

GATEWAY PROJECT – SOUTH FRASER PERIMETER ROAD
Evaluation of Advance Benchmark and Financial Submittals

Report of the Fairness Reviewer

April 23, 2010

I was retained by the Ministry of Transportation as Fairness Reviewer for the South Fraser Perimeter Road Project (the “Project”). As such, I am to report on whether procurement processes and decisions related to the Project are fair, reasonable and appropriate, and are reasonably implemented and materially complied with by the Project team.

I have previously reported on the Request for Qualifications, as well as the Request for Proposals process up to and including evaluation of Technical Submittals. This is my report regarding the final stages of the RFP process, including receipt and evaluation of the proponents’ Advance Benchmark Stage Submittals, and Pricing Stage Submittals.

RFP Process Prior to Evaluations

After the date of my last report (February 1, 2010), the Project team continued to operate the electronic data room, held a round of meetings with proponents concerning the definitive Concession Agreement, responded to proponent requests for information, and issued notices to proponents as needed. These processes were conducted in accordance with the procedures described in the RFP, and consistent with prior stages of the procurement process.

I was copied on all correspondence between the Project team and the proponents, and attended parts of the proponent meetings. Any questions I had were answered fully and promptly, and whether or not I was specifically requested to provide input on any issue, any comments I offered were appropriately handled.

As previously, I found that:

- The Project team considered and instructed itself on issues related to fairness as appropriate.
- Meetings with proponents were attended by an appropriate complement of the Project team, and were conducted in the same manner with all proponents;
- Consistent information was presented to all proponents, at the same time;
- The Project team continued to offer an avenue for ‘Commercial-in-Confidence’ discussions with proponents, where appropriate.

Evaluations

The Project team followed the same process for evaluation of Advance Benchmark and Pricing Submittals that was followed with regard to Technical Submittals.

- Before receipt of submittals, the team developed an evaluation Manual prescribing practices consistent with earlier evaluations as to receipt of submittals, relationship review, confidentiality, security in the evaluation area, and communications with proponents. The Manuals included worksheets for completion by evaluators to record their work and

findings; those worksheets set out the considerations to be applied, all of which were agreed by the evaluators to be rooted in the requirements of the RFP.

- The Project team held an orientation meeting with evaluators to discuss the approach and the Manual, including review of the RFP requirements and the worksheets.
- Before commencement of the evaluation, all members of the evaluation team provided declarations with regard to any relationships with members of proponent teams; those declarations were reviewed by a Relationship Review Committee.
- Evaluators had appropriate expertise and were supplied with adequate physical facilities and equipment, expert advisors, and administrative support.
- Submittals were checked for completeness prior to commencement of the evaluation.

I confirmed receipt of the Advance Benchmark Submittals at the time prescribed by the RFP with the Project team, and I attended the Closing of the Pricing Stage submittals to confirm timely receipt of the three submittals. I had access to all submittals and to the evaluation premises at all times; I was informed of meetings and copied on all correspondence with respondents. I visited the evaluation site several times during the evaluation, and attended meetings as I considered necessary, including informal discussions among evaluation team members, meetings with the evaluation committee, and meetings of the evaluation committee (and evaluators) with the Due Diligence Committee. I observed that:


- The processes described in the Manual for procedural matters were followed.
- Evaluators were familiar with details of the submittals, the RFP, and information provided to (and by) proponents through the 'RFI' process, and devoted appropriate time and attention to the evaluation.
- Where any clarification of a submittal was needed, the Project team followed the 'RFC' process set out in the Manual. Questions were asked only where necessary, and if the same issue arose in more than one submittal the same question was asked.
- Evaluators presented detailed support for their conclusions, in writing and in meetings with the evaluation committee and the Due Diligence Committee. All evaluators subscribed in writing to the conclusions of their particular sub-team.
- The Due Diligence Committee asked questions to confirm that the Evaluation Manual had been followed as to both the pre-determined procedures and standards, and the evaluation criteria.

The Project team requested my comments on a few issues, and when making decisions carefully considered my advice.

Throughout the process, I have found the Project team to be thoughtful, thorough, and diligent in its efforts to ensure the integrity of the process.

I am satisfied that throughout procurement of the Project to date, the processes and decisions developed by the Project team have been fair, reasonable and appropriate, and that the Project team has reasonably implemented and materially complied with those processes and decisions.

Signed and dated at Vancouver, April 23, 2010.



Jane Shackell, QC
Fairness Reviewer