Disclaimer: This Project Brief is not included as part of and in no way whatsoever supplements or forms part of the competitive selection process for the selection of a preferred proponent for the SFPR project (the “Competitive Selection Process”), including the RFQ or the RFP. This Project Brief may not be accurate, reliable, comprehensive or current in respect of any of its information, and is not intended to be included with or referred to in any way when considering, applying or interpreting the requirements of the RFQ, the RFP, any Concession Agreement, or to in any way define or describe any party’s rights or obligations with respect to the project. This Project Brief should not be used or relied on in any way in connection with any part of the Competitive Selection Process, including any response or proposal or any submission. Any discussion or description of the Competitive Selection Process in this Project Brief reflects current thinking only which is subject to change without notice and the reader is cautioned not to rely on information included in this Project Brief.
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1 INTRODUCTION

1.1 Purpose of the Project Brief

This Project Brief and all comments included in it, are intended as a convenient summary and reference only, describing the South Fraser Perimeter Road (the “SFPR”) project (the “Project”). This Project Brief is provided subject to the terms of the disclaimer set out on page 2.

2 OVERVIEW OF PARTNERSHIP OPPORTUNITY

2.1 Gateway Program

The Province of British Columbia (the “Province”) announced the Gateway Program in January 2006 to address current and future transportation needs in the Metro Vancouver area. Gateway Program road and bridge improvements complement other regional road and transit improvements already planned or underway in the region. These improvements will help create a balanced, comprehensive and effective transportation network that supports improved movement of people, goods, and transit; facilitates economic growth; increases transportation choices and provides better connections to designated population growth areas.

The goals of the Gateway Program are to:

- Address congestion;
- Improve the movement of people and goods in and through the region;
- Improve access to key economic gateways through improved links between ports, industrial areas, railways, the airport and border crossings;
- Improve safety and reliability;
- Improve the region’s road network;
- Improve quality of life in communities by keeping regional traffic on regional roads instead of local streets;
- Reduce vehicle emissions by reducing congestion-related idling;
- Facilitate better connections to buses and SkyTrain, cycling and pedestrian networks; and
- Reduce travel times along and across the Fraser River during peak periods.
As illustrated in Figure 1, the proposed scope of the Gateway Program improvements is composed of three major components including:

1. South Fraser Perimeter Road (SFPR) – proposed new 40-kilometre long four-lane, 80 km/h route along the south side of the Fraser River extending from Deltaport Way in southwest Delta to 176th Street (Highway 15) and the Golden Ears Bridge connector road in Surrey/Langley.

2. Port Mann/Highway 1 (PMH1) – widening of the highway, upgrading interchanges and improving access and safety on Highway 1 from Vancouver to Langley, including the construction of a new bridge at the Port Mann crossing of the Fraser River. The project also includes congestion-reduction measures such as expanded HOV lanes, transit and commercial vehicle priority access, improvements to the cycling network, and electronic tolling on the Port Mann Bridge. The new Port Mann Bridge will also be built to accommodate future light rail transit.

3. North Fraser Perimeter Road (NFPR) – proposed set of improvements on existing roads to provide an efficient, continuous route from New Westminster to Maple Ridge. The Pitt River Bridge and Mary Hill Interchange project contract was awarded in February 2007 and is under construction. It is a stand-alone component of the NFPR project.
More details regarding the Gateway Program can be found on the Gateway Program website (www.gatewayprogram.bc.ca).

2.2 South Fraser Perimeter Road

The South Fraser Perimeter Road project is a key element in the Gateway Program and will be procured as a public private partnership. Approximately 40 kilometres long, the proposed four lane, 80 km/h route runs along the south side of the Fraser River extending from Deltaport Way in southwest Delta to 176th Street (Highway 15) in Surrey, with connections to Highway 1 and the Golden Ears Bridge, which is under construction and scheduled to open in mid-2009.

