

**RETURN BIDS TO:**  
**RETOURNER LES SOUMISSIONS À:**  
Réception des soumissions - TPSGC / Bid  
Receiving - PWGSC  
1550 Avenue d'Estimauville  
Québec  
Québec  
G1J 0C7

**INVITATION TO TENDER**  
**APPEL D'OFFRES**

**Tender To: Public Works and Government Services  
Canada**

We hereby offer to sell to Her Majesty the Queen in right of Canada, in accordance with the terms and conditions set out herein, referred to herein or attached hereto, the goods, services, and construction listed herein and on any attached sheets at the price(s) set out therefor.

**Soumission aux: Travaux Publics et Services  
Gouvernementaux Canada**

Nous offrons par la présente de vendre à Sa Majesté la Reine du chef du Canada, aux conditions énoncées ou incluses par référence dans la présente et aux annexes ci-jointes, les biens, services et construction énumérés ici et sur toute feuille ci-annexée, au(x) prix indiqué(s).

**Comments - Commentaires**

**Vendor/Firm Name and Address**  
**Raison sociale et adresse du**  
**fournisseur/de l'entrepreneur**

**Issuing Office - Bureau de distribution**  
TPSGC/PWGSC  
1550 Avenue d'Estimauville  
Québec  
Québec  
G1J 0C7

<b>Title - Sujet</b> INSP & CERT HEPBURN CRANES	
<b>Solicitation No. - N° de l'invitation</b> F3019-12M773/A	<b>Date</b> 2012-03-23
<b>Client Reference No. - N° de référence du client</b> F3019-12-M773	<b>GETS Ref. No. - N° de réf. de SEAG</b> PW-\$QCL-005-14530
<b>File No. - N° de dossier</b> QCL-1-34941 (005)	<b>CCC No./N° CCC - FMS No./N° VME</b>
<b>Solicitation Closes - L'invitation prend fin</b> <b>at - à 02:00 PM</b> <b>on - le 2012-04-30</b>	
<b>Time Zone</b> <b>Fuseau horaire</b> Heure Avancée de l'Est HAE	
<b>F.O.B. - F.A.B.</b> <b>Plant-Usine:</b> <input type="checkbox"/> <b>Destination:</b> <input checked="" type="checkbox"/> <b>Other-Autre:</b> <input type="checkbox"/>	
<b>Address Enquiries to: - Adresser toutes questions à:</b> Lachance, Paul	<b>Buyer Id - Id de l'acheteur</b> qcl005
<b>Telephone No. - N° de téléphone</b> (418) 649-2825 ( )	<b>FAX No. - N° de FAX</b> (418) 648-2209
<b>Destination - of Goods, Services, and Construction:</b> <b>Destination - des biens, services et construction:</b> MINISTERE DES PECHEES ET DES OCEANS NGCC PIERRE RADISSON 101 BOUL.CHAMPLAIN QUEBEC Québec G1K7Y7 Canada	

**Instructions: See Herein**

**Instructions: Voir aux présentes**

<b>Delivery Required - Livraison exigée</b> VOIR DOC.	<b>Delivery Offered - Livraison proposée</b>
<b>Vendor/Firm Name and Address</b> <b>Raison sociale et adresse du fournisseur/de l'entrepreneur</b>	
<b>Telephone No. - N° de téléphone</b> <b>Facsimile No. - N° de télécopieur</b>	
<b>Name and title of person authorized to sign on behalf of Vendor/Firm</b> <b>(type or print)</b> <b>Nom et titre de la personne autorisée à signer au nom du fournisseur/</b> <b>de l'entrepreneur (taper ou écrire en caractères d'imprimerie)</b>	
<b>Signature</b>	<b>Date</b>

---

## TABLE OF CONTENTS

### PART 1 - GENERAL INFORMATION

- 1.1 Introduction
- 1.2 Summary

### PART 2 - BIDDER INSTRUCTIONS

- 2.1. Standard Instructions, Clauses and Conditions
- 2.2 Submission of Bids
- 2.3 Enquiries - Bid Solicitation
- 2.4 Applicable Laws
- 2.5 Bidders' Conference
- 2.6 Viewing - Vessel
- 2.7 Work Period

### PART 3 - BID PREPARATION INSTRUCTIONS

- 3.1 Bid Preparation Instructions

### PART 4 - EVALUATION PROCEDURES AND BASIS OF SELECTION

- 4.1 Evaluation Procedures
- 4.2 Basis of Selection
- 4.3 Public Bid Opening

### PART 5 - CERTIFICATIONS

- 5.1 Generality
- 5.2 Certifications Precedent to Contract Award

### PART 6 - SECURITY, FINANCIAL AND OTHER REQUIREMENTS

- 6.1 Security Requirement *(Not used)*
- 6.2 Financial Security Requirement *(Not used)*
- 6.3 Accommodation *(Not used)*
- 6.4 Parking *(Not used)*
- 6.5 Material and Supply Support *(Not used)*
- 6.6 Workers' Compensation - Letter of Good Standing *(Not used)*
- 6.7 Welding Certification *(Not used)*
- 6.8 Valid Labour Agreement *(Not used)*
- 6.9 Work Schedule and Reports
- 6.10 Fueling and De-fueling Crown Vessels *(Not used)*
- 6.11 ISO 9001:2008 - Quality Management Systems *(Not used)*
- 6.12 Environmental Protection *(Not used)*
- 6.13 Insurance Requirement

## PART 7 - RESULTING CONTRACT CLAUSES

1. Requirement
2. Standard Clauses and Conditions
3. Security Requirement
4. Term of Contract
5. Authorities
6. Payment
7. Invoicing Instructions
8. Certifications
9. Applicable Laws
10. Priority of Documents
11. Insurance Requirements
12. Financial Security *(Not used)*
13. Accommodation *(Not used)*
14. Parking *(Not used)*
15. Sub-contract and Sub-contractor List
16. Work Schedule and Reports
17. Insulation Materials - Asbestos Free
18. Loan of Equipment - Marine *(Not used)*
19. Trade Qualifications
20. Material and Supply Support *(Not used)*
21. ISO 9001:2008 - Quality Management Systems *(Not used)*
22. Quality Control Plan *(Not used)*
23. Welding Certification *(Not used)*
24. Environmental Protection
25. Fueling and De-fueling a Crown Vessel *(Not used)*
26. Procedure for Design Change or Additional Work
27. Equipment/Systems: Inspection/Test *(Not used)*
28. Inspection and Test Plan *(Not used)*
29. Vessel Custody
30. Vessel Manned Refits
31. Pre-fit Meeting
32. Meetings
33. Outstanding Work and Acceptance
34. Licensing
35. Hazardous Waste
36. Government Site Regulations
37. Scrap and Waste Material
38. Stability and Weight Management *(Not used)*
39. Vessel - Access by Canada *(Not used)*
40. Title to Property
41. Defence Contract
42. Limitation of Contractor's Liability for Damages to Canada

### List of Annexes:

Annex A	Technical Specification
Annex B	Basis of Payment
Annex C	Insurance Requirements
Annex D	Inspection/Quality Assurance/Quality Control <i>(Not used)</i>
Annex E	Warranty

Solicitation No. - N° de l'invitation

F3019-12M773/A

Amd. No. - N° de la modif.

