

STAGE THREE PROPOSAL REFINEMENT PROCESS

Guide to Short-Listed Proponents

Exel Canada Ltd

Distribution of Liquor Project NRFP SATP-301

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1 Overview

The purpose of Stage Three is to allow a Short-Listed Proponent the opportunity to refine and optimize their Proposals, obtain additional necessary information and meet with provincial representatives as required. After such refinement, Short-Listed Proponents will be invited to submit their Refined Proposals.

Upon receiving the Refined Proposals from all of the Short-Listed Proponents participating in this stage, the Province will proceed to evaluate all of the Refined Proposals to establish its final ranking of Short-Listed Proponents for the purposes of proceeding to Stage Four.

The Proposal refinement process is intended to:

- a) Allow the Province to obtain clarification regarding written Proposals and address any perceived deficiencies, ambiguities, or weaknesses observed during the paper-based evaluation of the Proposals;
- b) Ensure that Short-Listed Proponents understand the baseline business requirements and confirm that the Proponents' representations meet these requirements and are accurate;
- c) Give Short-Listed Proponents the opportunity to optimize Proposals, obtain additional necessary information and meet with provincial representatives as required;
- d) Clarify any issues or assumptions regarding any proposed Potential in Scope options; and
- e) At a Short-Listed Proponent's request the Province may hold individual site tours at the Vancouver and Kamloops warehouse facility as well as the Victoria wholesale operations facility.

This guideline document is intended to provide you with an overview of the Proposal Refinement Process (Stage Three).

2 Feedback Session

- a) The first part of the Proposal Refinement Process for the NRFP SATP-301 is a feedback session.
- b) Your feedback session is scheduled for July 26th at 9 AM at the LDB's office located at 2625 Rupert Street, Vancouver. If you are attending in person then please limit the number of participants to no more than 6 individuals. A conference number will be provided in the event you would like other individuals to attend or if you would prefer to conduct the feedback session by phone. Section 7 provides the feedback session schedule.
- c) The purpose of the feedback session is to give you a debriefing of how your Proposal was received by the Province's evaluators. You will also be provided with a summary evaluation document with awarded scores outlining the evaluation committee's assessment of the strengths, weaknesses, areas of risk or

lack of clarity in information provided in your Proposal. You may wish to use this feedback in order to prepare for your proposal improvement sessions.

- d) You will not be told where you ranked in Stage Two as scores are not carried forward to Stage Three. You will also not be told how the other Short Listed Proponents had performed relative to you.
- e) The Province intends on having a subset of the evaluation committee present at the feedback session to deliver the debriefing as well as to answer any questions that you may have.
- f) While the feedback session is moderated by the Province, the session is intended to be interactive so as to facilitate any clarifications you may choose to make.

3 Procedures for Questions and Answers During Stage 3

- a) During the month of August, you may continue to use the VDR to post questions and a response will be provided on a best case basis either by email or posted to your VDR.
- b) Questions in August should be sent by email to: Purchasing@gov.bc.ca. Please mark your email with SATP-301 and attention Pelle Agerup.
- c) As the proposal improvement sessions are specific to each Short-Listed Proponent's respective solution any questions and Province responses will generally only be provided to the Short-Listed Proponent asking the question (either by email or to their respective VDR). Despite this the Province reserves the right to post an answer to a question to all Short-Listed Proponents if in the Province's opinion the information request is material to all Short-Listed Proponents.
- d) The Province will try to answer all questions during the feedback and proposal improvement sessions, but reserves the right to defer any question and respond in writing after the sessions. Alternatively the Province's representatives may decide to caucus and respond during the session.
- e) After your scheduled proposal improvement sessions you may continue to submit further questions. Any questions should be sent to the contact person for the NRFP. Due to the shortened timeframe the Province may decide to deliver a response via a teleconference call.

4 Proposal Improvement Session Procedures

4.1 Overview

- a) Section 7 provides an outline of the two half-day (3hrs each) sessions for the proposal improvement sessions.
- b) As provided in the NRFP document, the purpose of the proposal improvement session is for you to sit down with members of the Province's evaluation committee and subject matter experts so as to ask questions, explore feedback provided during the feedback sessions and to resolve areas of clarity, reduce

assumptions and solidify financials so that solid, Refined Proposals may be produced.

- c) Unlike the feedback session, where the Province will moderate the meeting, the proposal improvement sessions should be facilitated by you. The Province will make evaluators and subject matter experts available for these meetings.
- d) The financial model spreadsheet for Stage 3 will be provided to you prior to the start of the proposal improvement sessions. The Province will schedule two financial spreadsheet meetings (each of 2 hour duration) with Short-Listed Proponents. These meetings will take place at government offices located on the 7th Floor, 865 Hornby Street, Vancouver. See section 7 for dates and times.

4.2 Topics

- a) The proposal improvement sessions are planned to take place at the Liquor Distribution Branch offices located on 2625 Rupert Street, Vancouver.
- b) The agenda for the proposal improvement sessions is determined by the Short-Listed Proponents. The topic areas should match the NRFP (e.g. Distribution Services, information technology, labour relations, transition, financial model etc).
- c) Short-Listed Proponents should let the contact person for the procurement know the topic areas they would like to schedule. In order to schedule our subject matter experts we need to know what topics you would like to discuss by August 24th.

4.2 Session Day Guidelines

- a) The two half-day sessions should be driven and facilitated by you.
- b) The Province will be providing access to evaluators and subject matter experts for the subject areas you have scheduled for that day. You may wish to schedule subject areas based on the feedback provided to you during the feedback sessions.
- c) The proposal improvement sessions are not being evaluated.
- d) Review the NRFP document as it provides information related to Stage 3 of the procurement process. The response guidelines covered in section 8.2 of the NRFP applies to the Refined Proposal evaluations. A breakdown of the sub-criteria weightings is provided as appendix 1 to this guide.
- e) You may attend the sessions in person or by teleconference. If you are attending in person then please limit the number of your attendees to 6 individuals. If you need more individuals to attend then they may do so via teleconference. A teleconference access number will be provided to you in advance of the meetings.
- f) You should be prepared to take advantage of the two 3 hour allotted times to gather as much information as possible to fill in any gaps in your knowledge. Any

assumptions in your proposal need to be reduced and solution elements refined as necessary. Lack of clarity or issues left for negotiations may be seen by evaluators as increasing risk in your Refined Proposal and therefore be reflected in your score.

- g) It is not the Province's role to tell you what you should propose or how you should structure your solution. The Province can however provide information that you can use to determine what refinement may be needed to improve your proposal, or to provide detail and clarity and reduce solution risks.
- h) At any time you can ask questions by email. Answers will generally only be provided to you if it relates specifically to your solution.
- i) The Province will try to answer all questions during the half-day session, but reserves the right to defer any question and respond in writing after the sessions. Wherever possible a response will be provided by the end of the day.
- j) Notwithstanding 4.2(i) above, the Province reserves the discretion not to respond to a question if not relevant to the DLP or if contrary to the provision of the NRFP, including this guideline.
- k) Do not make any audio recordings during any session without first clearing with the NRFP contact person.

5 Additional site tour(s)

Short-Listed Proponents who are interested in additional site tour(s) can request this via the NRFP contact person. These tours will be with one Short-Listed Proponent at a time.

6 Refined Proposal Submission Guideline

- a) Your Refined Proposal should be delivered according to your designated time in Section 7.
- b) By the designated time, you should upload your Refined Proposal electronically to your VDR and/or submit by email to: purchasing@gov.bc.ca. Do not use BC Bid to submit your Refined Proposal. You are not required to submit a paper version of your Refined Proposal. Please be sure to password protect your refined proposal document with a password and send the password by email to pelle.agerup@gov.bc.ca, with a cc to leigh.martin@gov.bc.ca. Your financial model should be in Microsoft Excel format and also password protected. Please be sure to submit a financial model using the new financial template that will be provided to you. That is, do not update the financial spreadsheet that you used in your original Proposal.
- c) In the event you choose not to submit a Refined Proposal, then your original proposal will be evaluated according to the Stage 3 evaluation criteria weighting provided in the NRFP (and as further detailed in this guide).
- d) Any sections that are not refined will be evaluated according to the Stage 3 evaluation criteria using the response guidelines provided in Section 8.2 of the

NRFP. Scores awarded for sections not refined may not necessarily be the same as that awarded during the Stage 2 evaluations.

- e) Appendix 1 to this guide provides a detailed breakdown of the evaluation criteria weightings for Stage 3 Refined Proposals.
- f) Provide fulsome responses, (address every item asked for in a requirement and explain how it relates to the DLP project), in your Refined Proposal based on the response requirements covered in Section 8.2 of the NRFP. Missing areas raises risk and is scored accordingly.
- g) You are not required to submit a full refined (all sections) proposal though you may do so if you wish.
- h) If you choose, your Refined Proposal may be in the form of changes to your original proposal (see exception for the financial model spreadsheet). If you choose this approach then you should do the following:
 - Clearly identify the paragraph within the section that is being changed.
 - Where a change to a section is made, provide the change in black-line highlighting changes and deletions to the original text in the proposal, followed by the new text amending the previous text.
 - Any other amendment (not mentioned in the proposal improvement discussions) should be referenced in the same format.
 - Build your financial model using the new Microsoft Excel spreadsheet that will be provided to you. Do not submit an updated version of the original financial spreadsheet you used in your original proposal submission.
- i) The Province will not record discussions during the proposal improvement sessions. As such you should not assume that any clarifications you might make during the sessions will be used to evaluate your Refined Proposal. If you wish to provide a clarification then include the update in your Refined Proposal.
- j) Provide as much detail as possible in your Refined Proposal. The Province's expectation is that solutions will reflect added clarity, focus and reduced assumptions to the proposal you had originally provided.

7 Stage 3 Scheduling

The following outlines the Stage Three schedule of activities. The Province reserves the right to reschedule these meetings as needed. The order of the Short-Listed Proponents has been determined by random draw.

a) Feedback Session

Date & Time	Location
July 26 9 - 11 AM	<i>LDB Offices - 2625 Rupert Street, Vancouver.</i>

b) Financial Model Template Meetings

Date & Time	Location
<u>Meeting 1</u> August 28 9 - 11 AM	<i>Green Board Room, 7th Floor, 865 Hornby Street, Vancouver.</i>
<u>Meeting 2</u> September 21 9 - 11 AM	<i>Green Board Room, 7th Floor, 865 Hornby Street, Vancouver.</i>

c) Proposal Improvement Sessions

Date & Time	Location
<u>Session 1</u> September 7 8:30 – 11:30 AM	<i>LDB Offices - 2625 Rupert Street, Vancouver.</i>
September 18 8:30 – 11:30 AM	<i>LDB Offices - 2625 Rupert Street, Vancouver.</i>

d) Refined Proposals Due

Date & Time	Short-Listed Proponent
October 2 12 PM	<i>Upload to VDR and/ or by email as per Section 6 of this guide.</i>

End of Document

Appendix 1 – Stage 3 Evaluation Criteria

Distribution Services	Weighting Stage 3
1. (a) Proponent Capability and Capacity	5
a) Proponent Profile (Lead and subcontractors if any)	1
b) Demonstrated experience in large scale warehousing and wholesale distribution of retail products and controlled substances such as the beverage alcohol business	2/3
c) Demonstrated experience with transition planning and transitioning services of similar size and magnitude to the In Scope requirements	2/3
d) Demonstrated experience in inventory, demand and delivery management on a scale similar to the requirements described in the NRFP	1 1/3
1. (b) Proponent Corporate and Financial Capacity	
a) Corporate and financial capacity	1 1/3
2. Distribution Services Solution	35
a) Warehousing plan	4
b) Supply chain optimization opportunities	5
c) Inventory management plan considering wholesale and retail structure in B.C.	7
d) Delivery scheduling management	5
e) Key performance indicators	5
f) Online order processing including help desk	3
g) Systems integration and reporting	5
h) Compliance with provincial and federal policy and regulatory framework	1
3. Governance and Stakeholder Relationship Plan	5
a) Service delivery governance structure and plan	3
b) Stakeholder relations plan	2
4. Transition strategy including Ramp Up schedule	5
a) Transition strategy including ramp-up schedule	3
b) Change management strategy	2
5. Risk Management and Business Continuity	5
a) Risk management plan	2
b) Business continuity plan	3
6. Labour Relations Strategy and Staff Successorship Plan	5
a) Labour relations strategy	2.5
b) Staffing Successorship plan	2.5
7. Financial Model and Pricing Submission	40
a) Financial Model	10
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Guide to Short-Listed Proponents

