



TTC Enterprise Asset Management (EAM) Program: Contract Award for Professional Services

Date: April 13, 2023
To: TTC Board
From: Chief Capital Officer

Summary

The Toronto Transit Commission (TTC) has a comprehensive portfolio of capital assets that are integral to the delivery of public transit services. These assets include tunnels, rolling stock, buildings, tracks, buses, streetcars, and trains, which have a combined value of about \$22.15 billion. As a top priority, the TTC is committed to ensuring that these assets remain in good condition and have State of Good Repair programs across all asset groups to manage, maintain, rehabilitate, or replace these assets.

The TTC is maturing its Enterprise Asset Management (EAM) program to optimize its lifecycle management of TTC assets, to provide higher quality consolidated enterprise asset management data to inform short and long term capital investment planning and decision making, and to comply with provincial legislation - *Ontario Reg. 588/17* under the *Infrastructure for Jobs and Prosperity Act, 2015, S.O. 2015, c. 15*, requiring compliance in asset management planning and management practices that requires asset management deliverables at key milestones up to 2025.

The EAM Program will bring the TTC to a higher level of asset management maturity through implementation of program governance, the use standardized and consistent practices, and the establishment of an EAM sustainment organization. The TTC will build on existing operational and technology efforts with the goal to continuously improve asset performance, extend asset lifespan, and enhance the safety and condition of the TTC network.

Further, the TTC through the EAM Program will use advanced asset management processes and systems to accelerate its sustainability efforts for both climate mitigation and adaptation. Moreover, the TTC will focus on assets that emit and control greenhouse gases by better maintaining them in order to minimize direct emissions. The life of assets with high carbon content can also be extended to reduce indirect emissions. By doing so, the organization will be able to significantly contribute towards climate mitigation efforts.

Finally, by improving the measurement, tracking, and transparency of its sustainability efforts, the TTC can enhance its sustainability performance, increase stakeholder confidence and progress towards its sustainability goals.

The purpose of this report is to obtain TTC Board authority to award the contract for the provision of EAM professional services in the amount of \$7,155,703 inclusive of all taxes on the basis of the highest total weighted score.

This contract will enable the procurement of expert EAM professional services for a duration of up to three years to accelerate establishment of the TTC's EAM practice; implementation of the TTC's EAM Program and sustainment organization; development of the TTC's Asset Management and Investment Plan, and to meet asset management regulatory compliance milestones set out in the Ontario. *Reg. 588/17*, as amended. The contract includes two optional one year extensions at the TTC's sole discretion.

The scope of work of this contract includes:

- An as-is discovery of TTC's current EAM landscape, including a gap assessment with *Ontario. Reg. 588/17* and benchmarking against industry best practices;
- Development of future 'to-be' design for the end-to-end asset management practice, as well as the establishment of the Program office, organizational change management, knowledge transfer, and training plans.
- Implementation of business processes and best practices, as well as, the necessary tools and templates to accelerate delivery;
- Ensure the TTC is compliant with applicable legislation including Ontario. *Reg. 588/17* by legislated milestone dates;
- The provision of knowledge transfers to the TTC team to enable the TTC to fulfill its EAM obligations and ensure the sustainability of TTC's practice.

Recommendations

It is recommended that the TTC Board:

1. Authorize the award of contract for the provision of EAM Professional Services to SNC-Lavalin Operations and Maintenance Inc. (SNC) in the amount of \$7,155,703 inclusive of HST for a three-year term with options to extend the contract for up to two additional one year terms, to be exercised at the TTC's sole discretion.

Financial Summary

Funds for this expenditure are included in the TTC's 2023-2032 Capital Budget and Plan under Program 3.9: Enterprise Asset Management, State of Good Repair, which was approved by the TTC Board at its meeting on January 9, 2023 and by City Council at its meeting on February 15, 2023.

The capital costs to be incurred as part of this contract will provide the necessary vendor professional services required to deliver the scope of services including the asset management plan development, the accelerated implementation of the standardized future state of the TTC’s EAM practice, and compliance with applicable provincial regulations and associated City reporting requirements for the consolidation of provincially prescribed municipal asset management plans.

