



Value for Money Assessment

Mackenzie Vaughan Hospital Project

October 2016

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I. EXECUTIVE SUMMARY

This report provides a summary of the procurement process for Mackenzie Health's Mackenzie Vaughan Hospital project and demonstrates how value for money was achieved by delivering the project using Infrastructure Ontario's (IO) Alternative Financing and Procurement approach.

➤ Infrastructure Ontario

IO is a Crown agency owned by the Province of Ontario that provides a wide range of services to support the Ontario government's initiatives to modernize and maximize the value of public infrastructure and realty. Projects delivered by IO are guided by five key principles: transparency, accountability, value for money, public ownership and control, and public interest are paramount.

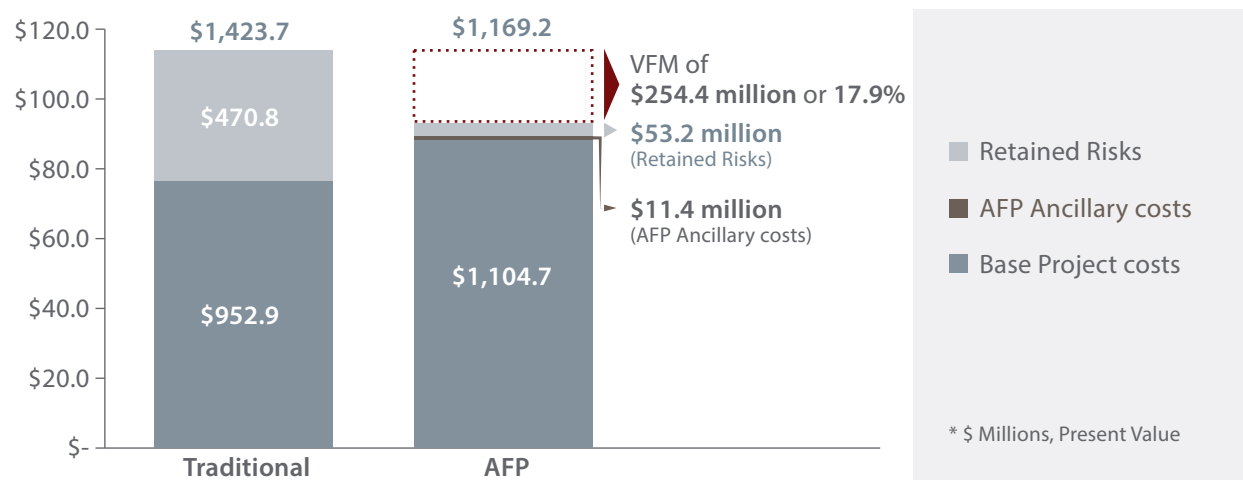
➤ Alternative Financing and Procurement in Ontario

IO delivers public infrastructure projects using a project delivery model called Alternative Financing and Procurement (AFP). The AFP model brings together private and public sector expertise in a unique structure that transfers to the private sector partner the risk of project cost increases and scheduling delays typically associated with traditional project delivery. The goal of the AFP approach is to deliver a project on time and on budget and to provide real cost savings for the public sector.

All projects with a cost greater than \$100 million are screened for their suitability in being delivered as an AFP project. The decision to proceed with an AFP delivery model is based on both qualitative considerations (e.g., size and complexity of the project) and a quantitative assessment. The quantitative assessment, called Value for Money (VFM), is used to assess whether the AFP delivery model will achieve greater value to the public compared to a traditional public sector delivery model. VFM compares the estimated total project costs of delivering public infrastructure using AFP relative to the traditional delivery model.

➤ Achieving Value for Money

The VFM assessment of the Mackenzie Vaughan Hospital project indicates an estimated cost savings of \$254.4 million or 17.9% percent (in present value terms) by using the AFP approach compared to traditional delivery.





