



**March 2, 2020**

Mr. Michael Pacholok  
Chief Purchasing Officer  
Purchasing and Materials Management Division  
City Hall, 18<sup>th</sup> Floor, West Tower  
100 Queen Street West  
Toronto, Ontario M5H 2N2

**Re: Fairness Monitor Report - Request for Proposal # 2184528757 - for the Supply, Installation, Operation, Maintenance and Decommissioning of Red Light Camera's**

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Dear Mr. Pacholok,

## **Background**

HKA Global (Canada), Inc. (HKA) was retained as the Fairness Monitor for the above-mentioned procurement in November 2018 to oversee the procurement process administered to identify a Successful Supplier with whom the City could retain the services for the Supply, Installation, Operation, Maintenance and Decommissioning of Red Light Camera's to improve safety by reducing the number of Incidents where motorists disobey red traffic signal displays at traffic control signals operated by the City and the Other Municipalities.

We monitored the RFP development, open period in-market process, and evaluation process which identified the highest ranked Supplier. This letter details our summarized fairness findings for the RFP process we monitored. Neither HKA nor the individual author(s) of this report, are responsible for any conclusions that may be drawn from this opinion.

For further detail on the above-mentioned process, we recommend that communication be sought from the City of Toronto's RFP Contact directly.

Our monitoring in the capacity as Fairness Monitor was strictly limited to our responsibilities and deliverables listed in the numbered list below. We took the City of Toronto's Procurement Policy and Purchasing By-Law, Canadian Free Trade Agreement, and the stipulations of the RFP as a standard against which to audit the process, which is found in this report.

## **Fairness Monitor Responsibilities and Deliverables for the RFP**

1. Attending the FM kick-off meeting with the RLC team and establishment of an FM workplan;
2. Review RFP to identify potential inconsistencies or lack of clarity in the RFP or matters of transparency regarding evaluation weightings and criteria;
3. Review of Evaluation Criteria with respect to clarity and consistency;
4. Attend the Suppliers Information Meeting;
5. Oversee questions, comments, or communications from potential Suppliers and review responses posted prior to Addendum issuance;
6. Provide advice to the RLC team, Evaluation team and the Purchasing Materials and Management Division (PMMD), as requested;
7. Attend evaluation team rated criteria evaluation training and consensus meetings;
8. Attending Proof of Performance evaluations for shortlisted Suppliers;
9. Reviewing Pricing Evaluation results

10. Ensuring that the evaluation scores and comments were accurate, aligned to the RFP requirements and that the established evaluation methodology that produced the results was adhered to;
11. Review evaluation results both iteratively and at the completion of the evaluation process;
12. Attending debriefing meetings related to the RFP, as required by PMMD which have not occurred at the time of this report issuance.
13. Addressing any concerns relating to accountability/fairness (monitoring the level of openness, transparency and competitiveness of the procurement process) if any were raised;
14. Providing an independent assurance of integrity of the procurement process with a signed attest statement for the RFP;
15. Lastly, the Fairness Monitor's primary role is to provide an assessment of the procurement process confirming that it has been carried out in a fair and objective manner in accordance with the RFP.

### **RFP Open Issuance Period**

The RFP was issued on January 7, 2020. Five (5) addendums were issued prior to the amended closing deadline of February 7, 2020 at 12pm.

The initial RFP version issued to the market was issued prior to our review, however we were given an opportunity to provide our comments to the City and they were effectively responded to in an addendum prior to closing. The amended RFP stated all Proposal and performance requirements, evaluation criteria and associated weightings of that criteria, evaluation methodology, Proposal evaluation scoring system scale and evaluation approach to be administered during all stages of the evaluation processes.

Where there were minimum scoring thresholds and/or pass/fail requirements for all mandatory requirements evaluation sections, they were disclosed with a clear indication when such thresholds or pass/fail tests would be applied, and the impact that failing to satisfy them. Furthermore, they remained unchanged post close.

The RFP designated a single point of contact and explained the process for communication during the open period, evaluation process and contract finalization phase. Questions on all matters occurred during the RFP open period process and received responsive and detailed answers from the City.

Questions asked prior to the January 24, 2020, the Q&A submittal deadline were responded to within the Q&A/Addenda deadline of February 4, 2020, however, two commercially confidential questions were responded to by the City with regards to the Proof of Performance site location selection permissions which only impacted a single Supplier and was issued prior to the RFP closing deadline, however had no impact on the submittal nor RFP requirements being responded to by the remaining Supplier pool.

The RFP open period represented a total of thirty-one (31) calendar days in market for Suppliers to respond to the City's request. We deemed this to be sufficient time for qualified Suppliers to prepare and submit compliant Proposals.

Diligent effort was taken to effectively manage any advantage, disadvantages and potential geographical impediments in the process from document development through to evaluation process completion. We were not made aware of any matters of this kind being raised during the process.

