.

In all regions, the initial preferred Qualified Supplier was the highest scoring for more than the 50% competition threshold. The Northeast Consortium contacted the preferred Qualified Suppliers and requested their bundle preferences. The bundles they did not select were offered to the next highest scoring Qualified Supplier. This process was repeated until all preferred Qualified Suppliers were at or below the 50% competition threshold. (Note: Some preferred Qualified Suppliers chose to decline the Consortium's offer; in that case, the next preferred Qualified Supplier was offered the bundle.)

Verification and Final Award Analysis

The Northeast Consortium conducted verification of all preferred Qualified Suppliers based on the initial bundle allocations. Preferred Qualified Suppliers were asked how they would fulfill the maintenance and driver requirements described in their Submission and were requested to provide evidence of their current financial standing. NETBST also conducted reference checks on the preferred Qualified Suppliers that they had not previously received service from. The maintenance and driver requirements, financial standing and reference checks were satisfactory for all preferred Qualified Suppliers.

5.1.2.4 Notification to Qualified Suppliers and Contract Signing

The selection recommendation was presented to and approved by the Board of Directors on March 2, 2011. Upon approval of the Board of Directors, the Northeast Consortium notified the successful Qualified Suppliers and all Agreements were signed by March 10, 2011. After receiving all signed Agreements, the Northeast Consortium sent notifications to all unsuccessful Qualified Suppliers.

In addition to the notification letters, the Consortium also posted a *Notice of Award* on MERX regarding the RFS process on March 25, 2011.

5.1.2.5 Debriefings

Eight Qualified Suppliers that participated in the RFS process requested a debriefing session. The debriefings were conducted via teleconference on April 12, 13 and 28, 2011. The participants for each debriefing session included the Qualified Supplier, Consortium representatives, PPI and Knowles.

5.1.3 Results for the Northeast's RFS Process

The Northeast Consortium included all 225 routes in the RFS process. This consisted of 84 bundles in 6 areas. All 84 bundles received more than one bid with 82 receiving three or more bids. The average quality criteria score was 59 points with seven Qualified Suppliers scoring 60 points and the range of scores differing from 46 points to 69 points. Of the 84 bundles, 23 were awarded to Qualified Suppliers that submitted the lowest pricing, indicating successful Qualified Suppliers won based on a combination of their quality and pricing scores. Five of the seven successful Qualified Suppliers are incumbents

5.2 Northwest

The following is a summary of key activities of the two-stage pilot process for the Northwestern Ontario Region comprised of the four Consortia, Rainy River Transportation Services, Northwestern Ontario Student Services Cooperative, Student Transportation Services of Thunder Bay and East of Thunder Bay Transportation Consortium. The four Consortia conducted a joint Stage One process to pre-qualify operators, and then conducted separate Stage Two processes.

5.2.1 Stage One: Request for Supplier Qualifications

5.2.1.1 RFSQ Development

The development of the RFSQ and accompanying RFSQ Submission Form was a joint effort among the Transportation Managers of the four Consortia with Thunder Bay acting as the lead and with purchasing support. The documents were developed during September 2010, with each Consortium, PPI and Knowles reviewing the documents prior to their release. Rainy River was the only Consortium that chose to include the Respondent Service Areas of Interest for informational purposes.

To notify potential suppliers of the opportunity, a *Notice of Proposed Procurement* was posted on MERX. Rainy River and Thunder Bay also advertised the opportunity in their local newspapers.

The RFSQ Timetable

The following is a summary of the key activities and dates:

Activity	Date
NPP posted on MERX	September 24, 2010
RFSQ released on MERX	October 7, 2010
Respondent Information Session	October 14, 2010
Deadline for questions	October 21, 2010
Deadline for issuance of Addenda	October 28, 2010
Reviewer Training Session	November 4, 2010
Submission Deadline	November 4, 2010
Mandatory Requirements Review	November 12, 2010
Notification to Successful Respondent	November 17, 2010

5.2.1.2 Communication Method and Distribution of the RFSQ

Through our initial consultations, operators in the Northwest region expressed difficulty accessing high speed internet and challenges using email as the primary method of communication. To accommodate the local business environment, Respondents were given the option to obtain their RFSQ from Gerrie Tenant or one of the Transportation Managers in each Consortium. A master list of Respondents that received the RFSQ was maintained by Gerrie along with each Respondents preferred method of communication.

5.2.1.3 RFSQ Open Period

Respondent Information Session

On October 14, 2010, the Northwest facilitated a one hour Respondent Information Session that was open to all interested Respondents. Given the vast area covered by the four Consortia, Respondents had the option of attending the information session in person or via videoconference. Each Transportation Manager provided a brief description on their service requirements and Gerrie spoke to the key aspects of the RFSQ process. Respondents were then given the opportunity to participate in a question and answer period. Question and answers were recorded and provided to all Respondents through an Addendum.

Addenda

During the RFSQ open period, Respondents were invited to ask clarification questions about the RFSQ. The answers to the questions and amendments to the RFSQ were published through an Addendum and made available to all Respondents through MERX or by their preferred method of communication. For this process, the Northwest issued two Addenda.

Operator Training

The Ministry also provided funds to the Ontario School Bus Association (OSBA) so that they could assist any interested operators with information about the RFSQ process.

5.2.1.4 RFSQ Review Process

Pre-Review

On November 4, 2010, PPI held a reviewer training session where the process and protocol to be followed for the review of Submissions was explained to all members of the Review Team. The materials provided to the Review Team included the RFSQ, RFSQ Reviewer Training Guide and RFSQ Evaluation Matrix.

All reviewers signed a *Code of Conduct* that is attached to the *RFSQ Reviewer Training Guide*. The *Code of Conduct* is used to ensure that no conflict of interest exists, conduct provisions are clearly understood by all Review Team members, and confidentiality is maintained.

RFSQ Close

The deadline for Submission was November 4, 2010. The Northwest received 32 Submissions and all Submissions were received at the designated location and before the submission deadline.

Mandatory Requirements Review

On November 12, 2010, the Review Team reviewed the Submissions for compliance with the mandatory requirements. Each team member reviewed the Submissions independently and then participated in a consensus meeting. All Submissions were compliant with the mandatory requirements and therefore were included on the Qualified Suppliers List. Two Respondents were sent clarification requests regarding their CVOR Level 2.

5.2.1.5 Notification to Successful Respondent

Notification letters were sent to the successful Respondents on November 17, 2010. The notification letters indicated that the Qualified Supplier will be contacted separately by each Consortium for the Stage Two process.

5.2.1.6 Debriefings

No debriefings were requested as all Respondents were selected for the Qualified Suppliers List.