With connections to Highways 1, 15, 91, 99, and 17, and the Golden Ears Bridge, the SFPR route will take a significant step toward completing the network of major roads in the region. As a result, it will benefit commuters, the trucking industry and tourists accessing borders, the Tsawwassen ferry terminal and the interior of British Columbia. The SFPR will act as an efficient transportation corridor helping to reduce the volume of regional traffic and trucks on local streets.

For many reasons, the Project provides an attractive opportunity for Canadian and international participants to form an experienced, highly qualified, multi-disciplinary team to undertake this Project.

Features of this opportunity include:

1. **Provincially mandated program** – Announced in January 2006, the Gateway Program is one of the Province’s key infrastructure improvement priorities.

2. **Federal support for the Project** – The Federal government is providing funding of approximately 50 per cent of the Project’s eligible construction costs as part of the Federal government’s Asia-Pacific Gateway and Corridor Initiative. It is anticipated that the Federal funding will be paid during the construction of the Project upon achievement of construction milestones. For further information on the Pacific Gateway Strategy and Corridor Initiative, please go to www.tc.gc.ca/majorissues/APGCI/menu.htm.

3. **Public consultation** – Comprehensive public consultation, including environmental assessment, public comment periods and design consultation have engaged hundreds of residents, businesses and farmers over four years.

4. **An interactive Competitive Selection Process consistent with other Provincial Design Build Finance Operate (DBFO) public private partnership projects** – Short-listed proponents will have the opportunity to provide input into design and operations criteria in the agreement (the “Concession Agreement”) to be entered into by the Province and the private sector entity selected to deliver the Project (the “Concessionaire”).
5. **A skilled workforce** – The timing of the Project is conducive to the reassignment of the skilled, experienced workforce that has undergone considerable expansion in the past few years to deliver other major transportation projects in the Metro Vancouver Area and throughout British Columbia.

6. **Working with the Province of British Columbia** – The Province has consistently proven itself to be at the forefront of innovation in developing transportation solutions. It has a strong record of working effectively with the private sector and is highly motivated to contribute to a successful partnership. The Province is implementing a number of DBFO projects that were contracted over the past few years. The Province also has a 10-year history of successfully using the Design-Build approach to contracting and has outsourced highway maintenance for nearly 20 years.

### 2.3 The Design Build Finance Operate (DBFO) Approach

Using a DBFO approach, the Province will provide design and performance requirements and invite competitive proposals for the design, construction, finance, operation, maintenance and rehabilitation of the Project over a 24-year period (approximately four years of design and construction and 20 years of operations, maintenance and rehabilitation). This procurement model requires the Concessionaire to actively manage and implement the long-term operation, maintenance and rehabilitation requirements of the Project. A single private-sector entity will provide these integrated services, assume the corresponding risks and finance the Project.

### 2.4 Purpose of the Request for Qualifications

A Request for Qualifications (“RFQ”) is being issued by the Province for the purpose of identifying a short-list of respondents (the “Respondents”) to be invited to proceed to the next stage of the competitive selection process for the selection of a Concessionaire to deliver the Project (the “Competitive Selection Process”).

Only Respondents short-listed through the RFQ will be eligible for invitation to participate in the next stage of the Competitive Selection Process for the Project.

The Province wishes to enter into a contract for the Project that will permit the achievement of the Gateway Program and SFPR goals and objectives.

### 2.5 Project Team

The Province has engaged Partnerships British Columbia Inc. (“Partnerships BC”) to assist in the management of the Competitive Selection Process for the Project.

Partnerships BC was established by the Government of British Columbia to evaluate, structure and implement partnership solutions that serve the public interest. Additional information about Partnerships BC is available at [www.partnershipsbc.ca](http://www.partnershipsbc.ca).
A fairness reviewer has been appointed to monitor the Competitive Selection Process from a fairness perspective.