I. EXECUTIVE SUMMARY

➤ External Review

As part of the procurement process and VFM assessment, three external parties were retained by IO:

- Deloitte LLP was retained to complete the VFM assessment,
- SEG Management Consultant Inc. acted as the Fairness Monitor for the project, and
- Zeidler Partnership Architects acted as the Technical Advisor for the project.

II. PROJECT HIGHLIGHTS

➤ Mackenzie Vaughan Hospital



Courtesy of Plenary Health

Purpose	Mackenzie Vaughan Hospital is the first hospital to be built in the city of Vaughan, and the first new hospital to be built in the York Region in the last 30 years. It will also be the first hospital in Canada to feature fully integrated “smart” technology, which features systems and medical devices that can speak directly to one another to maximize information exchange. Through modern and proven best practices, the hospital will provide state-of-the-art health care and positive outcomes for patients and their families.
Project Owner	Mackenzie Health
Private Partner	Plenary Health
Location	Vaughan, ON
Project Type	Design-Build-Finance-Maintain
Infrastructure Type	Health Care
Contract Value	\$1.3 billion
Construction Period	2016 to 2020
Length of Project Agreement	30 years
Estimated Value for Money (Present Value)	\$254.4 million or 17.9%

➤ Background

Mackenzie Health is a regional health care provider that includes Mackenzie Richmond Hill Hospital and the future Mackenzie Vaughan Hospital as well as a network of community-based services in southwest York Region and beyond.



II. PROJECT HIGHLIGHTS

➤ Objectives

Through the Moving Ontario Forward plan, the province is investing in health care projects that will provide Ontarians with access to high quality health care close to home. Ontario is making the largest infrastructure investment in schools, hospitals, public transit, roads and bridges in the province's history.

➤ Project Scope

The new Mackenzie Vaughan Hospital will include:

- ▶ A state-of-the-art emergency department
- ▶ Modern surgical services and operating rooms
- ▶ Advanced diagnostic imaging
- ▶ Specialized ambulatory clinics and intensive care beds
- ▶ Approximately 90 per cent single occupancy acute-care patient rooms for infection prevention and control

The project will focus on sustainable design and construction with the goal of achieving Leadership in Energy and Environmental Design (LEED®) Silver certification. LEED® buildings focus on healthy indoor environments, reduced greenhouse gas emissions and efficient use of energy, water and other resources.

➤ Economic Benefits & Job Creation

The Mackenzie Vaughan Hospital project is a significant economic opportunity for local suppliers and contractors. At the peak of construction, Plenary Health estimates that more than 300 workers will be on site daily.

III. ACHIEVING VALUE FOR MONEY

Value for money assessment for the Mackenzie Vaughan Hospital project demonstrates a project cost savings of:

\$254.4 million or 17.9%

The VFM assessment methodology is outlined in *Assessing Value for Money – An Updated Guide to Infrastructure Ontario’s Methodology*, which can be found at www.infrastructureontario.ca

► Value for Money Concept

The VFM compares the estimated total-risk adjusted project costs, expressed in dollars measured at the same point in time, of delivering the same infrastructure project under two delivery models: the Traditional Design, Bid, Build (DBB) model and the AFP model.

MODEL # 1:

Traditional Delivery (PSC)

Estimated costs to the public sector of delivering an infrastructure project using a traditional procurement delivery model.

Total risk-adjusted costs are known as the Public Sector Comparator or PSC Costs.

MODEL # 2:

AFP Delivery

Estimated costs to the public sector of delivering the same project to the identical specifications using the AFP delivery model.

Total risk-adjusted costs are known as AFP Costs.

$$\left\{ \begin{array}{l} \text{Value for Money \$} = \text{PSC Costs} - \text{AFP Costs} \text{ or } \text{Value for Money \%} = \frac{(\text{PSC Costs} - \text{AFP Costs})}{\text{PSC Cost Costs}} \end{array} \right\}$$

The difference between the total estimated PSC costs and the total estimated AFP costs is referred to as VFM. Positive VFM is demonstrated when the cost of delivery under AFP is less than PSC.

