

## **APPENDIX B**

### **PROPOSAL REQUIREMENTS**

The tables below describe more specifically the requirements for the Technical Submission and the Financial Submission. For ease of reference Proposals should be written using the Section numbers and titles as indicated with variations, if any, clearly identified. Any deviation in a Proposal from the requirements of the RFP or the Final Draft Project Agreement should be clearly noted.

Where a narrative explanation is required, Proponents should limit their narrative to no more than 1,000 words in each case.

Where drawings are required, Proponents should provide the drawings in full size (at least 24 x 36) in a separate drawing roll.

Note: Defined terms have the meaning set out in the RFP or the Final Draft Project Agreement as the context may require. References to Schedules and Appendices are to the Schedules and Appendices to the Final Draft Project Agreement unless otherwise specified.

**TECHNICAL SUBMISSION**

Without limiting the requirements set out below and in the following table, each Proponent should include in its Technical Submission information and documentation that reasonably demonstrates that the Proponent is capable of performing Project Co's responsibilities and obligations under the Project Agreement to deliver the Design, the Construction and the Services in accordance with the requirements set out in the Project Agreement.

The Technical Submission should address the requirements set out in the tables below. Proponents should use the Section numbers and corresponding titles shown in these tables in their Technical Submission.

Proponents should provide a cover letter with their Technical Submission that includes or attaches:

- (a) Proposal Declaration Form;
- (b) Relationship Disclosure Form(s);
- (c) Confirmation of the Company/Firm name, Key Individuals and significant team members for each of the following (and if there have been any changes to team members or Key Individuals from those specified in the Proponent's RFQ Submission then any such changes should be approved by the Authority in accordance with Section 6.12 of the RFP):
  - (i) consortium/lead;
  - (ii) equity providers;
  - (iii) design team;
  - (iv) construction team;
  - (v) facility management team;
  - (vi) financing lead manager;
  - (vii) financial advisor;
  - (viii) legal advisor; and

(ix) other(s) – please specify.

Proponents should submit the required information in the following format:

Individual's Name	Company Name	Role

- (d) Name and contact details for the Proponent's Representative (who will be the only point of contact for the Proponent from the Authority regarding this RFP):
- (i) name;
  - (ii) employer;
  - (iii) mailing/courier address;
  - (iv) telephone number;
  - (v) facsimile number;
  - (vi) email address; and
  - (vii) website address.

**TECHNICAL SUBMISSION**

<b>1.</b>	<b>DESIGN AND CONSTRUCTION</b>	
<b>1.1</b>	<b>General Approach</b>	
<b>1.1.1</b>	<b>Compliance with Schedule 3</b>	<ul style="list-style-type: none"> <li>(a) Confirm compliance of the Proposal with Schedule 3 [Design and Construction Specifications]; or</li> <li>(b) List and describe any variances to Schedule 3 [Design and Construction Specifications] providing:                             <ul style="list-style-type: none"> <li>i. a comprehensive list of all requested variances;</li> <li>ii. reasons for each requested variance; and</li> <li>iii. suggested revised drafting for the relevant provision in Schedule 3 [Design and Construction Specifications].</li> </ul> </li> </ul>
<b>1.1.2</b>	<b>Organization and Personnel</b>	Provide: <ul style="list-style-type: none"> <li>(a) an organization chart for the management and delivery of the Design and Construction, including all sub-consultants. The organization chart should include the names of the individual together with their title and organization;</li> <li>(b) curriculum vitae for all Key Individuals and information on their experience on healthcare projects of a similar size and nature; and</li> <li>(c) a summary of the current workload of the Proponent's team, including a list of current staff and manpower available for this Project and the percentage of time each staff member will be committed to the Project during the design development, Construction and commissioning phases.</li> </ul>
<b>1.1.3</b>	<b>Design Approach</b>	Describe and provide details of the Proponent's management plan for the Design including: <ul style="list-style-type: none"> <li>(a) the design methodology and general approach overall;</li> </ul>

1.1	<b>General Approach</b>	<ul style="list-style-type: none"> <li>(b) design constraints, risks and mitigation strategies;</li> <li>(c) how consideration of the Services will be integrated into the design; and</li> <li>(d) quality control procedures.</li> </ul>
1.1.4	<b>Meeting Project Design Objectives</b>	<ul style="list-style-type: none"> <li>(a) Describe and provide details of any evidence based features of the Design and Construction that enhance the Authority’s provision of clinical and non-clinical services. In particular, highlight those features which may increase the efficiency and effectiveness of the provision of those services, or which may otherwise provide benefits to the Authority in their day-to-day activities.</li> <li>(b) Provide written and graphical summaries of the design to demonstrate how the Proponent has addressed the following Project design objectives:                         <ul style="list-style-type: none"> <li>i. master planning, including how the Facility is designed to be an integrated part of the SMH Campus;</li> <li>ii. sustainability;</li> <li>iii. optimized outcomes, including how the Facility is designed to facilitate the delivery of efficient and effective workflow and processes, and elimination of waste, within both clinical and non-clinical service delivery;</li> <li>iv. adaptability, flexibility and expandability, including ability to develop Phase 1B; and</li> <li>v. environmental quality, including how the design addresses family and patient centered design, best practice infection control standards, safety for patients and staff, ergonomics, healing environment and universal accessibility.</li> </ul> </li> </ul>
1.1.5	<b>User Consultation and Design Review</b>	<ul style="list-style-type: none"> <li>(a) Provide proposed User Consultation and Submittal schedules for the Project, including:                         <ul style="list-style-type: none"> <li>i. the timing of consultations under the User Consultation Protocol, the subject matter of those consultations and the form of the consultation (for example, presentation followed by question and answer);</li> <li>ii. the order and timing of all Submittals in relation to the Project( including the anticipated submission date and finalization date) and a description of each Submittal, including the subject matter and form (for example, a drawing or narrative) of each Submittal, clearly outlining the components / detail that are to be reviewed by the Authority. A template</li> </ul> </li> </ul>

1.1	<b>General Approach</b>	<p>Submittal Schedule for use by Proponents is available in the Data Room.</p> <p>(b) Describe and provide details of how the Proponent will preserve sufficient flexibility in the initial design submitted in its Proposal to accommodate changes during the detailed design development process that will take place post Financial Close.</p>
1.1.6	<b>Equipment Procurement</b>	<p>(a) Describe and provide details of:</p> <ul style="list-style-type: none"> <li>i. the Proponent’s approach to managing the Equipment procurement process;</li> <li>ii. the personnel proposed to manage the Equipment procurement process, including curriculum vitae specifying their relevant qualifications and experience;</li> <li>iii. the processes that will be used to ensure effective communication between the Authority and Project Co with regards to Equipment procurement process, timing and emerging issues; and</li> <li>iv. how and where equipment will be stored and staged during Construction and Equipment installation and commissioning processes.</li> </ul> <p>(b) Provide an indicative equipment procurement schedule identifying major procurement activities and dates for Authority selection of specified items of equipment that are on the critical path for Design and Construction of the Facility.</p> <p>(c) Describe and provide details of how the Proponent will maintain sufficient flexibility in the Equipment procurement process to allow the Authority to make as late as possible decisions regarding Equipment selection in order to allow the Authority to take advantage of the latest available technology.</p>
1.1.7	<b>Approvals</b>	<p>(a) Describe and provide details of the Proponent’s process for managing approvals, including:</p> <ul style="list-style-type: none"> <li>i. municipal approvals;</li> <li>ii. LEED® Gold Certification;</li> <li>iii. Transport Canada approvals required for the heliport; and</li> <li>iv. any other approvals necessary.</li> </ul> <p>(b) Identify whether the design proposal will require any variance to zoning and, if a change in</p>

<b>1.1</b>	<b>General Approach</b>	
		zoning is required, describe how the Proponent will manage the approval of the change.
<b>1.1.8</b>	<b>Innovative Use of Wood</b>	Provide written and graphical summaries of the design to demonstrate compliance with Section 2.2 of Schedule 3 [Design and Construction Specifications] regarding the use of wood. Include any Building Code considerations, including any alternate solutions that will be requested from the municipal approval authorities.

