



Request for Proposals (RFP #20-174)

Design-Build-Finance

Grandview Children's Treatment Centre

Redevelopment Project

Ministry of Children, Community and

Social Services and Infrastructure Ontario

Fairness Monitor Report

Project: Grandview Children's Treatment Centre Redevelopment Project

Report Stage: Request for Proposal (RFP) Fairness Report

Date of Submission: March 4, 2022

Submitted to: Infrastructure Ontario – Procurement Specialist

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1 INTRODUCTION

BDO Canada LLP (BDO) was engaged by Infrastructure Ontario (IO) as Fairness Monitor to observe the Request for Proposal (RFP # 20-174) process of the Design-Build-Finance for the Grandview Children's Treatment Centre Redevelopment Project.

BDO's engagement on this project started on August 12, 2020, following the issuance of the call-up document for the provision of Fairness Monitor Services in accordance with the Request for Standing Offer (RFSO) No. 16-331 signed October 14, 2016. We were not involved in this project prior to award of the call-up.

BDO was the Fairness Monitor for the Design-Build-Finance Grandview Children's Treatment Centre Redevelopment Project Request for Qualification (RFQ) process.

We hereby submit this Fairness Monitor Project Request for Proposal (RFP) report covering the activities and monitored observations of the Fairness Monitor for (RFP # 20-174) process of the Design-Build-Finance the Grandview Children's Treatment Centre Redevelopment Project.

BDO is an independent third party with respect to this activity. We reviewed all of the information provided and observed all relevant activities as described below and in accordance with our mandate.

This report includes our attestation of assurance, background of the project, a summary of the scope and objectives of our assignment, the RFP process, RFP evaluation process and relevant observations from the activities undertaken.

2 ATTESTATION OF ASSURANCE

It is our professional opinion that the Request for Proposal (RFP # 20-174) process of the Design-Build-Finance Grandview Children's Treatment Centre Redevelopment Project that we observed was carried out in a fair, open, and transparent manner.



Melissa Stockton
Fairness Monitor



Ian Brennan
Fairness Monitor



Kelly Campbell
Partner

3 PROJECT BACKGROUND

The vision for the new Grandview Children's Treatment Centre is to provide seamless and coordinated family-centered care for children and youth with physical, communication, and developmental needs and their families in an open, welcoming, and inclusive facility. This community-based program will support an integrated mix of rehabilitation, medical and clinical services, education and research activities.

GCTC's current and future scope of services includes:

- Centre-Wide Therapy Services: Occupational Therapy, Physiotherapy, Speech-Language Pathology, Therapeutic Recreation, Psychology, Audiology, Infant Hearing, Blind Low Vision and Social Work
- Developmental Pediatric Services: specialist medical clinics and dietitian clinic
- Autism Program
- Campbell Children's School
- Family Resources Services
- School-Based Rehabilitation and Preschool Outreach Program.

Scope of the Project:

The purpose of the Grandview Children's Treatment Centre Redevelopment Project is to replace the existing main site in Oshawa and two other satellite locations into one (1) purpose-built facility on a 5.016-acre greenfield parcel of land in Ajax, ON. The scope includes the construction of a new 106,000 sq. ft. building, exterior landscaping work, and parking.

4 FM ENGAGEMENT AND OBSERVATIONS

BDO was engaged as a Fairness Monitor (FM) to observe the RFP process for the Design-Build-Finance Grandview Children's Treatment Centre Redevelopment Project (RFP # 20-174) procurement process and to attest to the fairness, openness and transparency of this monitored activity.

In accordance with the terms of our engagement, we familiarized ourselves with the relevant draft and final documents, observed activities up to the end of the RFQ stage through to the end of RFP stage and subsequent proposal evaluation stage. We identified fairness-related matters to the RFP project team and ensured that responses and actions were reasonable and appropriate.

As Fairness Monitor, BDO's mandate is to act as an independent third party to monitor and ensure the integrity of the procurement process, indicating whether the process was managed fairly, consistently, openly, competitively and transparently.