Kuehne+Nagel Ltd

Distribution of Liquor Project NRFP SATP-301

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a) Feedback Session

Date & Time	Location
July 25 1 - 3 PM	<i>LDB Offices - 2625 Rupert Street, Vancouver</i>

b) Financial Model Template Meetings

Date & Time	Location
<u>Meeting 1</u> August 27 1 - 3 PM	<i>Green Board Room, 7th Floor, 865 Hornby Street, Vancouver</i>
<u>Meeting 2</u> September 20 1 - 3 PM	<i>Green Board Room, 7th Floor, 865 Hornby Street, Vancouver</i>

c) Proposal Improvement Sessions

Date & Time	Location
<u>Session 1</u> September 6 1:30 – 4:30 PM	<i>LDB Offices - 2625 Rupert Street, Vancouver</i>
<u>Session 2</u> September 17 1:30 – 4:30 PM	<i>LDB Offices - 2625 Rupert Street, Vancouver</i>

d) Refined Proposal Due

Date & Time	Short-Listed Proponent
October 1 4:30 PM	<i>Upload to VDR and/ or by email as per Section 6 of this guide.</i>

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d) Demonstrated experience in inventory, demand and delivery management on a scale similar to the requirements described in the NRFP	1 1/3
1. (b) Proponent Corporate and Financial Capacity	
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e) Key performance indicators	5
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4. Transition strategy including Ramp Up schedule	5
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5. Risk Management and Business Continuity	5
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Metro Supply Chain Group

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- b) As provided in the NRFP document, the purpose of the proposal improvement session is for you to sit down with members of the Province's evaluation committee and subject matter experts so as to ask questions, explore feedback provided during the feedback sessions and to resolve areas of clarity, reduce

assumptions and solidify financials so that solid, Refined Proposals may be produced.

- c) Unlike the feedback session, where the Province will moderate the meeting, the proposal improvement sessions should be facilitated by you. The Province will make evaluators and subject matter experts available for these meetings.
- d) The financial model spreadsheet for Stage 3 will be provided to you prior to the start of the proposal improvement sessions. The Province will schedule two financial spreadsheet meetings (each of 2 hour duration) with Short-Listed Proponents. These meetings will take place at government offices located on the 7th Floor, 865 Hornby Street, Vancouver. See section 7 for dates and times.

4.2 Topics

- a) The proposal improvement sessions are planned to take place at the Liquor Distribution Branch offices located on 2625 Rupert Street, Vancouver.
- b) The agenda for the proposal improvement sessions is determined by the Short-Listed Proponents. The topic areas should match the NRFP (e.g. Distribution Services, information technology, labour relations, transition, financial model etc).
- c) Short-Listed Proponents should let the contact person for the procurement know the topic areas they would like to schedule. In order to schedule our subject matter experts we need to know what topics you would like to discuss by August 24th.

4.2 Session Day Guidelines

- a) The two half-day sessions should be driven and facilitated by you.
- b) The Province will be providing access to evaluators and subject matter experts for the subject areas you have scheduled for that day. You may wish to schedule subject areas based on the feedback provided to you during the feedback sessions.
- c) The proposal improvement sessions are not being evaluated.
- d) Review the NRFP document as it provides information related to Stage 3 of the procurement process. The response guidelines covered in section 8.2 of the NRFP applies to the Refined Proposal evaluations. A breakdown of the sub-criteria weightings is provided as appendix 1 to this guide.
- e) You may attend the sessions in person or by teleconference. If you are attending in person then please limit the number of your attendees to 6 individuals. If you need more individuals to attend then they may do so via teleconference. A teleconference access number will be provided to you in advance of the meetings.
- f) You should be prepared to take advantage of the two 3 hour allotted times to gather as much information as possible to fill in any gaps in your knowledge. Any

assumptions in your proposal need to be reduced and solution elements refined as necessary. Lack of clarity or issues left for negotiations may be seen by evaluators as increasing risk in your Refined Proposal and therefore be reflected in your score.

- g) It is not the Province's role to tell you what you should propose or how you should structure your solution. The Province can however provide information that you can use to determine what refinement may be needed to improve your proposal, or to provide detail and clarity and reduce solution risks.
- h) At any time you can ask questions by email. Answers will generally only be provided to you if it relates specifically to your solution.
- i) The Province will try to answer all questions during the half-day session, but reserves the right to defer any question and respond in writing after the sessions. Wherever possible a response will be provided by the end of the day.
- j) Notwithstanding 4.2(i) above, the Province reserves the discretion not to respond to a question if not relevant to the DLP or if contrary to the provision of the NRFP, including this guideline.
- k) Do not make any audio recordings during any session without first clearing with the NRFP contact person.

5 Additional site tour(s)

Short-Listed Proponents who are interested in additional site tour(s) can request this via the NRFP contact person. These tours will be with one Short-Listed Proponent at a time.

6 Refined Proposal Submission Guideline

- a) Your Refined Proposal should be delivered according to your designated time in Section 7.
- b) By the designated time, you should upload your Refined Proposal electronically to your VDR and/or submit by email to: purchasing@gov.bc.ca. Do not use BC Bid to submit your Refined Proposal. You are not required to submit a paper version of your Refined Proposal. Please be sure to password protect your refined proposal document with a password and send the password by email to pelle.agerup@gov.bc.ca, with a cc to leigh.martin@gov.bc.ca. Your financial model should be in Microsoft Excel format and also password protected. Please be sure to submit a financial model using the new financial template that will be provided to you. That is, do not update the financial spreadsheet that you used in your original Proposal.
- c) In the event you choose not to submit a Refined Proposal, then your original proposal will be evaluated according to the Stage 3 evaluation criteria weighting provided in the NRFP (and as further detailed in this guide).
- d) Any sections that are not refined will be evaluated according to the Stage 3 evaluation criteria using the response guidelines provided in Section 8.2 of the

NRFP. Scores awarded for sections not refined may not necessarily be the same as that awarded during the Stage 2 evaluations.

- e) Appendix 1 to this guide provides a detailed breakdown of the evaluation criteria weightings for Stage 3 Refined Proposals.
- f) Provide fulsome responses, (address every item asked for in a requirement and explain how it relates to the DLP project), in your Refined Proposal based on the response requirements covered in Section 8.2 of the NRFP. Missing areas raises risk and is scored accordingly.
- g) You are not required to submit a full refined (all sections) proposal though you may do so if you wish.
- h) If you choose, your Refined Proposal may be in the form of changes to your original proposal (see exception for the financial model spreadsheet). If you choose this approach then you should do the following:
 - Clearly identify the paragraph within the section that is being changed.
 - Where a change to a section is made, provide the change in black-line highlighting changes and deletions to the original text in the proposal, followed by the new text amending the previous text.
 - Any other amendment (not mentioned in the proposal improvement discussions) should be referenced in the same format.
 - Build your financial model using the new Microsoft Excel spreadsheet that will be provided to you. Do not submit an updated version of the original financial spreadsheet you used in your original proposal submission.
- i) The Province will not record discussions during the proposal improvement sessions. As such you should not assume that any clarifications you might make during the sessions will be used to evaluate your Refined Proposal. If you wish to provide a clarification then include the update in your Refined Proposal.
- j) Provide as much detail as possible in your Refined Proposal. The Province's expectation is that solutions will reflect added clarity, focus and reduced assumptions to the proposal you had originally provided.

7 Stage 3 Scheduling

The following outlines the Stage Three schedule of activities. The Province reserves the right to reschedule these meetings as needed. The order of the Short-Listed Proponents has been determined by random draw.

a) Feedback Session

Date & Time	Location
July 25 9 - 11 AM	<i>LDB Offices - 2625 Rupert Street, Vancouver.</i>

b) Financial Model Template Meetings

Date & Time	Location
<u>Meeting 1</u> August 27 9 - 11 AM	<i>Green Board Room, 7th Floor, 865 Hornby Street, Vancouver.</i>
<u>Meeting 2</u> September 20 9 - 11 AM	<i>Green Board Room, 7th Floor, 865 Hornby Street, Vancouver.</i>

c) Proposal Improvement Sessions

Date & Time	Location
<u>Session 1</u> September 6 8:30 – 11:30 AM	<i>LDB Offices - 2625 Rupert Street, Vancouver.</i>
<u>Session 2</u> September 17 8:30 – 11:30 AM	<i>LDB Offices - 2625 Rupert Street, Vancouver.</i>

d) Refined Proposal Due

Date & Time	Short-Listed Proponent
October 1 12 PM	<i>Upload to VDR and/ or by email as per Section 6 of this guide.</i>

End of Document

Appendix 1 – Stage 3 Evaluation Criteria

Distribution Services	Weighting Stage 3
1. (a) Proponent Capability and Capacity	5
a) Proponent Profile (Lead and subcontractors if any)	1
b) Demonstrated experience in large scale warehousing and wholesale distribution of retail products and controlled substances such as the beverage alcohol business	2/3
c) Demonstrated experience with transition planning and transitioning services of similar size and magnitude to the In Scope requirements	2/3
d) Demonstrated experience in inventory, demand and delivery management on a scale similar to the requirements described in the NRFP	1 1/3
1. (b) Proponent Corporate and Financial Capacity	
a) Corporate and financial capacity	1 1/3
2. Distribution Services Solution	35
a) Warehousing plan	4
b) Supply chain optimization opportunities	5
c) Inventory management plan considering wholesale and retail structure in B.C.	7
d) Delivery scheduling management	5
e) Key performance indicators	5
f) Online order processing including help desk	3
g) Systems integration and reporting	5
h) Compliance with provincial and federal policy and regulatory framework	1
3. Governance and Stakeholder Relationship Plan	5
a) Service delivery governance structure and plan	3
b) Stakeholder relations plan	2
4. Transition strategy including Ramp Up schedule	5
a) Transition strategy including ramp-up schedule	3
b) Change management strategy	2
5. Risk Management and Business Continuity	5
a) Risk management plan	2
b) Business continuity plan	3
6. Labour Relations Strategy and Staff Successorship Plan	5
a) Labour relations strategy	2.5
b) Staffing Successorship plan	2.5
7. Financial Model and Pricing Submission	40
a) Financial Model	10
b) Pricing Submission	30
TOTAL	100

STAGE THREE PROPOSAL REFINEMENT PROCESS

Guide to Short-Listed Proponents

ContainerWorld Forwarding Services Inc

Distribution of Liquor Project
NRFP SATP-301

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1 Overview

The purpose of Stage Three is to allow a Short-Listed Proponent the opportunity to refine and optimize their Proposals, obtain additional necessary information and meet with provincial representatives as required. After such refinement, Short-Listed Proponents will be invited to submit their Refined Proposals.

Upon receiving the Refined Proposals from all of the Short-Listed Proponents participating in this stage, the Province will proceed to evaluate all of the Refined Proposals to establish its final ranking of Short-Listed Proponents for the purposes of proceeding to Stage Four.