<b>1.2</b>	<b>Design</b>	
<b>1.2.1</b>	<b>Site Development</b>	<p>Provide the following development plans:</p> <ul style="list-style-type: none"> <li>(a) site context plan (1:1000), including site development, adjacent roads and property uses;</li> <li>(b) master plan concept (1:1000), showing relationship between the proposed Facility and future developments proposed by the Authority;</li> <li>(c) site plan (1:500) showing location of all buildings (including future Phase 2), roadways, pathways, green space, vehicle parking, and services elements;</li> <li>(d) site plan (1:500) indicating grades, contours, site servicing, zoning setbacks, easements and City requirements;</li> <li>(e) streetscape drawings (1:500) demonstrating proposed massing, materials and image of the Facility, including the context of adjoining buildings on the Site;</li> <li>(f) North-South and East-West cross-sectional diagrams (1:200) showing relationship between the Project and adjacent site uses; and</li> <li>(g) landscape plan, sections and elevations (1:200) which present the proposed landscape design.</li> </ul>
<b>1.2.2</b>	<b>Site Circulation and Parking</b>	<p>Describe and provide details of the Proponent’s parking plan for the Project, including:</p> <ul style="list-style-type: none"> <li>(a) the Proponent’s temporary parking solution during Construction;</li> <li>(b) the Proponent’s permanent parking solution, including confirmation of the total number of parking spaces that will be provided;</li> <li>(c) a site circulation plan (1:500), including vehicles, pedestrians, deliveries, waste removal, ambulance access, fire fighting access and disaster response access; and</li> <li>(d) a parking plan (1:500), illustrating the parking strategy, including locations of staff, handicap, visitor and emergency parking.</li> </ul>
<b>1.2.3</b>	<b>Clinical Design</b>	<ul style="list-style-type: none"> <li>(a) Provide functional relationship drawings (1:200 architectural plans) indicating the location and functional relationships of all program elements, horizontal and vertical circulation and internal traffic flow (patient, staff, visitor and non-clinical support services). Use colour to</li> </ul>



<p><b>1.2</b></p>	<p><b>Design</b></p>	<p>illustrate the program elements and to differentiate the following types of internal circulation systems: public, service, controlled access for staff and patient movement.</p> <p>(b) Provide written and graphical summaries to demonstrate how the Design provides for the following:</p> <ul style="list-style-type: none"> <li>i. Effective across the SMH Campus) for:             <ul style="list-style-type: none"> <li>— patients;</li> <li>— staff;</li> <li>— visitors and</li> <li>— non-clinical support services.</li> </ul> </li> <li>ii. Use of on-stage / off-stage concepts;</li> <li>iii. Optimized intra-departmental relationships, with particular reference to workflow and travel distances;</li> <li>iv. Linkages within and between functional elements including:             <ul style="list-style-type: none"> <li>— Visibility from nursing stations; and</li> <li>— Distances traveled to support spaces (for example, medication rooms, clean utility rooms, dirty utility rooms, etc).and efficient flows (both within departments, between departments and</li> </ul> </li> <li>v. Use of zoning within patient rooms.</li> </ul>
<p><b>1.2.4</b></p>	<p><b>Accommodation Schedule</b></p>	<p>Provide an accommodation schedule for all areas of the Facility identifying for each space:</p> <ul style="list-style-type: none"> <li>i. An area summary by department and by floor that includes the total nsm and total cgsm and the net to cgsm ratios for each department and for each floor</li> <li>ii. An area summary of the building that includes total nsm, cgsm, and bgsm by floor and by building totals</li> <li>iii. amount of any variance(s) in net area between the Proponent's design and the Clinical Specifications, expressed in real terms and as a percentage.</li> </ul>

1.2	<b>Design</b>	
1.2.5	<b>Operational Efficiency of the Emergency Department</b>	<p>The accommodation schedule should follow the same sequence and terminology as in the Clinical Specifications. A template accommodation schedule for use by Proponents is available in the Data Room.</p> <p>Provide:</p> <ul style="list-style-type: none"> <li>(a) a labeled AutoCAD file of the proposed Emergency Department design in a .dwg format; and</li> <li>(b) a narrative description of the primary features of the design of the Emergency Department and any operational aspects of the design which are not apparent.</li> </ul> <p>GE Healthcare Performance Solutions will, through the use of a simulation model, assist the Authority in evaluating the operational effectiveness of the Emergency Department design in each Proposal.</p>
1.2.6	<b>Building Design</b>	<p>Provide:</p> <ul style="list-style-type: none"> <li>(a) presentation scale renderings of the exterior and interior of the Facility, including:             <ul style="list-style-type: none"> <li>i. the Facility as seen from King George Highway; and</li> <li>ii. the main entrance area of the Facility,</li> </ul>             such renderings should be convertible to a printable 8 ½ by 11 format;           </li> <li>(b) a 3-D animated model illustrating context, massing and architectural features;</li> <li>(c) building elevations and sections and site sections, sufficient to illustrate design aesthetics, materials and major features;</li> <li>(d) floor plans (1:200) including basic dimensions with room numbers cross-referenced to the Clinical Specifications. Include all walls and doors, structural elements, circulation elements (for example, stairs, elevators) and major service shafts;</li> <li>(e) room data sheets and drawings (1:50) indicating key dimensions showing location of all equipment and providing the typical location of medical gas, general power and outlets, elevations and ceiling plans for the following typical rooms and typical areas:             <ul style="list-style-type: none"> <li>i. typical NICU patient room;</li> <li>ii. typical HDCU patient room;</li> </ul> </li> </ul>

<b>1.2</b>	<b>Design</b>	
		<ul style="list-style-type: none"> <li>iii. typical ICU patient room; and</li> <li>iv. typical inpatient room.</li> </ul>
<b>1.2.7</b>	<b>Furniture and Fittings</b>	Provide: <ul style="list-style-type: none"> <li>(a) schedules of indicative finishes, fixtures, fittings and Project Co-supplied equipment;</li> <li>(b) a summary of the Proponents strategy for the selection and use of millwork versus systems furniture (i.e. what key factors would lead to the use of millwork? What key factors would lead to the use of systems furniture?) in different areas of the Facility; and</li> <li>(c) the assumed quantities of millwork and / or systems furniture the Proponent will provide in order to make the Facility functional.</li> </ul>

<b>1.3</b>	<b>Technical</b>	
<b>1.3.1</b>	<b>Outline Specifications</b>	Provide: (a) a schematic design outline specification by division; (b) a basic Code analysis, including bylaw requirements and implications of legislation and policies, including Wood First.
<b>1.3.2</b>	<b>Infection Prevention and Control</b>	Describe and provide details of how the design will achieve the infection control requirements described in Schedule 3 [Design and Construction Specifications], including: (a) use of HVAC systems to isolate pods / zones, units and floors; (b) hand washing / scrub sink designs and locations; and (c) infection prevention and control measures.  Describe and provide details of how the design, including its infrastructure, makes provision for the occurrence of communicable disease outbreaks.
<b>1.3.3</b>	<b>Post-disaster</b>	Provide written and graphical summaries to demonstrate how the design of the Facility, including its infrastructure, makes provision for the occurrence of natural disasters.
<b>1.3.4</b>	<b>Structure</b>	Describe and provide details of the structural system for the Facility. Provide schematic level structural drawings (1:200) showing: (a) the proposed floor and roof structural framing together with the dimensions of the structural grid; (b) the expected type of foundations; (c) the expected slab thickness(es); (d) the layout of the lateral system, including the proposed location of walls or other lateral resisting elements; and (e) any features that facilitate flexibility, adaptability and expandability.

