

Tłıchq All-Season Road Project**Final Fairness Report****Government of the Northwest Territories****Submission To:**

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Date:
April 30, 2019

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Introduction

RFP Solutions Inc. was engaged under contract by the Government of the Northwest Territories (GNWT) on January 31, 2017 via a competitive solicitation process to act as the Fairness Advisor for the Tłıchq All-Season Road (TASR) Project (“the Project”). RFP Solutions Inc. is an independent third party with respect to this two-stage procurement process, comprised of an initial Request for Qualifications (RFQ #0000001375), followed by a subsequent Request for Proposals (RFP #0000001977), being conducted by the GNWT to support the delivery of the Project.

We hereby submit this Final Fairness Report, covering the activities of the Fairness Advisor in relation to the finalization of the RFQ and completion of the RFP for the TASR Project. The activities and observations of the Fairness Advisor in relation to the first stage RFQ are contained within our Interim Fairness Report submitted to GNWT (August 30, 2017). The scope of activities covered under this Final Report commenced with the confirmation by the GNWT of the three (3) prequalified Proponents pursuant to RFQ #0000001375 and Notification of all RFQ Respondents; review of the RFP prior to its distribution by GNWT; continued through the RFP solicitation period, including the conduct of Collaborative Meetings with Proponents and review of responses to enquires from Proponents; through the solicitation closing period, and GNWT’s evaluation of Proposals, leading to the identification of the Preferred Proponent, completion of Financial Close, and notification to all Proponents and conduct of final Debriefings.

Background

Project Requirement

The Project consists of the design, build, finance, operation and maintenance of a 97km all-season gravel highway from kilometre 196 of Highway 3, 42 kilometres southwest of Edzo (Behchokò), through to the Tłıchq community of Whatì in southern NWT.

The foremost purpose of the Project is to improve quality of life, community access and economic development for the Tłıchq citizens, residing in the Tłıchq Lands, by improving the mobility of the Tłıchq citizens to and from Whatì. It is also a priority for GNWT to provide essential infrastructure for commercial growth and resource development, now and in the future.

Currently, a winter road exists connecting Whatì with Highway 3 but increasingly variable climatic conditions attributable to global warming have led to difficulties in constructing and maintaining this road. The improved infrastructure is expected to facilitate travel that is more economical, accessible and reliable than existing infrastructure. Access to the more northerly Tłıchq communities of Gamètì and Wekweètì will also be improved as a result of the Project.

The Tłıchq Lands are home to roughly 3,000 people and comprise the communities of Behchokò, Gamètì, Wekweètì, and Whatì. Behchokò is the largest community of the region and lies approximately an hour northwest of Yellowknife along Highway 3 and is the only community in the Tłıchq Lands with year-round access to Yellowknife. The remaining Tłıchq communities have no permanent access roads and are reliant on air service and a winter road system in order to access the southern region. Once constructed and operational, the TASR is expected to significantly contribute to the improvement of the quality of life and economic opportunities for residents of the Tłıchq Lands.

Tłıchq Content

One of the TASR Project's key objectives is to provide social and economic benefits for the Tłıchq community. As part of this Project, GNWT committed to facilitating economic participation in the Project by Tłıchq Businesses in the form of provision of services, products and/or equipment throughout the construction and operating periods of the Project, as well as on-the-job training, employment and apprenticeship opportunities for Tłıchq citizens. To support this objective, through the RFP process, Proponents were expected to collaborate with the Tłıchq Investment Corporation (TIC) in order to develop their Proposals. In this regard, TIC appointed a contact person (the "TIC Contact Person") to be the first point of contact between TIC and Proponents, who would directly address requests or questions, and arrange meetings between Proponents and appropriate TIC personnel (in the TIC Contact Person's discretion).

In addition, through the RFP, GNWT worked in partnership with the Tłıchq Investment Corporation (TIC) and the Tłıchq Government (TG) to enhance direct economic participation in the Project and provide a mechanism for integrating Tłıchq and Northern content into Proponent Teams. Through this, the RFP provided the opportunity for the Tłıchq to elect to participate as an Equity Provider; with any such discussions to be held following the selection of the Preferred Proponent, as set out in the RFP.

Mandate

The GNWT retained the services of RFP Solutions Inc. as a Fairness Advisor to act as an independent and impartial third-party observer to the two-stage procurement process in which GNWT is seeking to award a Design-Build-Operate-Finance-Maintain Agreement for the Tłıchq All-Season Road Project.

The Fairness Advisor was mandated by GNWT (the "Authority") to observe the solicitation and proposal evaluation process undertaken by GNWT with regard to the RFQ/RFP, and to then render an informed opinion in the form of a written attestation outlining the extent to which GNWT adhered to the solicitation and proposal evaluation methodology prescribed within the RFQ/RFP, and in so doing, the extent to which GNWT adhered to the principles of fairness and the requirements of applicable legislation, GNWT policies and public sector contracting requirements in carrying out the process.

The Fairness Advisor was retained by GNWT under contract to act in this capacity, in relation to the Tłıchq All-Season Road Project procurement process, and to submit an interim report to GNWT at the conclusion of the RFQ Phase (August 30, 2017), followed by this Final Report issued at the conclusion of the procurement process.