► Calculating Value for Money – Inputs & Assumptions

The VFM is assessed and refined throughout the entire procurement process to reflect updated information and Mackenzie Vaughan Hospital actual bid costs. All costs and risks in this report are expressed in present value terms and have been discounted back to present terms.

The VFM assessment relies on a number of inputs and assumptions, including:

- 1. Base Project Costs
 - ▼ 1.1. Adjusted Base Costs (design, construction, lifecycle and maintenance)
 - ▼ 1.2. Financing Costs
- 2. AFP Ancillary Costs
- 3. Retained Risks

III. ACHIEVING VALUE FOR MONEY

1. Base Project Costs

▼ 1.1. Calculation of Base Costs

Traditional Delivery Model (PSC)		AFP Delivery Model	
Base Costs adjusted for:	(\$)	Base Costs adjusted for:	(\$)
Innovation Factor	N/A	Innovation Factor	↓ to Construction Costs
Lifecycle Cost Adjustment Factor	↓ to Lifecycle Costs	Lifecycle Cost Adjustment Factor	N/A
Adjusted Base Costs	Base Costs (\$) +/- Adjustments	Adjusted Base Costs	Base Costs (\$) +/- Adjustments
Estimated Savings / (Costs) in Base Costs under the AFP Model			PSC – AFP

Base costs in this scenario include design and construction, and maintenance and lifecycle costs. In the estimation of base costs, IO relies on external cost consultants to estimate the costs of the project. This becomes the starting point for both the PSC and AFP models. These costs are then adjusted for:

- ▶ An innovation factor – the VFM methodology includes an innovation factor which recognizes that the base cost of the AFP model will be lower than the PSC model as a result of:
 - ▶ the use of performance-based specifications in AFP projects allow contractors to consider innovative and alternative ways to deliver a project, such that project costs are lower as compared to a traditional delivery which uses more prescriptive specifications; and,
 - ▶ an increased competitive environment on AFP projects which have resulted in cost reductions.
- ▶ A lifecycle cost adjustment factor – experience suggests that typically governments will under-spend on lifecycle maintenance for projects delivered under traditional delivery methods. Whereas, for DBFM projects, the AFP model requires the private sector partner to meet specifications which ensures the asset is well maintained over the project term. The VFM methodology captures this by reducing the actual spend on lifecycle costs in the PSC model over the 30-year operating term and quantifying the expected impact and costs of this deferred maintenance in the risk assessment. The net impact results in an overall increase in PSC costs.

▼ 1.2. Financing Costs

Traditional Delivery Model (PSC)		AFP Delivery Model	
Financing Costs	Public sector notional financing costs	Financing Costs	Private sector financing costs
Estimated Savings / (Costs) from Financing under the AFP Model			PSC – AFP

III. ACHIEVING VALUE FOR MONEY

One of the common elements of the AFP model is the use of private finance for some or all of the project period. Under the traditional delivery model, the public sector makes progress payments throughout construction. Whereas under the AFP model, the government pays a portion of construction costs during construction as interim payments, Construction Progress Payments, and/or pays the entire amount at the end of the construction period. Financing costs are reflected as follows:

- ▶ Traditional Delivery Model or PSC - the public sector notionally incurs an “opportunity cost” for having paid earlier as compared to the AFP model. The notional public sector financing cost is calculated at the current Provincial cost of borrowing or weighted average cost of capital. This cost is also reflected in the discount rate used to assess and compare the project costs.
- ▶ AFP Delivery Model – the private sector party borrows at private financing rates to pay for project costs during construction and carries that financing until fully repaid by the public sector. This private sector financing cost is ultimately passed through to the public sector as a cost and reflected in the AFP model.