<b>1.3</b>	<b>Technical</b>	
<b>1.3.5</b>	<b>Civil Works</b>	<p>Provide drawings (1:500) and documentation that illustrate the proposed civil works, including:</p> <ul style="list-style-type: none"> <li>(a) storm water drainage;</li> <li>(b) sanitary sewer;</li> <li>(c) natural gas systems;</li> <li>(d) domestic water;</li> <li>(e) electrical; and</li> <li>(f) road, sidewalk, curb and gutter designs and street signage.</li> </ul> <p>For each of the above, describe and provide information on origin of supply, connection points, distribution and, as appropriate, storage, drainage and disposal.</p>
<b>1.3.6</b>	<b>Off-site Works</b>	<p>Provide drawings (1:500) and documentation that illustrate the proposed off site works, including:</p> <ul style="list-style-type: none"> <li>(a) sanitary and storm sewers;</li> <li>(b) water mains;</li> <li>(c) electrical and communication services;</li> <li>(d) gas;</li> <li>(e) road works including:                             <ul style="list-style-type: none"> <li>i. pavement widening;</li> <li>ii. pavement structure;</li> <li>iii. curb and gutter;</li> <li>iv. medians;</li> <li>v. sidewalks;</li> <li>vi. streetlights;</li> <li>vii. signals (if any);</li> <li>viii. signage;</li> </ul> </li> </ul>

<b>1.3</b>	<b>Technical</b>	
		<ul style="list-style-type: none"> <li>ix. landscaping; and</li> <li>x. pavement structure.</li> </ul>
<b>1.3.7</b>	<b>Electrical</b>	<ul style="list-style-type: none"> <li>(a) Provide a site plan (1:500) showing location and configuration of services including power, telephone, cable TV and any other electrical communication between buildings.</li> <li>(b) Provide design drawings (1:200) and design documentation for electrical services and distribution, showing and describing:                         <ul style="list-style-type: none"> <li>i. origin of supply(s);</li> <li>ii. arrangements for service redundancy;</li> <li>iii. main service switchgear and transformer locations, main electrical distribution room and main communication room;</li> <li>iv. sub-electrical room locations and communication room locations; and</li> <li>v. position, size and capacity for emergency power, associated switchgear and transfer switches, if any.</li> </ul> </li> <li>(c) Provide design drawings (1:200) and design documentation for lighting and power, showing and describing:                         <ul style="list-style-type: none"> <li>i. position and types of site lighting;</li> <li>ii. lighting and controls, including proposed day lighting measures and energy management measures;</li> <li>iii. proposed power monitoring systems; and</li> <li>iv. main single-line diagram showing sizes of all transformers, generators and distribution breakers, the proposed methodology of distribution, and the general arrangement methodology of supply to the Facility.</li> </ul> </li> <li>(d) Describe the electrical services to be provided and include details of:                         <ul style="list-style-type: none"> <li>i. power distribution and maximum demand calculations;</li> <li>ii. type(s) of lighting to be used, incorporating standards of design and exit lighting;</li> </ul> </li> </ul>

<b>1.3</b>	<b>Technical</b>	
		<ul style="list-style-type: none"> <li>iii. standby and uninterrupted power supply requirements and distribution;</li> <li>iv. wiring systems for patient treatment, identifying:                             <ul style="list-style-type: none"> <li>▪ general and medical treatment areas;</li> <li>▪ power monitoring systems;</li> <li>▪ lighting control systems;</li> <li>▪ proposed wiring methodologies, routing, conduit types and cable tray;</li> </ul> </li> <li>v. proposed equipment cut sheets for power distribution, lighting and emergency generator;</li> <li>vi. thermal fire alarm system, including details of fire panels, detectors and air conditioning shut-down systems;</li> <li>vii. emergency evacuation and intercommunication systems, including details of master emergency control panel, zones, speakers; and</li> <li>viii. post disaster provisions.</li> </ul>
<b>1.3.8</b>	<b>Communications Systems</b>	<ul style="list-style-type: none"> <li>(a) For each of the following technology and communication systems, describe the system and associated scope, and the typical devices and functions for each area to be served. Describe any integration between each system and any others:                             <ul style="list-style-type: none"> <li>i. structured cabling (combined in the same drawing together with power lay-out);</li> <li>ii. network equipment;</li> <li>iii. telecom equipment;</li> <li>iv. wireless infrastructure;</li> <li>v. wireless staff communications;</li> <li>vi. workload management systems and main equipment locations;</li> <li>vii. Code Blue;</li> <li>viii. patient monitoring;</li> </ul> </li> </ul>

1.3	Technical	
		<ul style="list-style-type: none"> <li>ix. public address;</li> <li>x. video conferencing infrastructure;</li> <li>xi. intercommunication;</li> <li>xii. integration with the Authority;</li> <li>xiii. patient entertainment;</li> <li>xiv. patient/staff education system; and</li> <li>xv. time systems.</li> </ul> <p>(b) Refer to the proposal received from Logical Solutions Ltd. dated October 1, 2009 and describe the nurse call system, including typical devices and functions. Provide the estimated total capital cost of the nurse call system.</p> <p>(c) Provide documentation of building network systems showing:</p> <ul style="list-style-type: none"> <li>i. origin of supply and interconnection with external services, including redundant service;</li> <li>ii. proposed main equipment room layout, including UPS, rack locations, rack servicing diagram;</li> <li>iii. proposed integration with wireless telephone system;</li> <li>iv. proposed integration with other communications systems;</li> <li>v. proposed call centre systems and layouts;</li> <li>vi. proposed network diagram;</li> <li>vii. proposed communication room layouts;</li> <li>viii. proposed network equipment layouts detailing interconnection details;</li> <li>ix. proposed network interface with other systems;</li> <li>x. proposed connection to the WAN service; and</li> <li>xi. proposed connections to campus based servers/server room.</li> </ul> <p>(d) For the proposed network systems set out in (b) above, provide:</p>



<b>1.3</b>	<b>Technical</b>	<ul style="list-style-type: none"> <li>i. cut sheets of all proposed equipment; and</li> <li>ii. provide specific details of the building network systems.</li> </ul> <p>(e) Describe in detail the communication traffic management plan for the helpdesk call centre system.</p> <p>(f) Provide description of building data communication systems showing:</p> <ul style="list-style-type: none"> <li>i. location of all data gathering equipment, including file servers, computers;</li> <li>ii. data cabling system wiring standards; and</li> <li>iii. relationship between data communications and all other items of equipment;</li> </ul> <p>(g) In addition to the above data communication system drawings, describe the data communications services and how they will satisfy the needs of related services.</p> <p>(h) Provide details of all standards proposed for supply, installation, testing and commissioning.</p>
<b>1.3.9</b>	<b>Safety and Security</b>	<p>Describe the following features of the proposed design:</p> <ul style="list-style-type: none"> <li>(a) access Control, Panic Duress, Incident Reporting System;</li> <li>(b) fire alarm;</li> <li>(c) CCTV; and</li> <li>(d) security systems.</li> </ul> <p>Provide a threat and risk assessment for the Site and explain how that assessment has informed the design.</p> <p>Describe the approach that will be taken to developing a security master plan and an overview of what technologies will be considered to assist in implementing the master plan.</p>
<b>1.3.10</b>	<b>Mechanical Systems</b>	<p>(a) Provide brief descriptions of each of the following systems as applicable:</p> <ul style="list-style-type: none"> <li>i. primary energy source;</li> <li>ii. secondary energy source;</li> </ul>

