



Fairness Report for the City of Toronto

Pre-Purchase of Fluidized Bed Incineration Solution for the Highland Creek Treatment Plant

Request For Proposal No. 9117-18-7202

April 3, 2019

PREPARED BY: MNP LLP
300 - 111 Richmond Street West
Toronto, ON M5H 2G4

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Pritish Roy
Senior Project Manager
Design & Construction, Major Infrastructure
Engineering & Construction Services
City of Toronto
55 John Street, Metro Hall
Toronto, ON M5V 3C6

RE: Fairness Report for RFP No. 9117-18-7202 – Pre-Purchase of Fluidized Bed Incineration Solution for the Highland Creek Treatment Plant

Introduction

MNP LLP (“MNP” or “We”) have been awarded a contract by the City of Toronto (“City”) as Fairness Monitor to oversee the procurement process for the Request for Proposal (“RFP”) No. 9117-18-7202 for the Pre-Purchase of a Fluidized Bed Incineration Solution for the Highland Creek Treatment Plant (“the Project”). As Fairness Monitor, we are an independent and impartial third party whose role is to observe and monitor the procurement process to ensure the openness, fairness, consistency and transparency of the process. The procurement process includes communication, evaluation and decision-making associated with the Project.

The City issued the RFP to select a vendor to design, fabricate, supply, supervise installation and commissioning of the fluidized bed incineration process trains and auxiliary equipment.

Limitations and Disclosure

We have limited the scope of our work to documents provided by the City and are not providing an opinion on the accuracy of the information contained within the documents. In addition, MNP was not involved with the development or review of the Project’s scope of work, in the competitively procured tenders, or with certain activities of the procurement process as indicated in the Procurement Process section below.

We do not assume any responsibility or liability for losses incurred by any party as a result of the use of our work. We reserve the right (but will be under no obligation) to review all information included or referred to in this Fairness Report and, if we consider necessary, to revise same in light of any facts which become known to us subsequent to the date of presentation of same.

Procurement Process

The procurement process was comprised of the following steps. Since MNP was appointed as Fairness Monitor during the on-going procurement process, the steps below identify pre-and-post Fairness Monitor involvement.

Pre-Fairness Monitor Involvement

- Development of the RFP, including detailed Project requirements and specifications, mandatory and rated criteria, evaluation process and weightings.
- Issuance of RFP on the City website and tender websites (i.e. Merx).
- Conduct of the mandatory site information meeting.
- Issuance of five addendums.
- Establishment of the Evaluation Team.

Post-Fairness Monitor Involvement

- Issuance of addendum #6.
- Evaluation of mandatory submission requirements of proposals received.
- Evaluation of technical proposal.
- Evaluation of cost of services proposal.

During the entire procurement process, the City's Purchasing and Material Management Division ("PMMD") was involved to ensure that the procurement process and the evaluation guidelines were adhered to.

Fairness Monitoring Principles

The following are the fairness monitoring principles that have been applied in our approach to fairness monitoring of the procurement process:

- Proponents have the same opportunity made available to them to access project information.
- The information made available to proponents is sufficient to ensure that each proponent has the full information of the nature of the services sought under the RFP process.
- The criteria established in the RFP documents truly reflect the needs and objectives in respect of the services and work to be provided.
- The evaluation criteria and evaluation process are established prior to the evaluation of submissions.
- The evaluation criteria, RFP, and evaluation process are internally consistent.
- The pre-established evaluation criteria and evaluation process are followed.
- The evaluation criteria and evaluation process are consistently applied to all submissions.

Scope of Review

In preparing our fairness report, we have reviewed, and where applicable, relied upon, the following information and documents:

1. City of Toronto Purchasing By-law, Chapter 195.
2. City of Toronto Financial Control By-law, Chapter 71.
3. Purchasing & Materials Management Policy, Procurement Processes Policy, dated January 1, 2017.
4. RFP No. 9117-18-7202 issued November 19, 2018.
5. RFP Addendums #1 to #6 issued November 28, 2018, December 3, 2018, December 19, 2018, January 17, 2019, February 6, 2019, and February 20, 2019, respectively.
6. Mandatory site information meeting presentation and attendance sheet, dated December 3, 2018.
7. RFP evaluation scoring templates.
8. Mandatory submission requirement checklist and memo prepared by PMMD on March 4, 2019.
9. Evaluation Team Member signed Non-Disclosure and Conflict of Interest Declarations.
10. Evaluation Meeting Observer signed Non-Disclosure and Conflict of Interest Declarations.
11. Final Technical and Cost of Services evaluation scoring.

Fairness Approach

Our role as Fairness Monitor consisted of observing and monitoring the procurement process utilized by the City in order to ensure the openness, fairness, consistency and transparency of the communication, evaluation and decision-making processes. Specifically, our responsibilities were to:

1. Review and understand the City's procurement by-laws, policies, processes, and procedures.
2. Review various documents and information, such as the RFP documents, addendum, and correspondence between the City and the proponents.
3. Review the evaluation criteria with respect to clarity and consistency.
4. Observe and monitor the Evaluation Team meetings in the capacity of Fairness Monitor to ensure the procurement process was conducted according to the criteria as set out in the RFP and that the Evaluation Team conducts itself in an appropriate manner and free from conflict of interest.
5. Identify situations and issues which may compromise the evaluation process, and which may result in complaints about the procurement process and provide advice on resolving complaints.
6. Review final evaluation results for overall fairness and process integrity, including ensuring evaluation methodology was adhered to.

7. Prepare a report describing the procurement process followed, including an opinion on the fairness of the procurement document and evaluations.

8. Provide advice and assistance when requested.

Proposal Submissions

Upon RFP closing, the City received two proposal submissions. PMMD assessed the submissions to determine the proponents' adherence to the mandatory requirements with both of the proposal submissions passing the mandatory submission requirements evaluation.

The evaluation team met on March 26, 2019 to complete the scoring of the technical requirements for the two proposal submissions which passed the mandatory requirements. Upon completion of the technical scoring, one proponent scored the minimum threshold percentage points and proceeded to the cost of services evaluation stage. Cost of services scoring of this proponent was completed and final overall scores documented.

This proponent was recommended for award by the Project Team to the City's Infrastructure & Environment Committee.

Fairness Conclusion

Based on the information and documents reviewed, meetings attended, and discussions with the evaluation team and PMMD, the procurement process was followed as set out in RFP No. 9117-18-7202, and has been open, fair, consistent, transparent and in accordance with City By-laws and policy.

Yours truly,

MNP LLP



Veronica Bila, CPA, CA, CIA
Partner, Enterprise Risk Services



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