In order to do so, and in accordance with our scope of services and deliverables, BDO:

1. Attended Project RFP Evaluation Orientation Session;
2. Attended Proponents' Meeting;
3. Attended Project RFP Consensus Meetings – Technical;
4. Attended Project RFP Consensus Meetings – Financial;
5. Attended Project Evaluation Committee Meetings;
6. Worked in conjunction with IO's project team to ensure that the implementation of the RFP process was fair and transparent;
7. Reviewed and provided comments on the draft RFP document prior to issuance (fair and transparent process review only);
8. Ensured that IO's evaluation criteria and evaluation procedures were fairly applied in accordance with the RFP document and other related policies of IO;
9. Ensured that all Proponents were treated fairly in the evaluation process and in accordance with the RFP document;
10. At the conclusion of the RFP process, prepared a report on whether the procurement process was carried out fairly; and
11. Throughout the RFP process, monitored and reported immediately to IO on any known or perceived contraventions of the requirements established in the RFP document and other related policies of IO that may have negatively impacted the fairness or transparency of the RFP process.

4.1 RFP DEVELOPMENT AND RFP SUPPORTING DOCUMENTS

The IO RFP project team, with support from the Sponsors, developed the RFP, RFP supporting documents and evaluation criteria. BDO was not involved in the development of the RFP or RFP supporting documents.

The IO RFP project team provided the RFP documents to BDO on May 13, 2021. BDO provided a review of the RFP and Schedules 1, 2, 3 and 4 and provided feedback to the IO RFP project team on May 16, 2021.

4.2 RFP Process Timetable

As per the RFP Section 3.1 – the Timetable and the Data Sheet, IO provided the key RFP dates to the eligible proponents. All revisions to dates were through Addendums issues by IO. Below is the timetable of events for the RFP:

Step in the Procurement Process	Date
Issuance of RFP Documents	May 18, 2021
Data Room Accessible to Proponents	May 18, 2021
Initial (All) Proponents Meeting	May 20, 2021
Last day for each Proponent to request Ad Hoc Site Inspection Visits and sign up for Grandview Children's Centre tours	May 21, 2021
Issuance of Ad Hoc Site Inspection Visits Schedule and Grandview Children's Centre tours by IO	May 25, 2021
Deadline for Proponents to submit draft agenda for Topic Meeting #1 – Meeting with Town of Ajax	May 27, 2021
<p>Grandview Children's Centre Tours</p> <p>The number of Proponent participants at the tours may be limited to five (5) people maximum to facilitate social distancing. IO will advise on any limitations prior to the tour. Proponents may request tours at the following locations:</p> <ul style="list-style-type: none"> • <u>Oshawa – Main Site</u> Grandview Children's Centre - HQ 600 Townline Rd S, Oshawa, Ontario • <u>Oshawa – Dwyer</u> Dwyer 590 Rossland Rd W, Oshawa, Ontario • <u>Ajax</u> Grandview West 570 Westney Road South, Suite 17, Ajax, Ontario 	May 26, 2021 – May 31, 2021
Ad Hoc Site Inspection Visits	May 26, 2021 – June 11, 2021
<p>Topic Meeting #1 - Meeting with Town of Ajax</p> <p>June 3, 2021: Proponent A – Children First Consortium</p>	June 3, 2021