Buyer ID - Id de l'acheteur

qc1005

Client Ref. No. - N° de réf. du client

File No. - N° du dossier

CCC No./N° CCC - FMS No/ N° VME

F3019-12-M773

QCL-1-34941

---

Annex F	Vessel Custody ( <i>Not used</i> )
Appendix 1 of Annex F	Acceptance Certificate ( <i>Not used</i> )
Annex G	Security Requirements Check List ( <i>If applicable</i> )
Annex H	Project Management Services ( <i>Not used</i> )
Annex I	Financial Bid Presentation Sheet

## **PART 1 - GENERAL INFORMATION**

### **1.1 Introduction**

The bid solicitation and resulting contract document is divided into seven parts plus annexes as follows:

- Part 1 General Information: provides a general description of the requirement;
- Part 2 Bidder Instructions: provides the instructions, clauses and conditions applicable to the bid solicitation and states that the Bidder agrees to be bound by the clauses and conditions contained in all parts of the bid solicitation;
- Part 3 Bid Preparation Instructions: provides bidders with instructions on how to prepare their bid;
- Part 4 Evaluation Procedures and Basis of Selection: indicates how the evaluation will be conducted, the evaluation criteria that must be addressed in the bid, if applicable, and the basis of selection;
- Part 5 Certifications: includes the certifications to be provided;
- Part 6 Security, Financial and Other Requirements: includes specific requirements that must be addressed by bidders; and
- Part 7 Resulting Contract Clauses: includes the clauses and conditions that will apply to any resulting contract.

The Annexes include the Requirement, the Basis of Payment and other annexes.

### **1.2 Summary**

- (i) The requirement is:
  - a) to carry out the scope of work regarding the Canadian Coast Guard Ships (C.C.G.S.) Pierre Radisson in accordance with the associated Technical Specifications detailed in the Requirement attached as Annex A.
  - b) to carry out any approved unscheduled work not covered in paragraph a) Above.
  - c) The requirement is exempt from the provisions of the World Trade Organization Agreement on Government Procurement (WTO-AGP), Annex 4 and the North American Free Trade Agreement (NAFTA), Chapter Ten Annex 1001.2b Paragraph 1, however, it is subject to the Agreement on Internal Trade (AIT).

## **PART 2 - BIDDER INSTRUCTIONS**

### **2.1 Standard Instructions, Clauses and Conditions**

All instructions, clauses and conditions identified in the bid solicitation by number, date and title are set out in the *Standard Acquisition Clauses and Conditions* Manual issued by Public Works and Government Services Canada (PWGSC). The Manual is available on the PWGSC Website:

<http://sacc.pwgsc.gc.ca/sacc/index-e.jsp>.

Bidders who submit a bid agree to be bound by the instructions, clauses and conditions of the bid solicitation and accept the clauses and conditions of the resulting contract.

The 2003 (2012-03-02) Standard Instructions - Goods or Services, are incorporated by reference into and form part of the bid solicitation.

Subsection 12.1. (a) and (b) of 2003, Standard Instructions - Goods or Services - Competitive Requirements, is amended as follows:

1. Canada may reject a bid where any of the following circumstances is present:

(a) the Bidder is subject to a Vendor Performance Corrective Measure, under the Vendor Performance Corrective Measure Policy, which renders the Bidder ineligible to bid on the requirement;

(b) an employee, or subcontractor included as part of the bid, is subject to a Vendor Performance Corrective Measure, under the Vendor Performance Corrective Measure Policy, which would render that employee or subcontractor ineligible to bid on the requirement, or the portion of the requirement the employee or subcontractor is to perform;

### **2.2 Submission of Bids**

Bids must be submitted only to Public Works and Government Services Canada (PWGSC) Bid Receiving Unit by the date, time and place indicated on page 1 of the bid solicitation.

### **2.3 Enquiries - Bid Solicitation**

All enquiries must be submitted in writing to the Contracting Authority no later than three calendar days before the bid closing date. Enquiries received after that time may not be answered.

Bidders should reference as accurately as possible the numbered item of the bid solicitation to which the enquiry relates. Care should be taken by bidders to explain each question in sufficient detail in order to enable Canada to provide an accurate answer. Technical enquiries that are of a "proprietary" nature must be clearly marked "proprietary" at each relevant item. Items identified as proprietary will be treated as such except where Canada determines that the enquiry is not of a proprietary nature. Canada may edit the questions or may request that the Bidder do so, so that the proprietary nature of the question is eliminated, and the enquiry can be answered with copies to all bidders. Enquiries not submitted in a form that can be distributed to all bidders may not be answered by Canada.

### **2.4 Applicable Laws**

Any resulting contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in the Province of Quebec.

---

Bidders may, at their discretion, substitute the applicable laws of a Canadian province or territory of their choice without affecting the validity of their bid, by deleting the name of the Canadian province or territory specified and inserting the name of the Canadian province or territory of their choice. If no change is made, it acknowledges that the applicable laws specified are acceptable to the bidders.

## **2.5 Bidders' Conference (Not mandatory)**

A bidders' Conference chaired by the Contracting Authority will be convened on board vessel Pierre Radisson at 09h00 AM on April 25, 2012. The vessel will be moored at Queen's Wharf 101, Champlain Boulevard Canadian Coast Guard Base Quebec City.

It is recommended that the Bidder or a representative of the Bidder attend the Bidders' Conference in order to review the Scope of the Work required and to receive additional information and clarifications. Bidders are to communicate with the Contracting Authority prior to the conference to confirm attendance. Bidders that do not attend are not precluded from submitting a bid. Bidders are to provide the Contracting Authority with the names of their representatives no later than two days prior to the conference. The Contracting Authority will have an attendance form which is to be signed by the Bidder's representative(s) in attendance. Bidders are advised that any clarifications or changes resulting from the Bidder's conference and/or the subsequent viewing of the vessel, shall be included as an amendment to the bid solicitation document.

## **2.6 Viewing - Vessel (Not mandatory)**

A site visit will be held immediately after the bidders' Conference.

## **2.7 Work Period**

### Phase I:

Work is to commence and be completed as follows:

Commence: May 2, 2012

Complete: June 10, 2012

### Phase II:

Work is to commence and be completed as follows:

Commence: October 16, 2012

Complete: December 2, 2012

The Bidder agrees through submission of its response to the bid solicitation that the above time frame provides an adequate period to perform the subject work and absorb a reasonable amount of unscheduled work; and further, that they have sufficient material and human resources allocated or available to complete the subject work and a reasonable amount of unscheduled work within the Work period. Canada will not compensate the Contractor for delays that lengthen the Work Period unless such delay is recognized and agreed upon by the Contracting Authority as being attributable to Canada, and in that event Canada's sole liability for the delay shall be the daily services fee provided for in the Basis of Payment, Annex "B."

## PART 3 - BID PREPARATION INSTRUCTIONS

### 3.1 Bid Preparation Instructions

**3.1.1** Canada requests that bidders provide their bid in separately bound sections as follows:

- Section I: Management Bid (1 hard copy)
- Section II: Financial Bid (1 hard copy)
- Section III: Certifications Requirements (1 hard copy)

**Prices must appear in the financial bid only. No prices must be indicated in any other section of the bid.**

Canada requests that bidders follow the format instructions described below in the preparation of their bid:

- (a) use 8.5 x 11 inch (216 mm x 279 mm) paper;
- (b) use a numbering system that corresponds to the bid solicitation.