1.3	Technical	
		<ul style="list-style-type: none"> <li>iii. cooling plant;</li> <li>iv. heating plant;</li> <li>v. heat dissipation systems, cooling towers;</li> <li>vi. air handling systems;</li> <li>vii. exhaust systems;</li> <li>viii. domestic hot and cold water systems at various temperatures;</li> <li>ix. pumps (if any);</li> <li>x. domestic water filtration and treatment;</li> <li>xi. redundancy provisions;</li> <li>xii. tempered water systems (as applicable);</li> <li>xiii. plumbing fixtures;</li> <li>xiv. all major mechanical space locations;</li> <li>xv. Building Management System; and</li> <li>xvi. provision for isolation / outbreak zoning.</li> </ul> <p>(b) Provide and address the following:</p> <ul style="list-style-type: none"> <li>i. load calculations:                     <ul style="list-style-type: none"> <li>▪ description of glazing system, floor, roof and internal partition system and U values.</li> </ul> </li> <li>ii. air handling system:                     <ul style="list-style-type: none"> <li>▪ air handling system type and function;</li> <li>▪ ventilation and total supply air rates for each space and for the building as a whole;</li> <li>▪ cooling and heating sources;</li> <li>▪ humidification provision;</li> <li>▪ zone by zone cooling and heating loads, in w/m<sup>2</sup>;</li> </ul> </li> </ul>

1.3	Technical	
		<ul style="list-style-type: none"> <li>▪ floor area served by each unit, in m<sup>2</sup>;</li> <li>▪ smoke control and operation under fire service requirements.</li> <li>iii. cooling and heating plants:                             <ul style="list-style-type: none"> <li>▪ description of plants, including type and configuration;</li> <li>▪ plant locations;</li> <li>▪ average loads, in w/m<sup>2</sup>, based on total heated/air conditioned area;</li> <li>▪ total loads in KW and total installed capacities;</li> <li>▪ continuous cooling provisions for specialized equipment;</li> <li>▪ energy recovery measures;</li> <li>▪ standby plant or duplication provisions;</li> <li>▪ post disaster provisions.</li> </ul> </li> <li>iv. steam plant                             <ul style="list-style-type: none"> <li>▪ service connections to central SMH Campus steam plant</li> <li>▪ plant location;</li> <li>▪ utilization;</li> <li>▪ chemical treatment.</li> </ul> </li> <li>v. exhaust systems                             <ul style="list-style-type: none"> <li>▪ exhaust system types and functions;</li> <li>▪ exhaust terminations;</li> <li>▪ as applicable, parking structure exhaust, make-up air, tempering of make-up air.</li> </ul> </li> <li>vi. domestic hot water systems:                             <ul style="list-style-type: none"> <li>▪ description of system and primary fuel;</li> <li>▪ storage;</li> </ul> </li> </ul>

1.3	Technical	
		<ul style="list-style-type: none"> <li>▪ recovery rate in litres per hour for 55°C/100°F temperature rise;</li> <li>▪ number and size of storage vessels, construction and material and location of plant;</li> <li>▪ define number of pressure zones and how function of domestic recirculating system is accomplished.</li> </ul> <p>vii. tempered water systems:</p> <ul style="list-style-type: none"> <li>▪ description of systems;</li> <li>▪ areas requiring warm water system and number of outlets (if applicable);</li> <li>▪ anti-scald safety measures;</li> <li>▪ Legionella prevention requirements, disinfection systems.</li> </ul> <p>(c) Describe the proposed fire protection system and how it will integrate with the fire detection systems incorporated within the electrical, hydraulic and/or mechanical installations, including indicative features such as:</p> <ul style="list-style-type: none"> <li>i. underground distribution network (if applicable);</li> <li>ii. tanks, if any, provided for fire protection;</li> <li>iii. pumps, if any.</li> </ul>
1.3.11	<b>Connection to existing services</b>	<p>Project Co will obtain utility services by connecting to the existing central plant at Surrey Memorial Hospital. As such, provide:</p> <p>(a) brief descriptions of each of the applicable systems:</p> <ul style="list-style-type: none"> <li>i. primary energy source;</li> <li>ii. secondary energy source;</li> <li>iii. domestic water as applicable;</li> <li>iv. high pressure steam as applicable;</li> <li>v. medical gas;</li> </ul> <p>(b) for each system that connects to the central plant include the anticipated load(s) imposed on the existing central plant, a description of the connection point location(s), and metering</p>

<b>1.3</b>	<b>Technical</b>	
		strategy; (c) a services routing plan (1:500) from the central plant to the Facility; and (d) infrastructure to accommodate and to protect the interconnecting services.
<b>1.3.12</b>	<b>Medical Gases</b>	For Medical Gases: (a) provide drawings (1:100) of the medical gas services and systems; and (b) describe the source of medical gas supply from the Authority and medical gas systems provided by the Proponent.
<b>1.3.13</b>	<b>Vertical transportation</b>	Provide descriptions, including types, of the following elevators/escalators, including how each satisfies or exceeds the requirements of Schedule 3 [Design and Construction Specifications]; (a) patient elevators; (b) passenger elevators; (c) services elevators; and (d) escalators.

<b>1.4</b>	<b>Construction</b>	
<b>1.4.1</b>	<b>Approach</b>	<p>(a) Describe and provide details of the Proponent’s management plan for the Construction including:</p> <ul style="list-style-type: none"> <li>i. the construction methodology and general approach overall; and</li> <li>ii. construction constraints, risks and mitigation strategies.</li> </ul> <p>(b) Describe the Proponent’s Quality Assurance Plan for both design and construction processes.</p> <p>(c) Describe each Service Provider’s approach to Quality Assurance including:</p> <ul style="list-style-type: none"> <li>i. the means by which all service and quality non-conformance issues, including work performed by major sub-contractors, will be identified, monitored, resolved and incorporated into a continuous business improvement process;</li> <li>ii. the means by which all services are delivered in compliance with all Applicable Laws, Authority Policies and Good Industry Practice;</li> <li>iii. the frequency of internal or external audits or reviews;</li> <li>iv. roles and responsibilities related to Quality Assurance;</li> <li>v. any other key features of the Quality Assurance system, including approach during Design and Construction phases.</li> </ul> <p>(d) Describe and provide details of the Proponent’s process for managing commissioning.</p> <p>(e) Describe and provide details of the Proponent’s process for managing change orders.</p> <p>(f) Provide a preliminary quality assurance plan describing the implementation of the Proponent’s quality assurance program.</p> <p>(g) Describe the Proponent’s plan for identifying and correcting deficiencies in advance of Service Commencement.</p>
<b>1.4.2</b>	<b>Integration</b>	Describe and provide the Proponent’s outline management plan for the integration of the design and construction phases of the Project, showing and identifying:

