

ISLAND HEALTH AUTHORITY

Cowichan District Hospital Replacement Project Alliance Development Phase Request for Proposals

Report of the Fairness Reviewer

INTRODUCTION

I was retained as Fairness Reviewer for the Cowichan District Hospital Replacement Project (the "Project"). My mandate is to act as an independent observer with respect to fairness of implementation of the Project's competitive selection process, and report to the Project Board.

I reported previously on the Request For Qualifications phase of procurement, and on the evaluation of ADA Submissions received in response to the Project's Alliance Development Agreement Request for Proposals (the "RFP"). The Project team has now completed evaluation of those Interactive Processes (defined in the RFP) that were not evaluated earlier, and the Alliance Development Phase ("ADP") Proposals filed by the Proponents. This is my final report.

RFP PROCESS

The RFP was issued in summer, 2021 to the Proponents selected through the RFQ process. The RFP included detailed submission requirements, a summary of the process, criteria for evaluation of both ADA and ADP Submissions, and other terms of the competition.

After publication of the RFP, the Project team engaged with and provided information to Proponents in accordance with processes outlined in the RFP. This included issuing and responding to written communications, and conducting the Interactive Processes. The Interactive Processes included both the various scored sessions described in the RFP, and numerous unscored meetings covering a wide variety of topics, some related to the new hospital (design and construction issues, issues related to third parties such as the municipality or utilities), and some related to the processes involved in 'alliancing' such as audit requirements and the like.

I was invited to all Interactive Processes, and I attended many of them as I considered necessary to form the basis of this report. I reviewed all written communications between the Project team and Proponents throughout the competitive selection process, including requests for information and replies, and requests for clarification related to Proposals. I had full access to Proposals during the evaluation.

I was satisfied that all written communications and all the Interactive Processes were conducted in accordance with the RFP. I was also satisfied that both Proponents had equal access to the same information, had equal opportunities during scored Interactive Processes to present their teams and skills, and received equal quality of engagement and feedback from the Project team.

EVALUATION MANUAL

At the outset of the competitive selection process, the Project Team prepared a detailed Evaluation Manual and scoring guidelines to cover all phases of the procurement including the RFQ, Interactive Processes, the ADA Submissions, and the Proposals. The Evaluation Manual set out:

- procedures for receipt of, and access to, Proposals
- procedures for review of relationships of evaluation participants to identify and manage potential conflicts
- responsibilities of all evaluation participants
- methods and procedures for evaluating both Interactive Processes and Proposals
- methods for communicating with Proponents in relation to the evaluation
- worksheets to assist evaluation participants to consistently record observations and conclusions

and other matters. Before receipt of any Proposals, the Project team appropriately updated parts of the Evaluation Manual. I had the opportunity to comment on the Evaluation Manual, and was satisfied that the final version described a reasonable basis for evaluation of the Proposals, consistent with the RFP.

PROPOSALS

Both Proponents filed Proposals prior to the deadline specified in the RFP. I monitored the processes for receipt and initial completeness review and confirmed that the Project team followed the processes set out in the Evaluation Manual.

Also in accordance with the Evaluation Manual, a Relationship Review Committee conducted a process to elicit details of relationships among members of Proponent teams, and members of the team evaluating Proposals, to ensure evaluators were free of bias with regard to Proponents.

EVALUATION

Evaluation Committee members attended Interactive Processes along with their Advisors. The Evaluation Committee assessed each of the scored Interactive Processes, shortly after it concluded, taking into account the observations of Advisors. I attended the meetings at which scoring of Interactive Processes was discussed, through all phases of the procurement, and I observed that the Evaluation Committee applied the Evaluation Manual consistently.

Each Proposal was reviewed by numerous teams of Advisors with expertise in various aspects of the subject matter covered by the Proposals, and by all members of the Evaluation Committee. During the evaluation of Proposals, I had full access to the Proposals. I was invited to all meetings at which evaluation processes occurred, including meetings of the Advisory teams, meetings between Advisors and the Evaluation Committee, and meetings of the Evaluation Committee. I attended most of these meetings.

Each Advisory team provided its analysis directly to the Evaluation Committee both in the form of a written worksheet, and in discussion at meetings. The Evaluation Committee discussed the Proposals in detail, and considered the Advisors' work and recommendations before coming to its own conclusions on final scores in accordance with the Evaluation Manual. Due Diligence advisors

met with the Evaluation Committee to discuss the process, rationales for conclusions, and the work product.

I observed that:

- Before commencing work, all evaluation participants received an orientation to the Evaluation Manual, including evaluation procedures and standards, and my role.
- Periodically during their work, evaluation participants discussed various matters set out in the Evaluation Manual, including issues as to consistency and fairness.
- All participants were familiar with the relevant aspects of Proposals, and participated appropriately in meetings.
- Clarification questions were asked of Proponents as the Evaluation Committee considered necessary, following the procedures set out in the Evaluation Manual.
- Scoring results represented the consensus of the entire Evaluation Committee, based on thorough consideration of the Proposals.

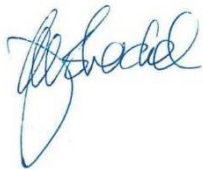
Based on my observations, I am satisfied that the final scores approved by the Evaluation Committee are properly based in the requirements and measures described in the RFP and the Evaluation Manual.

CONCLUSION

During the RFP process, I observed that the Project team discussed as necessary and instructed itself appropriately on matters related to fairness. The Project team occasionally sought my advice on specific questions, and I have periodically offered advice or comments on matters of fairness. In each such case, I have been satisfied with the handling of my recommendations.

I am satisfied that the procurement processes of the Project in relation to the RFP have been reasonable, and have been fairly implemented by the Project team.

Signed at Vancouver, April 11, 2022



Jane Shackell, QC
Fairness Reviewer