5.2.2 Request for Expression of Interest

To determine which Qualified Supplier was interested in receiving an RFS, each of the four Northwest Consortia sent all Qualified Suppliers a Request for Expression of Interest ("REOI"). A copy of the REOI template is included in this report as Appendix C. Attached to the REOI was a form that each Qualified Supplier returned to each Consortium, indicating whether or not they wanted to receive that Consortium's RFS. The REOI responses dictated which Qualified Supplier each Northwest Consortium sent an RFS to.

The following table provides a summary of the REOI responses received by each Consortium. The letters "C" and "N" indicated the Qualified Supplier is interested in receiving the Consortium's RFS. The letter "C" denotes the Qualified Supplier is currently under contract with the Consortium for the 2010-2011 year, while the letter "N" indicates a new Qualified Supplier.

ID	Company Name	RRTS	NWOSSC	STSTB	ETBTC
1	Ball Bus Services Inc				C
2	Beaulieu Bus Lines Ltd.				C
3	Bill Romyn	C			
4	Bruce Carman Nielson	C			
5	Dimit Bus Lines LTD	C			
6	Excel Coach Lines Limited		C		
7	First Student Canada	N	N	C	N
8	Les Autobus Roy				C
9	G.A. Trottier Ltd.				C
10	Graham's Services		C		
11	Greenstone Transfer Ltd.				C
12	Gregory Ferris	C			
13	Holt Bus Lines				C
14	HT Leasing Thunder Bay Ltd.			N	
15	Hutchison Bus Lines Ltd		C		
16	Iron Range Bus Lines Inc.	C	C	C	N
17	Jack Medwechuk	C			
18	Keith Jolicouer	C			

ID	Company Name	RRTS	NWOSSC	STSTB	ETBTC
19	Ken Fisher	C			
20	Kropelin Electric Ltd.	C	N		
21	Maury F. Nielson	C			
22	Mintenko/Bertrand Bus Lines			C	
23	Murray K. McDonald	C			
24	Pacific Western Transportation	N	N	N	N
25	Pollard Transportation	C			
26	Robert D. Fretter	C			
27	Robert Johnson	C			
28	Roy Jolicouer	C			
29	Shane McDonald	C			
30	Stock Transportation Ltd.	N	N	N	N
31	T.J. Kaemingh & Sons	C			
32	Wray Bussing		C	N	
Total current operators		17	5	3	6
Total new operators		3	4	4	4
Total		20	9	7	10

5.2.3 Stage Two: Request for Services – Rainy River Transportation Services

5.2.3.1 RFS Development

The development of the RFS and accompanying RFS Submission Form took place during November 2010. Rainy River sent the RFS to 20 Qualified Suppliers, all incumbents, based on the responses received from the REOI. Email was used as the primary method of communication for Rainy River's RFS process.

The RFS Timetable

The following is a summary of the key activities and dates:

Activity	Date
RFS released to 20 Qualified Suppliers	December 2, 2010
Qualified Suppliers' Information Session	December 13, 2010
Deadline for questions regarding RFS	January 6, 2011
Deadline for issuance of Addenda	January 13, 2011
Evaluator Training Session	January 20, 2011
Submission Deadline	February 1, 2011
Mandatory Compliance Review	February 2, 2011

Activity	Date
Individual Evaluation Period	February 2 to February 9, 2011
Consensus Sessions	February 10 and 11, 2011
Pricing Evaluation and Cumulative Score	February 11, 2011
Notification of Award	March 23, 2011
Debriefings	May 25 and 26, 2011

5.2.3.2 RFS Open Period

Qualified Suppliers' Information Session

On December 13, 2010, RRTS facilitated a one hour Qualified Suppliers' Information Session that was open to all Qualified Suppliers that received the RFS. The Qualified Suppliers' Information Session was held in-person. RRTS began the session by reminding Qualified Suppliers of key aspects of the RFS process followed by a question and answer period. Question and answers were recorded and provided to all Respondents through an Addendum.

Addendum

During the RFS open period, Qualified Suppliers were invited to ask clarification questions about the RFS. The answers to the questions and amendments to the RFS were provided to all Qualified Suppliers that received the RFS by way of an Addendum. For this process, RRTS issued four Addenda.

Operator Training

The Ministry also provided funds to the Ontario School Bus Association (OSBA) so that they could assist qualified operators with information about the RFS process.

5.2.3.3 RFS Evaluation Process

Pre-Evaluation

On January 20, 2011, PPI held an evaluator training session where the process and protocol to be followed for the evaluation of Submissions was explained to all members of the Evaluation Team. The materials provided to the Evaluation Team included the *RFS*, *RFS Evaluator Training Guide* and *RFS Individual Evaluation Matrix*.

All evaluators signed a *Code of Conduct* that is attached to the *RFS Evaluator Training Guide*. The *Code of Conduct* is used to ensure that no conflict of interest exists, conduct provisions are clearly understood by all Evaluation Team members, and confidentiality is maintained.

RFS Close

The deadline for Submission was February 1, 2011. RRTS received 16 Submissions and all Submissions were received at the designated location and before the submission deadline.

Mandatory Requirements

On February 2, 2011, the Submissions were reviewed for compliance with the mandatory requirements.

All Submissions were compliant with the mandatory requirements and therefore proceeded to the evaluation of the quality criteria.

Quality Criteria

Each evaluator scored all the Submissions independently in a different pre-assigned order. Upon completion of the individual assessments, the evaluators participated in a consensus scoring session on February 10 and 11, 2011 that was facilitated by PPI. At the consensus session, individual scores were presented and if the scores were different, the Evaluation Team reviewed and debated the cause of the discrepancy and determined a final consensus score. If a single consensus score could not be reached, an average score was used. For each Submission, the final official score was recorded along with the team's rationale for the score in the RFS Consensus Evaluation Matrix.

At the conclusion of the evaluation of quality criteria, 15 Submissions met the minimum threshold of 60% (or 45 points) and moved on to the financial evaluation. One Submission did not meet the minimum threshold and was not further evaluated.

Pricing Evaluation

The pricing envelopes for the 15 Submissions that moved on to the Pricing Evaluation were opened and the proposed rates were entered in the pricing evaluation matrix. The number of points allocated for each bundle that the Qualified Supplier bid on was based on a relative formula outlined in the RFS.

Cumulative Score

Upon completion of the quality criteria and pricing evaluation, a total score was calculated for each bundle that the Qualified Supplier bid on. The highest scoring Qualified Supplier for each bundle was selected as the preferred Qualified Supplier. No Qualified Supplier proposed on over 49% of the total routes under contract with RRTS.

Verification and Final Award Analysis

RRTS did not conduct verification on the preferred Qualified Suppliers as all the Submissions received were from incumbent operators in good standing. In addition, no Qualified Supplier was awarded a number a routes that would require significant expansion.