The Proposal refinement process is intended to:

- a) Allow the Province to obtain clarification regarding written Proposals and address any perceived deficiencies, ambiguities, or weaknesses observed during the paper-based evaluation of the Proposals;
- b) Ensure that Short-Listed Proponents understand the baseline business requirements and confirm that the Proponents' representations meet these requirements and are accurate;
- c) Give Short-Listed Proponents the opportunity to optimize Proposals, obtain additional necessary information and meet with provincial representatives as required;
- d) Clarify any issues or assumptions regarding any proposed Potential in Scope options; and
- e) At a Short-Listed Proponent's request the Province may hold individual site tours at the Vancouver and Kamloops warehouse facility as well as the Victoria wholesale operations facility.

This guideline document is intended to provide you with an overview of the Proposal Refinement Process (Stage Three).

2 Feedback Session

- a) The first part of the Proposal Refinement Process for the NRFP SATP-301 is a feedback session.
- b) Your feedback session is scheduled for July 26th at 1 PM at the LDB's office located at 2625 Rupert Street, Vancouver. If you are attending in person then please limit the number of participants to no more than 6 individuals. A conference number will be provided in the event you would like other individuals to attend or if you would prefer to conduct the feedback session by phone. Section 7 provides the feedback session schedule.
- c) The purpose of the feedback session is to give you a debriefing of how your Proposal was received by the Province's evaluators. You will also be provided with a summary evaluation document with awarded scores outlining the evaluation committee's assessment of the strengths, weaknesses, areas of risk or

lack of clarity in information provided in your Proposal. You may wish to use this feedback in order to prepare for your proposal improvement sessions.

- d) You will not be told where you ranked in Stage Two as scores are not carried forward to Stage Three. You will also not be told how the other Short Listed Proponents had performed relative to you.
- e) The Province intends on having a subset of the evaluation committee present at the feedback session to deliver the debriefing as well as to answer any questions that you may have.
- f) While the feedback session is moderated by the Province, the session is intended to be interactive so as to facilitate any clarifications you may choose to make.

3 Procedures for Questions and Answers During Stage 3

- a) During the month of August, you may continue to use the VDR to post questions and a response will be provided on a best case basis either by email or posted to your VDR.
- b) Questions in August should be sent by email to: Purchasing@gov.bc.ca. Please mark your email with SATP-301 and attention Pelle Agerup.
- c) As the proposal improvement sessions are specific to each Short-Listed Proponent's respective solution any questions and Province responses will generally only be provided to the Short-Listed Proponent asking the question (either by email or to their respective VDR). Despite this the Province reserves the right to post an answer to a question to all Short-Listed Proponents if in the Province's opinion the information request is material to all Short-Listed Proponents.
- d) The Province will try to answer all questions during the feedback and proposal improvement sessions, but reserves the right to defer any question and respond in writing after the sessions. Alternatively the Province's representatives may decide to caucus and respond during the session.
- e) After your scheduled proposal improvement sessions you may continue to submit further questions. Any questions should be sent to the contact person for the NRFP. Due to the shortened timeframe the Province may decide to deliver a response via a teleconference call.

4 Proposal Improvement Session Procedures

4.1 Overview

- a) Section 7 provides an outline of the two half-day (3hrs each) sessions for the proposal improvement sessions.
- b) As provided in the NRFP document, the purpose of the proposal improvement session is for you to sit down with members of the Province's evaluation committee and subject matter experts so as to ask questions, explore feedback provided during the feedback sessions and to resolve areas of clarity, reduce

assumptions and solidify financials so that solid, Refined Proposals may be produced.

- c) Unlike the feedback session, where the Province will moderate the meeting, the proposal improvement sessions should be facilitated by you. The Province will make evaluators and subject matter experts available for these meetings.
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- a) The proposal improvement sessions are planned to take place at the Liquor Distribution Branch offices located on 2625 Rupert Street, Vancouver.
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- c) The proposal improvement sessions are not being evaluated.
- d) Review the NRFP document as it provides information related to Stage 3 of the procurement process. The response guidelines covered in section 8.2 of the NRFP applies to the Refined Proposal evaluations. A breakdown of the sub-criteria weightings is provided as appendix 1 to this guide.
- e) You may attend the sessions in person or by teleconference. If you are attending in person then please limit the number of your attendees to 6 individuals. If you need more individuals to attend then they may do so via teleconference. A teleconference access number will be provided to you in advance of the meetings.
- f) You should be prepared to take advantage of the two 3 hour allotted times to gather as much information as possible to fill in any gaps in your knowledge. Any

assumptions in your proposal need to be reduced and solution elements refined as necessary. Lack of clarity or issues left for negotiations may be seen by evaluators as increasing risk in your Refined Proposal and therefore be reflected in your score.

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- c) In the event you choose not to submit a Refined Proposal, then your original proposal will be evaluated according to the Stage 3 evaluation criteria weighting provided in the NRFP (and as further detailed in this guide).
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NRFP. Scores awarded for sections not refined may not necessarily be the same as that awarded during the Stage 2 evaluations.

- e) Appendix 1 to this guide provides a detailed breakdown of the evaluation criteria weightings for Stage 3 Refined Proposals.
- f) Provide fulsome responses, (address every item asked for in a requirement and explain how it relates to the DLP project), in your Refined Proposal based on the response requirements covered in Section 8.2 of the NRFP. Missing areas raises risk and is scored accordingly.
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 - Build your financial model using the new Microsoft Excel spreadsheet that will be provided to you. Do not submit an updated version of the original financial spreadsheet you used in your original proposal submission.
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a) Feedback Session

Date & Time	Location
July 26 1 - 3 PM	<i>LDB Offices - 2625 Rupert Street, Vancouver.</i>

b) Financial Model Template Meetings

Date & Time	Location
<u>Meeting 1</u> August 28 1 - 3 PM	<i>Green Board Room, 7th Floor, 865 Hornby Street, Vancouver.</i>
<u>Meeting 2</u> September 21 1 - 3 PM	<i>Green Board Room, 7th Floor, 865 Hornby Street, Vancouver.</i>

c) Proposal Improvement Sessions

Date & Time	Location
<u>Session 1</u> September 7 1:30 – 4:30 PM	<i>LDB Offices - 2625 Rupert Street, Vancouver.</i>
<u>Session 2</u> September 18 1:30 – 4:30 PM	<i>LDB Offices - 2625 Rupert Street, Vancouver.</i>

d) Refined Proposals Due

Date & Time	Short-Listed Proponent
October 2 4:30 PM	<i>Upload to VDR and/ or by email as per Section 6 of this guide.</i>

End of Document

Appendix 1 – Stage 3 Evaluation Criteria

Distribution Services	Weighting Stage 3
1. (a) Proponent Capability and Capacity	5
a) Proponent Profile (Lead and subcontractors if any)	1
b) Demonstrated experience in large scale warehousing and wholesale distribution of retail products and controlled substances such as the beverage alcohol business	2/3
c) Demonstrated experience with transition planning and transitioning services of similar size and magnitude to the In Scope requirements	2/3
d) Demonstrated experience in inventory, demand and delivery management on a scale similar to the requirements described in the NRFP	1 1/3
1. (b) Proponent Corporate and Financial Capacity	
a) Corporate and financial capacity	1 1/3
2. Distribution Services Solution	35
a) Warehousing plan	4
b) Supply chain optimization opportunities	5
c) Inventory management plan considering wholesale and retail structure in B.C.	7
d) Delivery scheduling management	5
e) Key performance indicators	5
f) Online order processing including help desk	3
g) Systems integration and reporting	5
h) Compliance with provincial and federal policy and regulatory framework	1
3. Governance and Stakeholder Relationship Plan	5
a) Service delivery governance structure and plan	3
b) Stakeholder relations plan	2
4. Transition strategy including Ramp Up schedule	5
a) Transition strategy including ramp-up schedule	3
b) Change management strategy	2
5. Risk Management and Business Continuity	5
a) Risk management plan	2
b) Business continuity plan	3
6. Labour Relations Strategy and Staff Successorship Plan	5
a) Labour relations strategy	2.5
b) Staffing Successorship plan	2.5
7. Financial Model and Pricing Submission	40
a) Financial Model	10
b) Pricing Submission	30
TOTAL	100



NRFP SATP-301

Feedback Session

For

Metro Supply Chain Group

Date:
July 25, 2012

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A. Introductions – SATP

- DLP Project:
 - ❖ Evaluation Committee members (subset)
 - ❖ SATP
 - ❖ Subject Matter Expert(s)
 - ❖ DLP Fairness Monitor

B. Agenda – SATP

- Purpose of the Feedback Session SATP
- Feedback on your proposal and Q/A Evaluation Committee (subset)
- Stage 3 scheduling SATP
- Closing SATP

C. Purpose of the Feedback Session

- This feedback session forms part of the Stage 3 – Proposal Refinement Process
- The purpose of the feedback session is to give you a debriefing of how your proposal was received by the Province's evaluators by addressing strengths and weaknesses of your proposal response on a criterion by criterion basis and the scores allocated for the evaluation criteria.

D. Evaluation Table

- Evaluators used the following table as guide when assigning consensus scores.

% Value	Description	Explanation
100%	Exceptional	Exceptional, far exceed expectations with no added risk.
80%	Very Good	A sound Proposal. Fully meets all our key requirements, minimal risk.
60%	Acceptable	Acceptable at a minimum level. Meets our basic requirements, acceptable risk.
40%	Fails	Falls short of meeting basic requirements.
20%	Poor	Proposal is seriously deficient, does not address our needs.
0%	Unacceptable	Proposal is unacceptable from every aspect or the information is missing altogether.

E. Feedback on Metro Supply Chain Group Proposal

❖ Summary of Evaluation

1. (a) Proponent Capability and Capacity		15	
8.2.1	a) Proponent Profile (Lead and subcontractors if any)	3	S 17
8.2.1	b) Demonstrated experience in large scale warehousing and wholesale distribution of retail products and controlled substances such as the beverage alcohol business	2	
8.2.1	c) Demonstrated experience with transition planning and transitioning services of similar size and magnitude to the In Scope requirements	2	
8.2.1	d) Demonstrated experience in inventory, demand and delivery management on a scale similar to the requirements described in the NRFP	4	
8.2.2	a) Corporate and financial capacity	4	
8.2.3	a) Warehousing plan	4	
8.2.3	b) Supply chain optimization opportunities	6	
8.2.3	c) Inventory management plan considering wholesale and retail structure in B.C.	5	
8.2.3	d) Delivery scheduling management	4	
8.2.3	e) Key performance indicators	3	
8.2.3	f) Online order processing including help desk	3	
8.2.3	g) Systems integration and reporting	4	
8.2.3	h) Compliance with provincial and federal policy and regulatory framework	1	
8.2.4	a) Service delivery governance structure and plan	3	
8.2.4	b) Stakeholder relations plan	2	
8.2.5	a) Transition strategy including ramp-up schedule	6	
8.2.5	b) Change management strategy	4	
8.2.6	a) Risk management plan	3	
8.2.6	b) Business continuity plan	2	
8.2.7	a) Labour relations strategy	5	
8.2.7	b) Staffing Successorship plan	5	
8.2.8	a) Financial Model	5	
8.2.8	b) Pricing Submission	20	

CRITERION: PROPONENT CAPABILITY AND CAPACITY (TOTAL AVAILABLE SCORE 15%)**1. (a) Proponent Profile (Lead and subcontractors if any) - Score S 17**

- ❖ Each Proponent should include a corporate profile that details background information on the Proponent and any subcontractors, including for each year they were (and subcontractors, if any) established, corporate ownership and hierarchy, jurisdiction, corporate strategic direction, area of recognized expertise in the market place, and an overview of the corporate information including size, revenues, market and geographic presence. Each Proponent should demonstrate its ability to manage long-term business relationships and contractual engagements by providing examples where the Proponent has successfully done so and by describing the methods and processes applied.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: PROPONENT CAPABILITY AND CAPACITY (TOTAL AVAILABLE SCORE 15%)**1. (b) Demonstrated experience in large scale warehousing and wholesale distribution****Score** S 17

- ❖ Each Proponent should provide examples of experience in providing a warehousing and wholesale distribution service and explain how the Proponent is suited to delivering the required Distribution Services.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: PROPONENT CAPABILITY AND CAPACITY (TOTAL AVAILABLE SCORE 15%)
1. (c) Demonstrated experience with transitioning services – Score S 17

- ❖ (c) Each Proponent should describe relevant experience (including subcontractors if any) in transitioning services.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: PROPONENT CAPABILITY AND CAPACITY (TOTAL AVAILABLE SCORE 15%)**1. (d) Demonstrated experience in inventory, demand and delivery management on a scale similar to the requirements described in the NRFP – Score S 17**

- ❖ Using examples, each Proponent should demonstrate relevant capability in inventory management including large scale product warehousing, order processing and management, product stocking, assembly, demand aggregation and logistics/ delivery on a scale similar to the size served by the Warehouses.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: PROPONENT CAPABILITY AND CAPACITY (TOTAL AVAILABLE SCORE 15%)**1. (b) (a) Corporate and Financial Capacity – Score S 17**

- ❖ Each Proponent should describe where and when it has been engaged as a service provider with a financial obligation similar to the size of this opportunity. Examples would be preferred and if possible, where the services were similar to the In Scope requirement. Each Proponent should provide sufficient information on current financial stability and solvency, and a strategy for ensuring corporate and financial capacity to deliver the Distribution Services over the term of the Agreement.