In April 2006, Canada issued a policy directing federal departments and agencies to take the necessary steps to incorporate environmental considerations into the procurement process Policy on Green Procurement

(<http://www.tpsgc-pwgsc.gc.ca/ecologisation-greening/achats-procurement/politique-policy-eng.html>). To assist Canada in reaching its objectives, bidders are encouraged to :

- 1) use paper containing fibre certified as originating from a sustainably-managed forest and/or containing minimum 30% recycled content; and
- 2) use an environmentally-preferable format including black and white printing instead of colour printing, printing double sided/duplex, using staples or clips instead of cerlox, duotangs or binders.

#### Section I: Management Bid

The Management Bid should be concise and should include all the certifications and other requirements as noted in Parts 4 and 6.

#### Section II: Financial Bid

Bidders must submit their financial bid in accordance with the Financial Bid Presentation Sheet Annex I and the detailed Pricing Data Sheet, Appendix 1 to Annex I. The total amount of Goods and Services Tax or Harmonized Sales Tax is to be shown separately, if applicable.

#### Section III: Certification Requirements

Bidders must submit the certifications required under Part 5.

### 3.1.2 SACC Manual Clause

C0417T (2008-05-12) Unscheduled Work and Evaluation Price



## PART 4 - EVALUATION PROCEDURES AND BASIS OF SELECTION

### 4.1 Evaluation Procedures

- (a) Bids will be assessed in accordance with the entire requirement of the bid solicitation including the technical, management and financial evaluation criteria specified below.
- (b) An evaluation team composed of representatives of Canada will evaluate the bids.

#### 4.1.1 Financial Bid

Bidders must submit their financial bid in accordance with the Financial Bid Presentation Sheet Annex "I". The total amount of Goods and Services Tax or Harmonized Sales Tax is to be shown separately, if applicable.

#### 4.1.2 Mandatory Criteria

Bids will be assessed in accordance with the entire requirement of the bid solicitation including compliance with the mandatory certifications and table of deliverable requirements as detailed in Parts 2, 4, 5 & 6. Only those bids which are found to meet all the mandatory requirements within the specified time frames will be deemed responsive.

#### 4.1.3 Table of Mandatory Requirements to be met by bid closing

Notwithstanding deliverable requirements specified anywhere else within this solicitation and its associated Technical Specification, the following are the only mandatory deliverables that must be submitted with the Bid at the time of bid closing. The following are mandatory and the Bidder must be compliant on each item to be considered responsive

Item	Description	Completed and Attached
1	Completed Annex "I" <u>Financial Bid presentation Sheet</u>	
2	Letter or proof of Insurance as per article 13 of Part 6	

#### 4.1.4 Other informations upon request only *(Not used)*

#### 4.1.5 Deliverables after Contract award

Élément	Description	Doit être fourni après l'attribution du Contrat, dans les
1	Insurance Requirements as per article 7.11, Part 7	10 calendar days

Solicitation No. - N° de l'invitation

F3019-12M773/A

Amd. No. - N° de la modif.

Buyer ID - Id de l'acheteur

qc1005

Client Ref. No. - N° de réf. du client

File No. - N° du dossier

CCC No./N° CCC - FMS No/ N° VME

F3019-12-M773

QCL-1-34941

---

## **4.2 Basis of Selection**

A bid must comply with the requirements of the bid solicitation and meet all mandatory evaluation criteria to be declared responsive. The responsive bid with the lowest evaluated price will be recommended for award of a contract.

## **4.3 Public Bid Opening**

A public bid opening will be held in Public Works and Government Services Canada, 1550, D'Estimauville Québec, Qc at 02:00 PM (EDST) see date on the first page .

## PART 5 - CERTIFICATIONS

### 5.1 Generality

Bidders must provide the required certifications to be awarded a contract. Canada will declare a bid non-responsive if the required certifications are not completed and submitted as requested.

Compliance with the certifications bidders provide to Canada is subject to verification by Canada during the bid evaluation period (before award of a contract) and after award of a contract. The Contracting Authority will have the right to ask for additional information to verify the bidders' compliance with the certifications before award of a contract. The bid will be declared non-responsive if any certification made by the Bidder is untrue, whether made knowingly or unknowingly. Failure to comply with the certifications or to comply with the request of the Contracting Authority for additional information will also render the bid non-responsive.

### 5.2 Certifications Precedent to Contract Award

The certifications listed below should be submitted with the bid but may be completed and submitted afterwards. If any of these required certifications is not completed or submitted as requested, the Contracting Authority will so inform the Bidder and provide the Bidder with a time frame within which to meet the requirement. Failure to comply with the request of the Contracting Authority and meet the requirement within that time period will render the bid-non responsive.

#### 5.2.1 Federal Contractors Program - \$200,000 or more

1. The Federal Contractors Program (FCP) requires that some suppliers, including a supplier who is a member of a joint venture, bidding for federal government contracts, valued at \$200,000 or more (including all applicable taxes), make a formal commitment to implement employment equity. This is a condition precedent to contract award. If the Bidder, or, if the Bidder is a joint venture and if any member of the joint venture, is subject to the FCP, evidence of its commitment must be provided before the award of the Contract.

Suppliers who have been declared ineligible contractors by Human Resources and Skills Development Canada (HRSDC) are no longer eligible to receive government contracts over the threshold for solicitation of bids as set out in the *Government Contracts Regulations*. Suppliers may be declared ineligible contractors either as a result of a finding of non-compliance by HRSDC, or following their voluntary withdrawal from the FCP for a reason other than the reduction of their workforce to less than 100 employees. Any bids from ineligible contractors, including a bid from a joint venture that has a member who is an ineligible contractor, will be declared non-responsive.

2. If the Bidder does not fall within the exceptions enumerated in 3.(a) or (b) below, or does not have a valid certificate number confirming its adherence to the FCP, the Bidder must fax (819-953-8768) a copy of the signed form LAB 1168, Certificate of Commitment to Implement Employment Equity, to the Labour Branch of HRSDC.
3. The Bidder, or, if the Bidder is a joint venture the member of the joint venture, certifies its status with the FCP, as follows:

The Bidder or the member of the joint venture

- (a) ( ) is not subject to the FCP, having a workforce of less than 100 full-time or part-time permanent employees, and/or temporary employees having worked 12 weeks or more in Canada;
- (b) ( ) is not subject to the FCP, being a regulated employer under the Employment Equity Act, S.C. 1995, c. 44;
- (c) ( ) is subject to the requirements of the FCP, having a workforce of 100 or more full-time or part-time permanent employees, and/or temporary employees having worked 12 weeks or more in Canada, but has not previously obtained a certificate number from HRSDC (having not bid on requirements of \$200,000 or more), in which case a duly signed certificate of commitment is attached;
- (d) ( ) is subject to the FCP, and has a valid certificate number as follows:  
\_\_\_\_\_ (e.g. has not been declared an ineligible contractor by HRSDC.)

Further information on the FCP is available on the HRSDC Web site.

---

**PART 6 - SECURITY, FINANCIAL AND OTHER REQUIREMENTS**

- 6.1 Security Requirement** *(Not used)*
- 6.2 Financial Requirements** *(Not used)*
- 6.3 Accommodation** *(Not used)*
- 6.4 Parking** *(Not used)*
- 6.5 Material and Supply Support** *(Not used)*
- 6.6 Workers' Compensation - Letter of Good Standing** *(Not used)*
- 6.7 Welding Certification** *(Not used)*
- 6.8 Valid Labour Agreement** *(Not used)*
- 6.9 Work Schedule and Reports** *(Not used)*
- 6.10 Fueling and De-fueling Crown Vessels** *(Not used)*
- 6.11 ISO 9001:2000 - Quality Management Systems** *(Not used)*
- 6.12 Environmental Protection** *(Not used)*
- 6.13 Insurances Requirements**

At bids closing date the Bidder must provide a letter from an insurance broker or an insurance company licensed to operate in Canada stating that the Bidder, if awarded a contract as a result of the bid solicitation, can be insured in accordance with the Insurance Requirements specified in Annex "C".

