

**Negotiated Request for Proposals
for
Negotiated Request for Proposals for Pax and
RoPax Ferry Vessels for the Toronto Island**

Fairness Monitor's Report

March 22, 2024
FINAL



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1. Project Highlights

1.1 Introduction and Project Background

The City of Toronto (City) released a Negotiated Request for Proposals # Doc4053424337 (nRFP) to prospective suppliers to submit Bids for the construction and delivery of two ferries, one passenger vessel (Pax) and one vehicle and passenger vessel (RoPax), for the Toronto Island.

1.2 Scope of the Fairness Monitor Engagement

P1 Consulting was retained in June 2023 to perform fairness monitoring services and provide an independent attestation on the nRFP procurement process. Our mandate was to review and monitor the bid documents and communications, provide advice on best practices, review and monitor the evaluation and decision-making processes that are associated with the nRFP to ensure fairness, equity, objectivity, transparency and adequate documentation throughout the evaluation process. We are also to attend, observe and provide guidance at City meetings, as well as Supplier interactions. In particular, in our role as Fairness Monitor, we ascertained that the following steps were taken to ensure an open, fair and transparent process:

- **Review of the nRFP and Addenda:**
P1 Consulting reviewed the nRFP and addenda, as required, and all other documents related to the procurement process to ensure that the requirements were met.
- **Review of Questions and Answers (Q&A), Clarification Questions and the Responses:**
P1 Consulting reviewed all Q&As and the responses submitted to the Suppliers. P1 Consulting also reviewed any clarifying questions submitted by City along with their responses.
- **Review of Evaluation Criteria and Procedures:**
P1 Consulting reviewed the evaluation criteria and procedures for the nRFP to ensure that the requirements were met.
- **Advice on Best Practices:**
P1 Consulting attended training sessions to ensure that all project team members were provided with briefings on best practices including the principles and duties of fairness, care and protection of confidential information, avoidance and disclosure of conflict of interest, bias and undue influence, scoring procedures and sign-off on individual scoring sheets, preparation, treatment and retention of evaluation documents.
- **Evaluation Meetings:**

The City confirmed an evaluator training session was held, for which P1 Consulting reviewed the evaluation training documents. P1 Consulting also attended and monitored the evaluation consensus meetings. Additionally, during the evaluation process, we provided verbal and written advice with respect to fairness, objectivity, consistency of process, conflict of interest and confidentiality to ensure strict accordance with the specifications and criteria set out in the nRFP documents.

- **Supplier Interaction:**

P1 Consulting attended and monitored all commercially confidential meetings (CCMs) with Suppliers.

All of the tasks above were completed in a manner that was fair, open and transparent.

2. Competitive Selection Process – Request for Proposals

2.1 Development of the Request for Proposals

P1 Consulting reviewed the nRFP prior to it being posted to the Suppliers and all of our comments related to fairness were satisfactorily addressed by City. We confirm that, from a fairness perspective, the requirements were clear and the nRFP provided the Suppliers a fair process.

2.2 nRFP Open Period Process

Throughout the nRFP open period, the City responded to the questions from the Suppliers and issued addenda to provide greater clarity on the requirements and process. P1 Consulting reviewed all documents that were posted to confirm that they were acceptable from a fairness perspective.

2.3 Evaluation Preparation

The City developed fulsome evaluation procedure documentation in advance of the evaluation process, which was reviewed by the Fairness Monitor. The City confirmed all participants in the evaluation process participated in a training session held by the City in preparation for their role in the process, which described roles and responsibilities and the approach to the evaluation. Each evaluation participant was required to sign a participant undertaking, which included a continued commitment to the avoidance of conflicts and respect of confidentiality commitments. Project participants were notified of the appointment of a Fairness Monitor. There were no conflicts identified of which we were aware, which prevented a party from participating in the nRFP evaluation.

2.4 Proposal Receipt

The nRFP Closing Date was November 13, 2023, at 12:00 noon (Local Toronto Time). As per the nRFP, bids must have been submitted through the City Online Procurement System prior to the Closing Deadline for them to be compliant. Two Bids were received in advance of the Closing Deadline through the City Online Procurement System from the following Suppliers:

- Damen Shipbuilding
- Heddle Marine Service Inc.

The evaluation was conducted according to the following stages:

1. Stage 1 – Mandatory Submission Requirements
2. Stage 2 – Mandatory Technical Requirements and Technical Proposal Rated Evaluations
 - a. Stage 2A Mandatory Technical Requirements
 - b. Stage 2B Technical Proposal Rated Evaluations
3. Stage 3: Pricing and Initial Ranking
4. Stage 4 – CCM and BAFO
 - a. Stage 4A – Commercially Confidential Meetings

b. Stage 4B – Best and Final Offer (BAFO)

2.5 Stage 1 – Mandatory Submission Requirements

Prior to releasing the proposals to the evaluators, the City's procurement representative reviewed the Bids to determine if they complied with the mandatory requirements of the RFP. Both Suppliers met the mandatory requirements and were eligible to proceed to the next stage.

2.6 Stage 2 – Mandatory Technical Requirements and Technical Proposal Rated Evaluations

The members of the evaluation team each undertook an individual evaluation and scoring of Bids against the mandatory and rated technical requirements described in the nRFP. Subsequent to completion of the individual evaluations, the evaluation team convened to undertake a consensus evaluation process. The evaluation team engaged in a fulsome exchange of views leading to evaluation results, which were agreed to by the evaluators for each Supplier. All participants performed their roles diligently throughout the evaluation process.

P1 Consulting attended all consensus meetings and observed that the proceedings were in accordance with the nRFP and the City's evaluation procedure. P1 confirms that the process was fair, transparent and unbiased.

Both Suppliers met the established minimum technical threshold and were eligible to proceed to the next stage of evaluation.

2.7 Stage 3 – Pricing and Initial Ranking

The City reviewed the Pricing Forms submitted from each of the Suppliers. P1 Consulting reviewed and validated the results of Stage 3: Pricing and Initial Ranking and confirms that it was undertaken in a fair manner and in accordance with the nRFP. Both Suppliers were invited to participate in Stage 4: CCM and BAFO.

2.8 Stage 4 – CCM and BAFO

Both Suppliers were invited to collaborate with the City by way of Commercially Confidential Meetings, which is a collaborative process that allowed each short-listed Supplier to improve their Proposal in the areas open to resubmission through BAFO. In advance of participating in CCMs, a training session was held on how to undertake the meetings in a fair and consistent manner. P1 Consulting provided input on the training session and attended the CCMs and confirms that they were conducted fairly and in accordance with the established parameters.

The Suppliers submitted their BAFO after the CCM period by submitting their revised Proposal.

2.9 Final Ranking

The City evaluated the revised Proposals for each of the Suppliers and, in accordance with the process described in the nRFP, identified Damen Shipbuilding as the top-scoring Supplier to be invited to enter into Contract Negotiations with the City.

2.10 Debriefing

At the time of this report, P1 Consulting has not been involved in any debriefing activity related to this procurement.

3. Conclusion

Our fairness review was conducted without influence and as of the date of this report, we confirm that we are satisfied that, from a fairness perspective, the procurement process undertaken for the City of Toronto's nRFP for Pax and RoPax Ferry Vessels for the Toronto Island has been conducted in a fair, open and transparent manner. As Fairness Monitor for this Project, we are satisfied that City has followed the procedures in accordance with the applicable RFP documentation.

A handwritten signature in black ink that reads "Stephanie Braithwaite".

Stephanie Braithwaite
Fairness Monitor, P1 Consulting