The RLC project team (whom we reported to), and Procurement representatives took great care to develop detailed evaluation criteria that objectively reflected the legitimate needs of the City, and to produce an RFP that was clear and could be consistently applied and clearly understood.

## **Evaluation Process**

Three (3) timely Proposals were received before the closing time with no late Proposals received or accepted. The evaluation stages provided in the RFP were as follows:

### **1. Stage 1 - Mandatory Submission Requirements Evaluation**

All three (3) Proposals successfully received a pass during this evaluation stage and proceeded to Stage 2A. This stage was evaluated by the qualified Procurement department.

### **2. Stage 2A – Mandatory Technical Evaluation (PASS/FAIL Assessment)**

All three (3) Proposals successfully received a pass during this evaluation stage and proceeded to Stage 2B. This stage was also evaluated by the qualified Procurement department.

### **3. Stage 2B – Mandatory Technical Proposal Evaluation (70 points)**

Only two (2) Proposals that were evaluated during this technical written evaluation stage successfully met the 75% scoring threshold or achieved 52.5 out of 70 points and therefore proceeded to the next stage in the evaluation process. One (1) Proposal did not meet the scoring threshold and therefore did not proceed further in the evaluation process. This stage was evaluated by the highly qualified RLC Evaluation Team which comprised of City of Toronto and Niagara Region evaluators who underwent substantive training prior to receipt of Proposals and beginning their review.

### **4. Stage 3 – Proof of Performance Evaluation (PASS/FAIL Assessment)**

The remaining two (2) Proposals were evaluated against the detailed Proof of Performance evaluation criteria disclosed in the RFP as amended prior to RFP closing, which occurred for a total of no more than 4 hours for each Supplier over the course of 2 days. Both Suppliers received a pass in this evaluation Stage. This Stage 3 was evaluated by the same qualified RLC Evaluation Team that evaluated Stage 2B.

### **5. Stage 4 – Cost of Services Evaluation (30 points)**

Following the completion of the Stage 3 evaluation process, the Cost of Services envelopes for the two (2) Suppliers that had made it to Stage 4, were opened and evaluated against the disclosed calculation formula (lowest Proposal price divided by the Supplier's Proposal price multiplied by 30 points). Full marks were given to the Supplier with the lowest Cost of Services and the others received a fraction of the assigned points based on their Cost of Services Proposal level of competitiveness to the lowest.

The RLC Evaluation Team was given a mandatory detailed evaluation training by PMMD and Fairness Monitor representatives on all aspects of the evaluation process and how to execute their roles and responsibilities. The Evaluation Team was further briefed on the best practices with respect to confidentiality of Proposals; conflict of interest; undue influence; scoring and comment procedures; and, the retention of documents among other key topics.

We are not aware of the existence of any conflict of interest or a breach of confidentiality occurring at any point. No evaluator or other individual exerted undue influence over the process as each evaluation stage was completed in a sequential order, and with the observance of the RLC project team, PMMD and the Fairness Monitor. All key decisions were made by more than one person.

The Evaluation Team completed the rated evaluation Stages 2B, and 3 using the established best practice consensus two - step method: first, each evaluator, working alone, reviewed, scored with supporting comments

each Proposal or Proof of Performance in its entirety; second, the evaluators met as a group to discuss their findings and arrived at a consensus score or pass/fail assessment and comment for each criterion together ensuring alignment with the disclosed RFP requirements, Proposal evaluation scoring system scale, and maintaining the disclosed point weightings largely relying on their initial comments and Evaluation Team discussions during each consensus meeting.

Each score and comment were discussed thoroughly and verified during the consensus session based on the disclosed evaluation rating matrix and assessment factors from the RFP and the evaluation criteria objectively.

No averaging or rounding of scores took place. All scores were reflected to the second decimal. At the completion of the evaluation process all calculations were verified and there was a clear highest scoring Supplier overall, based on the combined achieved scores from Stage 2B, and Stage 4 out of 100% in accordance with the RFP.

### **Fairness Monitor Attestation**

In conclusion, we confirm that the highest scoring Supplier is **Jenoptik**. We can attest that the RFP was conducted in a procedurally fair, open and transparent manner and requirements as referenced in the applicable policies and trade agreements. We certify that the Successful Supplier recommendation has been generated through a rigorous and well-documented evaluation process that we witnessed and have no reasons nor objections to the result produced.

Sincerely,



**Andrea Robinson, B.A., LL.M., PMP., SCMP**<sub>(Candidate)</sub>  
**Senior Fairness Monitor, HKA Global (Canada), Inc.**

**cc: Don Solomon, B.A., CERT.TECH. ARCH.**  
**Senior Fairness Monitor, HKA Global (Canada), Inc.**

**Doreen B.A., B.COMM., LL.B., SCMP**<sub>(Candidate)</sub>  
**Senior Fairness Monitor, HKA Global (Canada), Inc.**

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