Public Works and Government Services Canada
Operational Integrity Sector

Land Command Support System Life Extension (LCSS LE) Project

FAIRNESS MONITOR CONTRACTOR’S FINAL REPORT

July 27, 2012

Submitted to:
Director General
Operational Integrity Sector

Submitted by:
Knowles Consultancy Services Inc. and Hill International Inc. in Joint Venture
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Background and Introduction

Knowles Consultancy Services Inc. and Hill International Inc. in Joint Venture was engaged as the Fairness Monitor (FM) to observe the competitive procurement process for the acquisition of Communications Selector Boxes (CSB) and Power Distribution Units – Small Form Factor (PDU-SFF) for the Land Command Support System Life Extension (LCSS LE) Project undertaken by Public Works and Government Services Canada (PWGSC) for the Department of National Defence, through Solicitation Number W8476-123378/A. Knowles Consultancy Services Inc. and Hill International Inc. in Joint Venture is an independent third party with respect to this activity.

We hereby submit the Final Report covering our activities, commencing with a review of the information provided on the project’s website, that included an existing draft Request for Proposal (RFP), continuing through the RFP phase, evaluation phase and selection of a recommended proposal.

This report includes our attestation of assurance, a summary of the scope and objectives of our assignment, the methodologies applied, activities undertaken, and any relevant findings.
**Project Requirement**

The Government of Canada identified a requirement for the production, assembly, test, and delivery of Communications Selector Boxes (CSBs) and Power Distribution Units - Small Form Factor (PDU-SFF) for use in various military vehicles.

The CSB is a modular Ethernet Local Area Network (ELAN) device that hosts all required Land Command Support System (LCSS) voice and data services in military vehicles, provides the primary user interface, and is the main interface point for all LCSS communication assets. CSBs are typically connected together in a ring arrangement using cables that carry Ethernet, Direct Current (DC) power, and analog intercom lines.

The PDU-SFF is designed to distribute up to 50 amps of 28 Volts Direct Current power to six output receptacles. There are five General Purpose (GP), MIL-STD-1275B compliant, BLACK power outputs and one MIL-STD-1275B compliant, RED power output.

The requirements specified were centered on build-to-print manufacturing details for the CSB and PDU-SFF products. The explicit design specifications for these products were provided in their corresponding Technical Data Packages (TDPs).

Additional requirements were specified in the following areas:

- manufacturer qualifications;
- project planning;
- manufacturing and testing process and procedure;
- reporting; and
- testing.
Attestation of Assurance

The FM hereby provides the following unqualified assurance statement concerning the competitive process for the acquisition of Communications Selector Boxes (CSB) and Power Distribution Units – Small Form Factor (PDU-SFF) for the Land Command Support System Life Extension Project (LCSS LE).

It is our professional opinion that the competitive process we observed was carried out in a fair, open and transparent manner.

Note: For all references in this report concerning fairness related comments being provided to project officials, it is confirmed that, as necessary, project officials provided clarification to the Fairness Monitor or took appropriate action to address the comments, and as a result no fairness deficiencies were recorded.

_________________________________________  ___________________________________________
Roger Bridges      Bruce Maynard P. Eng.             
President      FM Team Leader
Knowles Consultancy Services Inc. 
FM Contractor’s Representative

_____________________________________
Peter Woods
FM Specialist
Objectives of the Fairness Monitor Assignment and Methodology

The overall objective of the assignment was to provide PWGSC with independent observation of all activities involving the LCSS LE procurement project that could impact fairness and to attest to the fairness of the process and its execution or lack thereof. The objective included providing fairness related comments to project officials as early as possible so that appropriate action could be taken to resolve the concerns before fairness was impacted and if there was no timely resolution with project officials, bringing any potential fairness concerns to the attention of the Director General Operational Integrity Sector.

To accomplish the objective we undertook the following activities:

- became familiar with the project governance structure;
- reviewed information including questions and answers posted on the project website prior to posting of the RFP;
- reviewed draft and final versions of the Request for Proposal (RFP);
- reviewed all amendments and addenda to the RFP including questions submitted by proponents and answers;
- reviewed the procedures to be used for the evaluation of responses and the guidance provided to the evaluation team;
- observed the evaluation of responses to the RFP to ensure that the specified evaluation and selection procedures and departmental policy were followed and consistently applied during the evaluation and selection process; and
- observed the debriefing of unsuccessful bidders. (This activity will be reported on in an addendum to this report after any debriefings.)
**Fairness Monitor Specific Activities and Findings**

Prior to the initiation of fairness monitor activities on July 13, 2011, a Letter of Interest Notice was published on MERX which advised interested parties that information on the upcoming CSB and PDU-SFF procurement was available on a website including a draft Technical Data Package and Bill of Materials.