The following advisors to the Competitive Selection Process have been retained to assist in the Competitive Selection Process and implementation of the SFPR project:

1) DA Aberdeen & Associates Ltd
2) CH2M Hill Canada Limited
3) Delcan Corporation
4) Farris, Vaughan, Wills & Murphy LLP
5) Geoplan Opus Consultants Inc
6) Golder Associates Ltd
7) Hemmera Envirochem Inc.
8) Kirk & Co Consulting Ltd
9) KPMG LLP
10) PricewaterhouseCoopers LLP
11) Banjar Management Inc.
12) Miller Thomson
13) CMS Focus Construction Management Services Ltd
14) E. Wolski Consulting Inc.
15) Lucent Strategies Inc.
16) RF Binnie and Associates
17) Coast River Environmental Services Ltd.
18) Coast Environmental Services
19) Beringer Group
3 PROJECT OVERVIEW

3.1 Project Background

The SFPR has been an important part of provincial, regional and local transportation and land use plans for over 20 years and was a key part of the 1996 GVRD’s (now Metro Vancouver) Liveable Region Strategic Plan’s identified transportation improvements. The need for the SFPR is closely related to the growth in population, development, and economic activity that has occurred over the past 20 to 30 years in the Lower Mainland. This growth is expected to continue in the coming years with Metro Vancouver’s population forecast to grow from the current 2.1 million to 3.0 million by 2031, with more than 50 per cent of this growth anticipated in Surrey, Delta and the municipalities in the northeast of the Lower Mainland.

In addition, industrial areas and facilities are forecast to continue growing. These accounted for approximately 41 per cent of regional employment in 2001, greater than any other employment sector. Communities along the south side of the Fraser River have had the highest proportion of industry in the region and the growth of industrial development in the area is expected to be at a rate higher than the regional average due to the limited supply of industrial land elsewhere.

The importance of the SFPR has increased due to continued growth in Asia-Pacific trade, which presents British Columbia and Canada with significant economic development opportunities. Canada’s west coast ports, airports and supporting road and rail networks have tremendous potential to capture the opportunities presented by this growth in the Asia-Pacific market. The Province is working with all levels of government and industry to facilitate the development of the Pacific Gateway Strategy and Corridor Initiative to benefit the economy.

The SFPR will relieve heavily congested municipal streets and reroute large volumes of truck traffic away from residential neighbourhoods, thereby improving safety related to freight movement and restoring municipal roads as community connectors. Traffic through these areas is presently served by portions of provincial highways, local arterial roads and collector roads, which provide a partial, discontinuous, and inappropriate route for goods movement. The SFPR will be a continuous, high standard, limited access corridor that will provide travel time savings and safety benefits for all users.

As a key element of the Gateway Program, the SFPR is consistent with regional plans and objectives, and is a critical component of the region’s transportation network.

The following objectives have been established for the Project:

- Improve the movement of people and goods through the region by providing improved connections to the Provincial highway network;
- Reduce east west travel times, particularly for heavy truck movements by providing a continuous highway along the south side of the Fraser River;
- Improve access to major trade gateways and industrial areas and facilitate development in designated industrial areas along the south side of the Fraser River;
- Improve safety and reliability; and
- Restore municipal roads as community connectors by reducing truck traffic on municipal road networks.

### 3.2 Physical Project Scope

As illustrated in Figure 2 below, the SFPR extends approximately 40 kilometres from Highway 17 and Deltaport Way in Delta along the south side of the Fraser River to Highway 15 in Surrey and to the Golden Ears Bridge which is under construction. For procurement purposes, the design and construction portion of the Project ends at the Fraser Heights area in Surrey where it links with the Fraser Heights Connector. The design and construction of the Fraser Heights Connector is being procured separately as part of the Port Mann / Highway 1 project.

The corridor will be a continuous, four-lane divided route with a posted speed limit of 80 km/h. When the SFPR opens it will accommodate a combination of intersections and grade-separated interchanges, providing connections to Highways 1, 15, 91, 99, and 17, and key municipal roadways within the corridor.