## PART 7 - RESULTING CONTRACT CLAUSES

The following clauses and conditions apply to and form part of any contract resulting from the bid solicitation.

### 1. Requirement

- a) to carry out the docking, maintenance and alterations of the Canadian Coast Guard Ship (C.C.G.S.) Pierre Radisson in accordance with the associated Technical Specification attached as Annex A.
- b) to carry out any approved unscheduled work not covered in paragraph a) Above.

### 2. Standard Clauses and Conditions

All clauses and conditions identified in the Contract by number, date and title are set out in the *Standard Acquisition Clauses and Conditions* Manual issued by Public Works and Government Services Canada (PWGSC). The Manual is available on the PWGSC Website:

<http://sacc.pwgsc.gc.ca/sacc/index-e.jsp>.

#### 2.1 General Conditions

2030,(2012-03-02), General Conditions - Higher Complexity - Goods, apply to and form part of the Contract. (with the exception of Article 25 which is deleted in its entirety).

Section 22 of 2030 is amended in Annex E Warranty.

#### 2.2 Supplemental General Conditions

1029 (2010-08-16) Ship Repairs, excluding section 09 apply to and form part of the Contract.

### 3. Security Requirement

There is no security requirement associated with this Statement of Work

### 4. Term of Contract

#### 4.1 Work Period

Work is to commence and be completed during the Work Period as follows:

##### Phase I:

Commence: May 2, 2012

Complete: June 10, 2012

##### Phase II:

Commence: October 16, 2012

Complete: December 2, 2012

The Contractor agrees that the above time frame provides an adequate period to perform the subject work and absorb a reasonable amount of unscheduled work; and further, that it has sufficient material

and human resources allocated or available to complete the subject work and a reasonable amount of unscheduled work within the Work Period.

## **5. Authorities**

### **5.1 Contracting Authority**

The Contracting Authority for the Contract is:

Supply Specialist- Technical Inspector  
Public Works and Government Services Canada  
Eastern Quebec Directorate  
Marine Section

Telephone: 418-649-2825  
Facsimile: 418-648-2209  
E-mail address: paul.lachance@pwgsc-tpsgc.gc.ca

The Contracting Authority is responsible for the management of the Contract and any changes to the Contract must be authorized in writing by the Contracting Authority. The Contractor must not perform work in excess of or outside the scope of the Contract based on verbal or written requests or instructions from anybody other than the Contracting Authority.

### **5.2 Technical Authority**

The Technical Authority for the Contract is:

*Name will be determined at Contract award*

Telephone: \_\_\_\_\_  
Facsimile: \_\_\_\_\_  
E-mail address: \_\_\_\_\_

The Technical Authority is the representative of the department or agency for whom the Work is being carried out under the Contract and is responsible for all matters concerning the technical content of the Work under the Contract. Technical matters may be discussed with the Technical Authority; however, the Technical Authority has no authority to authorize changes to the scope of the Work. Changes to the scope of the Work can only be made through a contract amendment issued by the Contracting Authority.

### **5.3 Inspection Authority/Inspector**

The Inspection Authority for the Contract is:

Same as above

The Inspection Authority is the Department of Public Works and Government Services Canada, who for the purposes of this requirement is the inspector responsible for inspection of the work and acceptance of the finished work under this requirement. The Inspection Authority will be represented on-site by a designated inspector and such other Government of Canada inspectors who will from time to time be assigned in support of the designated Inspector.

## 6 Payment

### 6.1 Basis of Payment - Firm Price

In consideration of the Contractor satisfactorily completing all of its obligations under the Contract, the Contractor will be paid the firm price indicated in Annex B. Goods and Services Tax or Harmonized Sales Tax is extra, if applicable. Payment for unscheduled work will be done in accordance with Basis of Payment outlined at Annex B.

### 6.2 Progress Payments

1. Canada will make progress payments in accordance with the payment provisions of the Contract, no more than once a month, for cost incurred in the performance of the Work, up to 90 percent of the amount claimed and approved by Canada if:
  - (a) an accurate and complete claim for payment using form PWGSC-TPSGC 1111, Claim for Progress Payment, and any other document required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract;
  - (b) the amount claimed is in accordance with the basis of payment;
  - (c) the total amount for all progress payments paid by Canada does not exceed 90 percent of the total amount to be paid under the Contract;
  - (d) all certificates appearing on form PWGSC-TPSGC 1111 have been signed by the respective authorized representatives.
2. The balance of the amount payable will be paid in accordance with the payment provisions of the Contract upon completion and delivery of all work required under the Contract if the Work has been accepted by Canada and a final claim for the payment is submitted."
3. Progress payments are interim payments only. Canada may conduct a government audit and interim time and cost verifications and reserves the rights to make adjustments to the Contract from time to time during the performance of the Work. Any overpayment resulting from progress payments or otherwise must be refunded promptly to Canada.

### 6.3 Method of Payment

SACC Manual Clause C6000C (2011-05-16)

Limitation of Price

SACC Manual Clause H4500C (2010-01-11)

Lien - Section 427 of the Bank Act

## 7. Invoicing Instructions

- 7.1 The Contractor must submit invoices in accordance with the information required in Section 13 of 2030, (2012-03-02), General Conditions - Higher Complexity - Goods

### 7.2 Invoice

Invoice to be made to the name of:

Fisheries and Oceans Canada - Canadian Coast Guard  
Naval Engineering Service, Ground floor



101, boulevard Champlain  
 Québec, Qc G1K 7Y7  
 Att.: Michelle Turcotte

Original to be sent for verification to:  
 Public Works and Government Services Canada  
 Supply Directorate  
 1550, D'Estimauville Avenue  
 Québec, Qc. G1J 0C7  
 Att.: Paul Lachance

## 8. Certifications

- 8.1** Compliance with the certifications provided by the Contractor in its bid is a condition of the Contract and subject to verification by Canada during the entire contract period. If the Contractor does not comply with any certification or it is determined that any certification made by the Contractor in its bid is untrue, whether made knowingly or unknowingly, Canada has the right, pursuant to the default provision of the Contract, to terminate the Contract for default.

## 9. Applicable Laws

The Contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in \_\_\_\_\_.

## 10. Priority of Documents

If there is a discrepancy between the wording of any documents that appear on the list, the wording of the document that first appears on the list has priority over the wording of any document that subsequently appears on the list.

- (a) the Articles of Agreement;
- (b) the Supplemental General Conditions 1029, 2010-08-16, Ship Repairs;
- (c) General Conditions 2030, (2012-03-02) - Higher Complexity - Goods;
- (d) Annex A, Requirement;
- (e) Annex B, Basis of Payment;
- (f) Annex C, Insurance Requirements;
- (g) Annex E, Warranty;
- (h) the Contractor's bid dated \_\_\_\_\_ (*insert date of bid*), as amended \_\_\_\_\_ (*insert date(s) of amendment(s) if applicable*)

## 11. Insurance Requirements

The Contractor must comply with the insurance requirements specified in Annex C. The Contractor must maintain the required insurance coverage for the duration of the Contract. Compliance with the insurance requirements will not release the Contractor from or reduce its liability under the Contract.

