

REPORT OF FAIRNESS ADVISOR ON PROCESS FOLLOWED FOR REQUEST FOR QUALIFICATIONS FOR SURREY OUTPATIENT FACILITY PROJECT

The Fraser Health Authority (“FHA”), with the assistance of and under the management of Partnerships British Columbia (“PBC”) has embarked on the process of the development of a project known as the “Surrey Outpatient Facility Project” (“the Project”). The Project encompasses the financing, design, construction, and 30 year operation and maintenance of a stand-alone outpatient facility of approximately 150,000 square feet (excluding parking) to be located near the Surrey Memorial Hospital in Surrey, British Columbia.

As part of the overall planning for the Project, FHA/PBC have chosen a competitive process for obtaining proposals for and eventually procuring a public-private partnership agreement for the Project. The process adopted includes a Request for Qualifications (“RFQ”) and implementation of an assessment process to choose three proponents from those responding to the Request for Qualifications. This is to be followed by the issuance of a Request for Proposals (“RFP”), and eventually the choice of a proponent to finance, design, construct, and operate the facility under an Agreement to be entered into. The RFQ process has now been completed.

The writer has been appointed as “Fairness Advisor” to monitor the RFQ and RFP process, and when it is complete, to provide a report on the fairness of the process adopted and followed.

The RFQ process has been governed by the terms and conditions set out in a document entitled “Request for Qualifications for Surrey Outpatient Facility Project” dated March 2007 (“the Rules”). This document is a comprehensive set of rules, terms and conditions governing the RFQ process. Proposals submitted in response to the RFQ were to be and have been evaluated by an Evaluation Committee, comprised of representatives of FHA and PBC. The Evaluation Committee was to be guided in its assessment of responses to the RFQ by the Rules and also by a guide prepared for their assistance entitled “Request for Qualifications – Evaluator’s Handbook” (“the Handbook”) dated April 2007. I received copies of and reviewed both the Rules and the Handbook at the outset of my activities as Fairness Advisor.

Fives responses to the RFQ were received (“the Responses”).

For the purpose of assessing the Responses, two subcommittees to the Evaluation Committee were appointed, one known as the “Commercial and Financial Evaluation Team”, and the other as the “Technical Team”. Both of these committees then reported to the full Evaluation

Committee, which in turn carried out a detailed assessment of the Responses through a series of meetings and telephone conferences, and an interview of each of the five proponents.

The meetings and telephone conferences held by the Evaluation Committee and its two Subcommittees included the following:

1. An organizational meeting on April 12, 2007.
2. Subcommittee meetings on April 24, 2007.
3. A telephone conference meeting of the Financial and Commercial Subcommittee on April 30, 2007.
4. A meeting of the full Evaluation Committee on May 1, 2007.
5. Interviews of the five proponents on May 3, 2007.
6. A final meeting of the Evaluation Committee and assessment of the various proposals on May 3, 2007.

The writer attended each of the foregoing meetings and participated in the telephone conference to observe the process followed, and to determine whether the Evaluation Committee as a whole, and each of the two Subcommittees followed both the letter and the spirit of the Rules and the Handbook. Additionally, I was given full access to all documentation relating to the evaluation process, including email communications between members of the committees.

The foregoing process was viewed by me from the perspective of whether the procedures followed were transparent, and whether all proponents were treated fair and equally. Having done so, it is the writer's view that the Evaluation Committee as a whole, and its individual members, are to be commended for undertaking a very detailed, thoughtful and professional review, analysis and evaluation of the proposals received in response to the RFQ. The Rules and the Handbook were followed as intended, and a full and detailed consideration was given to all of the responses received to the RFQ at every stage. In short, it is the writer's opinion that the process followed throughout was fully transparent, and that all proponents received fair and equal treatment.

ALL OF WHICH IS RESPECTFULLY SUBMITTED:



JOHN R. SINGLETON, Q.C.

May 4, 2007

Date