STRENGTHS**WEAKNESSES**

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (a) Warehousing plan – Score** S 17

- ❖ Proponents should describe in detail their warehousing plan to manage the volume of inventory on an annual basis. The warehousing plan proposed should reflect the Distribution Services model being proposed by the Proponent taking into consideration the opportunities for supply chain improvements/ optimization and the goals and expected benefits outlined in Section 3.2 for this DLP. Proponents should detail the physical property, ownership (whether owned or leased) internal business processes, staff shift cycles and numbers, warehouse management technology, control measures, available floor space, compliance with regulations, location, current warehouse volume and capacity, existing customers and any other information needed to fully describe the Proponent's warehouse to be used for delivery of its proposed Distribution Services. Historical LDB volume data as well as supplier touch points is provided in Appendix E and can be used as reference. The warehouse plan should be consistent with the proposed plan for the Distribution Services.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (b) Beverage alcohol Supply Chain Optimization – Score S 17**

- ❖ Proponents should consider opportunities for optimization in the supply chain as described in Section 5 and describe how their optimization recommendations augment their proposed Distribution Services solution and how they address the goals and expected benefits described in Section 3.2.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (c) Inventory management plan considering wholesale and retail structure in B.C.****Score** S 17

- ❖ Proponents should detail their inventory management plan considering the proposed supply chain optimization plan. The inventory plan should include all aspects of inventory management and include details such as how inventory tracking takes place, processes for compliance with provincial and federal policy and regulations, adjustments tracked (e.g. real time), product tracking and updates, capacity planning, inventory rotation, quality assurance processes (e.g. bar codes, packaging), pallet control and safety compliance. Proponents should also explain their proposed demand management processes detailing replenishment strategies (including issuing purchase orders). The proposed inventory management plan should be compatible with the scope and volume of Product supply that the Proponent will be required to deliver within established KPI's.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (d) Delivery scheduling management – Score S17**

- ❖ Proponents should describe their delivery and schedule management processes and explain how their proposed business processes will ensure effective delivery scheduling management (e.g. freight management) and shipping tracking (e.g. pallet bar code packing documents, fleet monitoring) for delivery of Product from the Proponent.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (e) Key Performance Indicators – Score S 17**

- ❖ Proponents should describe their proposed Distribution Services to suppliers/ Agents, GLS and Wholesale Customers.
- ❖ Proponents should also describe how their Distribution Services will meet industry standards for distribution and warehouse operations including the KPI's provided in Appendix E and as described in Section 5.2.2.8. Proponents should also propose remedies in the event the KPI's are not achieved.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (f) Order processing including help desk – Score S 17**

- ❖ Proponents should explain how the customer order processing function would be integrated into their proposed Distribution Services order taking and processing functions. Based on the scope and volume of orders the LDB currently handles and depending on the Distribution Services model proposed, Proponents should detail their order taking business processes, the technology used, integration with the Proponents' warehouse information technology systems, structure of the customer services desk, current throughput, number of clients and any other information needed to explain the Proponents' proposed order taking and processes to be used for the Distribution Services.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (g) Systems integration and reporting – Score S 17**

- ❖ Proponents should describe their current systems infrastructure and propose a plan for integration with the Ministry/ LDB's systems so that master data management processes (product, vendor, customer data) and warehouse shipping information (e.g. shipping scheduling data) can be seamlessly shared and wherever possible available for real time viewing by the Ministry/ LDB. Proponents should explain their sales order capture technology (e.g. centralized order management system so that electronic orders from the GLS and Wholesale Customers can be logged and tracked) as well as procedures for real time sharing of warehouse receipts for inventory updates and customs and excise reporting as well as real time viewing of available inventory within the Proponents' overall supply chain. Proponents should also explain their purchasing system application solution and explain how it will interface with the Ministry/ LDB's systems.
- ❖ Proponents should explain what processes and procedures they have or will put into place so as to comply with the Province's privacy and information technology policy in delivery of their proposed Distribution Services.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)

2. (h) Compliance with provincial and federal policy and regulatory framework. (This is 2 (h) in the scoring sheet. Wording was added to the NRFP in amendment 4.)

Score – S 17

- ❖ Proponents should indicate ability to comply with provincial and federal policy and regulations.

STRENGTHS

S 17

WEAKNESSES

S 17

CONFIDENTIAL

CRITERION: GOVERNANCE AND STAKEHOLDER RELATIONSHIP PLAN (TOTAL AVAILABLE SCORE 5%)

3. (a) Service delivery governance structure and plan – Score S 17

- ❖ Proponents should propose a governance and stakeholder relationship plan and detail how they intend to work with the Ministry/ LDB in managing and resolving issues and in ensuring smooth delivery of the Distribution Services.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: GOVERNANCE AND STAKEHOLDER RELATIONSHIP PLAN (TOTAL AVAILABLE SCORE 5%)

3. (b) Stakeholder relations plan – Score S 17

- ❖ Proponent should propose a stakeholder relation plan and explain how they intend to work with the Ministry/ LDB in ensuring that all stakeholder needs related to delivery of their proposed Distribution Services are met.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: TRANSITION STRATEGY INCLUDING RAMP UP SCHEDULE (TOTAL AVAILABLE SCORE 10%)

4. (a) Distribution Services transition strategy (including ramp-up schedule) - Score of S 17

- ❖ Proponents should propose a transitioning strategy for the warehousing and wholesale distribution operations (including any proposed supply chain optimization opportunities) from the LDB to the Proponent. Proponents should demonstrate that their strategy will take into account key aspects of transitioning from the LDB to the Proponent such as: tasks, timelines, milestones, resources, risks, contingency plans, locations, facilities, systems, data, tools, equipment, assumptions and management methods.
- ❖ Proponents including use of the Warehouses for transition purposes should clearly articulate how the Warehouses would be used, for how long and what Operational Assets would be required.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: TRANSITION STRATEGY INCLUDING RAMP UP SCHEDULE (TOTAL AVAILABLE SCORE 10%)

4. (b) Change management strategy – Score S 17

- ❖ Proponents should provide a change management plan outlining tasks and processes considering transfer of the LDB distribution function (including any proposed supply chain optimization opportunities) to the Proponent.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: RISK MANAGEMENT AND BUSINESS CONTINUITY (TOTAL AVAILABLE SCORE 5%)**5. (a) Risk management plan – Score** S 17

- ❖ Proponents should propose a risk management plan considering their proposed role as distributor of Product to GLS and Wholesale Customers. The Province is interested in the Proponents' experience in the management of risk from a delivery services perspective. Proponents are asked to demonstrate, using past operations service delivery examples, where risks were assumed by the Proponent and reasons for allocation of risk between the Proponent, subcontractors and the customer.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: RISK MANAGEMENT AND BUSINESS CONTINUITY (TOTAL AVAILABLE SCORE 5%)**5. (b) Business continuity plan – Score S 17**

- ❖ Proponents should propose a business continuity plan in the event their proposed Distribution Services are disrupted. The business continuity (including disaster recovery) plan should outline processes and procedures that would be put into effect so that Key Performance Indicators are maintained where possible and that Product supply to GLS and Wholesale Customers is minimally impacted.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: LABOUR RELATIONS STRATEGY AND STAFF SUCCESSORSHIP PLAN (TOTAL AVAILABLE SCORE 10%)

6. (a) Labour relations strategy - Score S 17

- ❖ It is a requirement of this NRFP that the successful Proponent adhere to the memorandum of agreement signed between the government of BC and the BCGEU. Proponents should provide a labour relations strategy consistent with the terms of the memorandum of agreement outlining how they intend on engaging with impacted staff should they be the Selected Proponent. Proponents should detail impacts to their internal operating structure and plans to manage the introduction of BCGEU staff into their organization.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: LABOUR RELATIONS STRATEGY AND STAFF SUCCESSORSHIP PLAN (TOTAL AVAILABLE SCORE 10%)

6. (b) Staffing Successorship plan – Score S 17

- ❖ Proponents should reference the human resource information provided in Appendix I and based on the terms of the memorandum of agreement, provide a staffing plan describing the types and numbers of staff the Proponent expects they would hire. Proponents should describe how they would structure their internal processes to accommodate BCGEU staff transferred to the Proponent.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: FINANCIAL MODEL (TOTAL AVAILABLE SCORE 5%)**7 (a) Financial Model - Score of S 17**

- ❖ Describe the proposed economic model and how the proposed economic model supports the goals identified in Section 3.2, and the eight (8) financial objectives provided in Section 5.5.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: FINANCIAL MODEL (TOTAL AVAILABLE SCORE 5%)**7 (a) Financial Model - Score of S 17**

- ❖ Describe all investments (e.g. transition costs, asset purchases, infrastructure, facilities, hardware, software, etc.) required to deliver the proposed Services.
- ❖ For each investment provide:
 - i. The associated dollar amount and timing of the investment; and
 - ii. The proposed recovery mechanism, timing of such recovery and associated dollar amounts.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: FINANCIAL MODEL (TOTAL AVAILABLE SCORE 5%)**7 (c) Financial Model - Score of S 17**

- ❖ Describe the proposed pricing models for each proposed Service, including but not limited to:
 - i) The underlying drivers that may impact pricing, and how pricing may be impacted as a result of changes in the drivers;
 - ii) How the services pricing and pricing components will be impacted by changes in scale;
 - iii) The approach and plan for addressing changes to the underlying drivers; and
 - iv) Any commitments and constraints that are part of the proposed pricing (e.g. volume floors and/or ceiling, order minimums, etc).

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: FINANCIAL MODEL (TOTAL AVAILABLE SCORE 5%)**7 (d) Financial Model - Score of S 17**

- ❖ Describe the proposed approach for handling the cost of inflation, on an annual basis, by listing the services to be adjusted for inflation and the mechanism for such an adjustment.

STRENGTHS

S 17

WEAKNESSES

S 17

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CRITERION: FINANCIAL MODEL (TOTAL AVAILABLE SCORE 5%)**7 (e) Financial Model - Score of S 17**

- ❖ Describe the approach for transferring the services at the termination at the Agreement to either, the Ministry/ LDB or another service provider in a manner that is efficient and ensures Distribution Services are not interrupted to GLS, Wholesale Customers, suppliers and Agents.
- ❖ In addition, describe the costs the Ministry/ LDB would be responsible for in the event of:
 - i. Expiry of the term of the Agreement;
 - ii. Termination by the Ministry/ LDB for convenience; or
 - iii. Termination for force majeure event

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: FINANCIAL MODEL (TOTAL AVAILABLE SCORE 25%)**7 (b) Financial Spreadsheet – Score S 17**

❖ Mathematical score.