The Contractor is responsible to decide if additional insurance coverage is necessary to fulfill its obligation under the Contract and to ensure compliance with any applicable law. Any additional insurance coverage will be at the Contractor's expense, and for its own benefit and protection.

The Contractor must forward to the Contracting Authority within ten (10) calendar days after the date of award of the Contract a Certificate of Insurance including details of the insurance coverage, exclusions,

deductibles and conditions and confirming that the insurance policy complying with the requirements is in force. The Contractor must, if requested by the Contracting Authority, forward to Canada a certified true copy of all applicable insurance policies.

**12. Financial Security** *(Not used)*

**13. Accommodation** *(Not used)*

**14. Parking** *(Not used)*

**15. Sub-contracts and Sub-contractor List** *(Not used)*

**16. Work Schedule and Reports** *(Not used)*

**17. Insulation Materials - Asbestos Free**

All materials used to insulate or re-insulate any surfaces on board the vessel must meet Transport Canada Marine standards, for commercial marine work, and, for all work, be free from asbestos in any form. The Contractor must ensure that all machinery and equipment located below or adjacent to surfaces to be re-insulated are adequately covered and protected before removing existing insulation.

**18. Loan of Equipment - Marine** *(Not used)*

**19. Trade Qualifications**

The Contractor must use qualified, certificated (if applicable) and competent tradespeople and supervision to ensure a uniform high level of workmanship. The Inspection Authority may request to view and record details of the certification and/or qualifications held by the Contractor's tradespeople. This request should not be unduly exercised but only to ensure qualified tradespeople are on the job

**20. Material and Supply Support** *(Not used)*

**21. ISO 9001:2000 - Quality Management Systems** *(Not used)*

**22. Quality Control Plan** *(Not used)*

**23. Welding Certification** *(Not used)*

**24. Environmental Protection**

The Contractor and its sub-contractors engaged in the Work on a Crown vessel must carry out the Work in compliance with applicable municipal, provincial and federal environmental laws, regulations and industry standards.

The Contractor must have detailed procedures and processes for identifying, removing, tracking, storing, transporting and disposing of all potential pollutants and hazardous material encountered, to ensure compliance as required above.

All waste disposal certificates are to be provided to the Inspection Authority, with information copies sent to the Contracting Authority. Furthermore, additional evidence of compliance with municipal, provincial

and federal environmental laws and regulations is to be furnished by the Contractor to the Contracting Authority when so requested.

The Contractor must have environmental emergency response plans and/or procedures in place. Contractor and subcontractor employees must have received the appropriate training in emergency preparedness and response. Contractor personnel engaging in activities which may cause environmental impacts or potential non compliance situations, must be competent to do so on the basis of appropriate education, training, or experience.

**25. Fueling and De-fueling a Crown Vessel *(Not used)***

**26. Procedure for Design Change or Additional Work**

SACC Manual Clause B5007C (2010-01-11) Design Change or Additional Work

**26.1 Price Breakdown:**

The Contractor must, upon request, provide a price breakdown for all unscheduled work, by specific activities with trades, person-hours, material, subcontracts and services.

**26.2 Pro-rated Prices:**

Hours and prices for unscheduled work will be based on comparable historical data applicable to similar work at the same facility, or will be determined by pro-rating the quoted work costs in the Contract when in similar areas of the vessel.

**27. Equipment/Systems: Inspection/Test *(Not used)***

**28. Inspection and Test Plan *(Not used)***

**29. Vessel Custody *(Not used)***

**30. Vessel Manned Refits**

SACC Manual Clause A0032(2011-05-16) Manned Vessel Refit

**31. Pre-Refit Meeting *(Not used)***

**32. Meetings *(Not used)***

**33. Outstanding Work and Acceptance**

The Inspection Authority, in conjunction with the Contractor, will prepare a list of outstanding work items towards the end of the vessel Work Period. This list will form the annexes to the formal acceptance document for the vessel. A Contract Completion Meeting will be convened by the Inspector on the work completion date to review and sign off the Acceptance Document. In addition to any amount held under the Warranty Holdback Clause, a holdback of twice the estimated value of outstanding work will be held until completion of said work.

The PWGSC-TPSGC 1205 Acceptance Document is to be completed and distribution is to be made by the Public Works and Government Services Canada Inspection Authority as follows:

- (a) original to the PWGSC Contracting Authority
- (b) one copy to the Technical Authority
- (c) one copy to contractor

### 34. Licensing

The Contractor must obtain and maintain all permits, licenses and certificates of approval required for the work to be performed under any applicable federal, provincial or municipal legislation. The Contractor is responsible for any charges imposed by such legislation or regulations. Upon request, the Contractor must provide a copy of any such permit, license or certificate to Canada.

### 35. Hazardous Waste - Vessels

SACC Manual Clause A0290C (2008-05-12) Hazardous Waste - Vessels

### 36. Government Site Regulations

SACC Manual Clause A9068C (2010-01-11) Government Site Regulations

### 37. Scrap and Waste Material

SACC Manual Clause A9055C (2010-08-16) Scrap and Waste Material

### 38. Stability and Weight Management *(Not used)*

### 39. Vessel - Access by Canada *(Not used)*

### 40. Title to Property - Vessel *(Not used)*

### 41. Defence Contract

SACC Manual Clause A9006C (2008-05-12) Defence Contract

### 42. Limitation of Contractor's Liability for Damages to Canada

1. This section applies despite any other provision of the Contract. Any reference in this section to damages caused by the Contractor also includes damages caused by its employees, as well as its subcontractors, agents, and representatives, and any of their employees.
2. Whether the claim is based in contract, tort, or another cause of action, the Contractor's liability for all damages suffered by Canada caused by the Contractor's performance of or failure to perform the Contract is limited to \$10,000,000.00 per incident or occurrence, to an annual aggregate of \$20,000,000.00 for damages caused in any one year of carrying out of the Contract, each such year starting on the date of coming into force of the Contract or its anniversary, and to a total maximum liability of \$40,000,000.00. This limitation of the Contractor's liability does not apply to nor include:
  - (a) any infringement of intellectual property rights;
  - (b) any breach of warranty obligations; or

- (c) any liability of Canada to a third party arising from any act or omission of the Contractor in performing the Contract .
3. Each Party agrees that it is fully liable for any damages that it causes to any third party in connection with the Contract, regardless of whether the third party makes its claim against Canada or the Contractor. If Canada is required, as a result of joint and several liability, to pay a third party in respect of damages caused by the Contractor, the Contractor must reimburse Canada for that amount.
4. Nothing herein is intended to limit any insurable interest of the Contractor nor to limit the amounts otherwise recoverable under any insurance policy, and the parties agree that to the extent that insurance coverage maintained by the Contractor or insurance coverage required to be maintained by the Contractor under this Contract, whichever is greater, is more than the limitations of liability described in this clause, the limitations described herein are increased accordingly.

Solicitation No. - N° de l'invitation

F3019-12M773/A

Client Ref. No. - N° de réf. du client

F3019-12-M773

Amd. No. - N° de la modif.

File No. - N° du dossier

QCL-1-34941

Buyer ID - Id de l'acheteur

qc1005

CCC No./N° CCC - FMS No/ N° VME

---

## **ANNEX A**

### **Technical Specification**

See Electronic Annex on Merx.