Based on the expected progress of work, the contract expenditures will be incurred between 2023 and 2025 and will require the following cash flow funding:

	2023 Forecast	2024 Forecast	2025 Forecast	Total Contract Amount
Contracted Services Expenditure <i>(inclusive of taxes)</i>	1,479,667.20	3,496,435.00	2,179,600.20	7,155,702.40
<i>Rebatable HST</i>	(147,181.06)	(347,786.98)	(216,802.71)	(711,770.75)
Net Financial Impact (net of rebatable HST)	1,332,486.14	3,148,648.02	1,962,797.49	6,443,931.65

The Chief Financial Officer has reviewed this report and agrees with the financial impact information.

Equity/Accessibility Matters

The company recommended for the contract award must comply with the TTC’s Respect and Dignity Policy throughout the engagement. Additionally, the EAM Professional Services acquired will enhance asset management capabilities, ensuring the integrity and availability of the TTC’s transit services. The robust and standardized EAM practice, to be implemented through the EAM Program, will inform asset planning and decision-making to ensure assets are located in accessible areas for all individuals, including those with special needs. The TTC will prioritize investments in assets that promote equity and accessibility, with the implementation of the EAM Program.

Decision History

The [City of Toronto Corporate Asset Management Policy CAM-001](#) was adopted by City Council on June 19, 2019 and came in to effect on July 1 of the same year. It provides the framework to develop a whole of government asset management approach that will ensure long-term asset sustainability, demonstrate a commitment to good stewardship of the City’s infrastructure assets, and support improved accountability and transparency to the community through the adoption of appropriate asset management practices.

Issue Background

Ontario Regulation 588/17

The Province enacted the [Asset Management Planning for Municipal Infrastructure Regulation, O. Reg. 588/17 \(as amended by O. Reg. 193/21\)](#) effective January 1, 2018, to ensure that municipalities have a comprehensive and sustainable plan for managing their infrastructure assets. The regulation requires municipalities to prepare and maintain a comprehensive asset management plan that includes an inventory of their infrastructure assets, condition assessments, life-cycle cost analysis, and risk assessments. The plan must also include strategies for financing and prioritizing infrastructure projects, as well as monitoring and reporting on their progress.

The regulatory times associated with the amended regulation are:

- July 1, 2022: Municipalities to have an approved asset management plan for core assets (roads, bridges, and culverts, water, wastewater, and storm water management systems) that identifies current level of service and the cost of maintaining those levels of service.
- July 1, 2024: Municipalities to have an approved asset management plan for all municipal infrastructure assets that indemnifies current levels of service and the cost of maintaining those levels of service.
- July 1, 2025: Date for municipalities to have an approved asset management plan for all municipal infrastructure assets that builds upon the requirements set out in 2024. This includes an identification of proposed levels of service, and a strategy to fund these activities.

TTC Asset Management Progress

The City of Toronto is the steward of a large, complex, and diverse range of infrastructure assets, including transportation networks, water and wastewater systems, public buildings, and parks and recreational facilities, valued at \$168.4 billion, of which, \$22.15 billion belongs to the TTC. These assets are critical to the City's ability to deliver essential public services to its residents, and it is therefore essential that they continue to meet acceptable levels of performance. As an agency of the City, the TTC owns and operates a significant portion of the City's infrastructure assets, including its fleet of buses, streetcars, and subway trains, as well as its stations, tracks, and other transit infrastructure. The TTC has an obligation to ensure that these assets are available for safe and secure public transit service delivery, and that they are being managed effectively and efficiently to ensure their continued performance.

In July 2019, the City of Toronto published the [City of Toronto Corporate Asset Management Policy](#), which establishes the asset management framework for assets owned by City Programs, Agencies, the Toronto Community Housing Corporation (TCHC) and the TTC.

As part of its ongoing efforts to mature its EAM program and align with the City of Toronto's Corporate Asset Management Policy and *Ontario. Reg. 588/17*, the TTC developed the TTC Strategic Asset Management Guiding Principles. The primary focus of the TTC's asset management effort is the preservation and safety of existing infrastructure while ensuring the Asset Management and Investment Plan (AMIP) is developed to be sustainable, living, and adaptable for growth. The TTC's objective is to manage assets as effectively as possible in an environment in which some of the infrastructure is nearing the end of its service life and where investment is subject to public fund availability. To ensure that good decisions are made in its efforts to preserve and enhance the safety and condition of the transit system, the TTC has adopted the following guiding principles for the development of the TTC's AMIP and to set out how the TTC will mature its asset management planning practices for TTC assets:

