

Waterloo LRT Schedule 6B Part 2 - PRICE FORM

Sheet	Instructions
General	<ol style="list-style-type: none"> Proponents shall only enter inputs in cells which are shaded blue. Proponents may not alter, delete, reformat or otherwise change the Price Form unless specifically instructed to do so. Colours in the form may be changed to facilitate transfer of the forms into the Financial Model. Proponent must provide information for each Baseline Service Plan in Sheet 2 and Sheet 3 of this form. The form should be filled in Canadian Dollars (actuals) in \$2013 dollars and SHOULD NOT include any HST amounts, unless specified.
Sheet 1 - Construction Period	<ol style="list-style-type: none"> Proponents should clearly state the date when they expect to achieve the Milestone Payment Eligibility Threshold (Milestone Payment Eligibility Date) and Substantial Completion Date (assumed to be end of calendar month). Please see Schedule 21 of the Project Agreement for details. Proponents shall enter their scheduled Construction Period Payments for the WLRT in the month(s) based on their estimate of appropriate timing, frequency as amounts - subject to the constraints outlined in Section 2.17 of Schedule 3-2 of the RFP. Payments should be split into payments for Public Infrastructure Works and LRT System Works (please see Schedule 21 of the Project Agreement for definitions). Proponents shall enter their scheduled Substantial Completion Payment in the month of the proposed Substantial Completion date. The Substantial Completion payment shall be entered in nominal terms. Proponents shall demonstrate that they are in compliance with the constraints outlined in Section 2.16 and 2.17 of Schedule 3-2 of the RFP. Any variances need to be explained. For columns referenced B, C, and E only enter amounts for months where a Milestone Payment or the Substantial Completion Payment will be made. The amount to be entered in these columns for a relevant month will be the total incremental amount from the preceding month in which a Milestone Payment is to be made (or from the start of construction in the case of the month of Milestone Payment No. 0). For clarity, the total amounts entered in these columns should be equal to the corresponding total amounts provided in RFP Schedule 6B Part 1: Cost of Work Form; however, on a monthly basis this does not have to be the case. For example, if the Proponent is requesting payments on a quarterly basis, then amounts will be entered in columns B, C, and E only once every three months regardless of monthly construction progress. This sheet is primarily meant as a payment schedule. Please insert the Scheduled Substantial Completion Date in cell E12. Exact timing and mechanics of payment are covered under Schedule 21 of the Project Agreement; however for purposes of this sheet please assume that the Substantial Completion Payment is made on the Scheduled Substantial Completion Date. Please ensure that all built-in XNPV calculations (row 24) return a positive value. For columns referenced B, C, E and K ensure that for months where no input is required that a value of \$0 is entered.
Sheet 2A - O&M Term for the DBFOM	<ol style="list-style-type: none"> The Monthly Service Payment shall be payable in respect of each Contract Month during the Contract Term. The Monthly Service Payment shall be calculated in accordance with the following formula: Please refer to Schedule 20 of the Project Agreement for detailed definitions and formulae. For convenience, the MSP formula has been reproduced below. <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> $MSP_n = MSPG_n + (MSPO_n \times ESCO_n) + (MSPM_n \times ESCM_n) + [(IBase + IA)/12] + (LCP_n \times ESCLSP_n) - \sum D$ </div> <p>Where:</p> <p><i>MSP_n</i> . Means the Monthly Service Payment for the Contract Month for which the formula is to be applied.</p> <p><i>MSPG_n</i> - Means the un-escalated General portion of the Monthly Service Payment for the relevant Contract Month (i.e., the Capital Portion). This item should include all SPV costs not eligible for inflation (Ineligible SPV).</p> <p><i>MSPO_n</i> . Means the un-escalated operational portion of the Monthly Service Payment for the relevant Contract Month as listed in Appendix A: Monthly Service Payment And Monthly Service Payment Inputs, Section 1. MSPO_n, and MSPM_n for Baseline Service Plan Levels 1 to 7, for the Baseline Service Level that is in effect.</p> <p><i>ESCO_n</i> . Means the Operations Escalation Factor for the relevant Contract Month.</p> <p><i>MSPM_n</i> . Means the un-escalated maintenance portion of the Monthly Service Payment for the relevant Contract Month as listed in Section 1. MSPO_n and MSPM_n for Baseline Service Plan Levels 1 to 7 for the Baseline Service Level that is in effect. . This item should include all SPV costs eligible for inflation (Eligible SPV)</p> <p><i>ESCM_n</i> . Means the Maintenance Escalation Factor for the relevant Contract Month.</p> <p><i>IBase</i> - Means the Base Relevant Insurance Cost</p> <p><i>IA</i> - Means the Annual Insurance Adjustment that is paid monthly to the Base Relevant Insurance Cost as outlined in Section 7.3 of Schedule 25 – Insurance and Performance Security Requirements.</p> <p><i>LCP_n</i> . Means the Lifecycle Payment for the relevant Contract Month.