

Reply to the Attention of Joan M. Young
Direct Line 604.893.7639
Direct Fax 604.893.2672
Email Address joan.young@mcmillan.ca
Our File No. 1004241-220846
Date June 10, 2016

Partnerships BC
900 – 1285 West Pender Street
Vancouver, BC V6E 4B1

Attention: Fiona Cochrane

Dear Sirs/Mesdames:

**Re: First Fairness Report for the Valleyview Project
Procurement**

I was retained to provide fairness advisory services for the above mentioned project on February 15, 2016.

My engagement covers the procurement process from the issuance of the Request for Qualifications (RFQ) to the conclusion of procurement with the selection of the Preferred Proponent. This summary report covers the RFQ stage of the procurement.

The terms of engagement stated that as Fairness Advisor, I was asked to do the following:

- Act as an independent observer with respect to the fairness of the implementation of the Project's procurement processes;
- Provide advice to the Project Team on matters of fairness;
- Be available to proponents to answer queries relating to fairness; and
- Provide formal written reports at specific points during the procurement process as described.

The activities of the Fairness Advisor were self-determined and included:

- Reviewing Project RFQ documentation and commenting on whether and the extent to which the process described may potentially cause a fairness issue (recognizing the Fairness Advisor was not acting as procurement counsel to the project);
- Observing and/or monitoring that consideration, communications, and responses undertaken during the Project RFQ process were undertaken in accordance with the RFQ terms;
- Observing and/or monitoring bilateral discussions and meetings;
- Observing and/or monitoring the Project RFQ evaluation process; and

- Observing and/or monitoring relevant (as determined by the Fairness Advisor) meetings where proponent comparisons are made and criteria, weighting and rating systems are applied.

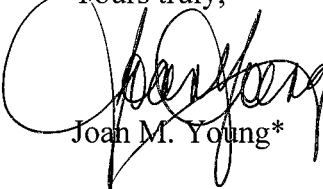
My role as Fairness Advisor was not to validate the Evaluation Committee's recommendation of the shortlisted Respondents, but rather to provide oversight and assurances regarding the processes applied in making the recommendations. I met these responsibilities by undertaking the steps I felt were most appropriate to meet my mandate.

I found the RFQ process was conducted in a fair manner in accordance with the procedures established for the RFQ stage. I am satisfied that:

- The Valleyview Project team members, and their advisors, followed the procedures and fairly applied the evaluation criteria specified in the procurement documents; and
- Where judgment and interpretation were allowed or required, the Project Team exercised reasonable judgment and made interpretations in a fair and impartial manner.

I am satisfied that I was provided with the appropriate access and information to render this fairness opinion.

Yours truly,



Joan M. Young*

JMY/

*Law Corporation