- Holistic and integrated: Take a holistic integrated process approach to lifecycle management;
- Safety and reliability: Maintain all assets and technologies in a state of good repair;
- Sustainability and resilience: Manage TTC assets to achieve sustainable service delivery while considering climate change mitigation and adaptation;
- Compliance: Demonstrate compliance with relevant regulation, legislation, standards and industry codes including *Ontario. Reg. 588/17*;
- Customer focused, accessible and continuous improvement: Drive continuous improvement and innovative asset management solutions for TTC customers.
- Value based decision making: Use data and a formal, consistent, and methodical system to drive decisions and demonstrate value for money;

The TTC has made significant progress in consolidating all industrial and fleet asset information into an enterprise platform, which is IBM Maximo. As part of this effort, the TTC has completed the migration of their streetcar vehicle assets and subway track assets into IBM Maximo from legacy systems. This consolidation effort aims to streamline the maintenance and management of assets, reduce downtime, and improve overall operational efficiency.

The TTC is also currently in the process of rolling out Maximo for Subway Train assets and conducting a business process review in preparation for the Maximo implementation for its structures, signals, and electrical assets. Furthermore, the TTC is continuing the roll-out of IBM Maximo Anywhere mobile solution, which enables maintenance technicians to access real-time information from their mobile devices, enabling them to respond quickly and efficiently to issues as they arise.

The TTC assessed its current state against the requirements of the provincial regulation and found that there were varying levels of maturity in its asset management practices. To ensure that the TTC was able to meet regulatory deadlines and establish an effective and standardized EAM program, it was deemed necessary to seek external professional services support. An external professional services organization would augment existing TTC resources and provide the necessary expertise, guidance, and support required to develop and implement a comprehensive and sustainable asset management plan. In 2022, the TTC tendered for the services of EAM professional services through a structured request for proposal (RFP) process.

Comments

In developing the scope for this RFP, the TTC leveraged information from the following sources:

- *Infrastructure for Jobs and Prosperity Act, 2015*
- *Asset Management Planning for Municipal Infrastructure Regulation, O. Reg. 588/17 (as amended by O. Reg. 193/21)*
- City of Toronto Corporate Asset Management Policy
- Institute for Asset Management standards
- TTC Asset Hierarchies
- TTC Preliminary EAM Gap Analysis
- Benchmarking with other North American Transit Organizations

Multi-phase RFP process

The nature of the TTC's integrated infrastructure environments requires a holistic approach to implementing an EAM practice through a single accountable EAM Professional Services provider that work with the TTC EAM Program Head and TTC lines of business.

To ensure that a knowledgeable provider with proven experience and mature solution offerings was selected, the TTC conducted a multi-stage procurement process consisting of a pre-qualification process followed by a negotiated Request for Proposals (RFP).

Phase 1 – Request for Supplier Qualifications and Pre-Qualification

The TTC issued Request for Supplier Qualifications (RFSQ) No. P25PU22310 on June 30, 2022. A total of six responses were received out of which four companies listed below achieved the minimum threshold of 70% and thus were considered pre-qualified to participate in the subsequent RFP process:

- WSP Canada Inc. (WSP)
- Jacobs Consulting Canada Inc. (Jacobs)
- KPMG LLP (KPMG)
- SNC-Lavalin Operations and Maintenance Inc. (SNC)

The TTC is committed to ensuring that the RFP process is open, fair, transparent, and accountable to all proponents. The TTC retained Robinson Global Management Inc. (RGM) as the fairness monitor for the RFP process. The role of the fairness monitor is to provide an independent attestation that the RFP process has been conducted fairly. The Fairness Monitor's report, attached as Appendix B, confirms the fairness of the process based on their observations.

Members of the evaluation team representing Engineering Construction and Expansion, Information Technology Services, Infrastructure and Operations, and Vehicles and Transportation, together with the Fairness Monitor in attendance, completed training prior to the evaluation to review the overall RFP process and the roles and responsibilities of evaluators.

Request for Proposals Process

The RFP was issued by invitation only via the TTC's Bonfire electronic bidding portal on October 3, 2022. All four pre-qualified respondents were provided with copies of the proposal documents. Four addenda were issued during the RFP posting period. As a negotiated procurement process, there is no proposal validity. Two out of the four pre-qualified respondents submitted proposals by the closing date of November 30, 2022 - KPMG and SNC.