As such the Fairness Advisor was mandated by GNWT to provide the following services:

- Review procurement documents and materials, and provide advice and comments pertaining to the fairness of the process, as appropriate;
- Monitor all communication with Respondents/Proponents to ensure it was fair and done in accordance with the RFQ/RFP and acceptable public procurement standards;
- Be available to provide advice, including urgent requests, during regular GNWT business hours (08:30 to 17:00 Mountain Time);
- Attend and monitor all collaborative discussions between Proponents and GNWT, including any one-on-one confidential information sessions between Proponents and the GNWT

Project Team;

- Coordinate and participate in the orientation and training of the evaluation team;
- Oversee and monitor confidentiality and conflict of interest measures for the Project, provide advice and instruction as required;
- Monitor the overall evaluation process (and attend in-person);
- Monitor the overall procurement process; and
- Provide interim and final written reports regarding the fairness and transparency of the procurement process.

Methodology of the Fairness Advisor

In all respects, the Fairness Advisor must serve as a neutral and objective third-party during the procurement process, with no interest, financial or otherwise, in the outcome of the procurement and associated proposal evaluation exercise other than ensuring that an open, fair and transparent process was followed.

The following Principles of Fairness were used in the conduct of this mandate and in arriving at our Opinion on the fairness of this process:

1. **Transparency** – the process is open and accessible to all participants;
2. **Integrity** – the process is undertaken in accordance with what is ethically right and proper;
3. **Equality** – all Proponents are subject to the same rules and opportunities;
4. **Neutrality** – all Proponents are treated with an absence of bias or favouritism;
5. **Consistency and Compliance** – all Proponents are assessed in accordance with the solicitation and applicable legislation, policy and regulations; and
6. **Objectivity** – All observations and assessments are evidence-based.

In accordance with the terms of our engagement, we familiarized ourselves with the relevant documents and observed solicitation activities (e.g., review of the RFP, Questions and Answers, and Addenda, attended the evaluation of Submissions leading to the identification of the highest ranked Proponent by the Authority), identifying any fairness-related matters to the Project Lead and reviewing that responses and actions of the Authority were reasonable and appropriate.

Procurement Activities and Fairness Advisor Observations

Proponent Notifications and RFQ Stage Debriefings

The completion of the consensus evaluations and short-listing of Respondents to RFQ #0000001035 was completed by the Authority on August 11, 2017; and approval was sought by the Authority to proceed with the qualification of three (3) pre-qualified Proponents over the period of mid-August to early-September, 2017.

At the conclusion of the first stage RFQ process, the following three (3) Respondents were determined to be the three (3) pre-qualified Proponents eligible to participate in any second stage RFP:

- Aurora Access Partners;
- NAE Transportation Partners; and
- North Star Infrastructure.

Following the conclusion of the RFQ process, the Authority determined to proceed with the second stage RFP process with the three (3) pre-qualified Proponents identified at the conclusion of the RFQ stage.

The Authority prepared notifications to the three (3) pre-qualified Proponents and the four (4) unsuccessful RFQ Respondents.

Notifications were issued by the Authority on September 7, 2017 to each RFQ participant, by electronic mail.

Subsequent to the notifications of Respondents, five (5) of the seven (7) Respondents requested debriefings on their RFQ Submission evaluations. Debriefings were conducted by the Authority's procurement representative over the period of October 6 – November 23, 2017; based on the availability of Respondent representatives.

Activities and Observations

The Fairness Advisor reviewed each of the notifications to ensure the equity of information provided to each of the pre-qualified Proponents and the unsuccessful Respondents prior to their issuance by the Authority. No fairness issues were identified.

All Respondents were eligible to request a debriefing on the results of their respective RFQ Submission evaluations.

The Fairness Advisor made inquiries of the Authority on its debriefing protocols and reviewed the Authority's preparations for the debriefing. The Fairness Advisor oversaw each of the debriefings requested by teleconference. The debriefings focused on the RFQ Submission contents and associated evaluation outcomes for each respective Respondent. Respondents were provided the opportunity to ask questions of the Authority with respect to the evaluation and outcomes. No confidential information with respect to other Respondents was disclosed during these meetings, and no information on the upcoming RFP process was discussed by the Authority in the debriefings.

Where requested by the Proponent, the Authority provided its debriefing notes to the Proponent. The Fairness Advisor reviewed the debriefing notes for concordance to the debriefing session

prior to release to the Proponent.

No fairness concerns were observed.

RFP Development Stage

The second stage RFP was developed by the Authority, supported by the Authority's Technical, Financial/Transaction, and Legal Advisors. In the development of the solicitation documents, the necessity to ensure fair access to this opportunity was affirmed by all participants.

Activities and Observations

The development of the solicitation was undertaken in a fair, open and transparent manner. The Fairness Advisor had the opportunity to fully review and comment on all documentation over several drafts, including the RFP, evaluation criteria and process, draft Project Agreement and associated Attachments and Exhibits, prior to the release of the RFP to the pre-qualified Proponents.