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F. Stage 3 – Proposal Improvement Session Scheduling

- Refer to guide.

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NRFP SATP-301

Feedback Session

For

ContainerWorld Forwarding Services Inc

Date:
Jul 26, 2012

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A. Introductions – SATP

- DLP Project:
 - ❖ Evaluation Committee members (subset)
 - ❖ SATP
 - ❖ Subject Matter Expert(s)
 - ❖ George, Fairness Monitor

B. Agenda – SATP

- Purpose of the Feedback Session SATP
- Feedback on your proposal and Q/A Evaluation Committee (subset)
- Stage 3 scheduling SATP
- Closing SATP

C. Purpose of the Feedback Session

- This feedback session forms part of the Stage 3 – Proposal Refinement Process
- The purpose of the feedback session is to give you a debriefing of how your proposal was received by the Province’s evaluators by addressing strengths and weaknesses of your proposal response on a criterion by criterion basis and the scores allocated for the evaluation criteria.

D. Evaluation Table

- Evaluators used the following table as guide when assigning consensus scores.

% Value	Description	Explanation
100%	Exceptional	Exceptional, far exceed expectations with no added risk.
80%	Very Good	A sound Proposal. Fully meets all our key requirements, minimal risk.
60%	Acceptable	Acceptable at a minimum level. Meets our basic requirements, acceptable risk.
40%	Fails	Falls short of meeting basic requirements.
20%	Poor	Proposal is seriously deficient, does not address our needs.
0%	Unacceptable	Proposal is unacceptable from every aspect or the information is missing altogether.

E. Feedback on ContainerWorld Proposal

❖ Summary of Evaluation

8.2.1	a) Proponent Profile (Lead and subcontractors if any)	3	
8.2.1	b) Demonstrated experience in large scale warehousing and wholesale distribution of retail products and controlled substances such as the beverage alcohol business	2	
8.2.1	c) Demonstrated experience with transition planning and transitioning services of similar size and magnitude to the In Scope requirements	2	
8.2.1	d) Demonstrated experience in inventory, demand and delivery management on a scale similar to the requirements described in the NRFP	4	
8.2.2	a) Corporate and financial capacity	4	
8.2.3	a) Warehousing plan	4	
8.2.3	b) Supply chain optimization opportunities	6	
8.2.3	c) Inventory management plan considering wholesale and retail structure in B.C.	5	
8.2.3	d) Delivery scheduling management	4	
8.2.3	e) Key performance indicators	3	
8.2.3	f) Online order processing including help desk	3	
8.2.3	g) Systems integration and reporting	4	
8.2.3	h) Compliance with provincial and federal policy and regulatory framework	1	
8.2.4	a) Service delivery governance structure and plan	3	
8.2.4	b) Stakeholder relations plan	2	
8.2.5	a) Transition strategy including ramp-up schedule	6	
8.2.5	b) Change management strategy	4	
8.2.6	a) Risk management plan	3	
8.2.6	b) Business continuity plan	2	
8.2.7	a) Labour relations strategy	5	
8.2.7	b) Staffing Successorship plan	5	
8.2.8	a) Financial Model	5	
8.2.8	b) Pricing Submission	20	

S 17

CRITERION: PROPONENT CAPABILITY AND CAPACITY (TOTAL AVAILABLE SCORE 15%)**1. (a) Proponent Profile (Lead and subcontractors if any) – Score S 17**

- ❖ Each Proponent should include a corporate profile that details background information on the Proponent and any subcontractors, including for each year they were (and subcontractors, if any) established, corporate ownership and hierarchy, jurisdiction, corporate strategic direction, area of recognized expertise in the market place, and an overview of the corporate information including size, revenues, market and geographic presence. Each Proponent should demonstrate its ability to manage long-term business relationships and contractual engagements by providing examples where the Proponent has successfully done so and by describing the methods and processes applied.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: PROPONENT CAPABILITY AND CAPACITY (TOTAL AVAILABLE SCORE 15%)**1. (b) Demonstrated experience in large scale warehousing and wholesale distribution****Score – S 17**

- ❖ Each Proponent should provide examples of experience in providing a warehousing and wholesale distribution service and explain how the Proponent is suited to delivering the required Distribution Services.

STRENGTHS**WEAKNESSES**

CRITERION: PROPONENT CAPABILITY AND CAPACITY (TOTAL AVAILABLE SCORE 15%)**1. (c) Demonstrated experience with transitioning services – Score S 17**

- ❖ (c) Each Proponent should describe relevant experience (including subcontractors if any) in transitioning services.

STRENGTHS**WEAKNESSES**

CRITERION: PROPONENT CAPABILITY AND CAPACITY (TOTAL AVAILABLE SCORE 15%)**1. (d) Demonstrated experience in inventory, demand and delivery management on a scale similar to the requirements described in the NRFP – Score S 17**

- ❖ Using examples, each Proponent should demonstrate relevant capability in inventory management including large scale product warehousing, order processing and management, product stocking, assembly, demand aggregation and logistics/ delivery on a scale similar to the size served by the Warehouses.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: PROPONENT CAPABILITY AND CAPACITY (TOTAL AVAILABLE SCORE 15%)**1. (b) (a) Corporate and Financial Capacity – Score S 17**

- ❖ Each Proponent should describe where and when it has been engaged as a service provider with a financial obligation similar to the size of this opportunity. Examples would be preferred and if possible, where the services were similar to the In Scope requirement. Each Proponent should provide sufficient information on current financial stability and solvency, and a strategy for ensuring corporate and financial capacity to deliver the Distribution Services over the term of the Agreement.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (a) Warehousing plan – Score** S 17

- ❖ Proponents should describe in detail their warehousing plan to manage the volume of inventory on an annual basis. The warehousing plan proposed should reflect the Distribution Services model being proposed by the Proponent taking into consideration the opportunities for supply chain improvements/ optimization and the goals and expected benefits outlined in Section 3.2 for this DLP. Proponents should detail the physical property, ownership (whether owned or leased) internal business processes, staff shift cycles and numbers, warehouse management technology, control measures, available floor space, compliance with regulations, location, current warehouse volume and capacity, existing customers and any other information needed to fully describe the Proponent's warehouse to be used for delivery of its proposed Distribution Services. Historical LDB volume data as well as supplier touch points is provided in Appendix E and can be used as reference. The warehouse plan should be consistent with the proposed plan for the Distribution Services.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (b) Beverage alcohol Supply Chain Optimization – Score S 17**

- ❖ Proponents should consider opportunities for optimization in the supply chain as described in Section 5 and describe how their optimization recommendations augment their proposed Distribution Services solution and how they address the goals and expected benefits described in Section 3.2.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (c) Inventory management plan considering wholesale and retail structure in B.C.****Score** S 17

- ❖ Proponents should detail their inventory management plan considering the proposed supply chain optimization plan. The inventory plan should include all aspects of inventory management and include details such as how inventory tracking takes place, processes for compliance with provincial and federal policy and regulations, adjustments tracked (e.g. real time), product tracking and updates, capacity planning, inventory rotation, quality assurance processes (e.g. bar codes, packaging), pallet control and safety compliance. Proponents should also explain their proposed demand management processes detailing replenishment strategies (including issuing purchase orders). The proposed inventory management plan should be compatible with the scope and volume of Product supply that the Proponent will be required to deliver within established KPI's.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (d) Delivery scheduling management – Score S 17**

- ❖ Proponents should describe their delivery and schedule management processes and explain how their proposed business processes will ensure effective delivery scheduling management (e.g. freight management) and shipping tracking (e.g. pallet bar code packing documents, fleet monitoring) for delivery of Product from the Proponent.

STRENGTHS**WEAKNESSES**

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (e) Key Performance Indicators – Score S 17**

- ❖ Proponents should describe their proposed Distribution Services to suppliers/ Agents, GLS and Wholesale Customers.
- ❖ Proponents should also describe how their Distribution Services will meet industry standards for distribution and warehouse operations including the KPI's provided in Appendix E and as described in Section 5.2.2.8. Proponents should also propose remedies in the event the KPI's are not achieved.

STRENGTHS**WEAKNESSES**

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (f) Order processing including help desk – Score S 17**

- ❖ Proponents should explain how the customer order processing function would be integrated into their proposed Distribution Services order taking and processing functions. Based on the scope and volume of orders the LDB currently handles and depending on the Distribution Services model proposed, Proponents should detail their order taking business processes, the technology used, integration with the Proponents' warehouse information technology systems, structure of the customer services desk, current throughput, number of clients and any other information needed to explain the Proponents' proposed order taking and processes to be used for the Distribution Services.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (g) Systems integration and reporting – Score S 17**

- ❖ Proponents should describe their current systems infrastructure and propose a plan for integration with the Ministry/ LDB's systems so that master data management processes (product, vendor, customer data) and warehouse shipping information (e.g. shipping scheduling data) can be seamlessly shared and wherever possible available for real time viewing by the Ministry/ LDB. Proponents should explain their sales order capture technology (e.g. centralized order management system so that electronic orders from the GLS and Wholesale Customers can be logged and tracked) as well as procedures for real time sharing of warehouse receipts for inventory updates and customs and excise reporting as well as real time viewing of available inventory within the Proponents' overall supply chain. Proponents should also explain their purchasing system application solution and explain how it will interface with the Ministry/ LDB's systems.
- ❖ Proponents should explain what processes and procedures they have or will put into place so as to comply with the Province's privacy and information technology policy in delivery of their proposed Distribution Services.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)

2. (h) Compliance with provincial and federal policy and regulatory framework. (This is 2 (h) in the scoring sheet. Wording was added to the NRFP in amendment 4.)

Score – S 17

❖ Proponents should indicate ability to comply with provincial and federal policy and regulations.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: GOVERNANCE AND STAKEHOLDER RELATIONSHIP PLAN (TOTAL AVAILABLE SCORE 5%)

3. (a) Service delivery governance structure and plan – Score S 17

- ❖ Proponents should propose a governance and stakeholder relationship plan and detail how they intend to work with the Ministry/ LDB in managing and resolving issues and in ensuring smooth delivery of the Distribution Services.

STRENGTHS

WEAKNESSES

CRITERION: GOVERNANCE AND STAKEHOLDER RELATIONSHIP PLAN (TOTAL AVAILABLE SCORE 5%)

3. (b) Stakeholder relations plan – Score S 17

- ❖ Proponent should propose a stakeholder relation plan and explain how they intend to work with the Ministry/ LDB in ensuring that all stakeholder needs related to delivery of their proposed Distribution Services are met.

STRENGTHS

WEAKNESSES

CRITERION: TRANSITION STRATEGY INCLUDING RAMP UP SCHEDULE (TOTAL AVAILABLE SCORE 10%)

4. (a) Distribution Services transition strategy (including ramp-up schedule) - Score of S 17

- ❖ Proponents should propose a transitioning strategy for the warehousing and wholesale distribution operations (including any proposed supply chain optimization opportunities) from the LDB to the Proponent. Proponents should demonstrate that their strategy will take into account key aspects of transitioning from the LDB to the Proponent such as: tasks, timelines, milestones, resources, risks, contingency plans, locations, facilities, systems, data, tools, equipment, assumptions and management methods.
- ❖ Proponents including use of the Warehouses for transition purposes should clearly articulate how the Warehouses would be used, for how long and what Operational Assets would be required.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: TRANSITION STRATEGY INCLUDING RAMP UP SCHEDULE (TOTAL AVAILABLE SCORE 10%)

4. (b) Change management strategy – Score S 17

- ❖ Proponents should provide a change management plan outlining tasks and processes considering transfer of the LDB distribution function (including any proposed supply chain optimization opportunities) to the Proponent.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: RISK MANAGEMENT AND BUSINESS CONTINUITY (TOTAL AVAILABLE SCORE 5%)**5. (a) Risk management plan – Score S 17**

- ❖ Proponents should propose a risk management plan considering their proposed role as distributor of Product to GLS and Wholesale Customers. The Province is interested in the Proponents' experience in the management of risk from a delivery services perspective. Proponents are asked to demonstrate, using past operations service delivery examples, where risks were assumed by the Proponent and reasons for allocation of risk between the Proponent, subcontractors and the customer.

