

Any reply or subsequent reference to this communication should be addressed to the <u>Contractor-General</u> and the following reference quoted:-

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## MEDIA RELEASE

## The Office of the Contractor General Responds to Inaccurate Statements and Representations Made in the Media by Mr. Easton Douglas

**Kingston; July 6, 2015**– The Office of the Contractor General (OCG) has noted the publication of two (2) media articles entitled "*Shameful OCG loose with the facts*" and "*The contractor general is irresponsible, insensitive, mischievous*" which were published in the Sunday Gleaner and Sunday Observer, respectively, on July 5, 2015.

The referenced articles, which are attributed to Mr. Easton Douglas, make direct reference to the OCG's 2013 Annual Report and to the review of a complaint regarding, amongst other things, the award of a contract to a company with which Mr. Easton Douglas is affiliated. The particular complaint was but one (1) of the one hundred and eighteen (118) complaints which were under review by the OCG during the 2013 calendar year.

It is indeed unfortunate that in an attempt to chastise the OCG, Mr. Douglas has attributed certain words and particulars of the complaint as a finding and/or pronouncement made by this Office. In point of fact, words and phrases such as "...*fabricated consultancy*" and "...*enormous sum*", as stated in the referenced media articles, are words used by the complainant. The aforementioned statement is, therefore, not a finding, conclusion and/or statement of the OCG. It is therefore untrue to suggest that these are the words and/or statements of the OCG.

Importantly, the very section of the 2013 Annual Report in which the complaint and the OCG's Findings are recorded, is prefaced by the following: "The following are excerpts from the review of complaints/matters which have been concluded which were within the OCG's remit and not forwarded to an External Agency:"

This matter, and the tenor of the newspaper articles attributed to Mr. Easton Douglas, warrants only a careful reading of the excerpt which is contained on pages 97-99 of the OCG's 2013 Annual Report. The referenced unedited complaint and the findings pertaining to Mr. Easton Douglas read verbatim as follows:

Excerpt or Summary	"I bring to your attention a number of breaches at the UDC around the award of contracts. Please
of Complaint/Matter:	investigate the UDC's issuing of contract and payments to the following persons:
	- Mr. Michael White of Dairy Springs and Hydrology Consultants Ltdrumoured to be the General
	Manager's close friend. Payments go through UDC and Runaway Bay water company. Over \$10 million
	was paid in a single year.
	- Contracts and Payments to Mr. Easton Douglas, another close friend of the General Managerwas paid
	over \$4 million for one fabricated consultancy to review information reports which other valuator submitted.
	He was paid this enormous sum when the total cost of the 3 valuators was only about \$1 million.
	- Contracts and payments awarded to Price Waterhouse [sic] which did not go through the appropriate
	procurement process, totally [sic] close to \$40 million in one year"



Findings and/or	Contract with Easton Douglas:
Recommendation:	
	<ol> <li>UDC advised that the Contract with Easton Douglas and Company was issued under the category of legal services which is exempted from the GoJ Procurement Guidelines. Easton Douglas and Company is listed as one of the Chartered Valuators on the National Land Agency's (NLA) website.</li> <li>Easton Douglas and Company Limited is not a law firm and could not have been engaged under the category of legal services, as they were not providing legal services and are also not practicing attorneys.</li> <li>Based on the value of the contract, the Selective Tender procurement methodology should have been utilised to invite bids via advertisement, as stipulated in Sub-Section No: S-2040 of the GoJ Handbook of Public Sector Procurement Procedures (2008).</li> <li>It is therefore axiomatic that the foregoing constitutes a breach of the applicable GoJ Handbook of Public Sector Procurement Procedures.</li> </ol>

The OCG's review of the complaint dealt with the facts of the case, and, as evidenced by its findings above, dealt with the substantive issues related to the application of the then applicable Handbook of Public Sector Procurement Procedures.

It is based upon the written disclosures of the Urban Development Corporation, that the OCG was able to arrive at a determination that the referenced contract did not fit within the exemption category of 'legal services' as contemplated by the 2008 Handbook of Public Sector Procurement Procedures.

It must be noted that the aforementioned complaint was received by the OCG on July 2, 2010 and the review of same was finalized and submitted to the Urban Development Corporation, under cover of letter dated November 21, 2013 addressed to Mr. Desmond Malcolm, General Manager. It is for this reason that the particular complaint is recorded in the 2013 Annual Report, as it is an operational activity which was completed during the referenced reporting period.

The OCG trusts that the foregoing will correct any inaccuracies and/or concerns which may have arisen in the public sphere.

Having regard to the foregoing, we wish to also caution Mr. Douglas that, in the future, he first apprises himself of the actual facts, prior to making public assertions and/or pronouncements so as to avoid any possible and unwarranted confusion, embarrassment or further action.

In the interest of public transparency, and acting in pursuance of the special powers that are reserved to a Contractor General by Section 28 of the Contractor-General Act, the OCG's 2013 Annual Report was tabled in the Houses of Parliament and thereafter published on the OCG's website and is available at URL: <a href="http://www.ocg.gov.jm">http://www.ocg.gov.jm</a>.

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