

Via Email

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Our File: 60020.004
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April 7, 2014

Fraser Canyon Hospital & Hope Community
Fraser Health Authority
Suite 500 - Central City Tower
13450 - 102nd Avenue
Surrey, B.C. V3T 0H1

Attention: Keith McBain, MHA CHE, Executive Director

Dear Keith:

***Re: Fraser Health - Residential Complex Care Services and
Mental Health and Substance Use License Facility Care***

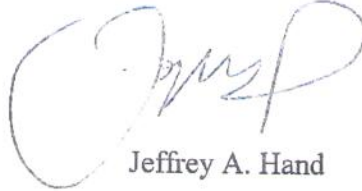
I write to confirm our telephone discussion held on January 31, 2014 wherein you requested my advice on any potential fairness issues that might arise should Fraser Health elect to proceed with a direct award of a contract for 76 care beds in the Tri Cities area that were not originally part of the above-captioned RFP. I was the Fairness Advisor on the RFP as an alternate to John Singleton, Q.C. My advice, subject to you confirming that such an award conformed with any internal procurement policies within Fraser Health for direct award contracts, was that there were no fairness issues relating to the RFP process that had already been completed.

I confirm the facts as I understand them with respect to this request. These 76 beds in the Tri Cities area did not form part of the above-captioned RFP process. The need for them did not arise until after the RFP process had been concluded and contracts with the various successful proponents had been negotiated. The RFP process resulted in two successful proponents in the Tri Cities area, Baltic Properties and Foyer Maillard, who were awarded the bed allotments contemplated in the RFP. Subsequent to the completion of the RFP process, the need for an additional 76 beds in the Tri Cities area arose when a decision was taken to close another facility, Burquitlam Lions. Foyer Maillard was not able to provide an additional 76 beds within their facility. This left Baltic Properties as the only other successful proponent in the Tri Cities area who had capability of providing an additional 76 beds. Having just gone to the market through the RFP process, I understand Fraser Health did not wish to begin a new procurement process but rather wished to enter into direct negotiations with Baltic to award them these additional 76 beds.

The requirement for fairness only arises when the Health Authority is engaged in a public offering involving multiple proponents. As this was a direct award, outside of a public RFP process, I am satisfied that there were no fairness concerns raised by awarding these additional 76 beds outside of the RFP process.

Yours truly,

Singleton Urquhart LLP

A handwritten signature in blue ink, appearing to read "J. Hand", is written over the typed name.

Jeffrey A. Hand

JAH/cc