STRENGTHS**WEAKNESSES**

S 17

CRITERION: RISK MANAGEMENT AND BUSINESS CONTINUITY (TOTAL AVAILABLE SCORE 5%)**5. (a) Business continuity plan – Score** S 17

- ❖ Proponents should propose a business continuity plan in the event their proposed Distribution Services are disrupted. The business continuity (including disaster recovery) plan should outline processes and procedures that would be put into effect so that Key Performance Indicators are maintained where possible and that Product supply to GLS and Wholesale Customers is minimally impacted.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: LABOUR RELATIONS STRATEGY AND STAFF SUCCESSORSHIP PLAN (TOTAL AVAILABLE SCORE 10%)

6. (a) Labour relations strategy - Score S 17

- ❖ It is a requirement of this NRFP that the successful Proponent adhere to the memorandum of agreement signed between the government of BC and the BCGEU. Proponents should provide a labour relations strategy consistent with the terms of the memorandum of agreement outlining how they intend on engaging with impacted staff should they be the Selected Proponent. Proponents should detail impacts to their internal operating structure and plans to manage the introduction of BCGEU staff into their organization.

STRENGTHS

WEAKNESSES

S 17

CRITERION: LABOUR RELATIONS STRATEGY AND STAFF SUCCESSORSHIP PLAN (TOTAL AVAILABLE SCORE 10%)

6. (b) Staffing Successorship plan – Score S 17

- ❖ Proponents should reference the human resource information provided in Appendix I and based on the terms of the memorandum of agreement, provide a staffing plan describing the types and numbers of staff the Proponent expects they would hire. Proponents should describe how they would structure their internal processes to accommodate BCGEU staff transferred to the Proponent.

STRENGTHS

S 17

WEAKNESSES

S 17

FEEDBACK POINTS

S 17

CRITERION: FINANCIAL MODEL (TOTAL AVAILABLE SCORE 5%)**7 (a) Financial Model - Score of S 17**

- ❖ Describe the proposed economic model and how the proposed economic model supports the goals identified in Section 3.2, and the eight (8) financial objectives provided in Section 5.5.

STRENGTHS

S 17

WEAKNESSES

S 17

FEEDBACK POINTS

S 17

CRITERION: FINANCIAL MODEL (TOTAL AVAILABLE SCORE 5%)**7 (b) Financial Model - Score of** S 17

- ❖ Describe all investments (e.g. transition costs, asset purchases, infrastructure, facilities, hardware, software, etc.) required to deliver the proposed Services.
- ❖ For each investment provide:
 - i. The associated dollar amount and timing of the investment; and
 - ii. The proposed recovery mechanism, timing of such recovery and associated dollar amounts.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: FINANCIAL MODEL (TOTAL AVAILABLE SCORE 5%)**7 (c) Financial Model - Score of** S 17

❖ Describe the proposed pricing models for each proposed Service, including but not limited to:

- i) The underlying drivers that may impact pricing, and how pricing may be impacted as a result of changes in the drivers;
- ii) How the services pricing and pricing components will be impacted by changes in scale;
- iii) The approach and plan for addressing changes to the underlying drivers; and
- iv) Any commitments and constraints that are part of the proposed pricing (e.g. volume floors and/or ceiling, order minimums, etc).

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: FINANCIAL MODEL (TOTAL AVAILABLE SCORE 5%)**7 (d) Financial Model - Score of S 17**

- ❖ Describe the proposed approach for handling the cost of inflation, on an annual basis, by listing the services to be adjusted for inflation and the mechanism for such an adjustment.

STRENGTHS

S 17

WEAKNESSES

S 17

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CRITERION: FINANCIAL MODEL (TOTAL AVAILABLE SCORE 5%)**7 (e) Financial Model - Score of S 17**

- ❖ Describe the approach for transferring the services at the termination at the Agreement to either, the Ministry/ LDB or another service provider in a manner that is efficient and ensures Distribution Services are not interrupted to GLS, Wholesale Customers, suppliers and Agents.
- ❖ In addition, describe the costs the Ministry/ LDB would be responsible for in the event of:
 - i. Expiry of the term of the Agreement;
 - ii. Termination by the Ministry/ LDB for convenience; or
 - iii. Termination for force majeure event

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: FINANCIAL MODEL (TOTAL AVAILABLE SCORE 25%)**7 (b) Financial Spreadsheet – Score S 17**

❖ Mathematical score.

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F. Stage 3 – Proposal Improvement Session Scheduling

- Refer to guide.

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NRFP SATP-301

Feedback Session

For

Exel Canada Ltd

Date:
July 26, 2012

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 - ❖ Subject Matter Expert(s)
 - ❖ George, Fairness Monitor

B. Agenda – SATP

- Purpose of the Feedback Session SATP
- Feedback on your proposal and Q/A Evaluation Committee (subset)
- Stage 3 scheduling SATP
- Closing SATP

C. Purpose of the Feedback Session

- This feedback session forms part of the Stage 3 – Proposal Refinement Process
- The purpose of the feedback session is to give you a debriefing of how your proposal was received by the Province’s evaluators by addressing strengths and weaknesses of your proposal response on a criterion by criterion basis and the scores allocated for the evaluation criteria.

D. Evaluation Table

- Evaluators used the following table as guide when assigning consensus scores.

% Value	Description	Explanation
100%	Exceptional	Exceptional, far exceed expectations with no added risk.
80%	Very Good	A sound Proposal. Fully meets all our key requirements, minimal risk.
60%	Acceptable	Acceptable at a minimum level. Meets our basic requirements, acceptable risk.
40%	Fails	Falls short of meeting basic requirements.
20%	Poor	Proposal is seriously deficient, does not address our needs.
0%	Unacceptable	Proposal is unacceptable from every aspect or the information is missing altogether.

E. Feedback on Exel Canada Ltd Proposal

❖ Summary of Evaluation

1. (a) Proponent Capability and Capacity		15	
8.2.1	a) Proponent Profile (Lead and subcontractors if any)	3	S 17
8.2.1	b) Demonstrated experience in large scale warehousing and wholesale distribution of retail products and controlled substances such as the beverage alcohol business	2	
8.2.1	c) Demonstrated experience with transition planning and transitioning services of similar size and magnitude to the In Scope requirements	2	
8.2.1	d) Demonstrated experience in inventory, demand and delivery management on a scale similar to the requirements described in the NRFP	4	
8.2.2	a) Corporate and financial capacity	4	
8.2.3	a) Warehousing plan	4	
8.2.3	b) Supply chain optimization opportunities	6	
8.2.3	c) Inventory management plan considering wholesale and retail structure in B.C.	5	
8.2.3	d) Delivery scheduling management	4	
8.2.3	e) Key performance indicators	3	
8.2.3	f) Online order processing including help desk	3	
8.2.3	g) Systems integration and reporting	4	
8.2.3	h) Compliance with provincial and federal policy and regulatory framework	1	
8.2.4	a) Service delivery governance structure and plan	3	
8.2.4	b) Stakeholder relations plan	2	
8.2.5	a) Transition strategy including ramp-up schedule	6	
8.2.5	b) Change management strategy	4	
8.2.6	a) Risk management plan	3	
8.2.6	b) Business continuity plan	2	
8.2.7	a) Labour relations strategy	5	
8.2.7	b) Staffing Successorship plan	5	
8.2.8	a) Financial Model	5	
8.2.8	b) Pricing Submission	20	

CRITERION: PROPONENT CAPABILITY AND CAPACITY (TOTAL AVAILABLE SCORE 15%)**1. (a) Proponent Profile (Lead and subcontractors if any) – Score S 17**

- ❖ Each Proponent should include a corporate profile that details background information on the Proponent and any subcontractors, including for each year they were (and subcontractors, if any) established, corporate ownership and hierarchy, jurisdiction, corporate strategic direction, area of recognized expertise in the market place, and an overview of the corporate information including size, revenues, market and geographic presence. Each Proponent should demonstrate its ability to manage long-term business relationships and contractual engagements by providing examples where the Proponent has successfully done so and by describing the methods and processes applied.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: PROPONENT CAPABILITY AND CAPACITY (TOTAL AVAILABLE SCORE 15%)**1. (b) Demonstrated experience in large scale warehousing and wholesale distribution****Score** S 17

- ❖ Each Proponent should provide examples of experience in providing a warehousing and wholesale distribution service and explain how the Proponent is suited to delivering the required Distribution Services.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: PROPONENT CAPABILITY AND CAPACITY (TOTAL AVAILABLE SCORE 15%)**1. (c) Demonstrated experience with transitioning services – Score S 17**

- ❖ (c) Each Proponent should describe relevant experience (including subcontractors if any) in transitioning services.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: PROPONENT CAPABILITY AND CAPACITY (TOTAL AVAILABLE SCORE 15%)**1. (d) Demonstrated experience in inventory, demand and delivery management on a scale similar to the requirements described in the NRFP – Score S 17**

- ❖ Using examples, each Proponent should demonstrate relevant capability in inventory management including large scale product warehousing, order processing and management, product stocking, assembly, demand aggregation and logistics/ delivery on a scale similar to the size served by the Warehouses.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: PROPONENT CAPABILITY AND CAPACITY (TOTAL AVAILABLE SCORE 15%)**1. (b) (a) Corporate and Financial Capacity – Score S 17**

- ❖ Each Proponent should describe where and when it has been engaged as a service provider with a financial obligation similar to the size of this opportunity. Examples would be preferred and if possible, where the services were similar to the In Scope requirement. Each Proponent should provide sufficient information on current financial stability and solvency, and a strategy for ensuring corporate and financial capacity to deliver the Distribution Services over the term of the Agreement.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (a) Warehousing plan – Score S 17**

- ❖ Proponents should describe in detail their warehousing plan to manage the volume of inventory on an annual basis. The warehousing plan proposed should reflect the Distribution Services model being proposed by the Proponent taking into consideration the opportunities for supply chain improvements/ optimization and the goals and expected benefits outlined in Section 3.2 for this DLP. Proponents should detail the physical property, ownership (whether owned or leased) internal business processes, staff shift cycles and numbers, warehouse management technology, control measures, available floor space, compliance with regulations, location, current warehouse volume and capacity, existing customers and any other information needed to fully describe the Proponent's warehouse to be used for delivery of its proposed Distribution Services. Historical LDB volume data as well as supplier touch points is provided in Appendix E and can be used as reference. The warehouse plan should be consistent with the proposed plan for the Distribution Services.

STRENGTHS**WEAKNESSES**

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (b) Beverage alcohol Supply Chain Optimization – Score S 17**

- ❖ Proponents should consider opportunities for optimization in the supply chain as described in Section 5 and describe how their optimization recommendations augment their proposed Distribution Services solution and how they address the goals and expected benefits described in Section 3.2.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (c) Inventory management plan considering wholesale and retail structure in B.C.****Score** S 17

- ❖ Proponents should detail their inventory management plan considering the proposed supply chain optimization plan. The inventory plan should include all aspects of inventory management and include details such as how inventory tracking takes place, processes for compliance with provincial and federal policy and regulations, adjustments tracked (e.g. real time), product tracking and updates, capacity planning, inventory rotation, quality assurance processes (e.g. bar codes, packaging), pallet control and safety compliance. Proponents should also explain their proposed demand management processes detailing replenishment strategies (including issuing purchase orders). The proposed inventory management plan should be compatible with the scope and volume of Product supply that the Proponent will be required to deliver within established KPI's.

