

FAIRNESS MONITOR'S REPORT

- FINAL -

City of Toronto

Request for Proposals for Insurance Adjusting Services

RFP No. 9144-19-0222

Ariba Doc: 2688784453

RFP Issued: November 12, 2020

Revised RFP Closing: December 9, 2020 12:00pm Local Toronto Time

REPORT ISSUED: March 8, 2021



**ROBINSON
GLOBAL
MANAGEMENT**

March 8, 2021



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

**Re: Fairness Monitor Report - Request for Proposals for the Insurance Adjusting Services
RFP No. 9144-19-0222**

Dear Mr. Pacholok,

Background

Robinson Global Management Inc. ("RGM") was retained as the Fairness Monitor for the above-mentioned procurement in October 2020 to oversee the procurement process administered to request prospective Suppliers to submit Bids for Insurance Adjusting Services. The City received proposals from qualified independent insurance adjusting companies to adjust the City's insurance claims for a five (5) year period beginning April 1, 2021.

We were retained during the RFP development phase and monitored the RFP open period in-market process, and evaluation process which identified the highest ranked Proponent. This letter details our summarized fairness findings for the RFP process we monitored. Neither RGM 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 was in the capacity as Fairness Monitor and strictly limited to our responsibilities and deliverables listed in the numbered list below. In completing this report, we took the City of Toronto's Procurement Policy, Purchasing By-law, Canadian Free Trade Agreement, and the provisions of the RFP as a standard against which to audit the process.

We have no objections to the recommendation made by the City of Toronto's Corporate Finance Division's Insurance and Risk Management Services Section ("IRM"), and the identified highest scoring Supplier of the administered RFP process.

Fairness Monitor Responsibilities and Deliverables for the RFP included:

1. Attend a kick-off meeting with the City and the City's industry advisor on this project;
2. Review of the RFP – Fairness Monitor is to identify potential inconsistencies or lack of clarity in the RFP and provide feedback to the City within five (5) business days of receipt of the documents for review;
3. Review of Evaluation Criteria with respect to clarity and consistency;
4. Oversee any questions, comments, or communications submitted by potential Supplier and

- review responses posted via Addendum;
5. Attending Evaluator Training Session;
6. Provide advice to the Evaluation Committees and PMMD as requested;
7. Attend Evaluation Committee evaluation sessions;
8. Ensure that evaluation scores are accurate, and the documented methodology was adhered to;
9. Review evaluation results;
10. Complete and distribute the Final Attest Report;
11. Attend debriefing sessions related to the RFP as required;
12. Address any concerns relating to accountability/fairness (monitoring the level of openness, transparency, and competitiveness of the procurement process);
13. Provide independent assurance of integrity of the procurement process with a signed attest statement for the RFP, as described below;
14. Present report findings to City Council members, if required, and as required;
15. Provide evidence and testify in relation to any legal claim that may arise from the procurement process.

RFP Development and Issuance

We were retained during the RFP development phase and were given sufficient time to review and provide any applicable fairness feedback on the RFP prior to its issuance. The RFP was issued on November 12, 2020. One (1) addendum was issued prior to the Deadline for Issuing Addenda date of December 2, 2020. The Submission Deadline in which all proposals were due was December 9, 2020 at 12pm.

The RFP stated all proposal and performance requirements, evaluation criteria and associated weightings of that criteria as required. The RFP further stated the 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, these were disclosed with a clear indication when such thresholds or pass/fail tests would be applied, and the impact that failing to satisfy any of them; these remained unchanged post-close.

RFP Open Period

The RFP designated a single point of contact and explained the process for communication during the open period, and evaluation process. Questions on all matters received by the Deadline for Questions Submittal date of November 23, 2020 at 4pm local Toronto time were responded to with detailed answers from the City. We were given an opportunity to review all responses issued to the market prior to their posting and saw no unresolved matters of fairness, openness, or transparency to note at the closing of the RFP process.

The RFP open period represented a total of twenty-eight (28) 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 incumbent advantage, disadvantages, and potential geographical impediments where present in the process from document development through to evaluation process completion. Further, we were not made aware of any matters of this kind being raised during the process.

The IRM project team and Purchasing & Materials Management Division (PMMD) representatives (to whom we reported to) 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. Together, it was our opinion that this resulted in an RFP process and procedures that were clear and could be consistently applied.

