

SURREY PRETRIAL SERVICES CENTRE EXPANSION PROJECT

RFP PROCESS

Report of the Fairness Advisor

Introduction

I was retained as Fairness Advisor for the Surrey Pretrial Services Centre Expansion Project (the "Project"). My mandate is to act as an independent observer of the procurement process for the Project, and provide the Project Board with my opinion on whether the procurement process is applied fairly.

I have previously reported (as of July 26, 2010) on the Project team's RFQ process, by which three Proponents were selected to receive the Request for Proposals ("RFP"). This is my report on the process to March 11, 2011, including issuance of the RFP and the evaluation of technical and financial submissions received from the Proponents.

RFP and Proponent Communications

The RFP was issued August 3, 2010 to the three Proponents short-listed through the RFQ process. Before its publication, the RFP was reviewed by appropriate experts in the requirements of the Project. I also had the opportunity to review the RFP and provide input; I was satisfied with the handling of my comments.

The RFP included details of the technical requirements of the project, the form of the project agreement to be signed by the authority and the selected Proponent, the format and content required for submissions, processes for communicating with Proponents in writing and at meetings, a summary of the process and criteria for evaluation of proposals. The RFP also addressed standards related to conflicts of interest and other procedural rules; I have observed throughout the process that those standards and rules were consistently applied.

After issuance of the RFP, Project staff held an information meeting for all Proponents at the Surrey Pretrial Centre (including a tour of selected sites within the facility). The Project team provided Proponents with information consistent with the RFP. Through September, October and November, Project staff held a series of meetings with each of the three Proponents for the purpose of discussing the requirements of the RFP and the Project Agreement.

I attended the information meeting and parts of all the bilateral meetings. In each case I observed that:

- meetings were attended by staff with appropriate expertise to address questions raised by Proponents
- the team provided appropriate answers to Proponents' questions

- the team ensured that all three Proponents were provided with the same information about the Project
- meetings were conducted in consistent fashion for all three Proponents
- the team conducted meetings in accordance with applicable requirements of the RFP related to confidentiality, restrictions on communications with Proponents, and other matters
- the team regularly considered and instructed itself on matters of fairness and compliance with the RFP.

The Project team operated an electronic data room that contained numerous documents relevant to the Project, and answered electronically many written questions from Proponents related to the RFP. I observed that Proponents' questions were answered consistently, and in accordance with the process described in the RFP. I also observed that the process described in the RFP for permitting 'commercial in confidence' discussions with Proponents were used appropriately.

Evaluation Manual

Before receipt of technical submissions, and again before receipt of financial submissions, the Project team produced a detailed Evaluation Manual setting out:

- procedures for receipt of submissions, and security measures for custody of and access to submissions (including secured premises, restrictions on copying, restrictions on use of electronic devices, etc.)
- procedures for review of relationships of the evaluators to eliminate potential conflicts
- methods for communicating with Proponents during the evaluation
- the method and procedures for evaluating submissions

and other matters. The Evaluation Manual also included worksheets to be completed by each group of evaluators as a record of their work. The worksheets set out all of the submission requirements, and required evaluators to record both their opinion as to whether each submission substantially satisfied the requirements of the RFP, and the evidence they considered.

Among other matters, the Evaluation Manual specifically required the leads of each evaluation team to consult with each other across disciplines. Both the Evaluation Manual and the worksheets emphasized and repeated the evaluation criteria set out in the RFP.

Each Evaluation Manual was prepared with assistance from evaluators and advisors with appropriate expertise in the subject matter of the submissions. I reviewed the Evaluation Manuals and was satisfied in each case that they set out a reasonable basis for evaluation of submissions, consistent with the RFP.

Technical Proposals

All three Proponents filed Technical Proposals in response to the RFP, and in due course all three were invited to, and did, submit Financial Proposals. I attended at the closing time for each submittal, and observed that the team followed the processes set out in the applicable Evaluation Manual for receipt and initial completeness review of submissions, as well as secure storage and confidentiality of all documents.

At the time of each closing date, a Relationship Review Committee conducted a process consistent with the Evaluation Manual to elicit and consider details of relationships among members of Proponent teams, and members of the evaluation teams, to ensure that evaluators were free of bias.

Evaluation

For both the technical and the financial evaluation, evaluators attended an orientation meeting before starting their work at which the Evaluation Committee drew the attention of evaluators to their responsibilities as described in the Evaluation Manual, as well as standards related to confidentiality, security, consistency, and other matters.

During each evaluation, I had access to all the submissions and the evaluation premises at all times. I was informed of all meetings, and reviewed all correspondence between the Project team and Proponents. I attended a selection of the meetings related to the evaluation.

Evaluation duties for the technical and the financial submissions were divided among teams with responsibility for particular areas of interest such as Design/Construction, Facility Maintenance, and project finance. The members of each team had appropriate and relevant expertise, and the teams were provided appropriate physical and equipment resources for the evaluation. In addition, the teams were assisted by expert advisors appointed by the Evaluation Committee.

In the course of their work, the evaluation teams developed questions as needed to obtain clarification and supplemental information from each of the Proponents where necessary to enable full evaluation of the submittals. I observed that the processes described in the Evaluation Manual were followed in connection with all communications between the evaluation teams and the Proponents, and that the Evaluation Committee followed a consistent approach with regard to all Proponents and submissions.

Evaluations were conducted in accordance with the process and criteria described in the RFP and the Evaluation Manual. In particular:

- Each member of the evaluation teams (and the Evaluation Committee) reviewed all the submittals, and the teams met to discuss their observations and conclusions as to whether each submission substantially met the requirements of the RFP and the Project Agreement.
- The submissions were not evaluated by comparison to each other but rather were measured individually against requirements of the RFP.

- The evaluation teams reached unanimous conclusions as to all recommendations.
- The evaluation teams presented their work to the Evaluation Committee, which reviewed the methods used by evaluators and their comments, to satisfy itself that the evaluators' work was conducted in accordance with the RFP and the Evaluation Manual, that evaluation guidelines were applied consistently to all submissions, and that evaluation teams' comments were rational and complete. The Evaluation Committee sought further clarifications from Proponents where necessary.
- The Evaluation Committee was advised by a Due Diligence advisor who attended its meetings.
- The Evaluation Committee applied its own judgment to the submissions, and reached unanimous conclusions.

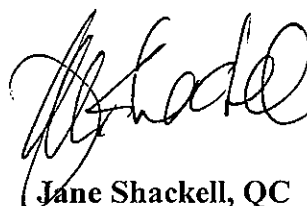
I attended meetings of the evaluation teams with the Evaluation Committee, and I observed that all evaluators were well-prepared, were fully conversant with the submissions, and participated in discussions. I also observed that the Evaluation Committee was diligent and thorough in its review of the work presented. Both the evaluation teams and the Evaluation Committee regularly discussed and instructed themselves appropriately on issues of fairness and consistency.

Conclusion

Periodically during the process, I have been consulted by the Project team about fairness issues, or have offered comments. In each case I have been satisfied with the handling of my input.

Based on the foregoing, I am satisfied that the procurement processes of the Project in relation to the RFP were reasonable, and were fairly implemented by the Project team in accordance with the RFP.

Signed and dated at Vancouver, March 17, 2011.



Jane Shackell, QC
Fairness Advisor