5.2.3.4 Notification to Qualified Suppliers and Contract Signing

The results of the RFS process were presented to the Board of Directors on March 8, 2011. RRTS notified the successful Qualified Suppliers and all Agreements were signed by March 23, 2011. After receiving all signed Agreements, RRTS sent notifications to all unsuccessful Qualified Suppliers.

In addition to the notification letters, RRTS posted a *Notice of Award* on its website listing the successful Qualified Supplier for each bundle.

5.2.3.5 Debriefings

Nine Qualified Suppliers that participated in the RFS process requested a debriefing session. The debriefings were conducted in-person on May 25 and 26, 2011. The participants for each debriefing session included the Qualified Supplier, Consortium representatives, PPI and Knowles. PPI and Knowles participated via teleconference.

5.2.4 Results for Rainy River's RFS Process

RRTS included all 42 routes in the RFS process. This consisted of 32 bundles in 2 regions, "Fort Frances and Atikokan" and "West of Fort Frances". Of the 32 bundles, 24 contained single routes due to a large number of single bus operators expressing interest in servicing RRTS. The remaining 8 bundles contained 2 to 3 routes. For 20 bundles RRTS received only 1 bid, while the remaining 12 received 2 or 3 bids. The average quality criteria score was 49 points with the range of scores differing from 22 points to 62 points. For the 12 bundles that received more than 1 bid, only 3 of the bundles were awarded to Qualified Suppliers that submitted the lowest pricing.

5.2.5 Stage Two: Request for Services - Northwestern Ontario Student Services Cooperative

5.2.5.1 RFS Development

The development of the RFS and accompanying RFS Submission Form took place during November 2010. The documents were developed by the Transportation Manager using the RFS resource package with purchasing support from the Keewatin-Patricia District School Board.

NWOSSC sent the RFS to 9 Qualified Suppliers based on the responses received from the REOI. Email was used as the primary method of communication for Northwestern Ontario's RFS process.

The RFS Timetable

The following is a summary of the key activities and dates:

Activity	Date
RFS released to 9 Qualified Suppliers	December 2, 2010
Qualified Suppliers' Information Session	December 14, 2010
Deadline for questions regarding RFS	January 21, 2011
Deadline for issuance of Addenda	January 26, 2011
Evaluator Training Session	January 20, 2011
Submission Deadline	February 3, 2011
Mandatory Compliance Review	February 4, 2011
Individual Evaluation Period	February 4 to February 8, 2011
Consensus Sessions	February 9, 2011

Activity	Date
Pricing Evaluation and Cumulative Score	February 9, 2011
Notification of Award	March 11, 2011
Debriefings	April 8 and 11, 2011

5.2.5.2 RFS Open Period

Qualified Suppliers' Information Session

On December 14, 2010, NWOSSC Consortium facilitated a one hour Qualified Suppliers' Information Session that was open to all Qualified Suppliers that received the RFS. Qualified Suppliers had the option of attending the RFS Information Session in-person or via videoconference. NWOSSC began the session by reminding Qualified Suppliers of key aspects of the RFS process followed by a question and answer period. Question and answers were recorded and provided to all Respondents through an Addendum.

Addendum

During the RFS open period, Qualified Suppliers were invited to ask clarification questions about the RFS. The answers to the questions and amendments to the RFS were provided via email to all Qualified Suppliers by way of an Addendum. For this process, NWOSSC issued eight Addenda.

Operator Training

The Ministry also provided funds to the Ontario School Bus Association (OSBA) so that they could assist qualified operators with information about the RFS process.

5.2.5.3 RFS Evaluation Process

Pre-Evaluation

On December 16, 2010, PPI held an evaluator training session where the process and protocol to be followed for the evaluation of Submissions was explained to all members of the Evaluation Team. The materials provided to the Evaluation Team included the RFS, RFS Evaluator Training Guide and RFS Individual Evaluation Matrix.

All evaluators signed a *Code of Conduct* that is attached to the *RFS Evaluator Training Guide*. The *Code of Conduct* is used to ensure that no conflict of interest exists, conduct provisions are clearly understood by all Evaluation Team members, and confidentiality is maintained.

RFS Close

The deadline for Submission was February 3, 2011. NWOSSC received 4 Submissions, 3 from existing operators and 1 from a new operator. All Submissions were received at the designated location and before the submission deadline.

Mandatory Requirements

On February 4, 2011, the Submissions were reviewed for compliance with the mandatory requirements.

All Submissions were compliant with the mandatory requirements and therefore proceeded to the evaluation of the quality criteria.

Quality Criteria

Each evaluator scored all the Submissions independently in a different pre-assigned order. Upon completion of the individual assessments, the evaluators participated in a consensus scoring session on February 9, 2011 that was facilitated by PPI. At the consensus session, individual scores were presented and if the scores were different, the Evaluation Team reviewed and debated the cause of the discrepancy and determined a final consensus score. If a single consensus score could not be reached, an average score was used. For each Submission, the final official score was recorded along with the team's rationale for the score in the RFS Consensus Evaluation Matrix.

At the conclusion of the evaluation of quality criteria, all Submissions met the minimum threshold of 60% (or 45 points) and moved on to the financial evaluation.

Pricing Evaluation

The pricing envelopes for all Submissions were opened and the proposed rates were entered in the pricing evaluation matrix. The number of points allocated for each bundle that the Qualified Supplier bid on was based on a relative formula outlined in the RFS.

Cumulative Score

Upon completion of the quality criteria and pricing evaluation, a total score was calculated for each bundle that the Qualified Supplier bid on. The highest scoring Qualified Supplier for each bundle was selected as the preferred Qualified Supplier. No Qualified Supplier proposed on over 49% of the total routes under contract with NWOSSC.

Verification and Final Award Analysis

NWOSSC conducted reference checks on the preferred Qualified Suppliers. NWOSSC developed standardized reference check questions that were used for all preferred Qualified Suppliers. The reference checks were satisfactory.

5.2.5.4 Notification to Qualified Suppliers and Contract Signing

The selection recommendation was presented to and approved by the Board of Directors. Upon approval of the Board of Directors, NWOSSC notified the successful Qualified Suppliers and all Agreements were signed by March 11, 2011. After receiving all signed Agreements, NWOSSC notified unsuccessful Qualified Suppliers of the results of the RFS.

In addition to the notification letters, NWOSSC posted a *Notice of Award* on its website listing the successful Qualified Supplier for each bundle.

5.2.5.5 Debriefings

Two Qualified Suppliers that participated in the RFS process requested a debriefing session. The debriefings were conducted in-person on April 8 and 11, 2011. The participants for each debriefing session included the Qualified Supplier, Consortium representatives PPI and Knowles. PPI and Knowles participated via teleconference.