Step in the Procurement Process	Date
<p>June 3, 2021: Proponent B – EllisDon Infrastructure Healthcare</p> <p>June 3, 2021: Proponent C – Grandview Connection Group</p>	
<p>Deadline for Proponents to submit first round of Project Agreement comments and agenda items to be discussed at the first round of Commercially Confidential Meetings on the RFP Documents (the Project Agreement CCM #1)</p>	June 8, 2021
<p>Design Presentation Meeting #1</p> <p>June 15, 2021: Proponent A – Children First Consortium</p> <p>June 16, 2021: Proponent B – EllisDon Infrastructure Healthcare</p> <p>June 17, 2021: Proponent C – Grandview Connection Group</p>	June 15, 2021 – June 17, 2021
<p>Project Agreement CCM #1</p>	June 29, 2021
<p>Provision of Written Feedback to Proponents on submittals received at Design Presentation Meeting #1</p>	July 5, 2021
<p>Design Presentation Meeting #2</p> <p>July 13, 2021: Proponent B – EllisDon Infrastructure Healthcare</p> <p>July 14, 2021: Proponent C– Grandview Connection Group</p> <p>July 15, 2021: Proponent A – Children First Consortium</p>	July 13, 2021 – July 15, 2021
<p>Issuance of RFP Version 2.0 of the RFP Documents and the form of the Project Agreement (except for Schedule 15 – Output Specifications)</p>	July 23, 2021
<p>Issuance of RFP Version 2.0 of Schedule 15 – Output Specifications</p>	No later than July 27, 2021
<p>Deadline for Proponents to submit draft Proposed Works Schedule, draft Works Schedule Assumption Report, and supplementary comments on Schedule 19 – Works Scheduling Requirements of the Project Agreement</p>	July 27, 2021
<p>Provision of Written Feedback to Proponents on submittals received at Design Presentation Meeting #2</p>	July 29, 2021

Step in the Procurement Process	Date
Deadline for Proponent to submit second round of Project Agreement comments and agenda items to be discussed at the second round of Commercially Confidential Meetings on the RFP Documents (the Project Agreement CCM #2)	August 5, 2021
<p>Topic Meeting #2 – Internal Planning – 1.5 hours each (12:30 pm to 5:30 pm period)</p> <p>Proponent A – Children First Consortium</p> <p>Proponent B – EllisDon Infrastructure Healthcare</p> <p>Proponent C – Grandview Connection Group</p>	August 5, 2021
<p>Topic Meeting #3 – Proposed Works Schedule</p> <p>August 9, 2021: Proponent B – EllisDon Infrastructure Healthcare</p> <p>August 9, 2021: Proponent C – Grandview Connection Group</p> <p>August 9, 2021: Proponent A – Children First Consortium</p>	August 9, 2021
<p>Topic Meeting #4 – Exterior Building Identity and Design</p> <p>1.5 hours each (12:30 pm to 5:30 pm period)</p> <p>Proponent A – Children First Consortium</p> <p>Proponent B – EllisDon Infrastructure Healthcare</p> <p>Proponent C – Grandview Connection Group</p>	August 10, 2021
Project Agreement CCM #2	August 23, 2021
<p>Design Presentation Meeting #3</p> <p>August 30, 2021: Proponent C– Grandview Connection Group</p> <p>August 31, 2021: Proponent A – Children First Consortium</p> <p>September 1, 2021: Proponent B – EllisDon Infrastructure Healthcare</p>	August 30, 2021 – September 1, 2021
Last day for each Proponent to request Ad Hoc Meetings	September 7, 2021
Site Due Diligence Request Deadline	September 8, 2021
Issuance of RFP Version 3.0 of the RFP Documents and the form of the Project Agreement (except for Schedule 15 – Output Specifications)	September 10, 2021

Step in the Procurement Process	Date
Issuance of RFP Version 3.0 of Schedule 15 – Output Specifications	September 16, 2021
Provision of Written Feedback to Proponents on submittals received at Design Presentation Meeting #3 Deadline for Proponents to Submit RFIs (other than RFIs specifically related to the revisions issued by way of Addendum on or about October 1, 2021) Deadline for Proponents to Submit RFIs relating to the revisions issued by way of Addendum on or about October 1, 2021	September 16, 2021 October 1, 2021 October 5, 2021
Deadline for Proposed Changes in Identified Proponent Parties pursuant to Section 3.6(3) of the RFP	21 days before the Technical Submission Deadline
Deadline for submission of RFP Schedule 4A Participant Conflict Screening List pursuant to Section 3.9.3(1) of the RFP	21 days before the Technical Submission Deadline
Last Day for Posting of RFI Responses (other than RFIs specifically related to the revisions issued by way of Addendum on or about October 1, 2021 or the revisions issued by way of Addendum on or about October 8, 2021, as applicable)	October 5, 2021
Last Day for Posting of RFI Responses for RFIs specifically related to the revisions issued by way of Addendum on or about October 1, 2021	October 7, 2021
Last Day for Issuance of Addenda Deadline for Proponents to Submit RFIs relating to the revisions issued by way of Addendum on or about October 8, 2021 Last Day for Posting of RFI Responses for RFIs specifically related to the revisions issued by way of Addendum on or about October 8, 2021	October 8, 2021 October 13, 2021 October 14, 2021
Technical Submission Deadline (according to date and time stamp)	October 21, 2021 no later than 2:00 pm Toronto, Ontario Local Time
Deadline for Proponents to submit, if necessary, formula in respect of Credit Spread Election Facilities pursuant to RFP Section 5.5(1)(c)	November 16, 2021 , at 10:00 am Toronto, Ontario Local Time
Benchmark Date pursuant to Part 2 of Schedule 3 to the RFP, under Section 2.5 (Interest Rates) of Part D	November 23, 2021 , at 10:00 am Toronto, Ontario Local Time

