



PPI CONSULTING LIMITED

FAIRNESS MONITOR REPORT

Project: Canadian Coastguard Helicopter Renewal Project

Report Stage: Final Report – Light Helicopter Request for Proposal (RFP)

Date of submission: February 27, 2014

Fairness Monitor Specialist: Mairi Curran

Submitted to: Director General, Operational Integrity Sector,
Departmental Oversight Branch

Submitted by: PPI Consulting Limited

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1 BACKGROUND/INTRODUCTION

PPI Consulting Limited (PPI) was engaged as a Fairness Monitor (FM) Specialist to observe the procurement process related to the Canadian Coast Guard's (CCG) acquisition of Light, Medium and Polar Helicopters. This final report relates to the Light Helicopter Request for Proposal (RFP) issued by Public Works and Government Services Canada (PWGSC) as a result of Solicitation No. F7013-120014/C on April 3, 2013.

PPI is an independent third party with respect to this activity. We reviewed all of the information provided and observed all relevant activities.

We hereby submit our Final Report, covering the activities of the Fairness Monitor commencing with the Request for Information (RFI) and vendor consultation process, RFP and subsequent proposal evaluation including operational testing.

This report includes our attestation of assurance, a summary of the scope and objectives of our assignment, the methodologies applied and relevant observations from the activities undertaken.

2 PROJECT REQUIREMENT

The following is an overview of the activities monitored at each stage:

2.1 RFI Stage - Activity Monitored

The Fairness Monitor Specialist attended the following meetings:

- Vendor Briefing
- Stage 1 vendor one-on-one consultations with industry (Helicopter original equipment manufacturers (OEMs) and other interested vendors such as engine and simulator manufacturers)
- Stage 2 vendor one-on-one consultations with the four interested Helicopter OEMs
- Stage 3 vendor one-on-one consultations with the three interested Helicopter OEMs
- Stage 4 vendor one-on-one consultations with the three interested Helicopter OEMs
- Meeting between Industry Canada and one of the OEMs related to Industrial Regional Benefits (IRBs)
- Other project team meetings/discussions to review evaluation approach, issues resolution, evaluation criteria etc.

The following documents were provided to PPI for review prior to posting:

- Draft Statement of Requirements for Light Helicopters (multiple iterations as the documents evolved based on feedback from the four vendor one-on-one consultation stages)
- Draft Evaluation Plan (multiple iterations as the documents evolved based on feedback from the four vendor one-on-one consultation stages).

2.2 Request for Proposal up to Bid Closing Stage - Activity Monitored

During the period following the RFI process up to the closing date of June 3, 2013, the Fairness Monitor Specialist did not attend any meetings with respect to the Light Helicopter RFP.

During this period the following documents were provided to PPI for review:

- Comments Log resulting from RFI process
- Ministry of Natural Resources (MNR) Independent Certification of Validity of Technical Specifications (March 12, 2013)
- Final solicitation document RFP # F7013-120014/C issued on April 3, 2013
- Proponent Clarification Question and Answers during bid open period / amendments

- Various correspondence between one of the potential bidders and PWGSC.

2.3 Proposal Submission Stage – Activity Monitored

PWGSC received a proposal from one bidder by the closing date and time on June 3, 2013.

The Fairness Monitor Specialist attended the following meetings with respect to the evaluation of the proposal received in response to the Light Helicopter RFP.

- Operational Testing Process Briefing and Planning sessions (2 days)
- Operational Testing (4 days)
- Technical Proposal Evaluator Briefing
- Consensus Scoring of Technical Proposal
- Meeting with PWGSC to review financial documentation

During this period the following documents were provided to PPI for review:

- Operational Test Briefing Presentation
- Technical Evaluation Plan
- Operational Test analysis and results
- Third party Financial Assessment report
- Bidder Price Proposal
- Financial Analyst confirmation of bidder financial capability
- Industry Canada confirmation of compliance with IRB requirements.

2.3.1 Operational Test

The Fairness Monitor witnessed the entire operational testing and analysis process and confirms that this was conducted appropriately in accordance with the process established in the RFP and in a fair, open and transparent manner. Following the Operational Testing process, the proposal was deemed to comply with the requirements of the RFP and therefore the CCG evaluation team were provided with the technical proposal for evaluation.

2.3.2 Technical Proposal Evaluation

The Fairness Monitor attended the Evaluator Briefing and distribution of evaluation documents. The evaluation team was briefed on all issues related to conducting the evaluation in accordance with the stipulated selection process, including roles and responsibilities, confidentiality, document control, evaluator conduct, independent assessment, consensus process, schedule, and an explanation of clarification versus bid repair.