During this period, the Fairness Advisor provided comments related to the overall fairness of the procurement documents and process design, to validate the neutrality of the requirements, the objectivity of the evaluation criteria and process; and the clarity of the documentation to support understandability by Proponents in preparing their Proposals, as well as to mitigate the potential for inconsistency or errors in the eventual application of evaluation criteria by the Evaluation Committee, and supporting Evaluation Teams. All comments of the Fairness Advisor were addressed by the Authority throughout this stage to ensure the RFP did not include any fairness concerns. The Fairness Advisor observed no fairness issues.

RFP Issue/Open Stage

RFP Issuance

The RFP package was issued to the three (3) pre-qualified Proponents via the secure electronic Data Room (SmartSheet) on December 4, 2017. The RFP had initial closing dates for the various Submission components, each at 3:00pm Mountain Time, as follows:

- Interim Financial Review Submissions – June 14, 2018;
- Initial Interest Rate Setting Submissions (IRSS) – July 23, 2018;
- Interim IRSS – August 6, 2018;
- Technical Submissions – August 9, 2018;
- Final IRSS – August 22, 2018; and
- Financial Submissions – August 29, 2018

The Authority prepared the secure electronic Data Room to enable subsequent access by Proponents to the RFP as well as its associated attachments and forms, and any additional Project information that would be released throughout the solicitation period. The Authority also provided each Proponent with additional technical information on a secure USB.

Activities and Observations

The Authority was very forthcoming with information and the Fairness Advisor was provided with full access to the SmartSheet Data Room and process documentation. No fairness concerns were observed.

Proponent Engagement with the Tłıchq Investment Corporation and the Tłıchq Government on Tłıchq Content

As noted earlier in this report, the RFP requested Proponents to include within their Submissions proposals provisioning for Tłıchq Content within the resulting Project. To facilitate the Proponents' understanding of the capabilities within the Tłıchq communities and business community, the RFP provided Proponents with an overview of community and business capacity relative to the Project, as well as a single point of contact within the TIC to facilitate the sharing of information on these topics between TIC and each Proponent. A formal TIC Code of Conduct was published to all Proponents.

Proponents had equal opportunity to contact TIC and make inquiries of Tłıchq and community businesses within Whatı.

In recognition of its role both as a facilitator of connection between the Proponents and Tłıchq businesses and community capacity, as well as the future role of TIC/TG as an equity partner in any resulting Preferred Proponent's Project structure; representatives of TIC/TG requested the Authority and the Fairness Advisor's support in establishing a protocol for the conduct of confidential consultations between the Proponents and TIC/TG. These protocols were discussed between the Authority and TIC/TG via teleconference on February 7, 2018, and were formalized in a written protocol/approach document in February, 2018.

Activities and Observations

TIC and TG were proactive and conscientious in the need to ensure equity of information on Tłıchq businesses and community capacity provided to each Proponent, while respecting the confidentiality of each Proponents' proposed Project structure and potential opportunities for Tłıchq content in consideration of each Proponent's respective approach.

The Fairness Advisor participated in the discussions between the Authority and TIC/TG on the consistent structure of engagement between TIC/TG and each Proponent, and provided fairness advice on the protocols to be established jointly between the Authority and TIC/TG for the conduct of Proponent confidential consultation with TIC/TG. The Fairness Advisor also reviewed the developed protocol to validate its alignment to the principles of fairness.

The Fairness Advisor was also available to respond to any inquiries from TIC throughout the process.

The protocols and procedures for engagement between TIC/TG and each Proponent provided for fair and consistent engagement among Proponents. No fairness concerns were observed.

Proponent Collaborative Meetings with the Authority

As set out in the RFP, a series of three (3) one-on-one Collaborative Meetings between the Authority and each Proponent were initially scheduled, including joint Technical and Legal agendas for each Meeting, as follows:

Collaborative #1 February 13-15, 2018;

Collaborative #2 April 23-27, 2018; and

Collaborative #3 June 26-28, 2018.

Collaborative Meeting #1 was held at the Authority's Financial and Transaction Advisor's offices in Vancouver, BC, and Collaborative Meetings #2 and #3 were held at the Authority's facilities in Yellowknife, NWT. Collaborative Meeting #3 was initially anticipated to be held in the Tłıchq community of Whatı, with transportation to be arranged for all parties by the Authority, however due to inclement weather, Collaborative Meeting series #3 was held in Yellowknife, NWT.

Subsequent to the request by one (1) Proponent for an additional ad hoc Collaborative Meeting on the topic of the participation of the Tłıchq as an Equity Provider in any resulting Project Agreement, the Authority made the opportunity available to all three (3) Proponents to complete a clarification meeting with the Authority and TIC/TG.

The ad hoc Collaborative Meeting was conducted for each Proponent on June 11, 14, and 15, 2018 by tele-conference.

Activities and Observations

Prior to the conduct of the Collaborative Meetings the Fairness Advisor was invited by the Authority to provide guidance on the Collaborative Meeting protocols. The Authority affirmed and agreed: that no Authority information was to be shared unevenly across Proponent teams; that no proposed solutions would be "pre-evaluated" or direction given to any one Proponent; to refrain from providing definitive responses during the sessions by requesting Proponents to make use of the Request for Information (RFI) process set out in the RFP in order to obtain responses on which the Proponents could rely, and to maintain the confidentiality of all aspects of each Proponents' meetings and questions raised from all other Proponents.