RFP EVALUATION STAGES

Stage 1 - Mandatory Form Requirements

The proposals were required to comply with the mandatory requirements consisting of the submission of the completed "*Proposed Solution Submission Form*" and "*Pricing Submission Form*". During this stage of the evaluation TTC Procurement and Category Management staff would complete a compliancy review and request rectification where applicable prior to releasing any information to the evaluation team members.

A review of the forms submitted by KPMG and SNC was completed by TTC staff and verified by the Fairness Monitor, and it was determined that all the requirements were met and the evaluation process would continue to Stage 2.

Stage 2 - Rated Criteria

The maximum available points under Stage 2 – Rated Criteria was 75 and proponents were required to achieve a minimum threshold of 60% (45 points) in Stage 2 in order to be eligible to participate in the subsequent stages of the evaluation process.

Evaluators were required to review and score individually, all criteria, before the consensus meetings, where the entire evaluator team would then agree to a single consensus score and a single supporting consensus comment per criteria.

The rated criteria to be evaluated in Stage 2 consisted of the following requirements:

- EAM Practice Framework and AMIP Methodology (36.7 Overall Points)
- Implementation Services (29 Overall Points)
- Professional Services (9.3 Overall Points)

At the end of Stage 2, only those Proponents that achieved a minimum of 45 points out of the available 75 points, would be invited to participate in Stage 3 of the evaluation process. Both KPMG and SNC achieved the minimum number of points required to continue to the next stage of the evaluation.

Stage 3: Pricing

Following the rating of the information submitted by proponents in Stage 2, Procurement & Category Management (PCM) staff would open "*Pricing Submission Forms*" containing the pricing information of those proponents that achieved a minimum score of 45 points. A maximum of 25 points were available for the pricing component of the evaluation under Stage 3.

The pricing forms submitted by both Proponents were opened for evaluation in accordance with the requirements of Stage 3.

Upon opening the pricing forms for KPMG it was discovered that they failed to provide pricing for 10 mandatory requirements. As a result, and in alignment with the provisions set out in the RFP documents, KPMG's submission was deemed to be non-compliant and would not be evaluated any further. The determination of the disqualification of KPMG's proposal was reviewed with input by TTC Legal and the Fairness Monitor.

SNC's pricing forms were reviewed and all required information was confirmed to have been submitted, as such SNC's proposal was deemed to meet the requirements of this stage of the evaluation and would proceed to Stage 4 of the evaluation.

Stage 4: Final Ranking

After the completion of Stage 3, all of the scores from Stage 2 and Stage 3 were added together and the shortlisted Proponents were ranked based on their total scores. The top-ranked Proponent would receive a written invitation to finalize the agreement with TTC through negotiations.

Stage 5: Negotiate Final Agreement

The highest-ranked Proponent would enter into direct negotiations to finalize an agreement with TTC for the provision of the Deliverables. The terms and conditions found in "*Form of Agreement*" were to form the basis for commencing negotiations between TTC and the top-ranked Proponent. It was TTC's intention to enter into an agreement with only one legal entity.

PCM initiated negotiations with SNC on February 2, 2023 with support from Legal and ITS departments. TTC and SNC have finalized the terms and conditions, Statement of Work (SOW), price negotiation and both parties are ready to execute the final agreement and SOW.

Highlights on negotiation achievements:

- Enhanced Statement of Work was developed and finalized;
- Areas where costs could be optimized were identified to ensure more accurate pricing;
- Overall cost reduction of approximately 2% of the original proposal price.

SNC's proposal is considered commercially acceptable and is recommended for award.

Contact

Dhaksayan Shanmuganayagam, Head Information Technology Services
416-393-3922
dhaksayan.shanmuganayagam@ttc.ca

Signature

Gary Downie
Chief Capital Officer

Attachments

Appendix A – Summary of Proposal
Appendix B – Fairness Monitor's Report

03074-95-3219

APPENDIX A

TTC Enterprise Asset Management (EAM) Program: Contract Award for Professional Services

Summary of Proposals

Proposal No.	Proponent	Final Negotiated Price
QUALIFIED PROPONENTS		
1	SNC-Lavalin Operations and Maintenance Inc. (SNC) *	\$7,155,703
NON-COMPLIANT PROPONENTS		
2	KPMG LLP (KPMG)	N/A