The following process was undertaken to evaluate the proposal:

- Each evaluator conducted their own independent review and scoring of the proposal in their evaluator workbook.
- Once the independent reviews were completed, the evaluators participated in consensus meetings to agree the score to be assigned to each rated requirement. The scores and the rationale for the scores were recorded in the master record.
- Evaluators recorded and initialled any changes agreed to during consensus in their individual workbooks.
- The Fairness Monitor confirmed with each member of the evaluation team that they were in agreement with the final consensus scores.
- All evaluators confirmed their agreement.
- The evaluation team signed the consensus record.

The Fairness Monitor witnessed the consensus sessions and confirms that the process was conducted appropriately in accordance with the process established in the RFP and in a fair, open and transparent manner.

2.3.3 Price Proposal

The Price Proposal was provided to a third party specialist organization to review the fair market value of the proposed Helicopters. The Price Proposal and the report were provided to PPI for review.

The Price Proposal was complete and complied with the requirements of the RFP. In addition, the other financial requirements of the RFP, Industrial Regional Benefits (IRBs) and financial capability requirements were met.

The documentation from Industry Canada confirming compliance with the IRB requirements in the RFP and the PWGSC financial analyst confirming compliance were provided to the Fairness Monitor for review.

3 ATTESTATION OF ASSURANCE

The Fairness Monitor hereby provides the following unqualified assurance statement concerning the evaluation of the proposal received in response to PWGSC Solicitation No. F7013-120014/C issued April 3, 2013.

It is our professional opinion that the RFI and RFP processes, including the evaluation of the proposal received in response to the Canadian Coast Guard RFP for Light Lift Helicopters, that we observed, was carried out in a fair, open and transparent manner.

Howard Grant, President PPI Consulting Limited

Ian Brennan, CSCMP, FM Team Leader

Mairi Curran, FM Specialist

4 METHODOLOGY

PPI Consulting Limited was engaged as a Fairness Monitor (FM) to observe the Request for Information (RFI) and vendor consultation process, Request for Proposals (RFP) and subsequent proposal evaluation including operational testing process for the procurement of Light Lift Helicopters for the Canadian Coast Guard, 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 documents, observed the pre-bid solicitation activities including the RFI and vendor consultation processes, the bid solicitation activities including the evaluation of the operational test, the written proposal and the price proposal, identifying fairness-related matters to the contracting and technical authorities and ensuring that responses and actions were reasonable and appropriate.

5 REFERENCE DOCUMENTS

The following documents are referenced in this report and unless otherwise indicated, are available through PWGSC.

1. Draft Statement of Requirements for Light Helicopters (multiple iterations as the documents evolved based on feedback from the four vendor one-on-one consultation stages)
2. Draft Evaluation Plan (multiple iterations as the documents evolved based on feedback from the four vendor one-on-one consultation stages).
3. Comments Log resulting from RFI process
4. MNR Independent Certification of Validity of Technical Specifications, dated March 12, 2013
5. Final solicitation document RFP # F7013-120014/C issued on 3rd April, 2013
6. Proponent Clarification Question and Answer log during bid open period
7. Amendments 1 to 5
8. Various correspondence between one of the potential bidders and PWGSC
9. Technical Evaluation Plan, dated 1 May 2013
10. Operational Test Briefing Presentation, dated 11 June 2013
11. Operational Test analysis and results, Reviewed during Operational Testing, 2-5 July 2013
12. Industry Canada letter confirming compliance with IRB requirements, 30 July 2013
13. Financial analyst confirmation of Bidder financial capability / Contract Request document, dated 18 September 2013
14. Third party Financial Assessment report, dated 23 September 2013
15. Bidder Price Proposal, reviewed with PWGSC on 1st October 2013.



Canadian Coastguard Helicopter Renewal Project

RFP for Light Lift Helicopters

Addendum to the Final Report

July 30, 2014

Addendum to Fairness Monitor Final Report dated February 27, 2014.

This Addendum to the Fairness Monitor Final Report covers the period following the conclusion of the evaluation phase.

Contract Award

The successful bidder was selected and a contract awarded on May 9, 2014. No Debriefings were requested.

It is our professional opinion that the Canadian Coastguard Light Lift Helicopter procurement process we observed, was carried out in a fair, open and transparent manner.

John Davis, CEO, PPI Consulting Limited

Ian Brennan, CSCMP, FM Team Leader

Mairi Curran, FM Specialist