Provision will be made for cycling along the SFPR corridor. Cycling paths will typically run along the shoulder, with some parallel routes provided to allow alternative routing around higher speed and higher traffic-volume ramp merges at complex interchanges. In the more rural areas of Delta served by farm roads, cyclist and pedestrians can be accommodated at overpasses by using a shared lane. Linkages to local cycling networks are also planned.
3.3 Operations, Maintenance and Rehabilitation

During the concession term the Concessionaire will be responsible for the operation, maintenance and rehabilitation of SFPR, from Deltaport Way up to and including the portion of the Fraser Heights Connector that is west of 176th Street. The Concessionaire will operate, maintain and rehabilitate the Project corridor to an agreed upon standard that will ensure that the level of service is maintained and the asset is returned in the specified condition at the end of the term.

3.4 Advance Site Preparation

The Province is conducting advance site preparation work. The advance site preparation includes the placement of preload material over portions of the Project corridor that have particularly soft soil conditions. It also includes major utility relocations, some drainage work, landfill site remediation and environmental mitigation including some off-corridor compensation sites. The advance site preparation work is expected to help advance ground settlement and provide timely...
geotechnical data for design and construction. Further details on this work will be provided during the Request for Proposals (the “RFP”) stage of the Competitive Selection Process.
3.5 General Responsibilities of the Concessionaire

The anticipated general responsibilities of the Concessionaire are outlined in Table 1 and include the obligations required in the day-to-day operations of the SFPR.

<table>
<thead>
<tr>
<th>RESPONSIBILITY</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design and Construct</td>
<td>Design and construct the Project including:</td>
</tr>
<tr>
<td></td>
<td>• Approximately 160 lane-kilometres of road construction</td>
</tr>
<tr>
<td></td>
<td>• Construction of four interchanges and five intersections</td>
</tr>
<tr>
<td></td>
<td>• Construction of nine major overpass/underpass structures</td>
</tr>
<tr>
<td></td>
<td>• Construction of approximately two kilometres of split grade roadway with bridges to span five ravines</td>
</tr>
<tr>
<td></td>
<td>• Expansion of the cycling network</td>
</tr>
<tr>
<td></td>
<td>• Improvements to municipal road connections</td>
</tr>
<tr>
<td>Operations, Maintenance and Rehabilitation</td>
<td>Operate, maintain and rehabilitate the SFPR from Deltaport Way to 176th Street (approximately 170 lane-kilometres) until the end of the contract term.</td>
</tr>
<tr>
<td>Finance</td>
<td>The Concessionaire will provide the financing to fund all costs required to complete the scope of work that are in excess of the milestone payments made during the construction phase of the Project.</td>
</tr>
<tr>
<td>Communication and Consultation</td>
<td>The Province and the Concessionaire will work together on all aspects of public communication and consultation, with the Province having the general responsibilities as outlined in Table 2 and the Concessionaire being responsible for:</td>
</tr>
<tr>
<td></td>
<td>• Traffic management communications – Prepare and implement a traffic communications plan for the construction period, and annual traffic communications plans for the operating period, including consultation with and consideration of input from stakeholders on a regular basis</td>
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<tr>
<td></td>
<td>• Community relations during construction – Support the Province in implementation</td>
</tr>
<tr>
<td></td>
<td>• Community relations during operations – Prepare and implement regular community relations plans</td>
</tr>
<tr>
<td></td>
<td>• Public and stakeholder consultation during construction – Participate in and support the Province in consultation activities</td>
</tr>
<tr>
<td></td>
<td>• Public and stakeholder consultation during operations – Prepare and implement public and stakeholder consultation plans</td>
</tr>
<tr>
<td></td>
<td>• Media Relations – Support the Province in implementation</td>
</tr>
</tbody>
</table>
3.6 General Responsibilities of the Province

The Province will provide day-to-day oversight and administration of the Concession Agreement including audit of management processes and liaison with parties.