Step in the Procurement Process	Date
Date and time for pricing the Indicative Credit Spread Benchmark(s)	November 23, 2021 , at 10:00 am Toronto, Ontario Local Time
First Credit Spread Lock-In Date	November 23, 2021 , at 10:00 am Toronto, Ontario Local Time
Financial Submission Deadline (according to date and time stamp)	November 30, 2021 , no later than 2:00 pm Toronto, Ontario Local Time

5 RFP OPEN PERIOD

5.1 RFP Open Period

The RFP Open Period began when IO issued RFP 20-174 on AWARD on May 18, 2021.

5.2 Proponents Meeting

IO provided for a Proponents RFP Meeting ("Proponents Meeting") on May 20, 2021, as per Notice #1 issued May 12, 2021.

The Proponents Meeting took place via MS Teams.

Within the RFP, IO advised that attendance at the Proponents Meeting was not mandatory and that there were no consequences in the evaluation process for not attending the Proponents Meeting.

The Proponents Meeting was for information purposes only. Proponents were strongly encouraged to submit questions in accordance with the RFI Submission Process outlined in RFP Section 3.2.2.

Dave Musonge – IO Procurement Specialist and Andrea Richardson – IO Senior Project Manager facilitated the Proponents Meeting on behalf of IO. The presentation given during the Proponents Meeting was made available to the attendees by uploading it to the AWARD Data room for Proponents to download.

The Proponents Meeting lasted approximately one hour.

The Fairness Monitor observed the Proponents Meeting in its entirety.

5.3 RFP Data Room

IO established an electronic data room for the distribution of the RFP, RFP Documents and Addenda. IO gave all proponents access to the AWARD data room as outlined in Section 2.4 of the RFP.

Infrastructure Ontario circulated the RFP and all other RFP Documents, including Addenda, by uploading them in the Data Room.

The documents in the data room included the original RFP and RFP supporting documents, black-lined RFP Documents revised by Addenda, the provision of various types of background information for the Proponents' review, and the receipt of Request for Information from Proponents and the posting of responses to Request for Information.

5.4 Request for Information

Proponents were encouraged to submit Requests for Information (RFI) to the contact person identified in the Data Sheet. IO provide a Request for Information form for Proponents to submit their clarifications or questions.

As per RFP Section 3.2.2 (4), Proponents submitted all RFIs by posting them to the AWARD Data Room, using the RFI form in the Data Room.

IO received 261 RFIs from Proponents during the RFP process. IO was very diligent in addressing all the RFI's received from the Proponents. IO responded to all 261 RFIs and issued addenda when applicable. Before issuing the RFIs responses to the Proponents, the RFIs responses were sent to the Fairness Monitor and Legal to review. The IO project team addressed all comments raised by the Fairness Monitor.

As per the Data Sheet RFP timelines, the Proponents last day to submit questions or concerns was October 13, 2021. IO's last day to post responses to a Proponent's RFI was October 14, 2021.

The RFI process conducted by IO conformed to the process defined in the RFP.

5.5 RFP Addendum

IO issued twenty-three (23) Addenda during the RFP process. All Addenda were uploaded to the RFP AWARD Data room. Per the RFP Data Sheet, the last day for issuance of Addenda by IO was October 8, 2021.