RFP Evaluation Process

Four (4) proposals were received before the Submission Deadline. No late proposals were received or accepted.

The evaluation stages provided in the RFP were as follows:

Stage 1 – Mandatory Submission Requirements

All four (4) proposals met the mandatory submission requirements and proceeded to Stage 2. Stage 1 was evaluated by the qualified PMMD team on a pass/fail basis.

Stage 2 – Mandatory Technical Requirements and Rated Evaluations

This Stage 2 (parts A and B) was evaluated by the qualified Evaluation Committees, represented by a combination of the City's IRM and Legal team representatives. The team members were selected because they had the expertise to critically review, understand and evaluate the proposals against the criteria.

Stage 2A – Mandatory Technical Requirements (pass/fail)

All four (4) proposals met the mandatory technical requirements. Stage 2A was evaluated by the qualified PMMD team on a pass/fail basis.

Stage 2B – Rated Evaluations (75 points)

All proposals were scored against these criteria which focused on technical experience, and qualifications to satisfy the City requirements. Only proposals that received a score of at least 75% (56.25/75 points) for Stage 2B proceeded to the Stage 3 – Pricing Evaluation. Only three (3) proposals proceeded into Stage 3 and the fourth proposal did not.

Stage 3 – Pricing (25 points)

Once proposals made it to this Stage 3, the City conducted a comparative relative pricing evaluation on the 5-year Grand Total of all proposals. The proposal with the lowest 5-year Grand Total pricing, received 100% of the available Stage 3 allotted points, and the next highest received a proportional value of points based on its competitiveness with the lowest priced proposal and so on, with the application of a formula shared in the RFP document. Stage 3 – Pricing which was opened and evaluated at this point in the evaluation process and at no time earlier.

After the completion of Stage 3, all scores from Stage 2 and Stage 3 were added together and the proposals were ranked based on their total scores. There was no tie, and the highest ranked Supplier was clearly identified.

Prior any scoring of proposals began; the Evaluation Committee received a mandatory detailed evaluation training by the City PMMD representatives and the Fairness Monitor. The training covered all aspects of the evaluation process and how to execute their roles and responsibilities effectively and fairly to maintain the integrity of the process planned. The Evaluation Committee was 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. Each evaluation stage was completed in a sequential order, and with the observance of the City's IRM project team, PMMD representatives and the Fairness Monitor. All key evaluation process decisions were made by more than one person and verified by at least one other.

The Evaluation Committee completed the Stage 2B - Rated Evaluation using the established best practice consensus two - step method: first, each evaluator, working alone, reviewed, scored with supporting comments, each Proposal in its entirety; second, the evaluators met as a group to discuss their findings and, largely relying on their initial comments and Evaluation Committees discussions during each consensus meeting, arrived at a consensus score and comment for each criterion together. The Evaluation Committee ensured that the evaluation aligned with the disclosed RFP requirements, proposal evaluation Scoring Criteria Scale, and maintained the disclosed point weightings.

Each score and comment were discussed thoroughly, agreed to, and verified during the consensus session based on the disclosed proposal evaluation Scoring Criteria Scale from the RFP and the evaluation criteria objectively.

No averaging or rounding of scores took place during this evaluation process at anytime. All scores were reflected to the second decimal based on a strict application of the Scoring Criteria Scale as represented in the RFP and the associated definitions of that guidance, to allow for transparent verification by the City and the Fairness Monitor.

At the completion of the evaluation process, all calculations were verified by us the Fairness Monitor and there was a clear highest scoring Supplier in accordance with the RFP.

Fairness Monitor Attestation

In conclusion, we confirm that the highest scoring Supplier is **Claims Pro LP**.

We attest that the RFP process was conducted in a procedurally fair, open and transparent manner and in alignment with the requirements, as referenced in the applicable directives, policies, trade agreements and the RFP held by City of Toronto.

We certify that the resulting firm recommended for award was identified through a rigorous and well-documented evaluation process that we oversaw from beginning to end, and therefore we have no reasons for objection to the result produced, from a fairness perspective.

Sincerely,



Andrea Robinson, B.A, LL.M., PMP.
Senior Fairness Monitor, Robinson Global Management Inc.

cc: Doreen B.A., B.COMM., LL.B.
Senior Fairness Monitor, Robinson Global Management Inc.