5.2.6 Results for Northwestern Ontario's RFS Process

NWOSSC included 52 routes in the RFS process. This consisted of 6 bundles covering the areas of Kenora, Sioux Lookout, Dryden and Ignace. The bundles were comprised of 7, 8 or 11 routes. For 4 bundles NWOSSC received 2 bids, while the remaining 2 bundles received 1 bid. The average quality criteria score was 59 points with the range of scores differing from 52 points to 67 points. For the bundles that received 2 bids, the Qualified Supplier with the highest quality score and lowest price was successful.

5.2.7 Stage Two: Request for Services - Student Transportation Services Thunder Bay

5.2.7.1 RFS Development

The development of the RFS and accompanying RFS Submission Form took place during November 2010. The documents were developed by the Transportation Manager using the RFS resource package with purchasing support from the Lakehead District School Board.

STSTB sent the RFS to 7 Qualified Suppliers based on the responses received from the REOI. Email was used as the primary method of communication for Thunder Bay's RFS process.

The RFS Timetable

The following is a summary of the key activities and dates:

Activity	Date
RFS released to 7 Qualified Suppliers	December 2, 2010
Qualified Suppliers' Information Session	December 15, 2010
Qualified Suppliers' Site Visit	December 15, 2010
Deadline for questions regarding RFS	January 6, 2011
Deadline for issuance of Addenda	January 13, 2011
Evaluator Training Session	January 20, 2011
Submission Deadline	January 27, 2011
Mandatory Compliance Review	January 27, 2011
Individual Evaluation Period	January 27, to February 2, 2011
Consensus Sessions	February 3, 2011
Pricing Evaluation and Cumulative Score	February 3, 2011
Notification of Award	May 4, 2011
Debriefings	March 3, 2011

5.2.7.2 RFS Open Period

Qualified Suppliers' Information Session

On December 15, 2010, STSTB facilitated a one-hour Qualified Suppliers' Information Session that was open to all Qualified Suppliers that received the RFS. The Qualified Suppliers' Information Session was held in person. STSTB began the session by reminding Qualified Suppliers of key aspects of the RFS process followed by a question and answer period. Question and answers were recorded and provided to all Respondents through an Addendum.

Qualified Suppliers' Site Visit

Immediately after the Information Session, STSTB held an optional Qualified Supplier's Site Visit. The purpose of the Site Visit is to assist Qualified Suppliers in understanding the nature of STSTB's routes and the general operating environment.

Addendum

During the RFS open period, Qualified Suppliers were invited to ask clarification questions about the RFS. The answers to the questions and amendments to the RFS were provided via email to all Qualified Suppliers by way of an Addendum. For this process, STSTB issued three Addenda.

Operator Training

The Ministry also provided funds to the Ontario School Bus Association (OSBA) so that they could assist qualified operators with information about the RFS process.

5.2.7.3 RFS Evaluation Process

Pre-Evaluation

On December 16, 2010, PPI held an evaluator training session where the process and protocol to be followed for the evaluation of Submissions was explained to all members of the Evaluation Team. The materials provided to the Evaluation Team included the *RFS*, *RFS Evaluator Training Guide* and *RFS Individual Evaluation Matrix*.

All evaluators signed a *Code of Conduct* that is attached to the *RFS Evaluator Training Guide*. The *Code of Conduct* is used to ensure that no conflict of interest exists, conduct provisions are clearly understood by all Evaluation Team members, and confidentiality is maintained.

RFS Close

The deadline for Submission was January 27, 2011. STSTB received 4 Submissions, 2 from existing operators and 2 from new operators. All Submissions were received at the designated location and before the submission deadline.

Mandatory Requirements

On January 27, 2011, the Submissions were reviewed for compliance with the mandatory requirements.

One Submission was disqualified for submitting a contingent Submission. Three Submissions were compliant with the mandatory requirements and therefore proceeded to the evaluation of the quality criteria.

Quality Criteria

Each evaluator scored all the compliant Submissions independently in a different pre-assigned order. Upon completion of the individual assessments, the evaluators participated in a consensus scoring session on February 3, 2011 that was facilitated by PPI. At the consensus session, individual scores were presented and if the scores were different, the Evaluation Team reviewed and debated the cause of the discrepancy and determined a final consensus score. If a single consensus score could not be reached, an average score was used. For each Submission, the final official score was recorded along with the team's rationale for the score in the *RFS Consensus Evaluation Matrix*.

At the conclusion of the evaluation of quality criteria, 2 Submissions met the minimum threshold of 60% (or 45 points) and moved on to the financial evaluation. One Submission did not meet the minimum threshold and was not further evaluated.

Pricing Evaluation

The pricing envelopes for the 2 Submissions that moved on to the Pricing Evaluation were opened and the proposed rates were entered in the pricing evaluation matrix. The number of points allocated for each bundle that the Qualified Supplier bid on was based on a relative formula outlined in the RFS.

Cumulative Score

Upon completion of the quality criteria and pricing evaluation, a total score was calculated for each bundle that the Qualified Supplier bid on. The highest scoring Qualified Supplier for each bundle was selected as the preferred Qualified Supplier.

Verification and Final Award Analysis

STSTB did not conduct verification as the preferred Qualified Supplier was an incumbent operator in good standing.

5.2.7.4 Notification to Qualified Suppliers and Contract Signing

On February 16, 2011, STSTB notified all Qualified Suppliers that participated in process of the results of the RFS. The Agreement was executed on May 4, 2011 after approval by the Board of Directors.

In addition to the notification letters, STSTB also posted a *Notice of Award* on MERX regarding the RFS process.

5.2.7.5 Debriefings

Two Qualified Suppliers that participated in the RFS process requested a debriefing session. The debriefings were conducted in-person on March 3, 2011. The participants for each debriefing session included the Qualified Supplier, the Evaluation Team, PPI and Knowles. PPI and Knowles participated via teleconference.

5.2.8 Results for Thunder Bay's RFS Process

STSTB included 64 routes in the RFS process which represented one third of STSTB's total number of routes. The 64 routes were grouped into 13 bundles comprised of 4 to 6 routes per bundle. STSTB did not include a competition cap for the maximum number of routes a Qualified Supplier can be under contract for. Both Qualified Supplies that moved on to the Pricing

Evaluation submitted bids for all 13 bundles. The Qualified Supplier with the highest quality score and lowest price was successful.

5.2.9 Stage Two: Request for Services –East of Thunder Bay Transportation Consortium

5.2.9.1 RFS Development

The development of the RFS and accompanying RFS Submission Form took place during November 2010. The Transportation Manager developed the documents using the RFS resource package and acted as the RFS Consortium Contact.

ETBTC sent the RFS to 10 Qualified Suppliers based on the responses received from the REOI. Email was used as the primary method of communication for East of Thunder Bay’s RFS process.