<table>
<thead>
<tr>
<th>RESPONSIBILITY</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design and Construct</td>
<td>Conduct advance site preparation work including:</td>
</tr>
<tr>
<td></td>
<td>• Preload and drainage works along portions of the route</td>
</tr>
<tr>
<td></td>
<td>• Several major utilities relocations</td>
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<tr>
<td></td>
<td>• Landfill site remediation</td>
</tr>
<tr>
<td></td>
<td>• Environmental mitigation and off-corridor compensation works</td>
</tr>
<tr>
<td></td>
<td>• Stockpiling of preload materials</td>
</tr>
<tr>
<td>Communication and Consultation</td>
<td>• Review the Concessionaire’s traffic management communication plans in accordance with the review and consent procedures described in the Concession Agreement and monitor implementation during the construction and operating periods</td>
</tr>
<tr>
<td></td>
<td>• Plan, implement and manage the community relations program during the construction period</td>
</tr>
<tr>
<td></td>
<td>• Review the Concessionaire’s community relations plans in accordance with the review and consent procedures described in the Concession Agreement and monitor implementation during the operating period</td>
</tr>
<tr>
<td></td>
<td>• Plan, implement and manage the public consultation program during the construction period</td>
</tr>
<tr>
<td></td>
<td>• Review the Concessionaire’s public and stakeholder consultation plans in accordance with the review and consent procedures described in the Concession Agreement and monitor implementation during the operating period</td>
</tr>
<tr>
<td></td>
<td>• Lead all media relations activities</td>
</tr>
<tr>
<td>Approvals</td>
<td>• Obtain environmental assessment certificate</td>
</tr>
<tr>
<td>Stakeholder Liaison</td>
<td>• The Province will be responsible for consultation and liaison with all key stakeholder groups including local governments</td>
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<tr>
<td></td>
<td>• Develop railway agreements</td>
</tr>
<tr>
<td></td>
<td>• Develop utilities agreements</td>
</tr>
<tr>
<td>Property Acquisition</td>
<td>• The Province will acquire all the land for construction of the SFPR project in accordance with prescribed parameters</td>
</tr>
<tr>
<td>Collection of Federal Funding</td>
<td>• The Province will be responsible for collecting the Federal funding for the Project</td>
</tr>
</tbody>
</table>
3.7 Compensation to the Concessionaire

The Concessionaire is expected to be compensated through both milestone payments made during the construction of the Project and performance-based monthly service payments made during the operations phase of the Project.

3.7.1 Milestone Payments during Construction

During the construction stage of the Project the Concessionaire will receive payments for achieving predetermined construction milestones. Milestone payments are expected to be limited to 50 per cent of the eligible construction costs of the milestone. Funding for these payments will be provided through the Federal government’s Asia-Pacific Gateway and Corridor Initiative.

3.7.2 Performance Based Payments after Construction

During the operating phase of the Project it is expected that the Concessionaire will be compensated through monthly service payments. The monthly service payments will include a performance mechanism to ensure the Concessionaire adheres to agreed standards associated with the performance of the Project. This mechanism will include payment deduction amounts to be applied if the Concessionaire fails to meet construction, road availability, operations, customer service and other related service standards.

4 THE COMPETITIVE SELECTION PROCESS

The Competitive Selection Process will have two stages, an RFQ stage and an RFP stage.

4.1 Request for Qualifications

The purpose of the RFQ is to identify and select a target list of three qualified Respondents, who may then be invited to respond to the RFP.

The Province will evaluate the RFQ Respondents based on the strength and relevance of their experience, track record and capability as demonstrated through previous projects in which the Respondents participated.