STRENGTHS**WEAKNESSES**

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)
2. (d) Delivery scheduling management – Score S 17

- ❖ Proponents should describe their delivery and schedule management processes and explain how their proposed business processes will ensure effective delivery scheduling management (e.g. freight management) and shipping tracking (e.g. pallet bar code packing documents, fleet monitoring) for delivery of Product from the Proponent.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (e) Key Performance Indicators – Score S 17**

- ❖ Proponents should describe their proposed Distribution Services to suppliers/ Agents, GLS and Wholesale Customers.
- ❖ Proponents should also describe how their Distribution Services will meet industry standards for distribution and warehouse operations including the KPI's provided in Appendix E and as described in Section 5.2.2.8. Proponents should also propose remedies in the event the KPI's are not achieved.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (f) Order processing including help desk – Score S 17**

- ❖ Proponents should explain how the customer order processing function would be integrated into their proposed Distribution Services order taking and processing functions. Based on the scope and volume of orders the LDB currently handles and depending on the Distribution Services model proposed, Proponents should detail their order taking business processes, the technology used, integration with the Proponents' warehouse information technology systems, structure of the customer services desk, current throughput, number of clients and any other information needed to explain the Proponents' proposed order taking and processes to be used for the Distribution Services.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (g) Systems integration and reporting – Score S 17**

- ❖ Proponents should describe their current systems infrastructure and propose a plan for integration with the Ministry/ LDB's systems so that master data management processes (product, vendor, customer data) and warehouse shipping information (e.g. shipping scheduling data) can be seamlessly shared and wherever possible available for real time viewing by the Ministry/ LDB. Proponents should explain their sales order capture technology (e.g. centralized order management system so that electronic orders from the GLS and Wholesale Customers can be logged and tracked) as well as procedures for real time sharing of warehouse receipts for inventory updates and customs and excise reporting as well as real time viewing of available inventory within the Proponents' overall supply chain. Proponents should also explain their purchasing system application solution and explain how it will interface with the Ministry/ LDB's systems.
- ❖ Proponents should explain what processes and procedures they have or will put into place so as to comply with the Province's privacy and information technology policy in delivery of their proposed Distribution Services.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)

2. (h) Compliance with provincial and federal policy and regulatory framework. (This is 2 (h) in the scoring sheet. Wording was added to the NRFP in amendment 4.)

Score – S 17

❖ Proponents should indicate ability to comply with provincial and federal policy and regulations.

STRENGTHS

S 17

WEAKNESSES

S 17

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CRITERION: GOVERNANCE AND STAKEHOLDER RELATIONSHIP PLAN (TOTAL AVAILABLE SCORE 5%)

3. (a) Service delivery governance structure and plan – Score S 17

- ❖ Proponents should propose a governance and stakeholder relationship plan and detail how they intend to work with the Ministry/ LDB in managing and resolving issues and in ensuring smooth delivery of the Distribution Services.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: GOVERNANCE AND STAKEHOLDER RELATIONSHIP PLAN (TOTAL AVAILABLE SCORE 5%)

3. (b) Stakeholder relations plan – Score S 17

- ❖ Proponent should propose a stakeholder relation plan and explain how they intend to work with the Ministry/ LDB in ensuring that all stakeholder needs related to delivery of their proposed Distribution Services are met.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: TRANSITION STRATEGY INCLUDING RAMP UP SCHEDULE (TOTAL AVAILABLE SCORE 10%)

4. (a) Distribution Services transition strategy (including ramp-up schedule) - Score of S 17

- ❖ Proponents should propose a transitioning strategy for the warehousing and wholesale distribution operations (including any proposed supply chain optimization opportunities) from the LDB to the Proponent. Proponents should demonstrate that their strategy will take into account key aspects of transitioning from the LDB to the Proponent such as: tasks, timelines, milestones, resources, risks, contingency plans, locations, facilities, systems, data, tools, equipment, assumptions and management methods.
- ❖ Proponents including use of the Warehouses for transition purposes should clearly articulate how the Warehouses would be used, for how long and what Operational Assets would be required.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: TRANSITION STRATEGY INCLUDING RAMP UP SCHEDULE (TOTAL AVAILABLE SCORE 10%)

4. (b) Change management strategy – Score S 17

- ❖ Proponents should provide a change management plan outlining tasks and processes considering transfer of the LDB distribution function (including any proposed supply chain optimization opportunities) to the Proponent.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: RISK MANAGEMENT AND BUSINESS CONTINUITY (TOTAL AVAILABLE SCORE 5%)**5. (a) Risk management plan – Score S 17**

- ❖ Proponents should propose a risk management plan considering their proposed role as distributor of Product to GLS and Wholesale Customers. The Province is interested in the Proponents' experience in the management of risk from a delivery services perspective. Proponents are asked to demonstrate, using past operations service delivery examples, where risks were assumed by the Proponent and reasons for allocation of risk between the Proponent, subcontractors and the customer.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: RISK MANAGEMENT AND BUSINESS CONTINUITY (TOTAL AVAILABLE SCORE 5%)**5. (a) Business continuity plan – Score S 17**

- ❖ Proponents should propose a business continuity plan in the event their proposed Distribution Services are disrupted. The business continuity (including disaster recovery) plan should outline processes and procedures that would be put into effect so that Key Performance Indicators are maintained where possible and that Product supply to GLS and Wholesale Customers is minimally impacted.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: LABOUR RELATIONS STRATEGY AND STAFF SUCCESSORSHIP PLAN (TOTAL AVAILABLE SCORE 10%)

6. (a) Labour relations strategy - Score S 17

- ❖ It is a requirement of this NRFP that the successful Proponent adhere to the memorandum of agreement signed between the government of BC and the BCGEU. Proponents should provide a labour relations strategy consistent with the terms of the memorandum of agreement outlining how they intend on engaging with impacted staff should they be the Selected Proponent. Proponents should detail impacts to their internal operating structure and plans to manage the introduction of BCGEU staff into their organization.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: LABOUR RELATIONS STRATEGY AND STAFF SUCCESSORSHIP PLAN (TOTAL AVAILABLE SCORE 10%)

6. (b) Staffing Successorship plan – Score S 17

- ❖ Proponents should reference the human resource information provided in Appendix I and based on the terms of the memorandum of agreement, provide a staffing plan describing the types and numbers of staff the Proponent expects they would hire. Proponents should describe how they would structure their internal processes to accommodate BCGEU staff transferred to the Proponent.

STRENGTHS

WEAKNESSES

S 17

CRITERION: FINANCIAL MODEL (TOTAL AVAILABLE SCORE 5%)**7 (a) Financial Model - Score of S 17**

- ❖ Describe the proposed economic model and how the proposed economic model supports the goals identified in Section 3.2, and the eight (8) financial objectives provided in Section 5.5.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: FINANCIAL MODEL (TOTAL AVAILABLE SCORE 5%)**7 (b) Financial Model - Score of S 17**

- ❖ Describe all investments (e.g. transition costs, asset purchases, infrastructure, facilities, hardware, software, etc.) required to deliver the proposed Services.
- ❖ For each investment provide:
 - ❖ i. The associated dollar amount and timing of the investment; and
 - ❖ ii. The proposed recovery mechanism, timing of such recovery and associated dollar amounts.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: FINANCIAL MODEL (TOTAL AVAILABLE SCORE 5%)**7 (c) Financial Model - Score of S 17**

- ❖ Describe the proposed pricing models for each proposed Service, including but not limited to:
 - ❖ i) The underlying drivers that may impact pricing, and how pricing may be impacted as a result of changes in the drivers;
 - ❖ ii) How the services pricing and pricing components will be impacted by changes in scale;
 - ❖ iii) The approach and plan for addressing changes to the underlying drivers; and
 - ❖ iv) Any commitments and constraints that are part of the proposed pricing (e.g. volume floors and/or ceiling, order minimums, etc).

STRENGTHS**WEAKNESSES**

CRITERION: FINANCIAL MODEL (TOTAL AVAILABLE SCORE 5%)**7 (d) Financial Model - Score of S 17**

- ❖ Describe the proposed approach for handling the cost of inflation, on an annual basis, by listing the services to be adjusted for inflation and the mechanism for such an adjustment.

STRENGTHS

S 17

WEAKNESSES

S 17

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CRITERION: FINANCIAL MODEL (TOTAL AVAILABLE SCORE 5%)**7 (e) Financial Model - Score of S 17**

- ❖ Describe the approach for transferring the services at the termination at the Agreement to either, the Ministry/ LDB or another service provider in a manner that is efficient and ensures Distribution Services are not interrupted to GLS, Wholesale Customers, suppliers and Agents.
- ❖ In addition, describe the costs the Ministry/ LDB would be responsible for in the event of:
 - ❖ i. Expiry of the term of the Agreement;
 - ❖ ii. Termination by the Ministry/ LDB for convenience; or
 - ❖ iii. Termination for force majeure event

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: FINANCIAL MODEL (TOTAL AVAILABLE SCORE 25%)**7 (b) Financial Spreadsheet – Score S 17**

- ❖ Mathematical score.

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F. Stage 3 – Proposal Improvement Session Scheduling

- Refer to Guide

CONFIDENTIAL



NRFP SATP-301

Feedback Session

For

KUEHNE+NAGEL

Date:
July 25, 2012

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A. Introductions – SATP

- DLP Project:
 - ❖ Evaluation Committee members (subset)
 - ❖ SATP
 - ❖ Subject Matter Expert(s)
 - ❖ George, Fairness Monitor

B. Agenda – SATP

- Purpose of the Feedback Session SATP
- Feedback on your proposal and Q/A Evaluation Committee (subset)
- Stage 3 scheduling SATP
- Closing SATP

C. Purpose of the Feedback Session

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- The purpose of the feedback session is to give you a debriefing of how your proposal was received by the Province's evaluators by addressing strengths and weaknesses of your proposal response on a criterion by criterion basis and the scores allocated for the evaluation criteria.

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0%	Unacceptable	Proposal is unacceptable from every aspect or the information is missing altogether.