Prior to each Collaborative Meeting, the Fairness Advisor had the opportunity to review the Agenda and Submittals requested by the Authority to confirm that each Proponent received the same amount of time for each session, that topics were within the scope of the defined meeting and the RFP, and that all Proponents were provided with a consistent process. The Fairness Advisor also had the opportunity to review the session materials (e.g. design materials) submitted by each Proponent for the Collaborative Meetings.

The Authority consulted with the Fairness Advisor on the request received to hold the ad hoc Collaborative Meeting, and equally provided the opportunity to do so to each of the Proponents.

The Fairness Advisor attended and oversaw all aspects of each of the Collaborative Meetings, including the ad hoc Collaborative Meeting with TIC/TG, and provided fairness comments as appropriate during the sessions. All Proponents received the same amount of time and were subject to the same rules of procedure. No fairness concerns were observed.

Proponent Inquiries Process

During the solicitation period, Proponents were provided the opportunity to submit inquiries (Requests for Information – RFIs) to the Authority, using the RFI form contained within the published RFP document.

In accordance with the RFP, Proponents were able to classify their inquiries as 'general' with the understanding that questions and responses provided by the Authority would be issued

equally to all Proponents, or as 'confidential' ("Commercial in Confidence" – CIC). For inquiries marked "CIC" by Proponents, as set out in the RFP, the Authority reviewed each inquiry to determine whether it contained proprietary information or confidential information particular to a Proponent's approach or design and would be responded to in writing directly to the asking Proponent, or whether the question was of a more general nature and the response to which would be equally provided to all Proponents. For all such questions classified as CIC by Proponents, that the Authority identified as being 'general' in nature, the asking Proponent was provided the opportunity to re-classify its question as 'general' or to withdraw the question prior to the Authority making any response.

During the Solicitation period, the Authority received 244 RFIs, including 46 initially classified by Proponents as Commercial in Confidence RFIs. Fourteen (14) RFIs were subsequently withdrawn by the requesting Proponents. Where an inquiry received was addressed within the substance of an amendment to the RFP included within an Addendum, the Authority issued the change to the RFP via Addenda to all Proponents. For all other inquiries, the Authority issued the Questions and Responses to the General RFIs within the Addenda documents issued to all Proponents, and, where the Authority affirmed the Commercial in Confidence (CIC) nature of an RFI, issued Responses to CIC RFIs to the respective requesting Proponent via their secure Proponent-specific space within the Data Room.

Activities and Observations

The Fairness Advisor reviewed all RFIs submitted by Proponents and was consulted by the Authority in its review and determination on inquiries submitted as 'Commercial in Confidence'.

The Fairness Advisor also reviewed all responses drafted by the Authority prior to their release to Proponents. The Fairness Advisor was also consulted by the Authority on matters pertaining to Proponent Team Member and sub-contractor composition and their associated ownership structure, arising from Proponent RFIs.

The Fairness Advisor provided comments on each of the above items that were duly considered and incorporated by the Authority, and no fairness concerns were identified.

Addenda Process

During the solicitation period, the Authority issued nineteen (19) Addenda to the RFP between the period of December 20, 2017 and September 20, 2018.

The Addenda contained revisions to the PA and RFP requirements, responses to Proponent General RFIs, clarifications and additional background/technical documentation issued to all Proponents.

Addendum 13 (issued July 4, 2018) also extended the RFP closing date(s) and time(s) for Submission components; resulting in the following Submission Dates:

- Initial IRSS: September 5, 2018
- Technical Submission: September 17, 2018;
- Interim IRSS – September 19, 2018;
- Final IRSS: October 3, 2018; and
- Financial Submission: October 10, 2018.

All Submissions were due at 3:00pm Mountain Time on the applicable date.

Addenda issued subsequent to the closing date and time for Technical Submissions pertained solely to the content of IRSS and Financial Submission requirements.

Activities and Observations

The Authority consulted with the Fairness Advisor on its approach to changes to the RFP requirements arising as a result of available information on site conditions, changes in technical requirements and matters arising as a result of Proponent inquiries.

The Fairness Advisor reviewed all addenda prior to their issuance by the Authority. The Fairness Advisor provided comments that were duly considered and incorporated by the Authority. Overall, no fairness concerns were identified during the solicitation period, and there were no fairness concerns with respect to the Addenda.

Other Communications to Proponents during the Solicitation Period

In addition to the conduct of Collaborative Meetings and formal communications between the Authority and Proponents pursuant to the RFP RFI and Addenda processes, during the solicitation period, the Authority communicated with Proponents on other material matters arising during the RFP period.