</p> <p><i>ESCLCP_n</i> . Means the Lifecycle Escalation Factor for the relevant Contract Month as calculated in accordance with Section 1.1 of this Part B</p> <p><i>ΣD</i> - Means the sum of all Deductions for the relevant Contract Month (relevant for Schedule 20 only)</p> This form should be completed for the DBFOM assuming a 30 year Maintenance Term For every Baseline Service Plan, Proponents are to provide monthly operating and maintenance costs for the months of January to December on a REAL basis - i.e. without any escalation. Insurance costs should be inserted in line with amounts mentioned in RFP Schedule 3-2. This item, for clarity, should be assumed to be constant for all BSP levels and all years. Each Proponent may bid a variable un-escalated general portion of the Monthly Service Payment (MSPG) which would employ a single step structure where MSPG in the early years ("MSPG1") maybe set to a value which is less than the MSPG in the later years ("MSPG2") of the Project Term with the following additional constraints: <ul style="list-style-type: none"> - Constraint #1: MSPG1 must be greater than or equal to \$600,000 and must be in effect from Contract Month 1 to no later than Contract Month 84. - Constraint #2: MSPG2 must be greater than or equal to MSPG1 and must be in effect from the time MSPG1 ends to the end of Contract Term (Contract Month 360). Lifecycle should be provided on an monthly basis separately for Vehicles and for the LRT infrastructure. Lifecycle for the LRT infrastructure (NVLCP) is not expected to change across Baseline Service Plans; however, please provide incremental lifecycle costs for one additional vehicle (vehicles assumed to be identical to those provided under BSP1) - i.e. "IncrementalVLCP_{EMIS}". The Region will multiply this per vehicle number by the number of incremental vehicles needed for each baseline service plan to determine the total incremental vehicle cost for that level. Additional Vehicle Lifecycle costs should be priced on a 360-month basis from the time of additional vehicle coming on stream. When pricing the Initial Vehicle Lifecycle Payment, please assume that BSP1 applies for the entire Maintenance Term. Actual Incremental Vehicle Lifecycle Payment under the Project Agreement may differ from the profile used in the NPV calculation depending on when BSPs are changed by the Region. The profile in Sheet 6 is only for evaluation purposes and not actual timing of payment.
Sheet 2B - O&M Term for the DBFM	<ol style="list-style-type: none"> Please refer to Schedule 3-2 for definitions of terms. This form should be completed for the DBFM only. Even though the DBFM is assumed to start after 120 months from the commencement of the Maintenance Term, please provide pricing for each Service Level for monthly maintenance payments (MSPM). All other price elements will remain the same as under the DBFOM, except for costs related to operations which will be removed. For every Baseline Service Plan, Proponents are to provide monthly maintenance and insurance costs for the months of January to December a REAL basis - i.e. without any escalation. The monthly capital payment shall be the same as that provided under Sheet 2A and shall not be amended. The monthly lifecycle payment shall be the same as that provided under Sheet 2A and shall not be amended.
Sheet 3 - Volume Adjustment Calculation	Please provide unit pricing on a REAL basis (i.e. without escalation) for the assumed operating and maintenance hours. These prices will be held for both the DBFOM and DBFM.
Sheet 4 - Sleeves	Please provide unit pricing for the prospect sleeves in Sheet 4. These sleeves are not included in the base scope and may be included in scope by way of Variation; please see Schedule 15-2 Article 3 of the Project Agreement for further details. These unit prices will not be considered as part of the Financial Evaluation and have no impact on NPV.
Sheet 5 - Escalation Factors	Please provide weights to be used for the the construction of the Escalation Factors subject to the constraints outlined in RFP Schedule 3-2, Section 2.6 - Inflation Basket. For definitions related to the Escalation Factors and formula for calculation, please refer to Schedule 20 of Project Agreement.
Sheet 6A - NPV Calculation sheet for the DBFOM	<ol style="list-style-type: none"> For every Baseline Service Plan, Proponents are to use the monthly operating, maintenance and lifecycle costs provided in Sheet 2A to calculate the nominal cashflow and the NPV. Escalation should be applied as outlined in Section 3-2 of the RFP, Section 2.15 The Baseline Service Plans are assumed to follow the schedule outlined below. Depending on the proposed construction schedule and the start of the Maintenance Term, proponents may add additional rows to ensure that the full 360 months of operations are captured in the form. Proponents should enter the start of Maintenance Term in Cell E12. The Region's intent is not to pro-rate the monthly service payments for partial months for the purpose of the NPV calculation.
Sheet 6B - NPV Calculation sheet for the DBFM	<ol style="list-style-type: none"> For every Baseline Service Plan, Proponents are to use the monthly maintenance costs provided in Sheet 2B to calculate the nominal cashflow and the NPV. Escalation should be applied as outlined in Section 3-2 of the RFP, Section 2.6. The Baseline Service Plans are assumed to follow the schedule outlined below. Depending on the proposed construction schedule and the start of the Maintenance Term, proponents may add additional rows to ensure that the full 360 months of operations are captured in the form. This form is for the DBFM only which is assumed to start after 120 months from the commencement of the Maintenance Term. Only the MSPM may change between the DBFM and the DBFOM, all other price elements will remain the same, except for costs related to operations which will be removed.
Sheet 7 - NPV Summary	Proponents must input the same value for NPV of Region P&I Costs for Incremental Vehicle Costs as calculated in cell G23 of their submission of Part 3 to Schedule 6B of the RFP. Proponents shall not make any other inputs to this sheet.
Calendar Years	Baseline Service Plan ("BSP")
2017 (partial year) to 2020	BSP 1
2021 to 2024	BSP 2
2025 to 2030	BSP 3
2031 to 2035	BSP 4
2036 to 2040	BSP 5
2041 to 2045	BSP 6
2046 to 2047 (partial year)	BSP 7