2. AFP Ancillary Costs

Traditional Delivery Model (PSC)		AFP Delivery Model	
AFP Ancillary Costs	N/A	AFP Ancillary Costs	ⓘ AFP costs
Estimated Savings / (Costs) from Financing under the AFP Model			PSC – AFP

There are significant costs associated with the planning and delivery of a large complex project. The VFM methodology quantifies the incremental ancillary costs arising under the AFP delivery model only. Ancillary costs typically incurred include legal, capital markets, fairness, transaction, and the cost of IO services.

3. Retained Risks

Traditional Delivery Model (PSC)		AFP Delivery Model	
Retained Risks	ⓘ PSC costs	Retained Risks	ⓘ AFP costs
Estimated Savings / (Costs) from Retained Risks under the AFP Model			PSC – AFP

The concepts of risk transfer and mitigation are key to understanding the overall VFM assessment. To estimate and compare the total cost of delivering a project under the traditional delivery model versus the AFP model, the risks borne by the public sector, which are called “retained risks”, are identified and quantified. Details on how retained risks are identified and quantified are in Assessing Value for Money – An Updated Guide to Infrastructure Ontario’s Methodology, which can be found at www.infrastructureontario.ca

Project risks are defined as potential adverse events that may have a direct impact on project costs. To the extent that the public sector retains these risks under both delivery models, they are included in the estimated cost under the PSC and AFP model as “retained risks”. Risks retained under the AFP model are lower than risks retained by the public sector under the PSC model. This reflects the transfer of certain project risks from the public sector to the private sector and the appropriate allocation of risk between the public and private sectors based on the party best able to manage, mitigate, and/or eliminate the project risk.

III. ACHIEVING VALUE FOR MONEY

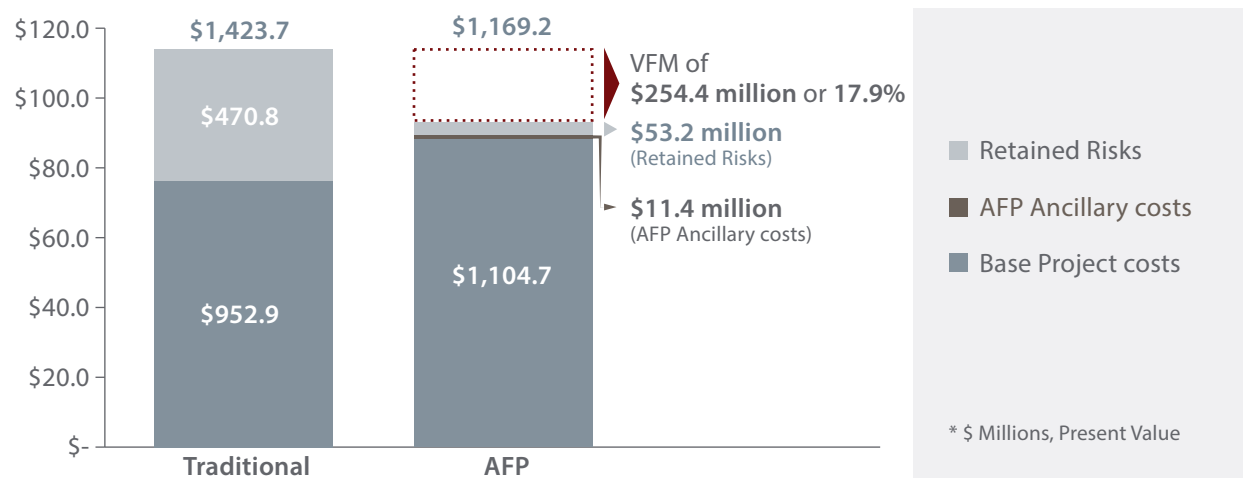
As a result of a comprehensive risk assessment, the following are examples of key project risks that have been transferred or mitigated under the project agreement to Plenary Health:

- ▶ Project Schedule – risk of a longer construction period and resulting in a higher total program cost.
- ▶ Scope Changes During Construction (directed by owner) – risk that the scope of work is changed by the owner during construction.
- ▶ Due Diligence (by the owner in preparation of tender in RFP) – risk that an insufficient level of due diligence is undertaken and communicated to the proponents, resulting in reduced tolerance to risk and higher bid price.
- ▶ Quality Management – risk associated with meeting design standards and codes as they relate to long-term asset performance.