The evaluation criteria will focus on a Respondent’s ability to develop the Project through a competent and experienced team. The criteria will consider a Respondent’s financial capacity and viability, key individuals and track record and capabilities as it relates to matters such as public private partnership highway development, stakeholder and community relations, strategic corridor management, project financing approach, asset preservation approach and operations and maintenance approach. In addition the criteria will also consider the financial viability, experience, track record and capabilities of the contractor that will be responsible for designing and building the Project on behalf of the Respondent.
Details of the selection process and evaluation criteria will be described in the RFQ. Respondents who are short-listed at the RFQ stage may then be invited, subject to the terms of the RFQ, to participate in the next stage of the Competitive Selection Process, the RFP stage.

4.2 Request for Proposals

Those short-listed Respondents who, in accordance with the terms set out in the RFQ, participate in the RFP stage of the Competitive Selection Process (the “Proponents”) will then be invited to submit proposals based on the requirements in the definitive Concession Agreement and the RFP. The RFP will detail the opportunity and technical requirements for which the Proponents are invited to submit proposals.

The RFP process will include a collaborative phase to allow the Proponents the opportunity to have input to the draft Concession Agreement. The process will include a number of workshops and one-on-one meetings.

It is anticipated that a technical submission will be made in advance of the final submission. The technical submission is not expected to include pricing but is expected to include a conceptual layout of the Proponent’s preliminary design along with the Proponent’s proposed approach to the Project. The final submission will address the financial aspects of the Project and will include the confirmation of committed equity and debt financing, a commitment to enter into the Concession Agreement by the Concessionaire, confirmation from funding sources of acceptance of the terms of the Concession Agreement and a letter of credit to indicate commitment to proceed.

4.3 Concession Agreement

The draft Concession Agreement will be included with the RFP. Proponents will be invited to provide comments on the draft Concession Agreement and the Province will respond to these comments while the RFP is open. Prior to the close of the RFP the Province will issue a definitive Concession Agreement. This definitive Concession Agreement will be the basis upon which proposals are submitted.

5 GENERAL

5.1 Transparency of the Competitive Selection Process

The RFQ and RFP will be public documents although only Proponents will be invited to respond to the RFP.

At the completion of the Competitive Selection Process, the Province’s project team will produce a report describing the outcome of the process and identifying the value for taxpayers expected from the Project.
The Province has appointed a fairness reviewer to give an independent opinion on the fairness of the Competitive Selection Process. The fairness reviewer will issue a report documenting the process from a fairness perspective.

The Competitive Selection Process is subject to the Freedom of Information and Protection of Privacy Act (FOIPPA). The protections contained in the FOIPPA are intended to serve the public interest with respect to disclosure while also protecting the public interest through a thorough, fair and vigorous competitive process. Subject to requirements of FOIPPA, the Concession Agreement and the fairness reviewer’s report will be released publicly by the Province.

5.2 Compensation for Participation

The Province does not intend to pay any compensation to parties who are not short-listed under the RFQ.

It is anticipated that a stipend will be paid to each unsuccessful Proponent that participates in the RFP stage of the Competitive Selection Process and meets the applicable requirements.
### 5.3 Proposed Project Timeline

Table 3 Proposed Project Timeline

<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>TIMELINE</th>
</tr>
</thead>
<tbody>
<tr>
<td>RFQ Submission</td>
<td>September 29, 2008</td>
</tr>
<tr>
<td>Issue RFP and draft Concession Agreement to Proponents</td>
<td>Fall 2008</td>
</tr>
<tr>
<td>Concession Agreement discussions</td>
<td>Fall 2008 to Spring 2009</td>
</tr>
<tr>
<td>Technical Submission</td>
<td>Spring 2009</td>
</tr>
<tr>
<td>Final Submission</td>
<td>Summer 2009</td>
</tr>
<tr>
<td>Selection of Preferred Proponent</td>
<td>Summer 2009</td>
</tr>
<tr>
<td>Financial Close</td>
<td>Fall 2009</td>
</tr>
<tr>
<td>Design &amp; construction</td>
<td>Fall 2009 – December 2012</td>
</tr>
</tbody>
</table>

All dates in the above timeline are estimated and subject to change at the sole discretion of the Province.