<b>1.4</b>	<b>Construction</b>	
		<ul style="list-style-type: none"> <li>(a) construction methodology and general approach to be adopted for the Project, indicating the Proponent’s understanding of the Project processes and roles of both the Authority and Project Co;</li> <li>(b) dust and noise control plan;</li> <li>(c) infection prevention and control;</li> <li>(d) construction staging areas, vehicle access &amp; control strategies, including diagrams and plans as necessary to demonstrate how construction activities will be handled on the site with minimal disruption and risk to ongoing hospital operations;</li> <li>(e) the strategy and access to services required during the construction;</li> <li>(f) communications plan with neighbourhood, hospital staff and visitors; and</li> <li>(g) how facilities will be developed and the process by which commissioning will be undertaken.</li> </ul>
<b>1.4.3</b>	<b>Project Schedule</b>	<p>Provide a project schedule identifying the timing and duration of the major Project activities including:</p> <ul style="list-style-type: none"> <li>(a) site establishment;</li> <li>(b) design development, including User Consultation and Design Review activities;</li> <li>(c) major construction stages;</li> <li>(d) significant procurements;</li> <li>(e) provision of mock-up rooms; and</li> <li>(f) anticipated ED Opening Date and Service Commencement Date.</li> </ul>
<b>1.4.4</b>	<b>Energy Efficiency and LEED® Gold Certification</b>	<ul style="list-style-type: none"> <li>(a) Provide an indicative LEED® Gold certification score sheet clearly indicating which points are being pursued and the total point total anticipated.</li> <li>(b) Describe the Proponent's plan to apply to the BC Hydro Power Smart New Construction Program and obtain funding or incentives for the Authority under that program.</li> <li>(c) Describe and provide details of the Proponent’s energy management plan, including accountability mechanisms.</li> </ul>

1.4	<b>Construction</b>	
		<ul style="list-style-type: none"> <li>(d) Describe and provide details of the planned energy performance of the Facility.</li> <li>(e) Provide an energy target for the Facility using the energy model assumptions set out in Attachment 1 to Appendix 2D [Energy] and describe and provide details of how that target will be achieved and maintained.</li> <li>(f) Provide an energy model supporting the expected energy performance and the proposed energy target.</li> </ul>
1.4.5	<b>Life cycle/Capital Replacement Plan</b>	<ul style="list-style-type: none"> <li>(a) Describe and provide details of the approach and methodology to life cycle building management including a description of decision-making processes, business case analyses and technology tools.</li> <li>(b) Describe and provide details of the capital expenditures associated with the life cycle/capital replacement plan.</li> <li>(c) Describe and provide details of the approach to the development of the Life Cycle Plan required in Schedule 4 [Services Protocols and Specifications].</li> <li>(d) Provide a proposed Life Cycle Report in Excel spreadsheet format, clearly identifying the assumed asset life, strategy and replacement schedule for all types of plant and equipment for which Project Co is responsible. Proponents are responsible to determine the specific components and elements within each division required to support their proposed approach, methodology and cost structure for life cycle replacement and refurbishment.</li> <li>(e) Describe and provide details of how each Services Provider has influenced the proposed design for the Facility and in particular, how total Life Cycle Costs have been optimized.</li> </ul>



<b>2.</b>	<b>SERVICES</b>	
<b>2.1</b>	<b>Approach</b>	<ul style="list-style-type: none"> <li>(a) Provide a general description of the overall concept of operations and approach to the delivery of the Services, including the utilization of major subcontractors.</li> <li>(b) Provide a Service Quality Assurance Plan including description of how the Proponent will manage performance of the Service Provider and/or sub-contractors and create an environment responsive to end users' needs.</li> <li>(c) Describe how Services will interface with the Authority's services in every area, including security, waste, supplies, food services, portering, building and equipment maintenance.</li> </ul>
<b>2.2</b>	<b>Organization</b>	<p>Describe Project Co's proposed organization including details regarding:</p> <ul style="list-style-type: none"> <li>(a) the organizational structure proposed to meet the requirements of Schedule 4 [Services Protocols and Specifications], including an organization chart that identifies the key names (to the extent available) and positions that will be responsible for management and delivery of the Services;</li> <li>(b) the number of staff expected to be on site during the regular business hours of the Services team and their roles;</li> <li>(c) how Services will be addressed outside of regular business hours;</li> <li>(d) the lines of authority and relationship between the proposed on-site Services organization and Project Co, including a description of the business and technical support to be provided to the deployed resources; and</li> <li>(e) proposed approach to relationship management and interaction with Authority staff with respect to the Services;</li> </ul> <p>and provide a budget for the first two years indicating the cost allocation for staff and supplies respectively.</p>
<b>2.3</b>	<b>Help Desk</b>	<p>Describe and provide details of:</p> <ul style="list-style-type: none"> <li>(a) the proposed approach to deliver the Help Desk Services on a 24/7 basis;</li> <li>(b) the hardware and software technology to be utilized;</li> </ul>

2.	SERVICES	
		<ul style="list-style-type: none"> <li>(c) the business processes and security features related to maintenance of electronic logs, records and response and rectification times;</li> <li>(d) how the Help Desk as the sole FM user contact for the Site will interface with the delivery of other hospital services, in particular those that are not the responsibility of Project Co (e.g., misdirected calls, confusion in who is accountable for delivering a service between the Authority and Project Co);</li> <li>(e) how Hard FM service requests related to parts of the SMH Campus other than the Facility will be redirected seamlessly to the existing site CMMS.</li> </ul>
2.4	<b>Plant Services</b>	Describe and provide details of the Plant Services that will be provided, including: <ul style="list-style-type: none"> <li>(a) asset management philosophy for the Facility and how this will be implemented in terms of systems and practices throughout the term; and</li> <li>(b) a preliminary draft of the Annual Service Plan and Five-year Maintenance Plan, demonstrating how the Facility and equipment will be maintained in accordance with the Final Draft Project Agreement.</li> </ul>
2.5	<b>Housekeeping</b>	<ul style="list-style-type: none"> <li>(a) Describe the Proponent's approach to delivering the Housekeeping Services in compliance with the BC Health Authorities Cleaning Output Specifications and Audit requirements including a description of how the Proponent would implement a self-monitoring and inspection program.</li> <li>(b) Describe the Proponent's approach to scheduled and reactive cleaning in a healthcare environment including its interaction with nursing and patient management;</li> <li>(c) Demonstrate an understanding of applicable legislation, standards and best practices with specific reference to infection control, WHMIS and management of bio-medical waste;</li> <li>(d) Describe the Proponent's approach to the delivery of waste management and recycling services as set out in Appendix 4E [Housekeeping and Waste Management Services].</li> <li>(e) Describe the Proponent's approach to the performance of minor moves and room set-ups.</li> <li>(f) Describe comprehensive cleaning programs.</li> </ul>
2.6	<b>Utilities Management</b>	Describe and provide details of proposed approach to delivery of Utilities Management Services,

2.	SERVICES
	including: (a) management and administration of all utility services; (b) approach to energy conservation and reduction; and (c) ongoing measurement, analysis, and energy reporting.

**FINANCIAL SUBMISSION**

Without limiting the requirements set out below and in the following table, each Proponent should include in its Financial Submission information and documentation that reasonably demonstrates that the Proposal satisfies the financial requirements set out in the RFP and the Final Draft Project Agreement.

The Financial Submission should address the requirements set out in the tables below. Proponents should use the Section numbers and corresponding titles shown in these tables in their Financial Submissions.

Proponents should provide a cover letter with their Financial Submission that includes or attaches:

- (a) confirmation that the Net present Cost of their Proposal is within the Affordability Ceiling; and
- (b) confirmation that there have been no changes to the Proponent Team other than those with respect to which the Proponent has complied with Section 6.12 of the RFP.