The RFS Timetable

The following is a summary of the key activities and dates:

Activity	Date
RFS released to 10 Qualified Suppliers	December 3, 2010
Qualified Suppliers’ Information Session	December 15, 2010
Deadline for questions regarding RFS	January 6, 2011
Deadline for issuance of Addenda	January 13, 2011
Evaluator Training Session	January 20, 2011
Submission Deadline	February 2, 2011
Mandatory Compliance Review	February 2, 2011
Individual Evaluation Period	February 3 to February 10, 2011
Consensus Sessions	February 11, 2011
Pricing Evaluation and Cumulative Score	February 11, 2011
Notification of Award	March 10, 2011
Debriefings	March 21, 2011

5.2.9.2 RFS Open Period

Qualified Suppliers’ Information Session

On December 15, 2010, ETBTC facilitated a one hour Qualified Suppliers’ Information Session that was open to all Qualified Suppliers that received the RFS. The Qualified Suppliers’ Information Session was held in-person. ETBTC began the session by reminding Qualified Suppliers of key aspects of the RFS process followed by a question and answer period, Question and answers were recorded and provided to all Respondents through an Addendum.

Addendum

During the RFS open period, Qualified Suppliers were invited to ask clarification questions about the RFS. The answers to the questions and amendments to the RFS were provided to all Qualified Suppliers that received the RFS by way of an Addendum. For this process, ETBTC issued three Addenda.

Operator Training

The Ministry also provided funds to the Ontario School Bus Association (OSBA) so that they could assist qualified operators with information about the RFS process.

5.2.9.3 RFS Evaluation Process

Pre-Evaluation

On January 20, 2011, PPI held an evaluator training session where the process and protocol to be followed for the evaluation of Submissions was explained to all members of the Evaluation Team. The materials provided to the Evaluation Team included the RFS, RFS Evaluator Training Guide and RFS Individual Evaluation Matrix.

All evaluators signed a *Code of Conduct* that is attached to the *RFS Evaluator Training Guide*. The *Code of Conduct* is used to ensure that no conflict of interest exists, conduct provisions are clearly understood by all Evaluation Team members, and confidentiality is maintained.

RFS Close

The deadline for Submission was February 2, 2011. ETBTC received 6 Submissions, 5 from existing operators and 1 from a new operator. All Submissions were received at the designated location and before the submission deadline.

Mandatory Requirements

On February 2, 2011, the Submissions were reviewed for compliance with the mandatory requirements.

All Submissions were compliant with the mandatory requirements and therefore proceeded to the evaluation of the quality criteria.

Quality Criteria

Each evaluator scored all the Submissions independently in a different pre-assigned order. Upon completion of the individual assessments, the evaluators participated in a consensus scoring session on February 11, 2011 that was facilitated by PPI. At the consensus session, individual scores were presented and if the scores were different, the Evaluation Team reviewed and debated the cause of the discrepancy and determined a final consensus score. If a single consensus score could not be reached, an average score was used. For each Submission, the final official score was recorded along with the team's rationale for the score in the RFS Consensus Evaluation Matrix.

At the conclusion of the evaluation of quality criteria, 5 Submissions met the minimum threshold of 60% (or 45 points) and moved on to the financial evaluation. One Submission did not meet the minimum threshold and was not further evaluated.

Pricing Evaluation

The pricing envelopes for the 5 Submissions that moved on to the Pricing Evaluation were opened and the proposed rates were entered in the pricing evaluation matrix. The number of points allocated for each bundle that the Qualified Supplier bid on was based on a relative formula outlined in the RFS.

Cumulative Score

Upon completion of the quality criteria and pricing evaluation, a total score was calculated for each bundle that the Qualified Supplier bid on. The highest scoring Qualified Supplier for each bundle was selected as the preferred Qualified Supplier.

Verification and Final Award Analysis

STSTB did not conduct verification as 4 of the 5 preferred Qualified Suppliers were incumbent operators in good standing. The non-incumbent preferred Qualified Supplier was considered to be a well-known established operator capable of servicing the awarded routes.

5.2.9.4 Notification to Qualified Suppliers and Contract Signing

ETBTC notified the successful Qualified Suppliers and all Agreements were signed by the successful Qualified Supplier by March 11, 2011. After receiving all signed Agreements, ETBTC sent notifications to all unsuccessful Qualified Suppliers. ETBTC signed the Agreements on behalf of the four boards on April 21, 2011.

In addition to the notification letters, ETBTC posted a *Notice of Award* on its website listing the successful Qualified Supplier for each bundle.

5.2.9.5 Debriefings

Three Qualified Suppliers that participated in the RFS process requested a debriefing session. The debriefings were conducted via teleconference on March 21, 2011. The participants for each debriefing session included the Qualified Supplier, Consortium representatives, PPI and Knowles.

5.2.10 Results for East of Thunder Bay's RFS Process

ETBTC included all 35 routes in the RFS process. This consisted of 8 bundles based on the Consortium's geographic regions. ETBTC did not include a competition cap for the maximum number of routes a Qualified Supplier can be under contract for. Based on the Submissions that moved on to the Pricing Evaluation, 2 bundles received 2 bids, while the remaining 6 bundles received 1 bid. The average quality criteria score was 56 points with the range of scores differing from 39 points to 70 points. For the 2 bundles that received more than 1 bid, the Qualified Supplier with the highest quality score and lowest price was successful.

6. Lessons Learned

6.1 Post-Process Consultations

After the Northeast and Northwest pilot processes were complete, PPI conducted feedback sessions with all parties involved in the two-stage pilot project. The feedback was used to recommend changes to the resource package which are outlined in Section 7 of this report.

For detailed information on the feedback collected from each consultation, please refer to Appendix D for the Post-Process Consultation Record. The Post-Process Consultation Record lists all participants, the dates consultations took place, and contains all the feedback provided from each party.

The key lessons learned from the Northeast and Northwest pilot processes are summarized below according to the key step of the two-stage process.

6.1.1 Pre-Process

1. Managing a competitive procurement process can be time consuming for the Consortia. Therefore, Consortia should ensure that the appointed leader of the process is able to commit sufficient time to ensure a well-run process. In addition, it is highly recommended that an individual from the purchasing department assist with the procurement activities of the process.
2. Consortia undertaking a competitive procurement process should start with a planning process that considers key stakeholders, timelines, an analysis of the local supplier market, objectives and priorities of the process, and relevant procurement rules.
3. Consortia and boards should involve personnel in “communications” to assist with supporting the process. The Consortium should be more proactive with communicating and educating the public about the process. A press release should be issued explaining the process before or during the process, as opposed to after the process is complete. A contact person should also be given if people would like more information on the process. Ensure people understand the potential results of the process. This may avoid misinformation about the process and people may be less surprised by the results.
4. Roles and responsibilities of the project team and each stakeholder group should be made clear at the start of the process such as elected officials and board members.
5. Consortia undertaking a competitive procurement for the first time should secure a fairness commissioner. This protects both the interests of the Consortium and operators.
6. It is best to determine at the outset of the process whether a legal review is required and which individuals / stakeholders need to approve the procurement documents prior to release. These will have a significant impact on timelines.
7. Training for operators is necessary to assist them transition to a competitive procurement environment. Consortia should work with the party providing the training, to ensure ample time is given for training.