* Recommended for award

APPENDIX B

Fairness Monitor's Report

FAIRNESS MONITOR'S FINAL FAIRNESS REPORT

Toronto Transit Commission

Request for Proposals for Enterprise Asset Management Professional Service

RFP No. : P25PU22310

RFP Issued: October 3, 2022

Original Closing: November 17, 2022 at 2:00 PM

Revised Closing: November 30, 2022 at 2:00 PM

REPORT ISSUED: MARCH 27, 2023

March 27, 2023

Ms. Cristina Del Sole
Procurement & Contract Specialist
Design Engineering & Technical Services
Procurement & Category Management Department
Corporate Services Group



Mr. Derek Liu
Category Manager
Design Engineering and Technical Services Category
Capital Procurement
Procurement and Category Management

**Re: Final Fairness Monitor Report
Toronto Transit Commission for the Negotiable Request for Proposals for Enterprise Asset Management
Professional Services - RFP No.: P25PU22310**

Dear Ms. Del Sole and Mr. Liu:

Robinson Global Management Inc. ("RGM") was retained as the Fairness Monitor for the above-mentioned procurement on September 21st, 2022, to oversee the procurement being administered by the Toronto Transit Commission ("TTC"), for Enterprise Asset Management ("EAM") Professional Services.

Final Fairness Monitor Report Background

RGM has monitored the procurement relating to the Negotiable Request for Proposals for Enterprise Asset Management Professional Services - RFP No.: P25PU22310, in the role of Fairness Monitor.

This letter details our summarized fairness findings throughout the procurement, and reflects findings from our previously issued interim reports on the Posting to Close and the Evaluation stages. Within this final Fairness Report, we have included our acceptance of PCM's proposed recommendation for award.

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 procurement process, we recommend that communication be sought from the Toronto Transit Commission's Procurement 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 on the following page. In completing this report, we took the Toronto Transit Commission's Procurement Policy, and Procedures, Canadian Free Trade Agreement, Comprehensive Economic and Trade Agreement, and the provisions of the RFP as a standard against which to audit the process.

We have no objections to the administering by the TTC's Procurement and Category Management Department of the RFP Posting to Close Process for this RFP.

The Fairness Monitor's responsibilities and deliverables for the RFP include:

- a) Review and understand the TTC's procurement by-laws, policies, processes, and procedures;
- b) Become familiar with the RFP document as issued and the evaluation process;
- c) Review various documents and information, including but not limited to the procurement documents, addendum, and correspondence;
- d) Review the evaluation criteria with respect to clarity and consistency;
- e) Identify situations and issues which may compromise the evaluation process, and which may result in complaints about the procurement process and provide advice on resolving complaints;
- f) Provide oversight and advice during the procurement process;
- g) Attend Pre-Bid Meetings;
- h) Review each Bid submission;
- i) Attend Commercial and Technical Evaluation Meetings;
- j) Participate in telephone calls with TTC's Legal and/or Procurement Departments and Category Management Departments;
- k) Ensure that all participants were briefed on best practices with respect to principles and duties of fairness; confidentiality of vendor submissions; conflict of interest; undue influence; scoring procedures; and the retention of documents;
- l) Upon completion of the evaluation process, prepare a report describing the Fairness Monitor's observations and findings throughout the process;
- m) Attend the TTC's Board Report Meeting to answer questions regarding the report or process, if called upon to do so;
- n) Attend Debriefing meetings (if required) and provide comments on the fairness of the selection process.

EAM Management Professional Services RFP Background

As per section 1.1 of the RFP, the RFP was "... an invitation by the Toronto Transit Commission ("TTC") to prequalified Proponents to submit Proposals for Enterprise Asset Management Professional Service as further described in Section A of the RFP Particulars (Part 4) (the "Deliverables")."

In accordance with Section 2.1 of the RFP:

- .1 *The objective of this Scope of Service is to holistically and sustainably enhance enterprise lifecycle asset management and asset investment planning at the TTC, and to improve related capabilities for the safe and effective maintenance of TTC assets in compliance with applicable legislation. In addition, the TTC is seeking a partner that will bring deep Enterprise Asset Management (EAM) and Asset Investment Planning transformation, business processes, systems and investment planning expertise, augment staff (resources), and professional services for the purpose of:*
 - .1 *accelerating and leading the build of the TTC's scalable Asset Management and Investment Plan (AMIP) and the strategy, roadmap, tools, standardized templates and work plans to sustain the AMIP over a 10 plus year horizon to meet legislative requirements including the Ontario Regulation 588/17 ("O. Reg. 588/17") and aligned to the TTC Corporate Plan; and*
 - .2 *leading the development, maturation, and implementation of end-to-end integrated lifecycle enterprise asset management and asset investment practices at the TTC aligned to industry leading practices, while reducing the TTC's enterprise risk; and*

