



January 17th, 2017

Mr. Kris Hornburg
Senior Project Manager - Strategic Projects
Solid Waste Management Services
City of Toronto
100 Queen Street West, 25th Floor, East Tower
Toronto, ON M5H 2N2

Dear Mr. Hornburg

Re: Fairness Review of the Future Curbside Waste Collection Service Delivery East of Yonge Street Report

Knowles Canada was engaged by the City of Toronto as the Fairness Commissioner to review the staff plan in regards to the proposed procurement process for Future Curbside Waste Collection Service Delivery East of Yonge Street. Our role related to ensuring openness, fairness and transparency of the Staff Report of the Future Curbside Waste Collection Service Delivery East of Yonge Street Report dated January 6th 2017.

After review of the Future Curbside Waste Collection Service Delivery East of Yonge Street Report, no fairness concerns were identified with the recommendation for a managed two part competitive procurement process.

In order to maintain a fair, open and transparent procurement process, Knowles will work with the City of Toronto during the procurement development to ensure:

- Appropriate disclosure of the intent to have an Internal City Bid is included within the procurement documentation, including identification of where and when an Internal Bid would be involved in the procurement process;
- Confirmation that participation of the City of Toronto in the managed competition process would require an agreement from TCEU, LOCAL 416 - CUPE to abide by the applicable procurement policies and documents including appropriate restrictions in place through both employment policies and as part of the procurement documentation to ensure that all employees involved comply with the obligations; and,
- Confirmation and appropriate documentation that appropriate ethical walls will, or have, been established between any internal staff who may be asked to be part of the Internal Bid Team and staff who are assisting with the managed competition process as per Attachment 1 of the report.

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In regards to the proposed managed two phase competitive procurement approach, in order to maintain a fair, open and transparent procurement process, Knowles will review the draft and final procurement documents to ensure:

- Prequalification of bidders - if it is the intent to not have the Internal Bid respond to the prequalification, Knowles would look to ensure appropriate documentation is completed to demonstrate that the Internal Bid team meets the prequalification requirements;
- An appropriate procurement framework is developed in which the entire managed competition process would result in a direct comparison to the rated requirements, under common terms and conditions, between the public and private sector bid submissions; and
- Appropriate disclosure and transparency within the procurement documents relating to the minimum cost reduction threshold.

Yours truly,

KNOWLES CONSULTANCY SERVICES INC.

***Jamie Theriault O'Brien,
Fairness Commissioner***