<b>3.</b>	<b>FINANCIAL SUBMISSION</b>	
<b>3.1</b>	<b>Structure of Project Co and relationship with the Authority</b>	
3.1.1	Structure of Project Co	Describe (up to approximately 1,000 words) the legal structure of Project Co and the existing or anticipated contractual relationship between Project Co team members.
3.1.2	Relationship with the Authority	Describe (up to approximately 1,000 words) the management structure of, and Key Individuals within, Project Co, and their roles in interacting with the Authority.
<b>3.2</b>	<b>Agreements within Project Co</b>	
3.2.1	Project Contractors	Provide, at a minimum, draft heads of agreement executed by all applicable parties for all major contractors and subcontractors, including those related to Design, Construction (including mechanical and engineering all other major subcontractors), Maintenance and Life Cycle Requirements. Include details of all performance security (eg. performance bonds, parent company guarantees, financial guaranty insurance policy, bank letter of credit or other performance or financial support) being provided by the major contractors and subcontractors.
<b>3.3</b>	<b>Basis of Financial Submission</b>	
3.3.1	Key Dates	Use a Base Date of September 30, 2010. Assume January 1, 2011 for Financial Close (the “ <b>Assumed Financial Close Date</b> ”).
3.3.2	Currency	Provide prices as of the Base Date in Canadian dollars.
3.3.3	Price Validity	Except for permitted adjustments to interest rates and credit margins, all prices listed in a Proposal should remain valid for a period of at least 150 days after the Financial Submission Closing Time.
3.3.4	Inflation	Assume that an element of the Service Payment will be indexed using the CPI in accordance with the Payment Mechanism. For evaluation purposes, assume CPI at a rate of 2.0% per annum and indexation applied on an annual basis starting April 1 and ending on March 31, with the first

3.3	Basis of Financial Submission	
		adjustment from the Base Date until March 31, 2011 and with the adjustment effective April 1, 2011. The Authority is prepared to pay indexation only on: <ul style="list-style-type: none"> <li>(a) Services costs;</li> <li>(b) Life Cycle Costs; and</li> <li>(c) other operating costs, including Project Co's management and direct operating costs.</li> </ul> Only the Life Cycle Costs portion of the Service Payment may vary in real terms during the Operating Period.
3.3.5	Interest Rates	<ul style="list-style-type: none"> <li>(a) The Proponent should use the Base Rate(s) approved in accordance with Section 4.6 of the RFP.</li> <li>(b) The Proponent should provide full details and explanations of any credit spread, Senior Lenders' margins and other adjustments to Base Rate(s) that the Proponent considers appropriate.</li> <li>(c) The Proponent should provide full details of any assumed interest to be received by Project Co on credit balances, together with support for the assumed interest rates.</li> </ul>
3.3.6	Discount rate	For the purposes of the Net Present Cost calculation, Proponents should use an annual rate of 7.5% nominal as the Discount Rate;
3.3.7	Tax	The Proponent should provide full details of its taxation assumptions to demonstrate that in preparing its Proposal, the Proponent has given full consideration to all tax implications, including GST/HST, which affect the total project cost to the Authority.
3.3.8	Payment Mechanism	The payment mechanism as described in Schedule 8 [Payments] should be used without modification to calculate the Proponent's Service Payment. For the purposes of modelling, Proponents should assume 100% performance and availability.

<b>3.4</b>	<b>Financial Capacity</b>	
3.4.1	Equity Shareholders and Guarantors  Members, and	<p>Proponents should provide the following information, updated as necessary from their response to the RFQ, in respect of each of its Equity Members, shareholders and guarantors:</p> <ul style="list-style-type: none"> <li>(a) certified copies of board resolutions from the Proponent and each of its Equity Member(s) approving the Proposal and authorizing submission of the Proposal in response to this RFP on behalf of the Proponent and each Equity Member(s);</li> <li>(b) details of any material changes to the Proponent’s organization since the RFQ Response;</li> <li>(c) estimated level of equity participation in the Project for each Equity Member and demonstration of how that equity will be funded;</li> <li>(d) description of credit lines, cash or other liquid investments available to support the estimated level of equity participations required;</li> <li>(e) annual audited financial statements and annual reports or other similar financial information for each of the last three fiscal years;</li> <li>(f) for entities which do not prepare audit financial statements, a certificate of a senior officer of each such entity attaching unaudited annual financial statements and annual reports or other similar financial information for each of the last three fiscal years and confirming that such financial statements present fairly, in all material respects, the financial position of such entity, in conformity with GAAP;</li> <li>(g) details of any material events that may affect the party’s current financial standing since the last annual financial statements provided;</li> <li>(h) details of any credit rating(s); and</li> <li>(i) details of any bankruptcy, insolvency, company creditor arrangement or other insolvency litigation in the last three fiscal years.</li> </ul>
3.4.2	Financial Capacity Update	<p>Proponents should provide written acknowledgement of no material adverse change. This should be executed on behalf of the Proponent, the Proponent Team Members, and Proponent guarantors, if any, for which financial information was submitted to the Authority in the RFQ Response or in connection with any change in the Proponent Team, by the Chief Financial Officer or other authorized officer of each respective entity. If there has been a material adverse change, full details should be provided. The Authority may, in its sole discretion, request further evidence of financial capacity.</p>

3.5	Financing Plan	<p>In this Section 3.5:</p> <p><b>“Acceptable Credit Rating Agency”</b> means Moody’s Investor Services, Standard &amp; Poor’s, Dominion Bond Rating Service or Fitch Ratings, Ltd.;</p> <p><b>“Credit Rating”</b> means a credit rating from an Acceptable Credit Rating Agency; and</p> <p>If a Credit Rating is required for an entity but is not available, the Proponent should provide the following information for that entity (or if provided in its RFQ submission, refer to the applicable section of that submission):</p> <ul style="list-style-type: none"> <li>• copies of annual audited financial statements and annual reports or other similar financial information for each of the last three fiscal years;</li> <li>• if available, copies of the interim financial statement for each quarter since the last fiscal year for which audited statements are provided;</li> <li>• details of any material off-balance sheet financing arrangements currently in place;</li> <li>• details of any material events that may affect the entity’s financial standing since the last annual or interim financial statements provided; and</li> <li>• details of any bankruptcy, insolvency, company creditor arrangement or other insolvency litigation in the last three fiscal years.</li> </ul>
3.5.1	Financing Plan	<p>Each Proponent should provide a financing plan (the <b>“Financing Plan”</b>) which demonstrates that the Proponent has arranged sufficient financing for the Project and which complies with the following:</p> <p>(a) includes full details of the financial structure and instruments proposed;</p> <p>(b) the sources of financing match the use of funds throughout the Term, and the Financing Plan includes:</p> <ul style="list-style-type: none"> <li>(i) a description of all sources of financing;</li> <li>(ii) a description of how the Construction Payments have been integrated into the Financing Plan;</li> </ul>