**ANNEX B****BASIS OF PAYMENT FIRM PRICE**

***Remark to Bidder: Annex B will form the Basis of Payment for the resulting contract and should not be filled in at the bid submission stage.***

**B1 Contract Firm Price**

<b>A)</b>	<b>Known Work</b> For work as stated in Contract Clause 1a), Specified in Annex "A" , for a FIRM PRICE of:  Phase I:  Phase II:	  \$ _____  \$ _____
<b>B)</b>	<b>GST at 5% / HST at 13% or 15%, as applicable</b>	\$ _____
<b>C)</b>	<b>Total Firm Price</b>	\$ _____

**B2 Unscheduled Work**

Payment for Unscheduled Work:

The Contractor will be paid for unscheduled work arising, as authorized by Canada. The authorized unscheduled work will be calculated as follows:

Number of hours (to be negotiated) X \$\_\_\_\_\_, being the Contractor's firm hourly charge-out labour rate which includes overhead and profit, plus net laid-down cost of materials to which will be added a mark-up of 10 percent, plus Goods and Services Tax or Harmonized Sales Tax, if applicable, calculated at 5 percent of the total cost of material and labour. The firm hourly charge-out labour rate and the material mark-up will remain firm for the term of the Contract and any subsequent amendments.

**B2.1:** Notwithstanding definitions or useage elsewhere in this document, or in the Bidder's Cost Management System, when negotiating *Hours* for unscheduled work, PWGSC will consider only those hours of labour directly involved in the production of the subject work package.

Elements of *Related Labour Costs* identified in B2.2 below, will not be negotiated, but will be included in the firm hourly Charge-out Labour Rate in accordance with paragraph B2.2

**B2.2:** Allowance for *Related Labour Costs* such as: Management, Direct Supervision, Purchasing and Material Handling, Quality Assurance and Reporting, First Aid, Gas Free

Inspecting and Reporting, and Estimating will be included as *Overhead* within the *firm hourly Charge-out Labour Rate* entered in line B2 above.

**B2.3:** The 10% mark-up rate for materials will also apply to subcontracted costs. The mark-up rate includes any allowance for material and subcontract management not allowed for in the Chargeout Labour Rate. The Contractor will not be entitled to a separate labour component for the purchase and handling of materials or subcontract administration.

### B3 Overtime

No overtime work shall be compensated for under the Contract unless authorized in advance and in writing by the Contracting Authority. Any request for payment must be accompanied by a copy of the overtime authorization and a report containing such details as Canada may require with respect to the overtime work performed. Compensation for authorized overtime will be calculated in the following manner:

- a. For Known Work, the Contractor will be paid the original contract price plus agreed overtime hours paid at the following premium rates; or,
- b. For Unscheduled Work, the Contractor will be paid for agreed overtime hours paid at the *firm hourly Charge-out Labour Rate* above plus the following premium rates:

Premium for Time and one half: \$ \_\_\_\_\_ per hour; or,

Premium for Double time \$ \_\_\_\_\_ per hour

The above premiums rates shall be calculated as follows:

Premium for time and one half:

$\frac{1}{2}$  (that portion of the firm Hourly Charge-out Labour Rate in B2 that is directly attributable to salary cost plus related certified fringe benefits) times 7.5% (representing profit)

Premium for double time:

(that portion of the Unscheduled Work firm Charge-out Labour Rate in B2 that is directly attributable to salary cost plus related certified fringe benefits) times 7.5% (representing profit)

These premiums will remain firm for the duration of the Contract, including all amendments and are subject to audit by Canada, and to retroactive adjustment if Canada discovers that the premiums have not been calculated in accordance with the formulae, above.



## ANNEX C

### INSURANCE REQUIREMENTS

#### C.1 Ship Repairers' Liability Insurance

1. The Contractor must obtain Ship Repairer's Liability Insurance and maintain it in force throughout the duration of the Contract, in an amount usual for a contract of this nature, but for not less than \$10,000,000 per accident or occurrence and in the annual aggregate<sup>2</sup>. The Ship Repairer's Liability insurance must include the following:
  - (a) Additional Insured: Canada is added as an additional insured, but only with respect to liability arising out of the Contractor's performance of the Contract. The interest of Canada as additional insured should read as follows: Canada, represented by Public Works and Government Services Canada.
  - (b) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of cancellation.
  - (c) Cross Liability/Separation of Insureds: Without increasing the limit of liability, the policy must protect all insured parties to the full extent of coverage provided. Further, the policy must apply to each Insured in the same manner and to the same extent as if a separate policy had been issued to each.
  - (d) waiver of subrogation rights: Contractor's insurer to waive all rights of subrogation against Canada as represented by the the Department of Public Works and Government Services Canada and the Canadian Coast Guard for any and all loss of or damage to the vessel, however caused.

#### C.2 Commercial General Liability Insurance

1. The Contractor must obtain Commercial General Liability Insurance, and maintain it in force throughout the duration of the Contract, in an amount usual for a contract of this nature, but for not less than \$10,000,000 per accident or occurrence and in the annual aggregate
2. The Commercial General Liability Insurance policy must include the following:
  - (a) Additional Insured: Canada is added as an additional insured, but only with respect to liability arising out of the Contractor's performance of the Contract. The interest of Canada should read as follows: Canada, as represented by Public Works and Government Services Canada.
  - (b) Bodily Injury and Property Damage to third parties arising out of the operations of the Contractor.
  - (c) Personal Injury: While not limited to, the coverage must include Violation of Privacy, Libel and Slander, False Arrest, Detention or Imprisonment and Defamation of Character.
  - (d) Cross Liability/Separation of Insureds: Without increasing the limit of liability, the policy must protect all insured parties to the full extent of coverage provided. Further, the

---

policy must apply to each Insured in the same manner and to the same extent as if a separate policy had been issued to each.

- (e) Blanket Contractual Liability: The policy must, on a blanket basis or by specific reference to the Contract, extend to assumed liabilities with respect to contractual provisions.
- (f) Employees and, if applicable, Volunteers must be included as Additional Insured.
- (g) Employers' Liability : to protect the Contractor for liabilities arising in the management and administration of statutory and contractual entitlements of its employees.
- (h) Notice of Cancellation: The Insurer agrees to provide the Contracting Authority thirty (30) days written notice of policy cancellation.
- (i) If the policy is written on a claims-made basis, coverage must be in place for a period of at least 12 months after the completion or termination of the Contract.
- (j) Owners' or Contractors' Protective Liability: Covers the damages that the Contractor becomes legally obligated to pay arising out of the operations of a subcontractor.
- (k) Sudden and accidental Pollution Liability (minimum 72 hours): To protect the Contractor for liabilities arising from damages caused by accidental pollution incidents.

Solicitation No. - N° de l'invitation

F3019-12M773/A

Client Ref. No. - N° de réf. du client

F3019-12-M773

Amd. No. - N° de la modif.

File No. - N° du dossier

QCL-1-34941

Buyer ID - Id de l'acheteur

qc1005

CCC No./N° CCC - FMS No/ N° VME

---

## ANNEX D

(NOT USED)

## ANNEX E

### WARRANTY

**2030 (2012-03-02) General Conditions Higher Complexity Goods are hereby amended, by deleting section 2030 22 (2012-03-02), Warranty and replacing it as follows:**

#### Section 22 Warranty

1. At the discretion of the Minister, the Contractor will replace or make good at its own expense any finished work, excluding Government Issue incorporated therein, which becomes defective or which fails to conform to contract requirements as a result of faulty or inefficient manufacture, material or workmanship.
2. Notwithstanding prior acceptance of the finished work, and without restricting any other term of the Contract or any condition, warranty or provision implied or imposed by law, the Contractor hereby warrants that the following shall be free from all defects and shall conform with the requirements of the contract:

- (a) The painting of the underwater portion of the hull for a period of three hundred and sixty-five (365) days commencing from the date of undocking, except that the Contractor will only be liable to repair and/or replace to a value to be determined as follows:

Original cost to Canada of the underwater painting Work, divided by three hundred and sixty-five (365) days and multiplied by the number of days remaining in the warranty period. The resultant would represent the "Dollar Credit" due to Canada from the Contractor.