- .3 *building and standing up a successful TTC sustainment organization with the supporting governance process and framework to sustain the corporate AMIP and asset group owner level AMIPs beyond 2025.*
- .2 *The AMIP implemented through this engagement will optimize the relationship between capital expenditure and operating cost, risk, performance, and asset life expectancy/sustainability while meeting Municipal, Provincial, and Federal standards, reporting requirements and regulations, including O. Reg. 588/17.*

For information, the TTC completed a prequalification process, resulting from which four (4) prequalified proponents were identified. RGM was not involved in the prequalification process; our engagement commenced with the RFP.

In accordance with RFP section 1.4 Type of Contract for Deliverables, TTC intends to enter into an agreement with only (1) legal entity.

A. RFP Closing

1. RFP Closing

Two (2) proposals were received before the Submission Deadline. TTC's Procurement & Category Management Department ("PCM") confirmed that no late proposals were received or accepted.

B. RFP Evaluation

1. Stage I – Pass/Fail Requirements

Both proposals satisfied the mandatory pass/fail requirements and proceeded to Stage 2. Stage 1 was evaluated by the qualified PCM representative on a pass/fail basis. PCM advised RGM that both proposals passed Stage I.

Issue: Download of the Pricing Forms in Error

Following Stage 1, RGM was advised that while the PCM representative proceeded to download the responses from Bonfire bidding system for distribution to the evaluation team for the rated criteria for the Stage 2 evaluation, the pricing responses from both proposals also downloaded. The PCM lead representative advised that these pricing proposals were on the desktop but remained unviewed. PCM contacted RGM to advise and consult RGM with respect to this issue.

In response to whether the Bonfire bidding system had a technical glitch or whether the download of the pricing files was due to human error, PCM further advised that the download was likely due to human error.

Ultimately, RGM is satisfied that PCM completed diligent internal discussions and took diligent steps as described below. Specifically:

- PCM advised that it would proceed with the following steps:
 - *Back up the pricing files on two USB storage and have the USBs in the sealed envelope held by the Office Manager. PCM advised that this action would be taken in case there are any issues/corruption with the pricing file within Bonfire during our testing. Once that is completed we will delete the pricing files in its entirety from the PCM lead representative's computer download file and recycling bin – this would be witnessed by a senior PCM representative and another PCM representative not involved in this procurement.*

- *An additional senior PCM representative was to be added as a test user with the same access as the evaluator group to test and to confirm that the evaluation team members would not be able to view or download the pricing files – once confirmed, then the files were released through Bonfire, after review of the steps with RGM.*

Fairness Assessment of the Download of the Pricing Forms in Error Issue

RGM assessed the issue, as communicated by PCM, together with the steps proposed and taken. Having done so, RGM is satisfied and is of the view that the integrity of the procurement process was not compromised, notwithstanding that the RFP stated that all proponents' pricing Submission Form (Appendix E) remain

unopened until all rated criteria evaluations have been completed. In arriving at this position, we took into account the issue, the circumstances surrounding the issue, the due diligence steps proposed and taken by PCM, the confirmations received from PCM that the pricing files were unviewed throughout, as well as the confirmations by PCM that additional testing was taken to ensure that the evaluators' viewing privileges did not include viewing of the pricing folders on Bonfire.

2. Stage II: Evaluation of the Rated Criteria

This evaluation was conducted by five (5) evaluators that formed the evaluation team ("Evaluation Team). The members of the Evaluation Team were selected because they had the expertise to critically review, understand and evaluate the proposals against the rated criteria provided in the RFP documents.

Both proposals were scored against these criteria which focused on the following Stage II: Rated Criteria (Appendix D – Proposed Solution Submission Form), which in the aggregate, totalled 75 out of a possible 100 points:

- D.1 EAM Practice Framework and AMIP Methodology (36.7 Overall Points)
- D.2 Implementation Services (29 Overall Points)
- D.3 Professional Services (9.3 Overall Points)

We confirm that we completed fairness review and validation of the report prepared by TTC's PCM through Bonfire and had no fairness issues to note.

In addition, we confirm agreement that both proposals exceeded the minimum threshold set out in the RFP, and therefore were eligible to proceed to Stage III of the evaluation process.