▶ Mackenzie Vaughan Hospital Project Value for Money Results

The VFM assessment of the Mackenzie Vaughan Hospital project indicates an estimated cost savings of \$254.4 million or 17.9% by using the AFP approach compared to traditional delivery.

Traditional Delivery Model (PSC)	\$ Millions, Present Value	AFP Delivery Model	\$ Millions, Present Value
I. Base Project Costs (Adjusted Base Costs + Financing)	\$952.9	I. Base Project Costs (Adjusted Base Costs + Financing)	\$1,104.7
II. AFP Ancillary Costs	N/A	II. AFP Ancillary Costs	\$11.4
III. Retained Risks	\$470.8	III. Retained Risks	\$53.2
Total	\$1,423.7	Total	\$1,169.2
Estimated Value for Money (cost difference)		\$254.4	
Estimated Percentage Savings		17.9%	





III. ACHIEVING VALUE FOR MONEY

➤ External Review

Deloitte LLP completed the VFM assessment for the project. Their assessment demonstrates projected cost savings of 17.9 percent by delivering the project using the AFP model versus what it would have cost to deliver the project using a traditional delivery model (see letter on page 15).

SEG Management Consultant Inc. acted as the Fairness Monitor for the project. They reviewed and monitored the communications, evaluations and decision-making processes associated with the project, ensuring the fairness, equity, objectivity, transparency and adequate documentation of the process. SEG Management Consulting Inc. certified that these principles were maintained throughout the procurement process (see letter on page 16).

IV. PROJECT AGREEMENT

► Highlights of the Project Agreement

The Project Agreement signed between IO, Mackenzie Health and Plenary Health defines the obligations and risks of all parties involved. Key highlights that pertain to the construction terms are below:

- **Contract Price Certainty** – A \$1.3 billion fixed-price contract (without inflation) fixed-price contract to design, build, finance and maintain the Mackenzie Vaughan Hospital project. Any extra costs incurred as a result of a schedule overrun caused by Plenary Health will not be paid by the Province.
- **Scheduling, Project Completion and Delays** – Plenary Health has agreed to a substantial completion date of July 2020. The schedule can be modified in limited circumstances, in accordance with the terms of the Project Agreement. Plenary Health has the obligation to mitigate impact on the Project schedule as much as possible on the occurrence of particular delays, as specified in the Project Agreement. A sizeable payment will be made by the Province at substantial completion, providing further incentive for Plenary Health to complete construction on time.
- **Site Conditions and Contamination** – Plenary Health is responsible for maintaining and managing and where required, remediating any contamination, at the Site. This includes contamination that was disclosed from Site Condition Reports or readily apparent/discoverable from inspecting the Site, or that is caused by Plenary Health or any of its parties.
- **Construction Financing** – Plenary Health is required to finance the construction of the project.
- **Commission and Facility Readiness** – Plenary Health must achieve a prescribed level of commissioning at substantial completion within the agreed-to schedule. This ensures Mackenzie Vaughan Hospital will be able to achieve operational service in late 2020.
- **Ongoing Maintenance and Lifecycle** – Plenary Health must meet the performance requirements as outlined in the project agreement, for the maintenance and lifecycle renewal of the hospital. Plenary Health will face deductions to their monthly payments if they do not meet the performance obligations during the 30-year maintenance term.
- **Asset Hand Back** – upon expiry of the 30-year maintenance term, Plenary Health must hand back the infrastructure to the Province in good working order within specific prescribed standards. Financial penalties can be levied if the asset condition does not meet the prescribed requirements.