- b) All other painting Work for a period of three hundred and sixty-five (365) days commencing from the date of acceptance of the Work;
- (c) all parts and material provided by the Contractor for a period of three hundred and sixty-five (365) days commencing from the date of acceptance of such parts or material;
- (d) All other items of Work for a period of ninety (90) days commencing from the date of acceptance of the Work, except that:
  - (i) the warranty on the Work related to any system or equipment not immediately placed in continuous use or service shall extend for a period of ninety (90) days from the date of acceptance of the vessel;
  - ii) for all outstanding defects, deviations, and Work items listed on the Acceptance Document at Delivery, the Warranty will be ninety (90) days from the subsequent date of acceptance for each item.
3. If more than one warranty period applies, in accordance with the above, to any Work, then the warranty shall be for the longest period.
4. The Contractor agrees to pass to Canada, and exercise on behalf of Canada, all warranties on the Materials supplied or held by the Contractor which exceed the periods indicated Above.

Solicitation No. - N° de l'invitation

F3019-12M773/A

Client Ref. No. - N° de réf. du client

F3019-12-M773

Amd. No. - N° de la modif.

File No. - N° du dossier

QCL-1-34941

Buyer ID - Id de l'acheteur

qc1005

CCC No./N° CCC - FMS No/ N° VME

## Warranty Procedures

### 1. Scope

- a. The following are the procedures which suit the particular requirements for warranty considerations for a vessel on completion of a refit.

### 2. Definition

- a. There are a number of definitions of "warranty" most of which are intended to describe its force and effect in law. One such definition is offered as follows:

"A warranty is an agreement whereby the vendor's or manufacturer's responsibility for performance of its product is extended for a specific period of time beyond the date at which the title to the product passes to the buyer."

### 3. Warranty Conditions

- a. General Conditions 2030, Higher Complexity - Goods are augmented by clauses incorporated into the subject Contract.
- b. The warranty periods may be stated in more than one part.
  - i. 90 days commencing from the day the PWGSC 1205 Acceptance Document is signed for workmanship provided by the contractor for the refit work specified;
  - ii. 365 days from the date of undocking the vessel for the specified areas of underwater paint and topside painting;
  - iii. 365 days commencing from the day the PWGSC 1205 Acceptance Document is signed for parts and material provided by the contractor for the refit work specified;
  - iv. Any other specific warranty periods that may be required in the contract or offered by the Contractor.
- c. The foregoing does not cover the disposition of other deficiencies that will be directly related to Technical Authority problem areas of the following nature:
  - i. items becoming unserviceable that were not included in the refit specification;
  - ii. refit specifications or other related documentation requiring amendments or corrections to increase viability; and
  - iii. work performed that is directly related to the Technical Authority.

### 4. Reporting Failures With Warranty Potential

- a. The initial purpose of a report of a failure is to facilitate the decision as to whether or not to involve warranty and to generate action to effect repairs. Therefore in addition to identification, location data, etc. the report must contain details of the defect. Warranty decisions as a general rule are to be made locally and the administrative process is to be in accordance with procedures as indicated.
- b. These procedures are necessary as invoking a warranty does not simply mean that the warrantor will automatically proceed with repairs at his expense. A review of the defect may well result in a disclaimer of responsibility, therefore, it is imperative that during

such a review the Department is directly represented by competent technical authority qualified to agree or disagree with the warrantor's assertions.

## 5. Procedures

- a. Immediately it becomes known to the Ship's Staff that an equipment/system is performing below accepted standards or has become defective, the procedures for the investigation and reporting are as follows:
  - i. The vessel advises the Technical Authority when a defect, which is considered to be directly associated the refit work, has occurred.
  - ii. On review of the Specification and the Acceptance Document, the Technical Authority in consort with Ship's Staff is to complete the Tombstone Data and section 1 of the Warranty Claim Form and forward the original to the Contractor for review with a copy to the PWGSC contracting Authority. If the PWGSC Contracting or Inspection Authority is unable to support warranty action, the Defect Claim Form will be returned to the originator with a brief justification. (It is to be noted that in the latter instance PWGSC will inform the Contractor of its decision and no further action will be required of the Contractor.

Warranty defect claims may be forwarded in hard copy, by fax or by e-mail whichever format is the most convenient.

- iii.. Assuming the Contractor accepts full responsibility for repair, the Contractor completes Section 2 and 3 of the Warranty Claim Form, returns it to the Inspection Authority who confirms corrective action has been completed, and who then distributes the form to the Technical Authority and the PWGSC Contracting Authority.
- b. In the event that the Contractor disputes the claim as a warranty defect, or agrees to share, the contractor is to complete Part 2 of the Warranty Claim Form with the appropriate information and forward it to the Contracting Authority who will distribute copies as necessary.
- c. When a warranty defect claim is disputed by the Contractor, the Technical Authority may arrange to correct the defect by in-house resources or by contracting the work out. All associated costs must be tracked and recorded as a possible charge against the contractor by PWGSC action. Material costs and manhours expended in correcting the defect are to be recorded and entered in Section 5 of the warranty defect claim by the Technical Authority who will forward the warranty defect claim to the PWGSC Contracting Authority for action. Defective parts of equipment are to be retained pending settlement of claim.
- d. Defective equipment associated with potential warranty should not normally be dismantled until the contractor's representative has had the opportunity to observe the defect. The necessary work is to be undertaken through normal repair methods and costs must be segregated as a possible charge against a contractor by PWGSC action.

## 6. Liability

- a. Agreement between the Contracting Authority, Inspection Authority, Technical Authority and the Contractor will result in one of the following conditions:

- i. The contractor accepts full responsibility for costs to repair or overhaul under the warranty provisions of the contract;
  - ii. The Technical Authority accepts full responsibility for repair and overhaul of item concerned; or
  - iii. The Contractor and the Technical Authority agree to share responsibility for the costs to repair or overhaul the unserviceable item, in such cases the PWGSC Contracting Authority will negotiate the best possible sharing arrangement.
- b. In the event of a disagreement as in paragraph 5c, PWGSC will take necessary action with the contractor while the Technical Authority informs its Senior Management including pertinent data and recommendations.
- c. The total cost of processing warranty claims must include accommodation and travel costs of the contractor's employees as well as equipment/system down time and operational constraints. Accordingly, the cost to remediate the defect, in manhours and material, will be discussed between the Contracting/Inspection Authorities and the Technical Authority to determine the best course of action.

## **7. Alongside Period For Warranty Repairs and Checks**

- a. If at all possible, an alongside period for the vessel is to be arranged just before the expiration of the 90 day warranty period. This alongside period is to provide time for warranty repair and check by the contractor.
- b. In respect to the underwater paint, should it become defective during the associated warranty period the contractor is only liable to repair to a value determined as follows: "Original cost to Canada for painting and preservation of the underwater section of the hull, divided by three hundred and sixty-five (365) days and multiplied by the number of days remaining in the three hundred and sixty-five (365) days warranty period. The resultant would represent the 'Dollar Credit' due to Canada from the Contractor."
- c. The Underwater paint system, before expiration of the warranty, should be checked by divers. The Technical Authority, is to arrange the inspection and inform the Contracting Authority of any adverse results.