3.5	<b>Financing Plan</b>	<ul style="list-style-type: none"> <li>(iii) a description of any and all insurance or bonding;</li> <li>(iv) the terms of any supporting guarantee(s) and details of how the Proponent will satisfy those terms; and</li> <li>(v) a description of the Proponent’s anticipated hedging strategy and requirements;</li> <li>(c) if a bank funding solution/private placement bond is proposed, provide the following details:             <ul style="list-style-type: none"> <li>(i) letter from the funders with confirming letter from such funders’ legal counsel confirming that the funders and their legal counsel have no additional comments on the Final Draft Project Agreement;</li> <li>(ii) evidence, in the form of detailed term sheets or in the commitment letters contemplated in Section 3.5.5 of this Appendix B, of the commitment of the funders to provide the level of financing required; and</li> <li>(iii) for each funder, evidence of its Credit Rating (defined below);</li> </ul> </li> <li>(d) if a capital market and/or bond funding solution is proposed which depends on a Credit Rating, provide:             <ul style="list-style-type: none"> <li>(i) an indicative Credit Rating together with a timetable to achieve final ratings; and</li> <li>(ii) for each underwriter, evidence of its Credit Rating;</li> </ul> </li> <li>(e) if a solution involving a financial guarantor is proposed, provide:             <ul style="list-style-type: none"> <li>(i) letters from all financial guarantors with confirming letters from such financial guarantors’ legal counsel confirming that the financial guarantors and their legal counsel have no additional comments on the Final Draft Project Agreement; and</li> <li>(ii) evidence, in the form of detailed term sheets or in the commitment letters that are contemplated in Section 3.5.5 of this Appendix B, Part 2 of the commitment of the financial guarantor(s) to provide the guarantee required; and</li> <li>(iii) for each financial guarantor, evidence of its Credit Rating.</li> </ul> </li> </ul>
3.5.2	Refinancing	<p>If a Proponent plans to refinance, it should describe its refinancing plans in its Proposal and:</p> <ul style="list-style-type: none"> <li>(a) demonstrate that the benefits of any refinancing have been taken into account in its Proposal;</li> </ul>

3.5	<b>Financing Plan</b>	
		<p>and</p> <p>(b) provide details of any assumptions about the structure and the timing of the refinancing, interest rates, margins, timing of repayments, reserve accounts and cover ratios.</p>
3.5.3	Terms of Financing	<p>The Financing Plan should include the terms of each source of financing (including any equity bridge loans), set out as follows:</p> <p>With respect to the parties that will provide or arrange financing or funding if the Proponent is selected as the Preferred Proponent and enters into the Project Agreement, the following should be provided:</p> <ul style="list-style-type: none"> <li>(a) identity and Credit Rating of each funder;</li> <li>(b) amounts to be provided by each funder;</li> <li>(c) the timing of injection, including the proposed funding schedule during Construction;</li> <li>(d) the terms and conditions of subscription, including returns or yields;</li> <li>(e) dividend rights;</li> <li>(f) voting rights; and</li> <li>(g) the conditions, if any, upon which funds would be committed.</li> </ul> <p>With respect to each class of debt or other funding source (including leases), for each arranger or underwriter, the following information should be provided in the form of a detailed term sheet or within the commitment letter required for each funder as contemplated in Section 3.5.5 of this Appendix B):</p> <ul style="list-style-type: none"> <li>(a) the identity and Credit Rating of the lender, arranger or underwriter;</li> <li>(b) the amount of financing proposed or committed;</li> <li>(c) the drawdown schedule;</li> <li>(d) details of grace periods, including duration and contingency;</li> <li>(e) repayment or redemption schedules, maturity dates and prepayment terms (including make-whole clauses);</li> <li>(f) security, bonding or guarantee requirements (from either parents or third parties);</li> <li>(g) arrangement/underwriting, commitment, agency and all other such fees;</li> </ul>

3.5	Financing Plan	
		<p>(h) interest rates and margins including any step up/down mechanism;</p> <p>(i) material covenants, undertakings and other restrictions/requirements;</p> <p>(j) requirements for reserve accounts;</p> <p>(k) events of default and other similar arrangements;</p> <p>(l) step-in arrangements;</p> <p>(m) conditions precedent;</p> <p>(n) due diligence requirements; and</p> <p>(o) any other restrictions, requirements or conditions that materially impact the Proponent's ability to raise financing or draw down on committed financing after the Effective Date.</p> <p>With respect to each form of equity or quasi-equity investments, the following information should be provided in the form of a detailed term sheet or within the commitment letter contemplated in Section 3.6.4 of this Appendix B:</p> <p>(a) the identity and Credit Rating of the equity or quasi-equity subscriber;</p> <p>(b) details regarding the availability of equity and quasi-equity finance and the financial standing of the quasi-equity finance provider;</p> <p>(c) copies of board minutes approving the quantum of equity and quasi-equity to be provided;</p> <p>(d) if guarantees are being provided as part of the financing package, written confirmation by each shareholder's parent company, stating that it is able to provide a parent company guarantee in relation to the availability of the equity/quasi-equity for the Project, and that it has adequate funds available; and</p> <p>(e) if any equity or quasi-equity finance is to be raised from external sources, these sources should be specified, and written confirmation given by the providers as to their willingness to offer funding and the amount of funding available.</p>
3.5.4	Financial Robustness	As part of their Financing Plan, a Proponent should provide a description of its financial robustness, including details of how key risks will be managed (e.g., interest rate, schedule overruns, inflation, operation, maintenance, life cycle and construction).

<b>3.5</b>	<b>Financing Plan</b>	
3.5.5	Commitment Letters	<p>The level of commitment that the Authority expects at submission of Financial Submissions is that all sponsor equity and quasi-equity, debt, bonding and guarantees are to be fully committed subject only to documentation and material adverse change.</p> <p>Proponents should provide evidence of this commitment by certified copies of board resolutions from the equity and quasi-equity providers related to the terms set out. If equity or quasi-equity is to be provided by third parties, similar commitment is required from an underwriter for the full amount.</p> <p>Proponents should provide clear and express written statements of support and/or commitment directly, in the form of Commitment Letters (substantially in the form of Appendix G), from all proposed senior debt holders.</p>
<b>3.6</b>	<b>Financial Model</b>	
3.6.1	Financial Model and Structure	<p>Proponents should submit a financial model (the “<b>Financial Model</b>”) in both electronic and hard copy. The Proponent’s Financial Model should be consistent with the following assumptions and structure:</p> <ul style="list-style-type: none"> <li>(a) produced in Microsoft Excel version 2003 XP or newer;</li> <li>(b) provide financial projections (cost and revenue projections) on a semi-annual basis (for each period ending March 31 and September 30) from Financial Close until the end of the Project Term;</li> <li>(c) be expressed in Canadian dollars;</li> <li>(d) include a print option macro;</li> <li>(e) not include circular references or balancing numbers and no input numbers in the calculation worksheets;</li> <li>(f) present inputs in blue font and formulas in black font;</li> <li>(g) flow calculations down and to the right;</li> <li>(h) limit the number of “if” statements;</li> <li>(i) include no hidden or password protected cells or worksheets; and</li> <li>(j) all sheets set up to be printed clearly and legibly on 8.5 x 11” paper to include row and column</li> </ul>

3.6	<b>Financial Model</b>	
		descriptions on each printed page.
3.6.2	Financial Model Inputs and Outputs	<p>The Proponent's Financial Model should include and provide:</p> <p>(a) Assumption schedules</p> <ul style="list-style-type: none"> <li>(i) capital, operating, maintenance and life cycle costs;</li> <li>(ii) time-based assumptions (those that change over time);</li> <li>(iii) static assumptions (those that do not change over time);</li> <li>(iv) taxation;</li> <li>(v) financing (including refinancing);</li> <li>(vi) revenue in addition to the Service Payments;</li> <li>(vii) payment mechanism; and</li> <li>(viii) a scenario control sheet.</li> </ul> <p>(b) Outputs</p> <ul style="list-style-type: none"> <li>(i) summary outputs;</li> <li>(ii) sources and uses of funding;</li> <li>(iii) a schedule of payments by the Authority that sets out the expected date of payment and the amount to be paid by the Authority, in both real and nominal terms;</li> <li>(iv) the proposed funding structure, with funding schedules that specify the expected debt repayment dates and the amount of debt service, in nominal terms only, to be repaid;</li> <li>(v) the calculation of Project returns for the different elements of financing (including refinancing gains);</li> <li>(vi) financial statements (income statement, cash flow statement and balance sheet) presented in accordance with Canadian private sector GAAP;</li> <li>(vii) a cash flow statement that reflects the priority of access to cash flow based on the investor covenants and requirements of the Proponent's Financing Plan;</li> </ul>