**FM Activities and Findings prior to the RFP Posting Period**

During the period December 20, 2011 to February 6, 2012, we familiarized ourselves with relevant project documents provided on the project website to which all interested parties had access. We also reviewed all questions that had been asked by interested parties and the answers provided, both of which had been posted on the website. In addition, we reviewed the draft version of the RFP that was posted on the website and provided fairness related comments to the Contracting Authority. All comments were addressed appropriately by project officials.

**FM Activities and Findings during the RFP Posting Period**

On February 7, 2012 we reviewed the RFP (Document 1) that had been posted on MERX. No fairness deficiencies were identified.

On February 16, 2012 we reviewed the information that had been provided at the Industry Day and noted that both the Communications Selector Boxes (CSB) and Power Distribution Units – Small Form Factor (PDU-SFF) were on display for Industry Day attendees to view. No fairness deficiencies were identified.

During the period March 8, 2012 to March 23, 2012, we reviewed Amendments 1 to 7 (Documents 2 to 8). No fairness deficiencies were identified.

**FM Activities and Findings concerning the Evaluation of Responses**

On February 10, 2012 we reviewed a document entitled “Technical Evaluation Procedures for the Request for Proposal for the Acquisition of Communication Selector Boxes (CSB) and Power Distribution Boxes (PDU-SFF) for the Land Communications Support System (LCSS LE)” (Document 9). Fairness related comments were provided to the Contracting Authority and appropriate action was taken.

On April 2, 2012 we observed the consensus evaluation of the mandatory requirements by the Evaluation Team. Fairness related comments were provided to the Contracting Authority and appropriate action was taken.
On April 4, 2012 we observed the consensus evaluation of Industrial and Regional Benefit (IRB) Responses by the IRB Evaluation Team. No fairness deficiencies were identified.

On April 5, 2012 we observed the consensus evaluations by the Evaluation Team of the rated requirement responses received to the RFP. Fairness related comments were provided and appropriate action was taken by project officials.

On May 8, 2012 we observed a meeting of the Contracting Authority and Manager at which the Contracting Authority provided the results of the financial evaluation and the application of the basis of selection. Both were conducted in accordance with the RFP and all financial calculations had been independently double-checked. No fairness deficiencies were identified.
**Reference Documents**

The following documents are referenced by number in the attached report. Unless otherwise indicated, these documents are available through the LCSS LE project office.

<table>
<thead>
<tr>
<th>No.</th>
<th>Document</th>
<th>Additional information</th>
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<tbody>
<tr>
<td>1</td>
<td>Request for Proposal (RFP)</td>
<td>Published on MERX on February 6, 2012</td>
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<tr>
<td>2</td>
<td>Amendment 1 to RFP</td>
<td>Published on MERX on March 7, 2012</td>
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<tr>
<td>3</td>
<td>Amendment 2 to RFP</td>
<td>Published on MERX on March 9, 2012</td>
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<td>4</td>
<td>Amendment 3 to RFP</td>
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<td>5</td>
<td>Amendment 4 to RFP</td>
<td>Published on MERX on March 14, 2012</td>
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<td>6</td>
<td>Amendment 5 to RFP</td>
<td>Published on MERX on March 19, 2012</td>
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<td>7</td>
<td>Amendment 6 to RFP</td>
<td>Published on MERX on March 20, 2012</td>
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<tr>
<td>8</td>
<td>Amendment 7 to RFP</td>
<td>Published on MERX on March 22, 2012</td>
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<tr>
<td>9</td>
<td>Document entitled “Technical Evaluation Procedures for the Request for Proposal for the Acquisition of CSBs and PDUs-SFF for LCSS LE”</td>
<td>Received March 27, 2012, document not dated</td>
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ADDENDUM TO THE FINAL REPORT
December 6, 2012

for the Land Command Support System Life Extension (LCSS LE)
Procurement Project

This Addendum to the Fairness Monitor Final Report covers the period following the
conclusion of the evaluation phase and includes contract award and debriefings.

On October 26, 2012 the contract was awarded and on October 31, 2012 regret/debriefing
letters were forwarded to the seven (7) unsuccessful bidders. On November 15, 2012, we
monitored the face to face debriefings provided to four (4) unsuccessful bidders. On
December 6, 2012, we monitored the face to face debriefings provided to one (1)
unsuccessful bidder.

Fairness Monitor Attestation of Assurance

It is our professional opinion that the post evaluation phase activities including the
written and face to face debriefings of the competitive procurement process for the Land
Command Support System Life Extension procurement project were carried out in a fair,
open and transparent manner.

__________________________________________  _____________________________
Roger Bridges      Bruce Maynard P. Eng.
President      FM Team Leader
Knowles Consultancy Services Inc.
FM Contractor’s Representative

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