The RFP Addendum process conducted by the IO conformed to the process defined in the RFP.

5.6 Commercially Confidential Meetings

As per Section 3.4.2 of the RFP, IO provided for Commercially Confidential Meetings with the Proponents during the RFP process. The Commercially Confidential Meetings provided IO and

Proponents with a forum to discuss the Project Agreement, Proponents' suggested amendments to the Project Agreement and project design issues, Proponents' proposed designs, and other matters. Dates of the various Commercially Confidential Meetings can be found in the RFP Timetable of this report.

5.7 RFP Closed

As per the RFP Data Sheet, the Deadline for Submission of the Technical Proposals was October 21, 2021 (no later than 2:00:00 pm Toronto, Ontario Local time). IO received three (3) RFP Submissions before the submission deadline. The deadline for Financial Submission was November 30, 2021 (no later than 2:00:00 pm Toronto, Ontario local time). IO received three (3) RFP submissions before the submission deadline.

6 EVALUATION OF SUBMISSIONS

6.1 RFP Evaluation Training Session

The Evaluator Training session was held on October 19, 2021. The purpose of the meeting was to review the objectives of the evaluation process, the evaluation framework and process documents, the participant structure, roles and responsibilities, the evaluation and scoring, the evaluation tools, procedures and considerations, and to discuss evaluator confidentiality and disclosure of any perceived, potential or actual conflicts of interest.

The Fairness Monitor was present for the evaluator training presentation. No conflicts of interest were declared by the participants during the evaluator training presentation.

6.2 Evaluation Process

As per Section 6.1 of the RFP, the Sponsors established an Evaluation Committee for the purpose of evaluating RFP Proposals. The Technical and Financial Evaluation Teams present the results of the Technical Submission and Financial Submission evaluations and scores to the Evaluation Committee and otherwise report to the Evaluation Committee, as required. As per Section 6.5 of the RFP, the project followed the process outlined in the RFP for the evaluation of the submissions. The evaluation process followed eight (8) steps:

Step 1 - Compliance of Technical Submissions

The Sponsors opened each Technical Submission on the Award system separately. They reviewed the contents of the Technical Submission to assess its compliance with the terms and conditions of the RFP Documents. A compliance review was conducted for all three Proponents.

All three (3) submissions were substantially complete and recommended to proceed to Step 2 of the evaluation process.

Step 2 - Review of the Proposal Submission Form (Technical)

The Sponsors reviewed each Proponent's Proposal Submission Form and the contents of the form to assess its compliance with the terms and conditions of the RFP Documents. The Sponsors reviewed the Proponent Proposals to ensure that there have been no changes to the Proponent or Proponent Team Members from their Prequalification Submissions, except for changes that have been approved by the Sponsors in accordance with RFP Section 3.6; and assessed the Conflict of Interest and Confidential Information sections of the Proposal Submission Form (Technical).

All three (3) Proponents' Proposal Submission Forms were substantially complete and recommended to proceed to Step 3 of the evaluation process.

Step 3 – Review and Scoring of the Technical Submissions

The Technical Evaluation Team evaluated and scored the Technical Submissions as per RFP Section 6.5.3 and evaluated and scored in accordance with Parts 1 and 4 of Schedule 3 to this RFP. The Technical Evaluation Committee (B1) conducted individual evaluations between October 26, 2021, and November 16, 2021. The Technical Evaluation Committee (B2) conducted individual evaluations between October 26, 2021, and November 23, 2021.

IO issued one (1) Request for Clarification to the Proponents during the review and scoring of the Technical Submissions.

The Technical Evaluation Team followed the technical evaluation framework. The Technical Evaluation Team (B1) consensus took place on November 17, 2021 and November 18, 2021. The Technical Evaluation Team (B2) consensus took place from November 29, 2021 to December 1, 2021. The Fairness Monitor was present for the technical evaluation consensus sessions.

The Technical Evaluation Team (B1) presented the results of Proponents Technical Submissions to the Evaluation Committee on November 22, 2021. The Technical Evaluation Team (B2) presented the results of Proponents Technical Submissions to the Evaluation Committee on December 6, 2021, and December 8, 2021. The Fairness Monitor was present for the meetings with the Evaluation Committee.