V. COMPETITIVE SELECTION PROCESS

The procurement process for the Mackenzie Vaughan Hospital project, from RFQ to Financial Close, took 31 months to complete.

After concluding a fair and competitive procurement process, Mackenzie Health and IO entered into a project agreement with Plenary Health to design, build, finance and maintain the project.

► Procurement Process

i. Request for Qualifications | March 6, 2014

- Mackenzie Health and IO issued a Request for Qualifications (RFQ) to solicit interested parties to design, build, finance and maintain the Mackenzie Vaughan Hospital project.
- RFQ submissions were evaluated by IO and Mackenzie Health. High standards were set to ensure the shortlisted teams exceeded the technical and financial standards required for this complex and large project. The evaluation process resulted in three proponents being shortlisted.
- On April 17, 2014, the RFQ period closed and the Sponsors received statements of qualifications from three teams.
 - Plenary Health
 - Mackenzie Vaughan Health Partnership
 - Hospital Infrastructure Partners

ii. Request for Proposals | June 29, 2015

- A Request for Proposals (RFP) was issued to the shortlisted proponents, setting out the bid process and proposed project agreement for the project.
- The proponents spent approximately ten months to prepare high-quality, competitive submissions.

iii. Proposal Submission | April 21, 2016

- The RFP period closed on April 21, 2016 and two proponents submitted bids on time.
- April-August: bids were evaluated using criteria as set out in the RFP by an Evaluation Committee comprised of subject matter experts from IO, Mackenzie Health and technical consultants enlisted by the Sponsors. The evaluation process resulted in Plenary Health receiving the highest score.
- On August 19, 2016, the 'preferred proponent' – also referred to as the First Negotiations Proponent – Plenary Health was notified of their standing.

iv. Preferred Proponent Notification | August 19, 2016

- After successful negotiations with the First Negotiations Proponent, Plenary Health was selected as the preferred proponent. Plenary Health best demonstrated the ability to meet the specifications outlined in the RFP, including technical requirements, construction schedule, price and financial backing.

v. Commercial and Financial Close | October 21, 2016

- Upon conclusion of negotiations and once a financing rate was set, a Project Agreement (contract) was executed between Plenary Health and Mackenzie Health on October 18, 2016.

V. COMPETITIVE SELECTION PROCESS

- ▶ The Plenary Health team, includes the following entities:

The Plenary Health team includes:

- ▶ Developer: Plenary Group (Canada) Ltd.
- ▶ Equity Providers: Plenary Group (Canada) Ltd., PCL Investments Canada Inc.
- ▶ Design-build: PCL Constructors Canada Inc.
- ▶ Design: Stantec Architecture Ltd.
- ▶ Facilities management: Johnson Controls Canada LP
- ▶ Financial Advisor: Plenary Group (Canada) Ltd.

▶ Construction and Maintenance Phases

vi. Construction Phase | 2016 – 2020

- ▶ The construction phase began with a groundbreaking event in October 2016 upon signing of the contract and will be carried out in accordance with the project agreement and the builder's schedule as approved by the Sponsors.
- ▶ During the construction period, the builder's construction costs will be funded through their own equity, bond and lending arrangements, which will be paid in monthly installments based on the construction program set out by Plenary Health.
- ▶ Project construction will be overseen by Mackenzie Health and IO.

vii. Maintenance Phase | 2020 – 2050

- ▶ Following construction, the Mackenzie Vaughan Hospital project is expected to become operational in July 2020. According to the project agreement, Plenary Health will provide maintenance and lifecycle services for a 30-year period.

viii. Payment

- ▶ Plenary Health will receive monthly construction period payments and a substantial completion payment expected in July 2020.
- ▶ During the 30-year maintenance phase, annual service payments (by way of monthly availability payments) will be paid to Plenary Health. Payments will cover the capital portion, lifecycle payments, and gainshare/painshare on energy costs, minus any performance deductions.