This included:

- the issuance of Notices to Proponents via the Data Room on material matters, including the TIC Code of Conduct and TIC standard rates to support Proponents in the development of Tłıchq Content approaches (published to Proponents December, 2017);
- request for feedback from all Proponents, via a Notice to Proponents, relative to the Geotechnical and Climate Risk associated with the Project, to inform additional information requirements and Authority decision-making relative to any updates required to the Project Agreement (published to Proponents March 16, 2018);
- the undertaking and provision of additional Geotechnical Study information to all Proponents on June 20, 2018;
- site access by Proponents throughout the solicitation period;
- the provision of feedback to Proponents following the conclusion of the Authority's Archaeological Assessment on proposed Road routing. Feedback was provided to each Proponent relative to each Proponent's proposed Road routing and on conditions applicable equally to all Proponents in August, 2018;
- the conduct of a one-on-one clarification meeting by tele-conference (September 11, 2018), as requested by a Proponent in relation to Addendum #18 (issued August 27, 2018), in order to clarify the subject of the Proponent's submitted CIC RFI to enable timely response by the Authority prior to the Closing date for Technical Submissions; and
- the conduct of tele-conferences (October 5, 2018) between two (2) of the Proponents and the Authority on the acquisition of a minority interest in a Proponent Team Member and the establishment of ethical walls within the organizations to maintain the integrity of each Proponents' Proposal.

Activities and Observations

The Authority consulted with the Fairness Advisor on each of the above items. The Fairness Advisor provided comments that were duly considered and incorporated by the Authority.

The Fairness Advisor reviewed all Notices to Proponents, all RFP Background Information published to Proponents and the Archaeological Assessment feedback prior to their issuance by the Authority.

The Fairness Advisor attended the clarification meeting teleconference and acquisition-related teleconferences between the Authority and the respective Proponents. The Fairness Advisor reviewed the protocols required by the Authority to establish ethical walls within the Proponents' organizations and the Authority's follow-up with Proponents to affirm this activity, and was satisfied that these processes were established appropriately.

Overall, no fairness concerns were identified during the solicitation period, and there were no fairness concerns with respect to the above communications.

Evaluation Preparation and RFP Closing

In preparation for the closing of the RFP, the Authority prepared evaluation workbooks, and an evaluation manual providing instructions to those individuals involved in the evaluation process.

The Authority prepared a Non-Disclosure Agreement and Conflict of Interest undertaking that all evaluators and other participants present during the evaluation process were required to complete prior to their participation in the evaluation process.

The Authority also confirmed the participants in the evaluation process, which was structured as follows:

- Three (3) Evaluation Teams, each comprised of representatives of the Authority with expertise in their respective evaluation areas. One team was responsible for each of the following areas:
 - Proposed Design and Technical Solution & Construction Period (RFP Evaluation Sections A & B);
 - Operation Period (RFP Evaluation Section C); and
 - Financial Submission (RFP Evaluation Section E); supported by the Authority's Financial and Transaction Advisor.
- One (1) Evaluation Advisory Team, comprised of representatives of the Authority's Legal Advisor and Financial and Transaction Advisor in the area of Local Content (RFP Evaluation Section D); and
- An Evaluation Committee, comprised of representatives of the Authority; who were mandated to conduct a consensus review and determination, taking into consideration the input of the four (4) Evaluation Teams.

The Evaluation Teams and Evaluation Committee were assisted by the Authority's Procurement Shared Services and Procurement Representative, acting as Evaluation Manager and mandated to support the receipt and distribution of Submissions and coordination of the evaluation process.

The participants in the evaluation process had access to the Authority's retained subject matter experts in commercial, legal and technical areas of expertise, as required, to support their assessment of Submissions.

In addition, the participants in the evaluation process were supported by an independent Relationship Review Committee, charged with reviewing the conflict of interest and confidentiality undertakings of all evaluation participants.

At each of the Closing Dates for the Submission components, Submissions were received from each of the three (3) pre-qualified Proponents. All Submissions were received by the required date and time for each respective Submission.

Financial Submissions were safeguarded by the Authority's Procurement Shared Services office until the completion of the evaluation of Technical Submissions.

Activities and Observations

The Fairness Advisor was consulted on the structure of the evaluation process, and provided comments that were duly considered and incorporated by the Authority. The Fairness Advisor reviewed the evaluation workbooks, manual and instructions to the evaluation participants to confirm they were in conformance to the RFP and no fairness issues were identified.

The Fairness Advisor was provided the opportunity to review the Non-Disclosure Agreement and Conflict of Interest undertaking and Relationship Review process.

The Fairness Advisor provided assurance as to the objectivity of evaluation criteria and process; and provided guidance on the principles of fairness, to mitigate the potential for inconsistency or errors in the eventual application of evaluation criteria by the Evaluation participants.

Opening of Technical Submissions, Administrative Review and Distribution of Technical Submissions

All Proponent Submissions were received in both hard and electronic copy by the Authority. The Technical Submission envelopes were opened by the Authority following the Closing date and time for Technical Submissions.

A Completeness Review of administrative mandatory requirements was undertaken of the Technical Submissions received, on September 18, 2018. All Technical Submissions were deemed to be responsive to these requirements as stated in the RFP and therefore eligible to proceed to technical evaluation.