6.1.2 Stage One – RFSQ

6.1.2.1 Development of the RFSQ to Receipt of Submissions

1. The RFSQ was a relatively easy document to prepare and tailor to local requirements.
2. The Notice of Proposed Procurement was helpful in notifying Respondents about the process and providing a general timeframe on when the RFSQ would be released.
3. MERX.com served as an efficient and effective distribution method; however, it is beneficial to contact suppliers to inform them of the posting on MERX.com. Sharing digital Submission Forms through MERX is problematic. These need to be requested by the Respondent.
4. The distribution of the documents and communication channel, need to cater to the local business operating environment.
5. Creating “locked” versions of the Submission Forms requires technical skills with Adobe or MS Word software; similarly, some Respondents needed to be supported in terms of using the Submission Form.
6. The use of the RFSQ Submission Form should be mandatory. It allowed the Review Team to efficiently review the Submissions.
7. For greater efficiency in the management of the RFSQ, it would be beneficial to include the details of the information session in the RFSQ document, rather than as a post-release communication.
8. Respondents were concerned about creating a “conflict” by using the Consortium as a reference, which may disqualify them from the process. The document should be clearer that the procuring entity may be used as a reference.
9. The RFSQ stage should close by the end of September in order to allow for sufficient time to undertake the RFS stage.
10. Respondents did not need a long period of time to respond to the RFSQ given the straightforward requirements.
11. When offering Respondents the option to participate via videoconference for an information session, IT staff should be available on-site to address any potential technical difficulties.
12. Recording which Respondents participated in the information session was difficult for the videoconferencing sites. A standard sign-in sheet should be made available at each site.
13. During the Question and Answer period, many questions were asked that were pertinent to the RFS stage. The RFSQ document should provide greater explanation regarding the purpose of each stage.
14. Respondents were concerned that not all of the Questions and Answers would be disclosed. Therefore, the language stating disclosure of all Questions and Answers should be highlighted.
15. In a joint procurement, the expression of interest for routes is very valuable because they identify which Respondents, if successful, should receive the RFS.

16. In a joint procurement, roles and responsibilities for each individual involved in the procurement need to be clearly defined at the beginning of the process.
17. In a joint procurement, the document must clearly state who the Respondent should be communicating with.
18. In a joint procurement, there should be a degree of consistency of the requirements and local environments of the Consortiums working together.

6.1.2.2 Receipt of Submissions to Notification of Award

1. With respect to the requirement for the CVOR Level 2, there is little incremental benefit in requesting the detailed information of a Level 2 over a Level 1 since the requirement of a satisfactory rating – audited or unaudited is presented in the Level 1 abstract. The Consortium should reserve the right to request a Level 2 if detail information is required.
2. All incumbents were able to meet the hurdle of the RFSQ. This suggests that it was an effective manner of ensuring that the RFS be restricted to organizations that have documented experience providing student transportation services.
3. The expressions of interest for the routes proved not to be used much in the development of the RFS – although it may have been helpful in terms of preparing the market for the competition.
4. Training for the reviewers should emphasize the need to read the Submissions thoroughly as opposed to checking to see if the Submission contains the material.
5. The review of the RFSQ Submissions is relatively straightforward and could be done by two individuals compared to an entire review team.

6.1.3 Stage Two - RFS

6.1.3.1 Development of the RFS to Receipt of Submissions

1. Use of a Statement of Work in the RFS is an effective means for Consortia to improve their service levels and to communicate operational requirements with operators. When developing the SOW, Consortia should provide an appropriate level of detail.
2. The Consortiums found it beneficial to develop the RFS in conjunction with the other pilot Consortiums and to leverage other student transportation RFPs in the province.
3. The inclusion of a cap on the number of routes for an area is highly recommended as it allowed Consortiums to award routes to more than one Qualified Supplier in an area/region and prevented monopolies.
4. RFS should include provisions to deal with proposals that materially exceed existing budget envelopes.
5. Consortiums should carefully consider their local environment when deciding on the weighting for quality and price. In an area with limited competition, Consortiums may consider increasing the weighting for price from 25% to as high as 40% in order to achieve cost savings. Consortiums should ensure the weighting between quality and price does not sacrifice level of service and safety standards in order to reduce costs.

6. There are various criteria Consortiums should consider for bundling routes such as ensuring short-term and long-term viability, historical trends, attractive and unattractive routes, the existing supplier landscape and route allocation caps.
7. Given the complexity of creating route bundles, Consortiums should start considering its bundling strategy early on in the development process.
8. Larger Qualified Suppliers felt the bundles needed to be larger so that it would be more attractive and profitable for them to enter a market. Smaller Qualified Suppliers thought the bundles were too large and if successful, they would be forced to expand significantly. Therefore, bundle sizes need to be carefully considered based on the local market.
9. Route distances should be calculated from first pick up to last drop off, then shortest distance back to the first pick up both morning and afternoon as calculated using the planning software as used by the Consortium.
10. Sufficient information on route data should be provided in the RFS in order for Qualified Suppliers to make an informed pricing decision, including the identification of wheelchair routes and routes that require a monitor.
11. There was a lot of duplication in creating the route bundle lists. Documents and spreadsheets should be linked so if you enter the data in one file it automatically fills in the other documents. This would require technical skills with Microsoft Word and Excel.
12. Based on the results of the process, driver availability is the largest concern for areas where there is operator turnover. Consortiums can consider giving more weight to the Driver Availability criteria and/or conduct verification on the successful Qualified Suppliers Driver Availability plan.
13. Qualified Suppliers had questions about the fuel escalator/De-escalator calculations. Sample fuel escalator/De-escalator calculations should be included in the RFS.
14. RFS provided sufficient disclosure in terms of the quality evaluation criteria, the business requirements, the pricing evaluation model, and the contract.
15. Providing a locked Microsoft Word Submission Form proved challenging from some operators. Perhaps an unlocked version should be provided "upon request" with the RFS provision that no changes to the form are permitted.
16. In the RFS Submission Form, several Qualified Suppliers had difficulty breaking up the page allotment for the three information requirements required for each quality criterion. Therefore, a separate page allotment should be provided for each information requirement.
17. It should be clear in the RFS that only Qualified Suppliers may submit proposals to the RFS – no related legal entities.
18. The Route Information and Pricing Submission Form should be offered in an Excel spreadsheet so the calculations can be done easily and Qualified Suppliers can view the calculations.
19. The pricing strategy was confusing to many Qualified Suppliers. Consortiums should provide an example of the pricing strategy and consider spending more time during the information session explaining the pricing strategy.