VI. CONCLUSION

This report provides a project overview and summary of the procurement process for the Mackenzie Vaughan Hospital project, and demonstrates that a VFM of \$254.4 million or 17.9 percent will be achieved by using the AFP approach compared to traditional delivery.

Going forward, IO, Mackenzie Health and Plenary Health will continue to work together to ensure the successful delivery of the Mackenzie Vaughan Hospital project while ensuring value for the public is protected.



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December 29th, 2016

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Private and confidential

Divya Shah, SVP of Transaction Finance
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Dear Ms. Shah,

Subject: Financial Close Stage Value for Money Analysis – Mackenzie Vaughan Hospital Project

Deloitte LLP (“Deloitte” or “We”) has prepared the Financial Close Stage Value for Money (“VFM”) assessment for the Mackenzie Vaughan Hospital Project (the “Project”), in accordance with Infrastructure Ontario’s (“IO”) value for money assessment methodology outlined in *Assessing Value for Money: An Updated Guide to Infrastructure Ontario's Methodology - March 2015*.

The VFM assessment is based on a comparison of the net present costs (“NPC”) for the Project under:

1. The traditional delivery approach, as reflected in the Public Sector Comparator (PSC) model; and
2. The Alternative Finance and Procurement (AFP) approach, as reflected in the Preferred Proponent’s Bid at Financial Close.

The VFM assessment was compiled using the following information (collectively the “Information”) within the VFM model:

1. A Base Risk Matrix developed for IO by Altus Group and adapted to reflect the Project specific risks;
2. Cost and other input assumptions extracted from the Preferred Proponent’s Bid at Financial Close;
3. Other VFM model assumptions provided by IO.

While Deloitte did not audit or attempt to independently verify the accuracy or completeness of the Information, Deloitte confirms, based on our familiarity with IO’s VFM methodology, that the Information has been appropriately used in the VFM model. The VFM assessment demonstrates that the AFP approach will provide an estimated value savings of 17.9% in comparison to the traditional delivery approach, using a 1.82% discount rate.

Yours very truly,

Deloitte LLP

30 June, 2016

Infrastructure Ontario
1 Dundas Street West
Suite 2000, Toronto
Ontario M5G 2L5

Attention: Michael Inch
Vice President, Procurement

Dear Michael:

SEG Management Consultants (SEG) were engaged as the Fairness Monitor to review, observe and confirm the processes of communication, evaluation and decision-making associated with the procurement process for the Request for Proposals for the Mackenzie Health – Mackenzie Vaughan Hospital project (the “Project”) (RFP No. 14-124P) issued by Infrastructure Ontario. Our role related to ensuring openness, fairness, consistency and transparency from the RFQ transition through to the conclusion of the Project’s RFP procurement.

SEG hereby presents this final procurement fairness attestation report to Infrastructure Ontario at the conclusion of this final stage in the procurement process, describing how the procurement process complied with requirements. The following chart included below is in accordance with Infrastructure Ontario’s procurement guidelines. It summarizes our involvement and findings:

Stage	Task	Fair (Yes / No)
1.	Procurement documents were made available in an open and equitable manner	Yes
2.	The RFP open period was consistent with the Procurement framework	Yes
3.	The procurement documents, including the evaluation tools, were reviewed and were deemed to be consistent with the guidelines established by Infrastructure Ontario and the Procurement framework	Yes
4.	Mandatory meetings were clearly identified in the procurement documents and there were no meetings during the procurement of which the Proponents were not notified	Yes
5.	Answers were made available to all Proponents for all questions that were submitted	Yes
6.	There was a forum/process through which Proponents could make complaints	Yes
7.	Infrastructure Ontario confirmed that the requisite information would be made available regarding the results of the procurement	Yes
8.	All participants who were part of the evaluation process confirmed that they would adhere to the conflict of interest and confidentiality requirements	Yes
9.	Protocols were in place to control access to information as appropriate, including protection of Commercially Confidential information	Yes