E. Feedback on KUEHNE+NAGEL Proposal

❖ Summary of Evaluation

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8.2.3	h) Compliance with provincial and federal policy and regulatory framework	1	
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8.2.8	a) Financial Model	5	
8.2.8	b) Pricing Submission	20	

S 17

CRITERION: PROPONENT CAPABILITY AND CAPACITY (TOTAL AVAILABLE SCORE 15%)**1. (a) Proponent Profile (Lead and subcontractors if any) - Score S 17**

- ❖ Each Proponent should include a corporate profile that details background information on the Proponent and any subcontractors, including for each year they were (and subcontractors, if any) established, corporate ownership and hierarchy, jurisdiction, corporate strategic direction, area of recognized expertise in the market place, and an overview of the corporate information including size, revenues, market and geographic presence. Each Proponent should demonstrate its ability to manage long-term business relationships and contractual engagements by providing examples where the Proponent has successfully done so and by describing the methods and processes applied.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: PROPONENT CAPABILITY AND CAPACITY (TOTAL AVAILABLE SCORE 15%)**1. (b) Demonstrated experience in large scale warehousing and wholesale distribution****Score** S 17

- ❖ Each Proponent should provide examples of experience in providing a warehousing and wholesale distribution service and explain how the Proponent is suited to delivering the required Distribution Services.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: PROPONENT CAPABILITY AND CAPACITY (TOTAL AVAILABLE SCORE 15%)**1. (c) Demonstrated experience with transitioning services – Score S 17**

- ❖ (c) Each Proponent should describe relevant experience (including subcontractors if any) in transitioning services.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: PROPONENT CAPABILITY AND CAPACITY (TOTAL AVAILABLE SCORE 15%)**1. (d) Demonstrated experience in inventory, demand and delivery management on a scale similar to the requirements described in the NRFP – Score S 17**

- ❖ Using examples, each Proponent should demonstrate relevant capability in inventory management including large scale product warehousing, order processing and management, product stocking, assembly, demand aggregation and logistics/ delivery on a scale similar to the size served by the Warehouses.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: PROPONENT CAPABILITY AND CAPACITY (TOTAL AVAILABLE SCORE 15%)**1. (b) (a) Corporate and Financial Capacity – Score S 17**

- ❖ Each Proponent should describe where and when it has been engaged as a service provider with a financial obligation similar to the size of this opportunity. Examples would be preferred and if possible, where the services were similar to the In Scope requirement. Each Proponent should provide sufficient information on current financial stability and solvency, and a strategy for ensuring corporate and financial capacity to deliver the Distribution Services over the term of the Agreement.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (a) Warehousing plan – Score** S 17

- ❖ Proponents should describe in detail their warehousing plan to manage the volume of inventory on an annual basis. The warehousing plan proposed should reflect the Distribution Services model being proposed by the Proponent taking into consideration the opportunities for supply chain improvements/ optimization and the goals and expected benefits outlined in Section 3.2 for this DLP. Proponents should detail the physical property, ownership (whether owned or leased) internal business processes, staff shift cycles and numbers, warehouse management technology, control measures, available floor space, compliance with regulations, location, current warehouse volume and capacity, existing customers and any other information needed to fully describe the Proponent's warehouse to be used for delivery of its proposed Distribution Services. Historical LDB volume data as well as supplier touch points is provided in Appendix E and can be used as reference. The warehouse plan should be consistent with the proposed plan for the Distribution Services.

STRENGTHS**WEAKNESS**

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (b) Beverage alcohol Supply Chain Optimization – Score S 17**

- ❖ Proponents should consider opportunities for optimization in the supply chain as described in Section 5 and describe how their optimization recommendations augment their proposed Distribution Services solution and how they address the goals and expected benefits described in Section 3.2.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (c) Inventory management plan considering wholesale and retail structure in B.C.****Score** S 17

- ❖ Proponents should detail their inventory management plan considering the proposed supply chain optimization plan. The inventory plan should include all aspects of inventory management and include details such as how inventory tracking takes place, processes for compliance with provincial and federal policy and regulations, adjustments tracked (e.g. real time), product tracking and updates, capacity planning, inventory rotation, quality assurance processes (e.g. bar codes, packaging), pallet control and safety compliance. Proponents should also explain their proposed demand management processes detailing replenishment strategies (including issuing purchase orders). The proposed inventory management plan should be compatible with the scope and volume of Product supply that the Proponent will be required to deliver within established KPI's.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (d) Delivery scheduling management – Score S 17**

- ❖ Proponents should describe their delivery and schedule management processes and explain how their proposed business processes will ensure effective delivery scheduling management (e.g. freight management) and shipping tracking (e.g. pallet bar code packing documents, fleet monitoring) for delivery of Product from the Proponent.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (e) Key Performance Indicators – Score S 17**

- ❖ Proponents should describe their proposed Distribution Services to suppliers/ Agents, GLS and Wholesale Customers.
- ❖ Proponents should also describe how their Distribution Services will meet industry standards for distribution and warehouse operations including the KPI's provided in Appendix E and as described in Section 5.2.2.8. Proponents should also propose remedies in the event the KPI's are not achieved.

STRENGTHS**WEAKNESSES**

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (f) Order processing including help desk – Score S 17**

- ❖ Proponents should explain how the customer order processing function would be integrated into their proposed Distribution Services order taking and processing functions. Based on the scope and volume of orders the LDB currently handles and depending on the Distribution Services model proposed, Proponents should detail their order taking business processes, the technology used, integration with the Proponents' warehouse information technology systems, structure of the customer services desk, current throughput, number of clients and any other information needed to explain the Proponents' proposed order taking and processes to be used for the Distribution Services.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)**2. (g) Systems integration and reporting – Score S 17**

- ❖ Proponents should describe their current systems infrastructure and propose a plan for integration with the Ministry/ LDB's systems so that master data management processes (product, vendor, customer data) and warehouse shipping information (e.g. shipping scheduling data) can be seamlessly shared and wherever possible available for real time viewing by the Ministry/ LDB. Proponents should explain their sales order capture technology (e.g. centralized order management system so that electronic orders from the GLS and Wholesale Customers can be logged and tracked) as well as procedures for real time sharing of warehouse receipts for inventory updates and customs and excise reporting as well as real time viewing of available inventory within the Proponents' overall supply chain. Proponents should also explain their purchasing system application solution and explain how it will interface with the Ministry/ LDB's systems.
- ❖ Proponents should explain what processes and procedures they have or will put into place so as to comply with the Province's privacy and information technology policy in delivery of their proposed Distribution Services.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: DISTRIBUTION SERVICES SOLUTION (TOTAL AVAILABLE SCORE 30%)

2. (h) Compliance with provincial and federal policy and regulatory framework. (This is 2 (h) in the scoring sheet. Wording was added to the NRFP in amendment 4.)

Score – S 17

❖ Proponents should indicate ability to comply with provincial and federal policy and regulations.

STRENGTHS

S 17

WEAKNESSES

S 17

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CRITERION: GOVERNANCE AND STAKEHOLDER RELATIONSHIP PLAN (TOTAL AVAILABLE SCORE 5%)

3. (a) Service delivery governance structure and plan – Score S 17

- ❖ Proponents should propose a governance and stakeholder relationship plan and detail how they intend to work with the Ministry/ LDB in managing and resolving issues and in ensuring smooth delivery of the Distribution Services.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: GOVERNANCE AND STAKEHOLDER RELATIONSHIP PLAN (TOTAL AVAILABLE SCORE 5%)

3. (b) Stakeholder relations plan – Score S 17

- ❖ Proponent should propose a stakeholder relation plan and explain how they intend to work with the Ministry/ LDB in ensuring that all stakeholder needs related to delivery of their proposed Distribution Services are met.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: TRANSITION STRATEGY INCLUDING RAMP UP SCHEDULE (TOTAL AVAILABLE SCORE 10%)

4. (a) Distribution Services transition strategy (including ramp-up schedule) - Score of S 17

- ❖ Proponents should propose a transitioning strategy for the warehousing and wholesale distribution operations (including any proposed supply chain optimization opportunities) from the LDB to the Proponent. Proponents should demonstrate that their strategy will take into account key aspects of transitioning from the LDB to the Proponent such as: tasks, timelines, milestones, resources, risks, contingency plans, locations, facilities, systems, data, tools, equipment, assumptions and management methods.
- ❖ Proponents including use of the Warehouses for transition purposes should clearly articulate how the Warehouses would be used, for how long and what Operational Assets would be required.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: TRANSITION STRATEGY INCLUDING RAMP UP SCHEDULE (TOTAL AVAILABLE SCORE 10%)

4. (b) Change management strategy – Score S 17

- ❖ Proponents should provide a change management plan outlining tasks and processes considering transfer of the LDB distribution function (including any proposed supply chain optimization opportunities) to the Proponent.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: RISK MANAGEMENT AND BUSINESS CONTINUITY (TOTAL AVAILABLE SCORE 5%)**5. (a) Risk management plan – Score** S 17

- ❖ Proponents should propose a risk management plan considering their proposed role as distributor of Product to GLS and Wholesale Customers. The Province is interested in the Proponents' experience in the management of risk from a delivery services perspective. Proponents are asked to demonstrate, using past operations service delivery examples, where risks were assumed by the Proponent and reasons for allocation of risk between the Proponent, subcontractors and the customer.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: RISK MANAGEMENT AND BUSINESS CONTINUITY (TOTAL AVAILABLE SCORE 5%)**5. (a) Business continuity plan – Score S 17**

- ❖ Proponents should propose a business continuity plan in the event their proposed Distribution Services are disrupted. The business continuity (including disaster recovery) plan should outline processes and procedures that would be put into effect so that Key Performance Indicators are maintained where possible and that Product supply to GLS and Wholesale Customers is minimally impacted.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: LABOUR RELATIONS STRATEGY AND STAFF SUCCESSORSHIP PLAN (TOTAL AVAILABLE SCORE 10%)

6. (a) Labour relations strategy - Score S 17

- ❖ It is a requirement of this NRFP that the successful Proponent adhere to the memorandum of agreement signed between the government of BC and the BCGEU. Proponents should provide a labour relations strategy consistent with the terms of the memorandum of agreement outlining how they intend on engaging with impacted staff should they be the Selected Proponent. Proponents should detail impacts to their internal operating structure and plans to manage the introduction of BCGEU staff into their organization.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: LABOUR RELATIONS STRATEGY AND STAFF SUCCESSORSHIP PLAN (TOTAL AVAILABLE SCORE 10%)

6. (b) Staffing Successorship plan – Score S 17

- ❖ Proponents should reference the human resource information provided in Appendix I and based on the terms of the memorandum of agreement, provide a staffing plan describing the types and numbers of staff the Proponent expects they would hire. Proponents should describe how they would structure their internal processes to accommodate BCGEU staff transferred to the Proponent.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: FINANCIAL MODEL (TOTAL AVAILABLE SCORE 5%)
7 (a) Financial Model - Score of S 17

- ❖ Describe the proposed economic model and how the proposed economic model supports the goals identified in Section 3.2, and the eight (8) financial objectives provided in Section 5.5.

STRENGTHS
WEAKNESSES

CONFIDENTIAL

S 17

S 17

CRITERION: FINANCIAL MODEL (TOTAL AVAILABLE SCORE 5%)**7 (b) Financial Model - Score of S 17**

- ❖ Describe all investments (e.g. transition costs, asset purchases, infrastructure, facilities, hardware, software, etc.) required to deliver the proposed Services.
- ❖ For each investment provide:
 - i. The associated dollar amount and timing of the investment; and
 - ii. The proposed recovery mechanism, timing of such recovery and associated dollar amounts.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: FINANCIAL MODEL (TOTAL AVAILABLE SCORE 5%)**7 (c) Financial Model - Score of S 17**

- ❖ Describe the proposed pricing models for each proposed Service, including but not limited to:
- i) The underlying drivers that may impact pricing, and how pricing may be impacted as a result of changes in the drivers;
 - ii) How the services pricing and pricing components will be impacted by changes in scale;
 - iii) The approach and plan for addressing changes to the underlying drivers; and
 - iv) Any commitments and constraints that are part of the proposed pricing (e.g. volume floors and/or ceiling, order minimums, etc).

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: FINANCIAL MODEL (TOTAL AVAILABLE SCORE 5%)**7 (d) Financial Model - Score of S 17**

- ❖ Describe the proposed approach for handling the cost of inflation, on an annual basis, by listing the services to be adjusted for inflation and the mechanism for such an adjustment.

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: FINANCIAL MODEL (TOTAL AVAILABLE SCORE 5%)**7 (e) Financial Model - Score of S 17**

- ❖ Describe the approach for transferring the services at the termination at the Agreement to either, the Ministry/ LDB or another service provider in a manner that is efficient and ensures Distribution Services are not interrupted to GLS, Wholesale Customers, suppliers and Agents.
- ❖ In addition, describe the costs the Ministry/ LDB would be responsible for in the event of:
 - i. Expiry of the term of the Agreement;
 - ii. Termination by the Ministry/ LDB for convenience; or
 - iii. Termination for force majeure event

STRENGTHS

S 17

WEAKNESSES

S 17

CRITERION: FINANCIAL MODEL (TOTAL AVAILABLE SCORE 25%)**7 (b) Financial Spreadsheet – Score** S 17

❖ Mathematical score.

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F. Stage 3 – Proposal Improvement Session Scheduling

- Refer to guide.

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