



BGIS Global Integrated Solutions Canada LP

Vendor Performance Program

Asset Renewal and Client Works (ARCW)

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Introduction

The Vendor Performance Program (or “Program”) provides a fair and transparent process for documenting, monitoring, communicating and motivating Vendor performance of contractual obligations on ARCW projects procured by BGIS on behalf of IO.

Project Specific Vendor Surveys

1. BGIS completes Vendor Performance Surveys to document and monitor each Vendor’s poor performance in respect of ARCW projects. Vendors have access to each Survey via their Merx account. Vendors can take a proactive approach to performance improvement by reviewing every survey.
2. Vendors are responsible for the performance of their sub-contractors and that responsibility is tracked by the Program.
3. A BGIS Project Manager completes a Survey during Closeout Phase of the project.
4. Each Survey will produce a Project Specific Performance Assessment Score (or “Score”).
5. Scores from all completed projects under a Vendor’s name will comprise that Vendor’s Vendor Performance Rating (or “Rating”).
6. Vendor Performance Ratings will be included in Merx for future VOR Call-ups and could impact your final evaluation scores’ if you had Poor Performance on previous completed projects.

Categories of Assessment

1. **Quality of Deliverables** – The deliverables produced by the Vendor failed to meet the standards of quality required for Project Success
2. **Timeliness of Deliverables** – The Vendor failed to submit deliverables on time or at all.
3. **Communication** – Vendor failed to adhere to communication protocols.
4. **Schedule** – The Vendor failed to provide timely updates to the scheduling and/or budgetary changes, and/or failed to respond to requests and correspondence in a reasonably timely fashion.
5. **Site Supervision** – The Vendor provided competent Supervision, or sufficient staff to perform the work, and manage the deliverables of its sub-vendors.
6. **Health & Safety** – The Vendor met all Health and Safety requirements.
7. **Change Management** - The Vendor was proactive, cooperative, and provided value-added input when working with the BGIS PM on proposed Changes to the Work. The scope and costs submitted for Changes to the Work were fair and reasonable.
8. **Deficiencies** - Deficiencies were rectified within required time frame and in a satisfactory manner.

Risk Matrix-based Method of Assessment

Frequency

- **Occasional**- Isolated instances of deviation from the agreed-upon terms may occur sporadically. These infrequent lapses might include minor delays, occasional quality issues, or rare oversights in meeting certain obligations. They do not disrupt the overall flow of the contract/project significantly.
- **Frequent** - More frequent and noticeable instances of deviation from the contract terms. This could encompass moderate delays occurring somewhat regularly, recurring quality concerns affecting the intended functionality of delivered goods or services, or consistent partial non-compliance with essential obligations. These recurrent issues start to affect the contract/project's progression.
- **Habitual** - Signifies a pattern of consistent and repeated breaches that significantly disrupt the execution of the agreement. This level of frequency might involve frequent and major delays that continuously impede project timelines, persistent critical defects rendering delivered goods or services unusable, or constant non-compliance with pivotal contractual obligations. Such frequent instances can result in substantial and sustained financial losses, prolonged legal disputes, severe damage to business relationships, and an ongoing failure to achieve the contract's intended objectives.

Severity

- **Minimal** - Minor deviations from the agreed terms and conditions. These deviations could include slight delays, minor quality issues, or negligible shortfalls in deliverables. While these issues might cause minor inconveniences or require some adjustments, they generally do not significantly impact the overall goals of the contract/project.
- **Moderate** - Deviations that are more noticeable and impactful. This could include moderate delays, quality concerns that affect the functionality of delivered goods or services, or partial non-compliance with essential contractual obligations. These deviations start to impede the progress of the contract, potentially leading to increased costs, strained relations between parties, and a need for more formal interventions to realign the contract with its intended outcomes.
- **Critical**- Signifies a significant breach that substantially undermines the entire purpose of the agreement. This level of deviation might involve major delays that severely hinder project timelines, critical defects rendering delivered goods or services unusable, or substantial non-compliance with pivotal contractual obligations. Such instances can result in substantial financial losses, legal disputes, irreparable damage to business relationships, and a complete derailment of the contract's objectives. Resolving high severity issues often requires extensive negotiations, legal actions, and efforts to mitigate the far-reaching consequences on both parties involved.

Project Specific Performance Assessment Score

Survey results are tabulated, and final *Project Performance Assessment Scores* are calculated, based on a rubric-based assessment table as follows:

	Severity of Performance Issues		
Frequency Performance Issues	Assessment Outcome A Occasional instances of marginal performance issues	Assessment Outcome B Occasional instances of moderate performance issues	Assessment Outcome C Occasional instances of critical performance issues
	Assessment Outcome D Frequent instances of marginal performance issues	Assessment Outcome E Frequent instances of moderate performance issues	Assessment Outcome F Frequent instances of critical performance issues
	Assessment Outcome G Habitual instances of marginal performance issues	Assessment Outcome H Habitual instances of moderate performance issues	Assessment Outcome I Habitual instances of critical performance issues

Acceptable – Given to Vendors whose performance secures Assessment Outcome A, B, or D. No deductions on future VOR Call-ups

Needs Improvement - Given to Vendors whose performance secures Assessment Outcome C, E, or G. Improvement on future projects required. Regular performance of this type will result in deductions on future VOR Call ups.

Fails - Given to Vendors whose performance secures Assessment Outcome F, H, or I. One Score as a Fails will result in significant deductions on future VOR Call ups.

Vendor Performance Rating

- **Good** - The vendor has received one (1) or fewer Project Specific Performance Assessment Scores within the last 24 months rated Needs Improvement and zero (0) rated Fail -
- **Fair** – The vendor has received no more than two (2) Project Specific Performance Assessment Scores within the last 24 months rated Needs Improvement and zero (0) rated Fail –
- **Poor** - The vendor has received three (3) or more Project Specific Performance Assessment Scores within the last 24 months rated Needs Improvement and/or no more than one (1) rated Fail –
- **Very Poor** - The vendor has received two (2) or more Project Specific Performance Assessment Scores rated Fail within the last 24 months.

Evaluation Deductions

The Vendor's Performance Rating will factor into future VOR call-ups, with a deduction (if any) applied to the technical score.

- Request for Tender – Vendor Performance Rating is weighted at 30% of the overall score. Price is weighted at 70% of overall score.
- Request for Proposals – Technical proposal is weighted at a minimum of 60% with a minimum technical threshold identified in the solicitation documents. Pricing is weighted at a minimum of 30%.

A Vendor Performance Rating Deduction is applied regardless of the procurement strategy.

Vendor Performance Rating Deductions are calculated based on the following:

- Good – 0%
- Fair – 10%
- Poor -20%
- Very Poor – 30%