The Authority confirmed the identities of the Proponent Team Members and Key Individuals to verify any changes from the Proponents' previously submitted structure, Team Members and Key Individuals to verify their acceptability to the Authority in accordance with the provisions of the RFP and the RFQ requirements. The Authority then implemented the Relationship Review process, requiring each member of the Evaluation process to review and identify any existing or previous relationships with any of the submitting Proponents, identified Team members, or Key individuals named in the Submissions to verify there were no conflict of interest concerns. This information was reviewed by the Authority's Relationship Review Committee, and reviewed by the Fairness Advisor.

Following the completion of the Relationship Review process, copies of the Technical Submissions were provided to the members of the Evaluation Teams, to begin their individual reviews and assessments on the basis of the Rated Criteria of the RFP. The Authority consulted with the Fairness Advisor on its process for handling and storage of the Submissions and associated records.

Activities and Observations

At the Closing Date for the Technical Submission, the Fairness Advisor verified with the Authority that Technical Submissions were received on time from Proponents. No fairness concerns were observed.

The Submission Opening was conducted in accordance with the RFP and Evaluation Manual, and no fairness issues were observed.

The Fairness Advisor reviewed the results of the Completeness Review to assess them against the requirements in the RFP. Based on the Fairness Advisor's review of the assessment of Proponents' compliance with the administrative mandatory requirements, the Fairness Advisor observed no fairness concerns.

The Fairness Advisor reviewed the Relationship Review statements of the Evaluation participants together with the Relationship Review Committee's determinations. The Authority was very forthcoming with information, and no fairness issues were identified.

The Fairness Advisor made inquiries of the Authority and verified the procedures for safeguarding Proponent Submission contents and ensuring security of access by authorized Evaluation participants. No fairness concerns were observed.

Technical Submission Evaluation

As noted above, the evaluation of Technical Submissions was conducted by two (2) Evaluation Teams, each responsible for the following areas:

- Proposed Design and Technical Solution & Construction Period (RFP Evaluation Sections A & B);
- Operation Period (RFP Evaluation Section C); and

An Evaluation Advisory Team to review and provide analysis of Proponent's Local Content Requirements Submissions (RFP Evaluation Section D) as input to the subsequent Evaluation Committee consensus (see later in this report).

Each of the Evaluation Teams was mandated with conducting independent evaluations, followed by team consensus evaluations for their assigned sections of the RFP evaluation criteria.

The Evaluation participants had access to the Authority's Technical Advisor, Financial & Transaction Advisor, and Legal Advisor as well as the Fairness Advisor as required during the conduct of the independent evaluations.

Technical Consensus evaluations were held October 9-12, 2018 for the Proposed Design and Technical Solution & Construction Period Team, October 17-19, 2018 for the Operation Period Team, to determine the results of each of the Team evaluations for presentation to the Evaluation Committee.

The review of Local Content was undertaken by the Evaluation Advisory Team prior to the commencement of the Evaluation Committee's consensus meetings on October 23, 2019.

Activities and Observations

Evaluation was undertaken using standardized worksheets that aligned to the RFP Submission Requirements and Evaluation Criteria.

The Fairness Advisor was available to answer questions of the Evaluation Teams and Evaluation Advisory Team during the independent review stage and the consensus meetings.

The Fairness Advisor oversaw the technical evaluation consensus process and attended and oversaw all consensus meetings for each of the Proposed Design and Technical Solution & Construction Period and Operation Period Evaluation Teams.

The Fairness Advisor participated in review of the analysis completed by the Local Content Evaluation Advisory Team.

The Fairness Advisor reviewed the results of the consensus technical evaluations and verified the record of scoring and rationales. The Fairness Advisor reviewed the outputs of the Evaluation Advisory Teams review.

The Fairness Advisor confirmed that the evaluation was undertaken in a manner consistent with the evaluation procedures and criteria contained within the RFP and that the results were arrived at by consensus of all members of the respective Evaluation Teams. The deliberations and determinations of the Evaluation Teams were consistent with the criteria as published in the RFP, and undertaken in a fair and consistent manner.

No fairness concerns were observed.

Initial, Interim and Final IRSS and Financial Submission Receipt and Analysis

All Proponent Submissions for the Initial, Interim and Final IRSS Submissions were received by the Authority in accordance with the Submission dates specified in the RFP. The Authority reviewed and provided the Proponents with written feedback on their Initial, Interim and Final IRSS Submissions to support preparation of their Financial Submissions. The Authority did not identify any material concerns with the IRSS Submissions (Initial, Interim and Final) by each Proponent.

The Financial Submissions were received and safeguarded by the Authority's Procurement Shared Services following the respective Closing date and time for the Financial Submissions.

Financial Submissions were first reviewed by the Authority's Financial & Transaction Advisor to confirm that each proposal provided a capital cost within the Capital Cost Ceiling. All Financial Submissions met this requirement, and were determined eligible to proceed to the next stage of evaluation.

The Authority's Financial & Transaction Advisor completed an analysis of the information provided by Proponents in their Financial Submissions. This analysis was subsequently provided to the Financial Submission Evaluation Team, to support their review. This analysis and review were undertaken in a secure location and segregated from the Authority's personnel involved in the technical evaluation process.