20. The Consortium should specify which areas require communication or training in French.

6.1.3.2 Receipt of Submissions to Debriefings

1. Some Evaluators were not comfortable with Microsoft Excel; consider offering Evaluation Team members different formats of the Evaluation Matrix such as Microsoft Word.
2. Single sourcing should be a viable option in geographies where the expression of interest demonstrates that there is only one proponent.
3. Both the Consortia and Qualified Suppliers did not like having the process open over the Christmas holidays. The RFS deadline should be before the holidays or the RFS released after the holidays.
4. The length of the open period depends on how sophisticated the local operators are at responding to competitive procurements.
5. Participating in a competitive procurement was a very stressful event for smaller operators, specifically in Rainy River. The environment in Rainy River is not complex and there it is not a competitive environment. The results showed that going to competitive bidding, was not the ideal situation. To put the owner/driver operator through the stress of the two-stage pilot procurement process to result in many routes not changing hands, but prices going up was not the ideal result.
6. Some of the smaller operators received help from external consultants to assist in the preparation of their Submissions. Operators participating for the first time in this process may wish to consider the use of an external consultant.

7. Recommendations

7.1 Modifications to the Resource Package

To ensure all relevant modifications are incorporated into the resource package, PPI reviewed all documents of the Northeast and Northwest pilot processes including the RFSQs, RFSs, Addenda, Submission Forms, Procurement Guides, and Training Guides. The following sections describe all modifications that were considered for the resource package.

7.1.1 Modifications Included

The table below summarizes the recommended changes to the tools and templates based on PPI's review, lessons learned and feedback sessions:

ID	Suggested Modification	Affected Component of Resource Package
1	The Sample Information Session Agenda should be included in the resource package.	RFSQ Procurement Guide RFS Procurement Guide
2	The Debriefing Template should be included in the resource package.	RFSQ Procurement Guide RFS Procurement Guide
3	The MERX Registration Instructions should be included in the resource package.	RFSQ Procurement Guide
4	Ensure all references to the Supply Chain Guidelines are changed to the BPS Procurement Directive.	RFSQ Procurement Guide RFS Procurement Guide
5	The Sample Reference Check Questions should be included in the resource package.	RFS Procurement Guide
6	The Due Diligence and Financial Assurance Request Letter should be included in the resource package.	RFS Procurement Guide
7	The RFSQ should request a CVOR Level 1 with a satisfactory rating – audited or unaudited instead of a Level 2. The Consortium should reserve the right to request a Level 2 if detail information is required.	RFSQ Template RFSQ Submission Form RFS Template RFS Submission Form
8	The definition for related companies in Section 5.1(3) should be expanded to include a more formal definition as provided in the Income Tax Act of Ontario.	RFSQ Template
9	The Submission deadline time should be consistency with the delivery location (cover page and in the document).	RFSQ Template RFS Template
10	Section 1: General Information for Stage One and Stage Two should be added including approximate timelines for Stage Two.	RFSQ Template
11	The wording in Section 2: Nature of the services should be changed from “student transportation services” to “home to	RFSQ Template

ID	Suggested Modification	Affected Component of Resource Package
	school student transportation.	
12	Section 2.2.2 – Service Area, should be moved and combined with Section 5.	RFSQ Template
13	The lists on Vehicle Standards, Regulation and Licensing Requirements should be removed and replaced with a blanket statement that states operators must comply with all applicable provincial and federal rules and regulations.	RFSQ Template RFSQ Procurement Guide RFS Template
14	Options should be added for the information session (i.e. in person, teleconference, and videoconference). Recommendations should be added to have IT staff on-site for information sessions being offered via videoconferencing.	RFSQ Template RFSQ Procurement Guide RFS Template RFS Procurement Guide
15	The language stating disclosure of all Questions and Answers to all Respondents should be highlighted.	RFSQ Template RFS Template
16	The language regarding how the Consortium wants Respondents to distinguish between the original Submission and copies needs to be clearer.	RFSQ Template
17	Section 3.4.4 – Form of submission – Respondents must use the submission form. Last sentence should be moved to section 3.4.2.	RFSQ Template
18	Section 3.4.5 – Material changes – This section belongs in terms and condition; also language should be added for what constitutes a material change. Other material changes include, but are not limited to, a change in ownership or bankruptcy.	RFSQ Template
19	Section 4.1. – Review and selection process – The template should include language on members of the evaluation team (board representative, consortium representative)	RFSQ Template RFS Template
20	Section 4.1.2 – Right to waive – Language should be added for minor / major irregularity.	RFSQ Template RFS Template
21	Section 5.1 – Respondent profile – The template should include language for why the Consortium is asking for information on associated companies (i.e. route allocation caps).	RFSQ Template
22	Language around the using the Consortium as a reference should be clearer. Operators can use the Consortium as a reference if the Consortium is their only home to school transportation customer. Respondents must note that in their Submission and it will not be considered a conflict of	RFSQ Template RFS Template

ID	Suggested Modification	Affected Component of Resource Package
	interest.	
23	Section 5.3 – Customer contact information – change the language from “student transportation services” to “home to school student transportation services”.	RFSQ Template
24	Add debriefing section to RFSQ Section 6: Terms and Conditions of this RFSQ.	RFSQ Template
25	References should be the contact person that is the holder / or is in control of the contract as opposed to someone receiving the service such as a principal.	RFSQ Template RFS Template
26	The language should be changed from RFP to RFS.	RFSQ Template RFSQ Procurement Guide
27	The factors Consortia should consider when bundling routes should be added to the resource package, including opportunities to sole-source.	RFS Procurement Guide
28	Language should be added to encourage Consortia to provide the Route Information and Pricing Submission Form in an Excel spreadsheet.	RFS Template
29	Change the irrevocable period from 120 days to 270 days.	RFS Template RFS Submission Form
30	The wheelchair routes and routes requiring a monitor should be identified. The RFS should be clear the cost of the monitor is the Qualified Suppliers responsibility.	RFS Template
31	The bundle preference for use in the event a Qualified Supplier exceeds the route allocation cap clause should be included in the RFS.	RFS Template RFS Submission Form
32	The Consortium Policies should be provided in the RFS or made available by way of referencing the Consortium’s website.	RFS Template
33	The average age of the fleet is calculated on the total fleet under contract with the Consortium. Spare buses are not included in the calculation of the vehicle age formula.	RFS Template
34	The language in the scoring scale should be adjusted so that a response with a minor deficiency is not automatically a 3.	RFS Template
35	A separate page allotment should be provided for each of the three questions asked in the quality criteria requirements.	RFS Submission Form
36	As per the Directive change the number of days to request a debriefing to 60 days.	RFSQ Template

