

INTERIOR HEALTH AUTHORITY

CLINICAL SUPPORT BUILDING

RFP Process

Report of the Fairness Advisor

I was retained as Fairness Advisor for the Interior Heart Surgical Centre / Clinical Support Building Project (the "Project"). My mandate is to act as an independent observer with respect to fairness of implementation of the Project's procurement processes. I report to the Project Board on whether the procurement process and decisions of the Project team related to the process are fair, reasonable, and appropriate; and whether the processes and decisions are reasonably implemented and materially complied with by the Project team.

This is my report on the process to November 26, 2010, at which time the Project team had completed evaluation of responses to the Project's Request For Proposals ("RFP") for the Clinical Support Building. I provided an oral version of this report to the Project Board at its meeting of December 1, 2010.

RFP and Evaluation Manual

The RFP was issued in August, 2010 to three Proponents selected through the RFQ process. 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 contractor selected, the format and content required for Proposals, and a summary of the process and criteria for evaluation of Proposals.

Project staff held meetings with the three Proponents during September, 2010, for the purpose of discussing the requirements of the RFP and the Project Agreement. I attended those meetings, and observed that:

- the meetings were attended by staff with appropriate expertise to address the 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 the meetings in accordance with applicable requirements of the RFP related to confidentiality, restrictions on communications with Proponents, and other matters.

Prior to receipt of Proposals, the Project team staff also answered written questions from Proponents related to the RFP. I reviewed all communications between the Project team and Proponents, and observed that questions submitted to the Project were answered consistently both as to substance, and as to the process described in the RFP.

Before Proposals were received, the Project team produced a detailed Evaluation Manual setting out:

- procedures for receipt of Proposals, and security measures for custody of and access to Proposals (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 and scoring Proposals

and other matters. The Evaluation Manual was prepared with assistance from evaluators and advisors with expertise in the various aspects of the RFP requirements. I reviewed the Evaluation Manual and was satisfied that it set out a reasonable basis for evaluation of Proposals, consistent with the RFP.

Technical Proposals

All three Proponents filed Technical Proposals in response to the RFP. I attended at the closing time, and observed that the team followed all the processes set out in the Evaluation Manual for receipt and initial completeness review of submittals, as well as secure storage and confidentiality of all documents.

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 the evaluators were free of bias.

Evaluation

Before starting their work, evaluators attended an orientation meeting at which the Evaluation Committee highlighted various aspects of the Evaluation Manual, including the methods for evaluation, and standards related to confidentiality, security, consistency, and other matters.

During the evaluation, I had access to all the submittals 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 and talked with the evaluators. I observed that the processes for security and access to documents outlined in the Evaluation Manual were followed by the Project team.

The Technical Proposals were evaluated by persons with relevant expertise in various areas of the submission requirements for the RFP. The teams were provided appropriate physical and equipment resources for the evaluation, and had available expert advisors. The evaluators developed questions as needed to obtain clarification and supplemental information from the Proponents where necessary to the evaluation. I observed that the processes described in the

Evaluation Manual were followed for all communications between the evaluation teams and the Proponents.

I attended the meeting of the evaluation team leads with the Evaluation Committee to review the work and comments of the evaluators. The Evaluation Committee reviewed the methods used by evaluators as well as their substantive comments, to satisfy itself that the evaluators' work was conducted in accordance with the RFP and the Evaluation Manual, and that the evaluation criteria were applied consistently to all submittals. I observed that all members of the Evaluation Committee were thoroughly conversant with the submittals and participated fully in the discussion, and were respectful but candid in their questions to evaluators.

Following their discussion with the evaluators, the Evaluation Committee issued further clarification questions as it considered necessary to Proponents, prior to finalizing its report on evaluation of the Technical Submittals. I observed that conclusions of the Evaluation Committee as to the outcome of the evaluation were unanimous.

Financial Proposals and Evaluation

Prior to receipt of Financial Proposals, the Project team prepared an Evaluation Manual for Financial Proposals covering topic areas similar to the Evaluation Manual described above, conducted a relationship review in the same manner as for the Technical evaluation team, and held an orientation meeting for the financial evaluation team. I attended the closing time for receipt of Financial Proposals, and observed that three Financial Proposals were received on time. I discussed the completeness review with the Project team, and observed that security arrangements for the Financial Proposals were consistent with the RFP, the Evaluation Manual, and the arrangements made earlier for the Technical Proposals.

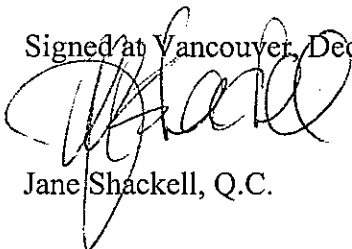
I attended the meeting of the financial evaluation team to discuss their observations and conclusions concerning the Financial Proposals. I observed that the team conducted itself in accordance with the RFP and the Evaluation Manual, and that the conclusions of the team were unanimous.

Conclusion

During the RFP process, I have observed that the Project team has regularly discussed and instructed itself appropriately on issues of fairness and consistency. Periodically, I have been asked for or have offered comments on fairness issues, and in each such case I have been satisfied with the handling of my input.

Based on the foregoing, I am satisfied that the procurement process, and the decisions of the Project team related to the process, have been fair, reasonable, and appropriate; and that the processes and decisions have been reasonably implemented and materially complied with by the Project team.

Signed at Vancouver, December 21, 2010.



Jane Shackell, Q.C.