The Financial Evaluation Team was mandated with conducting independent evaluations of whether or not each Financial Submission substantially satisfied the requirements outlined in Appendix B of the RFP, followed by team consensus evaluations, for their assigned sections of the RFP evaluation criteria.

The Financial Evaluation Team participants had access to the Authority's Legal Advisor, the Authority's Financial & Transaction Advisor, and the Fairness Advisor as required during the conduct of the evaluation.

During the independent review of the Submissions, clarification questions were identified as being required to be asked of Proponents to support the evaluation. The clarification questions were developed by the Authority and responses reviewed in the finalization of the consensus determinations (see below).

Consensus evaluation for the Financial Evaluation Team was held on October 22, 2018 to determine the results of the Team evaluation for presentation to the Evaluation Committee for final consensus.

Activities and Observations

At the Closing Date for each of the Initial, Interim and Final IRSS Submissions and Financial Submission, the Fairness Advisor verified with the Authority that each Proponents' respective Submissions were received on time and in accordance with the administrative requirements specified in the RFP. No fairness concerns were observed.

Analysis and evaluation of the Submissions was undertaken using standardized worksheets that aligned to the RFP Submission Requirements and Evaluation Criteria.

The Fairness Advisor reviewed the results of the Financial & Transaction Advisor and the Authority's review of each of these Submissions. No fairness concerns were identified.

The Fairness Advisor was available to answer questions of the Financial Evaluation Team during the individual review stage and the consensus meeting.

All clarification questions were reviewed by the Fairness Advisor prior to their issuance to the Proponents and the responses were reviewed by the Fairness Advisor.

The Fairness Advisor oversaw the Financial Evaluation Team's consensus process and attended and oversaw the consensus meeting for the Financial Evaluation Team.

The Fairness Advisor reviewed the results of the consensus evaluations of the Financial Evaluation Team and verified the results of the Team's review.

The Fairness Advisor confirmed that the evaluation was undertaken in a manner consistent with the evaluation procedures and criteria contained within the RFP and that the results were arrived at by consensus of all members of the Financial Evaluation Team. The deliberations and determinations of the Evaluation Team was consistent with the criteria and process as published in the RFP, and undertaken in a fair and consistent manner. No fairness concerns were observed.

Evaluation Committee Consensus and Overall Ranking

Evaluation Committee Consensus Evaluation of Local Content (RFP Evaluation Section D)

The results of the Local Content Evaluation Advisor Team's Review were brought forward to the Evaluation Committee to evaluate each Proponent's Local Content was undertaken on October 23, 2018 as part of the Evaluation Committee's consensus process.

Evaluation Committee Consensus Evaluation of Technical Submissions

The results of the Proposed Design and Technical Solution & Construction Period (RFP Evaluation Sections A & B); and Operation Period (RFP Evaluation Section C) Teams' Consensus meetings were brought forward to the Evaluation Committee for review and

commencement of consensus of the entire technical evaluation process on October 23-25, 2018.

Each Evaluation Committee member had completed an independent review of each Technical Submission prior to the Evaluation Committee meeting.

Each Evaluation Team's outcomes and associated comments were presented in sequence (one Evaluation Team at a time), and each Proponent's Submission was reviewed in sequence (one Submission at a time).

Final Consensus on Technical Submissions

During the review of each Proponent's Technical Submission, the members of the Evaluation Committee made inquiries of the Evaluation Teams and provided their individual assessments of the Technical Submissions against each of the evaluation criteria.

All Technical Submissions were determined to have met the minimum scores required on each of the Technical Submission sections and overall for the Technical Submission in order to be considered further.

At the conclusion of the technical evaluation, the Evaluation Committee confirmed the consensus scores for each Proponent.

Review of Financial Submissions

Following the completion of the Evaluation Committee's Consensus on the Technical Submissions and Local Content component of Proponents' Submissions, the Financial Submissions were reviewed.

The Financial Evaluation Team presented their review and analysis of each Submission to the Evaluation Committee.

Following the completion of the review, the results of the Net Present Cost calculations were reviewed and the Financial Evaluation was conducted to determine the point score calculations for each Submission in accordance with the method set out in the RFP.

Calculation of Total Scores and Proponent Ranking

Following the confirmation of consensus scores, the weighted scores for each Submission were calculated and tallied to arrive at the overall Total Score for each Submission as set out in the RFP.

At the conclusion of the evaluation process, based on the Total Scores achieved by each Submission, the Evaluation Committee identified North Star Infrastructure (NSI) as the Highest Ranked Proponent to be recommended for entry into Project Agreement finalization and Financial Close activities, pending clarification of the Tłı̨chq Equity component of the Submission.

A teleconference was held between the Authority and NSI on October 26, 2018. Following the clarification meeting, NSI submitted additional details of the Tłı̨chq equity component which were acceptable to the Authority and TIC/TG. The Evaluation Committee confirmed its previous recommendation that NSI be named as the Highest Ranked Proponent and issued a Notice of Highest Ranked Proponent status to NSI on November 1, 2018, setting out certain conditions to be met in order to proceed to Preferred Proponent stage. In its response to the notification, NSI acknowledged these conditions and commitment to meeting them.