Solicitation No. - N° de l'invitation

F3019-12M773/A

Client Ref. No. - N° de réf. du client

F3019-12-M773

Amd. No. - N° de la modif.

File No. - N° du dossier

QCL-1-34941

Buyer ID - Id de l'acheteur

qcl005

CCC No./N° CCC - FMS No/ N° VME

**Appendix 1 of Annexe E**Public Works and Government  
Services CanadaTravaux publics et Services  
gouvernementaux Canada
**Warranty Claim**  
**Réclamation De Garantie**

Vessel Name – Nom de navire	File No. – N° de dossier	Contract No. - N ° de contrat								
Customer Department – Ministère client		Warranty Claim Serial No. Numéro de série de réclamation de garantie								
Contractor – Entrepreneur		<b><u>Effect on Vessel Operations</u></b> <b><u>Effet sur des opérations de navire</u></b>								
		<table> <tr> <td>Critical Critique</td> <td>Degraded Dégradé</td> <td>Operational Opérationnel</td> <td>Non-operational Non-opérationnel</td> </tr> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </table>	Critical Critique	Degraded Dégradé	Operational Opérationnel	Non-operational Non-opérationnel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Critical Critique	Degraded Dégradé	Operational Opérationnel	Non-operational Non-opérationnel							
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>							

**1. Description of Complaint – Description de plainte**

Contact Information – l'information de contact

Name – Nom

Tel. No. - N ° Tél

Signature – Signature

Date

**2. Contractor's Investigative Report – Le rapport investigateur de l'entrepreneur**

Solicitation No. - N° de l'invitation

F3019-12M773/A

Amd. No. - N° de la modif.

File No. - N° du dossier

QCL-1-34941

Buyer ID - Id de l'acheteur

qc1005

Client Ref. No. - N° de réf. du client

F3019-12-M773

CCC No./N° CCC - FMS No/ N° VME

---

### 3. Contractor's Corrective Action – La modalité de reprise de l'entrepreneur

---

Contractor's Name and Signature – Nom et signature de l'entrepreneur

Date of Corrective Action - Date de modalité de reprise

Client Name and Signature - Nom et signature de client

Date

---

### 4. PWGSC Review of Warranty Claim Action – Examen d'action de réclamation de garantie par TPSGC

---

Signature – Signature

Date

Solicitation No. - N° de l'invitation

F3019-12M773/A

Client Ref. No. - N° de réf. du client

F3019-12-M773

Amd. No. - N° de la modif.

File No. - N° du dossier

QCL-1-34941

Buyer ID - Id de l'acheteur

qc1005

CCC No./N° CCC - FMS No/ N° VME

---

## **ANNEX F**

### **VESSEL CUSTODY**

(NOT USED)

Solicitation No. - N° de l'invitation

F3019-12M773/A

Client Ref. No. - N° de réf. du client

F3019-12-M773

Amd. No. - N° de la modif.

File No. - N° du dossier

QCL-1-34941

Buyer ID - Id de l'acheteur

qc1005

CCC No./N° CCC - FMS No/ N° VME

---

## **Annex G**

### **Security Requirements Check List**

(NOT USED)

Solicitation No. - N° de l'invitation

F3019-12M773/A

Client Ref. No. - N° de réf. du client

F3019-12-M773

Amd. No. - N° de la modif.

File No. - N° du dossier

QCL-1-34941

Buyer ID - Id de l'acheteur

qc1005

CCC No./N° CCC - FMS No/ N° VME

---

## ANNEX H

(NOT USED)

**ANNEX I****Financial Bid Presentation Sheet****I1 Price for Evaluation**

<b>A)</b>	<b>Known Work</b> For work as stated in Part 1 Clause 2a, Specified in Annex "A" a FIRM PRICE of:  Phase I: \$ _____  Phase II: \$ _____	
<b>B)</b>	<b>Unscheduled Work</b> Contractor <i>Labour Cost</i> : Estimated labour hours at a firm <i>hourly Charge-out Labour Rate</i> , including overhead and profit for evaluation purpose only: 500 person hours X \$ _____ per hour for a PRICE of: <b>See Note I2.1 and I2.2 below.?</b>	\$ _____
<b>C)</b>	<b>EVALUATION PRICE</b> GST Excluded, [A + B]:  For an EVALUATION PRICE of :	\$ _____

**I2 Unscheduled Work**

The Contractor will be paid for unscheduled work arising, as authorized by the Minister, calculated in the following manner:

"Number of hours (to be negotiated) X \$ \_\_\_\_\_ your firm *hourly Charge-out Labour Rate* which includes *Overhead* and profit, plus net laid-down cost of materials to which shall be added a 10% mark-up, plus Goods and Services Tax or Harmonized Sales Tax as applicable, of the total cost of material and labour. The firm *hourly Charge-out Labour Rate* and the material mark-up will remain firm for the duration of the Contract and any subsequent amendments thereto."

**I2.1:** Notwithstanding definitions or useage elsewhere in this document, or in the Bidder's Cost Management System, when negotiating *Hours* for unscheduled work, PWGSC will consider only those hours of labour directly involved in the production of the subject work package.

Elements of Related Labour Costs identified in I2.2 below, will not be negotiated, but will be compensated for in accordance with paragraph I2.2 It is therefore incumbent upon the Bidder to enter values in the above table which will result in fair compensation, regardless of the structure of their Cost Management System.

**I2.2:** Allowance for *Related Labour Costs* such as: Management, Direct Supervision, Purchasing and Material Handling, Quality Assurance and Reporting, First Aid, Gas Free Inspecting and Reporting, and Estimating will be included as *Overhead* for the purposes of determining the *Charge-out Labour Rate* entered in line I2 above.

**I2.3:** The 10% mark-up rate for materials will also apply to subcontracted costs. The mark-up rate includes any allowance for material and subcontract management not allowed for in the Chargeout Labour Rate. The Contractor will not be entitled to a separate labour component for the purchase and handling of materials or subcontract administration.

### I3 Overtime

No overtime work shall be compensated for under the Contract unless authorized in advance and in writing by the Contracting Authority. Any request for payment must be accompanied by a copy of the overtime authorization and a report containing such details as Canada may require with respect to the overtime work performed. Compensation for authorized overtime will be calculated in the following manner:

- a. For Known Work, the Contractor will be paid the original contract price plus agreed overtime hours paid at the following premium rates; or,
- b. For Unscheduled Work, the Contractor will be paid for agreed overtime hours paid at the quoted *Charge-out Labour Rate* plus the following premium rates:

Premium For Time and one half: \$ \_\_\_\_\_ per hour; or,

Premium For Double time \$ \_\_\_\_\_ per hour

Premium for time and one half:

$\frac{1}{2}$  (that portion of the firm Hourly Charge-out Labour Rate in I2 that is directly attributable to salary cost plus related certified fringe benefits) times 7.5% (representing profit)

Premium for double time:

(that portion of the Unscheduled Work firm Charge-out Labour Rate in I2 that is directly attributable to salary cost plus related certified fringe benefits) times 7.5% (representing profit)

These premiums will remain firm for the duration of the Contract, including all amendments and are subject to audit by Canada, and to retroactive adjustment under the Contract if Canada discovers that the premiums have not been calculated in accordance with the formulae, above.