Stage	Task	Fair (Yes / No)
10.	Proponents confirmed their adherence to the conflict of interest and confidentiality requirements in their submissions	Yes
11.	<ul style="list-style-type: none"> The time and place of the RFP closing were clearly identified in the procurement documents The submissions were logged and recorded upon receipt, clearly identifying those that were submitted on time The Financial Submission was submitted separately and any mandatory requirements were adhered to for the proposals that were evaluated 	Yes
12.	There was a protocol in place to ensure that document confidentiality was maintained	Yes
13.	The evaluation criteria and process were included in the RFP	Yes
14.	The Evaluation Framework was finalized and approved by the Evaluation Committee before the RFP closing	Yes
15.	The Evaluation Committee adhered to the procurement procedures	Yes
16.	Evaluators were trained on the evaluation tools	Yes
17.	The pricing envelopes were opened only for Proponents who met the requirements of the procurement process according to the RFP	Yes
18.	Evaluations were conducted in an unbiased manner and in accordance with the Evaluation Framework	Yes
19.	The selection of the “First Negotiation Proponent” was approved according to the RFP documents and Evaluation Framework	Yes
20.	Debriefings are to be offered to all Proponents	Yes

Procurement Process

The following chart below is a summary of our review and observance of RFP No. 14-124P for the Mackenzie Vaughan Hospital Project.

Requests for Information	T1 through T262 P1 through P198
Addenda No.	1-79
Evaluation Framework dated	April 13, 2016
Requests for Clarification and responses	Plenary Health: 1-9 HIP: 1-7 RFC to PDC (for: Energy Model, Backbone Cabling Infrastructure, Unitized Casework, Net Areas, NOAC 19) and legal (Project Agreement Schedule 37 – MIS Infrastructure Agreement, Equipment Procurement Sub-Plan) and Mackenzie Health (Equipment Procurement Sub-Plan)

Commercially Confidential Meetings	Attended all Proponent and Commercially Confidential Meetings
RFP Submission Closing	April 21, 2016 at 3:00:00pm
Subject Matter Expert Reports	IO Communications Mackenzie Health ICAT and Technical Mackenzie Health, PDC Checklist Summaries (HIP and PH) PDC Checklists (HIP and PH) PDC Reports (HIP and PH)
Evaluator Consensus Meetings	Design, Technical, Operations and Financial
Evaluation Committee Presentations	Design, Technical, Operations and Financial

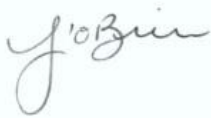
Observations and Findings

The procurement process is established clearly in Infrastructure Ontario's guidelines. The evaluation process and criteria described in the RFP were applied consistently and equitably. In the final evaluation consensus discussions, the evaluators demonstrated that they had been diligent in their responsibilities, that they were able to support their individual evaluation assessments and that they held no bias for or against any Proponent. There were no unresolved issues at the RFP stage of the procurement. Consensus was reached and confirmed by all evaluators. An official record was produced to document the evaluation and scoring consensus decisions, including the supporting rationale.

Conclusion

As the Fairness Monitor Consultant for the Request for Proposal for the Mackenzie Health – Mackenzie Vaughan Hospital Project (RFP No. 14-124P), issued by Infrastructure Ontario, we certify that the principles of openness, fairness, consistency and transparency have been, in our opinion, properly established and maintained throughout the procurement process. Furthermore, we were not made aware of any issues that emerged during the process that would impair the fairness of this initiative.

SEG Management Consultants Inc.



Lead Fairness Monitor
Jamie O'Brien



Corporate Lead
Greg Dadd
VP, Procurement and Fairness Advisory Services

Cc: Angelo Gismondi
Peter Sinanian
Vita Coppola



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