ID	Suggested Modification	Affected Component of Resource Package
		RFSQ Procurement Guide RFS Template RFS Procurement Guide
37	A sample sign-in sheet to be used at information sessions should be included in the resource package.	RFSQ Procurement Guide RFS Procurement Guide
38	Modify the vehicle sizes to accommodate for the CSA D250/07 School Bus Safety Standards.	RFS Template
39	The language in the resource package need to stress to Consortiums that letters to unsuccessful should go out after contracts are signed.	RFS Procurement Guide
40	The fuel escalator/de-escalator example should be included as an appendix to the RFS.	RFS Template
41	It should be clear in the RFS that only Qualified Suppliers may submit proposals to the RFS – no related legal entities.	RFS Template
42	The language regarding whether or not the Consortium allowed subcontracting should be clear.	RFS Template
43	RFS should include provisions to deal with proposals that materially exceed existing budget envelopes.	RFS Template
44	Develop guidelines to assist Consortiums with the planning process of a competitive procurement.	RFSQ Procurement Guide
45	The roles and responsibilities for each individual involved in the procurement need to be clearly defined at the beginning of the process.	RFSQ Procurement Guide
46	The resource package should include guidance on what can be said about the process, in case questions about the process come up while the process is still live.	RFS Procurement Guide

7.1.2 Modifications Excluded

The table below summarizes the recommended changes to the tools and templates based on the feedback sessions that have not been incorporated in the resource package. The reasoning why the feedback is not incorporated is provided in the “Rationale” column.

ID	Suggested Modification	Rationale
1	The submission forms should be attached to the RFSQ	Attaching the Submission Form to the procurement document will be at the discretion of the Consortium. It is PPI’s recommendation that the procurement document be kept separate from the

ID	Suggested Modification	Rationale
		response document.
2	The weighting for price should be increased.	The weighting for quality (75%) and price (25%) is appropriate as the Consortia received quality proposals with competitive pricing in areas with competition.
3	The minimum threshold for quality was high. Consider changing it to meeting the minimum quality threshold and then base it solely on price.	The minimum threshold for quality and pricing evaluation is at the discretion of the Consortium. By meeting a minimum quality threshold and awarding to the lowest bidder, more emphasis will be placed on pricing.
4	Consider offering a 7 year term since that is the best financing term operators receive from banks for new buses.	The contract term is at the discretion of the Consortium/school boards. The consultation process has indicated that a long-term contract is favourable.
5	Adding an option for an interview to the evaluation process.	If interviews were included as part of the evaluation process, then all Qualified Suppliers would have to be interviewed. This could be a large administrative task for Consortia that have a high number Qualified Suppliers participating in its process. In addition, there are fairness risks associated with evaluating an interview (i.e. Qualified Suppliers are not allowed to introduce net new information which could influence evaluator scores).
6	Charter rates should be added to the RFS for other informational type pricing.	Charter rates are out of scope for the two-stage procurement process.
7	The documents should state the inflation rate that respondents should use or add a CPI factor to the contract.	The pricing strategy is designed so that the Qualified Supplier assumes the inflation rate in their pricing.
8	The verification was difficult to do because there was so much information. The process should be streamlined using existing technology, such as an input system to conduct the evaluations and route listings.	This is out of scope of the design of the two-stage procurement process.
9	More space should be allowed for each response to the quality criteria for the RFS.	Page limits are at the discretion of the Consortium.
10	There should be credit for local operations – There needs to be some recognition on past performance and points for good references.	This is not in compliance with the BPS Procurement Directive as per mandatory requirement #14: non-discrimination.
11	To understand what current prices are, the province should be providing operators with	This is considered commercially sensitive information held between the school boards

ID	Suggested Modification	Rationale
	the previous contract prices.	and the operators as a part of the contract. It is also not a requirement of the BPS Procurement Directive.
12	The mileage per bus was different for each Consortium, the mileage and bus age should be standardized across the province.	Currently, the mileage for Fuel Efficiency Factors is decided by each Consortium based on the local environment.
13	Qualified Suppliers should be allowed to respond in written form and other formats like video. Providing only a written Submission was very restrictive.	Providing a standardized Submission Form leveled the playing field for smaller Qualified Suppliers. Allowing other formats as part of the evaluation process would be difficult for some Qualified Suppliers to develop and challenging for the Evaluation Team to evaluate.
14	It should be clear how many points a Submission is given if the Qualified Supplier has a facility in the area versus if they do not have a facility in the area.	Additional points are not awarded to Qualified Suppliers that have a facility in an area.
15	The scores of the successful Qualified Supplier for each route should be made available to the other Qualified Suppliers that bid on the same routes.	This is considered commercially sensitive information and is not a requirement of the BPS Procurement Directive.

8. Conclusion

The introduction of competitive procurement to the student transportation industry is a fundamental change in how Consortia and operators conduct business in Ontario. The results of the two-stage pilot processes indicate competitive procurement can be successfully implemented in northern Consortia in a manner that improves overall value for money. The pilot processes demonstrated that:

- Where there is competition, value-for-money for the Consortium, and by extension, Ontario taxpayers, is achievable.
- The pilot process documents have proven useful in achieving improved value-for-money.
- There is no reason to believe that successful operators in the pilot processes disproportionately represented any one group, such as large companies, small companies, incumbents, or new entrants.

Nevertheless, the pilot processes demonstrated that to transition to competitive procurement, Consortia must do substantial planning to ensure that the procurement process will achieve the desired business objectives. As part of the planning process, Consortia should develop a clear communication strategy to address all key stakeholders in their local environment such that they are prepared for and understand the goals/objectives of the processes.

Furthermore, there was also a wide variation in resource availability and experience with public procurement, particularly the BPS Procurement Directive, within the pilot Consortia. It would not be surprising to find similar skill gaps in other, likely more rural, parts of the province. Therefore, procurement training and support for existing staff must be a focal point in order for a successful implementation.

Indeed, the two-stage process was identified as a serendipitous way of addressing the skills gap for Consortia and operators. Having a pre-qualification stage was beneficial for operators undertaking a competitive process for the first time as it helped operators understand and prepare for the more complex Stage-Two process. Training for the operators on the procurement documents was also essential to ensuring a successful transition to competitive procurement.

Consortia must continue to work with operators to advance their state of readiness, particularly in regions that will see competitive procurements for the 2012-2013 school year. In addition, Consortia should analyze their supplier market and select a procurement option that best suits their local environment. The two-stage procurement process is an option available to assist Consortia comply with the BPS Procurement Directives, while at the same time achieving their desired business outcomes.

To assist with the transition to competitive procurement, the ministry should consider continuing the excellent work already underway in terms of developing tools and templates, providing access to expertise, and arranging for skills development and knowledge sharing amongst Consortia. These activities were cited as vital to the success of the pilot processes.



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