3.6	<b>Financial Model</b>	
		<ul style="list-style-type: none"> <li>(viii) calculation and results of covenants;</li> <li>(ix) financial ratios as required by funders as appropriate to the capital structure set out in the Proponent’s Financing Plan;</li> <li>(x) project internal rate of return (IRR), before financing and tax, in both real terms and nominal (“<b>Base Case Project IRR</b>” as defined in the Final Draft Project Agreement and calculated as the nominal base case IRR for the Project as at the Effective Date) terms;</li> <li>(xi) return on equity and sub-debt, in both real terms and nominal terms, and a blended equity return that incorporates all sub-senior debt finance (“<b>Threshold Equity IRR</b>” as defined in the Final Draft Project Agreement);</li> <li>(xii) breakdown of development costs;</li> <li>(xiii) supporting schedules;</li> </ul> <p>(c) Affordability Model – link the outputs of the Financial Model to the Affordability Model; and</p> <p>(d) Pricing Forms – link the applicable outputs of the Financial Model to the Pricing Forms.</p>
3.6.3	Financial Assumptions Book Model	<p>Proponents should include an assumptions book for their Financial Model, which should provide sufficient detail for a duplicate Financial Model to be constructed from it and should cover the following areas:</p> <ul style="list-style-type: none"> <li>(a) a summary of the financing assumptions (including refinancings), including a breakdown of all fees and costs of the financing;</li> <li>(b) capital, operating, maintenance and life cycle costing schedules;</li> <li>(c) macro-economic assumptions;</li> <li>(d) taxation assumptions;</li> <li>(e) depreciation rates and other accounting policies; and</li> <li>(f) all other assumptions required to construct the Financial Model.</li> </ul> <p>The assumptions book should reconcile with the Financial Model. If the assumptions detailed in the assumptions book are not consistent with the assumptions in the Financial Model, the Authority may</p>

<b>3.6</b>	<b>Financial Model</b>	
		require the Proponent to resubmit either the Financial Model and/or the assumptions book.
3.6.4	Instructions Manual for Financial Models	Proponents should include an instruction manual, which should explain the functionality of their Financial Model and how it is structured. It should provide sufficient detail to allow the Authority to change model inputs to the sensitivities shown in Pricing Form A4 (Project Sensitivities) .
<b>3.7</b>	<b>Affordability Model</b>	
3.7.1	Affordability Model	Proponents should complete the Affordability Model by directly linking in the appropriate outputs from their Financial Model and Pricing Forms.
<b>3.8</b>	<b>Insurance</b>	
3.8.1	Insurance Requirements	Proponents should include a completed “Construction Insurance Underwriting Questionnaire” in the form attached as Appendix I, together with all supporting documents.
<b>3.9</b>	<b>Pricing</b>	
3.9.1	Pricing Forms	Proponents should complete and include each of Forms A1 through A9. Except where otherwise expressly indicated herein, include all taxes other than GST/HST. References to “Financial Model” should provide the cell reference that shows the corresponding input assumption.

**Form A1 - Service Payments**

Contract Year	Indexed Portion of Annual Service Payment	Unindexed Portion of Annual Service Payment	Life Cycle Costs Portion of Annual Service Payment	Annual Service Payment - Total	Financial Model Reference
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
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22					
23					
24					
25					
26					
27					
28					
29					
30					



**Form A2 - Breakdown of Service Payment**

Contract Year	FM Services (hard and soft FM (nominal))	Life Cycle Costs (nominal)	SPV Costs (nominal)	First Cost Capital (nominal)	Total Annual Service Payment (nominal)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
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22					
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24					
25					
26					
27					
28					
29					
30					

**Form A3 – Construction Payments**

Having regard to the provisions of Appendix 8B [Construction Period Payments] and the anticipated payment profile of the proposed Design-Build Agreement, Construction Payments are expected to be as follows:

Contract Month	Construction Payment (\$000)
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	
29	
30	

**Form A4 – Project Sensitivities**

Sensitivities	Change	Loan Life Cover Ratio			Debt Service Cover Ratio			% Change that will breach lockup & bank default ratios *		Project IRR		Blended Shareholder IRR
		Average	min	min. year	average	min	min. year	Lock Up	Default	Real	Nominal	
Inflation for whole project	-1.0%											
Inflation for whole project	+1.0%											
Inflation for whole project	+3.0%											
Change in interest rates pre financial close	+50bps											
Change in interest rates pre financial close	-50bps											

**Form A5 – SPV Running Costs**

Provide full details of the annual running costs of Project Co. Such costs should cover the operation of Project Co itself and should not include any costs for the provision of the “Services”. The costs should be broken into the following:

Cost Item	Cost \$000	Financial Model Reference
Regulatory		
Staff		
Accommodation		
Margin		
Technical		
Legal		
Audit/Tax		
Project Communications		
Finance Fees		
Insurance Costs		
Other costs 1 – please detail		
Other costs 2 – please detail		
TOTAL		

**Form A6 – Total Facility Development and Capital Cost**

Provide the cost breakdown for the development, construction and commissioning of the Facility used in the establishment of the Service Payment. Building cost estimates should also describe the basis upon which the capital costs have been developed, clearly identifying any exclusions.

<b>Capital Cost</b>		
	<b>Total \$</b>	<b>Financial Model Reference</b>
Construction Contracts		
Green Building Design		
Construction Contingency		
Design Contingency		
Engineering		
Architect		
Environmental Consultant		
Communications Consultant		
Other Consultant		
Survey		
Testing and Inspections		
Landscaping		
Administrative Costs		
Insurance		
Building permit		
Off Site Services <ul style="list-style-type: none"> <li>o Municipal (water, sanitary, storm , road works)</li> <li>o Other (electricity, gas, cable, telephone, King George Highway, and environmental remediation of the protected creek)</li> </ul>		
Other Cost Items		
Equipment		
Other Cost Items		
<b>TOTAL PROJECT COST</b>		

**Form A7 - Equipment**

Provide full details of the costs of providing the procurement, installation and commissioning of the equipment together with the costs of purchasing the equipment where applicable:

Equipment Category	Cost to provide procurement installation and commissioning service \$000	Cost of equipment purchase \$000	Financial Model Reference
A1		n/a	
A2		n/a	
F1			
F2			
<b>TOTAL</b>			

**Form A8 – Summary Analysis of Service Costs for First Full Year of Operations**

Service	Staff Numbers and Full time Equivalent Staff (#gross/#FTE)	\$000	Financial Model Reference
<b>Helpdesk Services</b>			
Labour Cost			
Other Expenditure			
<b>Plant Services</b>			
Labour Cost			
Other Expenditure			
<b>Housekeeping and Waste Management Services</b>			
Labour Cost			
Other Expenditure			
<b>Utility Management Services</b>			
Labour Cost			
Other Expenditure			
<b>Total Services Cost</b>			