All three (3) Technical Submissions met the minimum technical scoring thresholds as set out in the applicable provisions of Part 4 of Schedule 3 to this RFP and moved onto Step 4 of the evaluation process.

Step 4 – Review of the Proposal Submission Form (Financial)

The Sponsors reviewed each Proponent's Financial Proposal Submission Form and the contents of the form to assess its compliance with the terms and conditions of the RFP Documents. The Sponsors reviewed the Financial Proposals to ensure that there have been no changes to the representations and warranties made by the Proponent in its Proposal Submission Form.

All three (3) Proponents Financial Proposal Submission Forms were substantially complete and recommended to proceed to Step 5 of the evaluation process.

Step 5 – Compliance of the Financial Submissions

On December 8, 2021, following the Evaluation Committee approval of the evaluation results of the Technical Submissions, the Sponsor opened the Proponents Financial Submissions on the AWARD system. The Technical Evaluation Team had no access to the Proponents Financial Submissions.

The Sponsor reviewed the contents of the Financial Submission of each Proponent to assess its compliance with the terms and conditions of the RFP Documents. All three (3) submissions were substantially complete and moved onto Step 6 of the Evaluation Process.

Step 6 – Review and Scoring of the Financial Submissions

The Financial Evaluation Team evaluated and scored the Financial Submissions as per RFP Section 6.5.5 and evaluated and scored in accordance with Parts 2 and 4 of Schedule 3 of the RFP. The Financial Evaluation Team conducted individual evaluations between December 10, 2021, and January 6, 2022.

IO issued one (1) Request for Clarification to the Proponents during the review and scoring of the Financial Submissions.

The Financial Evaluation Team consensus took place on January 10, 2022. The Financial Evaluation Team followed the financial evaluation framework. The Financial Evaluation Team presented the results of Proponents Financial Submissions to the Evaluation Committee on January 11, 2022. The Fairness Monitor was present for the financial evaluation consensus session and the Evaluation Committee meeting.

All three (3) proposals met the minimum financial scoring threshold as set out in the applicable provisions of Part 4 of Schedule 3 of the RFP and moved onto Step 7 of the Evaluation Process.

Step 7 – Establishing a Final Proposal Score

The Evaluation Committee adhered to the evaluation framework process set out in Part 4 of Schedule 3 in the RFP. The Evaluation Committee received and accepted and results of the evaluation process and finalization of the scores of all Proponents' Proposals. The scores of all

Proponents' proposals were tallied and finalized as per RFP Section 6.5.8. These Final Proposed Scores were used to rank the proponents in Step 8.

All three (3) Proposals' scores were tallied and finalized and moved onto Step 8 of the Evaluation Process

Step 8 – Ranking the Proponents

The Evaluation Committee ranked the Proponents that met all requirements in Steps 1 through 8 of the evaluation process. Based on the Final Proposed score in Step 7, the Evaluation Committee ranked the Proposals as per section 6.5.9 of the RFP.

Evaluation Summary

The evaluation process conducted by the Evaluation Committee conformed to the process defined in the RFP and RFP Evaluation Framework. All Proponents' Proposals were treated fairly and evaluated in accordance with the evaluation criteria in the RFP and the RFP Evaluation Framework. We detected no bias or favouritism towards any Proponent. IO's evaluation criteria and evaluation procedures were fairly and consistently applied and in accordance with the RFP and the RFP Evaluation Framework.

In accordance with the RFP, the Sponsors identified the highest-ranked Proponent as the First Negotiations Proponent at the end of the evaluation process, which we witnessed. The subsequent negotiations will not be monitored by the Fairness Monitor but will be conducted in accordance with IO's established process as per the RFP.

We confirm that Children's First Consortium is the highest scoring Proponent in this evaluation process to meet and satisfy all required technical and financial scoring thresholds and has been named the First Negotiations Proponent.

7 REFERENCE DOCUMENTS

The RFP, RFP supporting documents, Request for Information, Proponents' RFP Proposals and RFP Evaluation Framework have been filed and retained by IO.