3. Stage III – Evaluation of Pricing

In accordance with the RFP, the Stage III – Pricing was comprised of:

- Proponent's Fixed Price Quote (23 Overall Points) – Total Evaluated Price (Tab 1, Appendix E)
- Rate Card (2 Overall Points) – Composite AIHBR (Tab 2, Appendix E)

Pricing Issue:

One of the Proponents had non-compliances with the mandatory requirements relating to the Pricing Form. As a result, and in alignment with the provisions set out in the RFP documents, the Proponent's Appendix E – Pricing Form, was deemed to be non-compliant by PCM, and the Proponent was disqualified. We confirm that the disqualification by TTC was supported by RGM, as the Fairness Monitor, as well as TTC's Legal Counsel.

The evaluation process for pricing for the remaining Proponent, SNC Lavalin, was completed by PCM, and all calculations were verified by RGM, as the Fairness Monitor.

4. *Ranking of Proponent*

For the remaining Proponent, SNC Lavalin, after the completion of Stage III, the scores from Stage II and Stage III, were added together, resulting in an overall total score. Ranking was not necessary given there was one remaining Proponent. We confirm that RGM as the Fairness Monitor verified the calculations.

5. *Stage V – Negotiate Final Agreement*

PCM advised RGM that it requested that SNC Lavalin enter into direct negotiations to finalize an agreement with TTC for the provision of the Deliverables. We confirm that the negotiations were conducted directly by TTC, and that the monitoring of these negotiations was not included in RGM's fairness monitoring scope.

Following these negotiations, PCM confirmed to RGM that negotiations with SNC Lavalin had been successfully completed and that SNC Lavalin would be recommended for award. RGM confirms acceptance of PCM's proposed recommendation for award, based on these confirmations.

C. Evaluation Process Approach and Methodology

1. *Evaluator Training Session*

Prior to the start of any scoring of proposals, the evaluation team received a mandatory detailed evaluation training was provided by the TTC's PCM, and was monitored by us, the Fairness Monitor.

The training covered all aspects of the evaluation process and how to execute the evaluators' roles and responsibilities effectively and fairly to maintain the integrity of the process planned. The evaluators were briefed on the best practices with respect to confidentiality of proposals; conflict of interest; undue influence; and scoring and comment procedures.

2. *Conflict of Interest & Confidentiality Management*

We are not aware of the existence of any conflict of interest or a breach of confidentiality occurring at any point during the evaluation process.

3. *Undue Influence Management*

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 TTC's PCM representatives and us, the Fairness Monitor. All key evaluation process decisions were made by more than one person and verified by at least one other.

4. *Scoring Methodology Relating to Stage II Evaluations*

The evaluation team completed the Stage II - Evaluation using the established best practice consensus two - step method: firstly, each evaluator, working alone, reviewed, and scored with supporting comments, each Proposal in its entirety; secondly, the evaluators met as a group to discuss their findings and largely relying on their initial comments and the evaluation team discussions during each consensus meeting, arrived at a consensus score and comment for each criterion together.

The evaluation team ensured that the evaluation aligned with the disclosed evaluation requirements, proposal evaluation scoring scales disclosed, and maintained the disclosed point weightings. No averaging or rounding of scores took place during the evaluation process at any time.

Each score and comment were discussed thoroughly, agreed to, and verified during the consensus session based on the strict application of the disclosed proposal evaluation scoring scales from the RFP based on the definitions provided in those scales and scoring guidance for each associated set of criteria. All scores were reflected to the second decimal.

All calculations and scores were transparently verified by TTC's PCM and by RGM, as the Fairness Monitor.

Fairness Monitor Attestation

In conclusion, RGM confirms that we do not have any fairness issues to note with respect to TTC's administering of the procurement relating to the Negotiable Request for Proposals for Enterprise Asset Management Professional Services - RFP No. : P25PU22310.

Sincerely,



Doreen Wong, B.A., B.Comm., LL.B., CRIO, PMP., SCMP (Candidate)
Senior Fairness Advisor, Robinson Global Management Inc.

cc: Andrea Robinson, B.A., LL.M., Q.Arb., PMP., SCMP (Candidate)
Senior Fairness Advisor, Robinson Global Management Inc.

cc: Don Solomon B.A., CERT. TECH. ARCH.
Senior Fairness Advisor, Robinson Global Management Inc.