GNWT subsequently issued a Notice of Preferred Proponent status dated November 7, 2018 to NSI and a kick-off call for Financial Close activities was held between the Authority and the NSI the same day.

Activities and Observations

The Fairness Advisor oversaw the conduct of the Local Content Evaluation, the Evaluation Team presentations and Evaluation Committee meeting discussions and consensus scoring and determinations on the Technical Submissions. The Fairness Advisor confirmed that the evaluation was undertaken in a manner consistent with the evaluation procedures and criteria contained within the RFP and that the results were arrived at by consensus of all members of the Evaluation Committee. The deliberations and determinations of the Evaluation Committee were consistent with the criteria as published in the RFP, and undertaken in a fair and consistent manner. No fairness concerns were observed.

The Fairness Advisor oversaw the conduct of the Financial Submission review and Financial Evaluation, together with the weighting of the Technical and Financial scores to affirm their conformance to the weightings and formulae published in the RFP. No fairness concerns were identified.

Following the conclusion of the Evaluation Committee's meetings, the Fairness Advisor was provided the opportunity to review the consolidated Evaluation outcomes. The recorded outcomes were an accurate record of the consensus decisions of the Evaluation Committee.

The Fairness Advisor was consulted on the process to clarify the highest-ranked Proponent's Tłıchq Equity proposal and oversaw the teleconference meeting between the Proponent and the Authority. No fairness concerns were observed.

The Fairness Advisor reviewed the Evaluation Committee's final recommendations of Preferred Proponent status and confirms they are in concordance with the evaluation results and the RFP. No fairness concerns were observed.

The Fairness Advisor reviewed the notification to the Preferred Proponent and participated in the kick-off call for Financial Close activities. No fairness concerns were observed.

Preferred Proponent Stage to Financial Close

Following the conclusion of the evaluation process, on November 7, 2018, the Authority notified Aurora Access Partners and NAE Transportation Partners, in writing as to the identification of the Preferred Proponent [North Star Infrastructure (NSI)]. The Authority issued a Press Release identifying NSI as the Preferred Proponent on November 13, 2018.

Within its notification to each of Aurora Access Partners and NAE Transportation Partners, the Authority provided notification of their status and outcome in the evaluation process, identified that the Authority would return the security deposit of each Proponent and initiated the process for each Proponent to receive the Honorarium including requesting the execution of the RFP Release by each Proponent, as set out in the RFP. The Authority also provided each Proponent the opportunity to request a debriefing on the results of the evaluation of their RFP Submissions.

Following Notification, the Authority received requests for and scheduled debriefings with each of the two (2) unsuccessful Proponents (Aurora Access Partners and NAE Transportation

Partners). Debriefings were conducted on January 22, 2019 and March 28, 2019 for NAE and Aurora Access Partners, respectively; based on the availability of each Proponent.

Subsequent to the official identification of the Preferred Proponent (NSI) by the Authority, the Authority initiated the process to achieve Financial Close, including finalization of the Project Agreement incorporating the Preferred Proponent's Proposal; as per the RFP. The Fairness Advisor was kept informed by the Authority as the process progressed towards Financial Close. As part of this process, the Authority also executed an Early Works Agreement with the Preferred Proponent to initiate permitting activities and long-lead time procurement activities for the Project prior to the achievement of Financial Close.

Activities and Observations

The Fairness Advisor reviewed the written Notifications to Proponents prepared by the Authority on the outcomes of the process, prior to these Notifications being distributed to Proponents.

The Fairness Advisor had the opportunity to review the Early Works Agreement and updated Project Agreement executed with the Preferred Proponent.

The Fairness Advisor made inquiries of the Authority to confirm the return of Security deposits for the two (2) unsuccessful Proponents and reviewed the execution of Releases by the two (2) Proponents and confirmed that each Proponent had received the Honorarium in accordance with the RFP.

The Fairness Advisor reviewed the GNWT's process for conducting Debriefings, oversaw the conduct of the two (2) Debriefings via teleconference and remained on standby to address any concerns arising in any debriefing.

No fairness issues were observed.

Post-Close

Following the completion of the procurement process for the Tłıchq All-Season Road Project, as described above, the Fairness Advisor was asked to submit its Final Report to the GNWT on the conduct of the process associated with solicitation RFP #0000001977).

Opinion of Assurance

The Fairness Advisor hereby provides the following unqualified assurance statement concerning each and all stages of the Government of the Northwest Territories' Request for Proposals (RFP) for the Tłıchq All-Season Road Project (RFP #0000001977) that we observed:

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

- The planning, development, issuance, evaluation and ranking of Proponents, identification of Preferred Proponent and achievement of Financial Close were carried out by the Authority in a fair, open and transparent manner and respected all the principles of fairness, and were free from bias or favouritism;
- The assessment methodology used by the Authority was consistent with that published in the RFP, and the assessment process associated with this RFP was conducted in an equitable, objective, impartial and consistent manner; and
- Proponents were notified of the outcomes of the RFP process in a timely manner and provided opportunity to receive debriefing on their results in the process.



For RFP Solutions Inc.
Steve Johnston
Managing Director
Fairness Advisor

April 30, 2019

Date