

KNOWLES CANADA



Reference: Disraeli Bridges RFQ

To: Iain Day

From: John Campbell

Date: November 14, 2008

Iain,

Background

This memorandum presents a summary of our findings and conclusions for the City of Winnipeg's Disraeli Bridges RFQ project. This is a design, build, finance and maintain project. Only those parties that were successful in the RFQ process will be allowed to participate in the RFP.

Note that our involvement started with the posting of the RFQ documents. While we have no reason to believe that any risks to fairness occurred before that time, we cannot attest to that fact.

For the purposes of our review:

- Openness refers to making the opportunity widely available to the vendor community so that any interested vendor can respond to the opportunity;
- Fairness includes all Respondents receiving the same information and being treated in an equitable and even-handed manner; and,
- Transparency refers to the ability of Respondents to observe and understand how the process of evaluation of submissions is undertaken.

Our conclusions are based on our observations of the RFQ process, its documentation and of the information provided by the procurement project team at the City. Our considerations included the following aspects:

- Wording of the RFQ document as well as Addenda;
- Communications and information to Respondents;
- Confidentiality and security of submissions and evaluations;
- Qualifications of the evaluation team;
- Conflict of interest;
- Objectivity and diligence respecting the evaluations;

- Proper use of assessment tools;
- Compliance with the process;
- Consideration for subsequent competitions;
- Debriefing.

Finding

As Fairness Advisor, we observed this RFQ process, from submission close until selection of the Successful Respondents for the first phase of this two-phase procurement process. Given this involvement, we can attest to the fact that the RFQ was an open, fair and competitive process.

Outcome

The RFQ indicated that only three Respondents would be chosen to continue on to the RFP stage. Three successful Respondents were selected based on highest combined technical and financial score as per the stipulations of the RFQ.

Conflict of Interest

While there were several instances of self-declaration of possible conflicts by evaluators, one presented potential risk. As Fairness Advisor we monitored the scoring of the evaluation and could find no evidence of a trend that would have indicated bias motivated by this potential conflict. This risk was further mitigated by the fact that all final decisions were made at the committee level. The City, however, plans to make adjustments for the RFP process.

Deloitte Involvement

The City retained the services of Deloitte & Touche LLP to provide both procurement and financial expert services for the RFQ evaluation. One of the Respondents identified this firm as its auditors and we as Fairness Advisor were asked to advise on the issue from a conflict of interest perspective. Our conclusion was that Deloitte had put in place a number of steps to mitigate such risk. We also suggested additional steps to safeguard the integrity of the process which were implemented by the City.

John Campbell
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cc Michael Killeavy