
REQUEST FOR SUPPLY ARRANGEMENT (RFSA)

SHIP ENGINEERING, REPAIR AND MAINTENANCE ACTIVITIES (SERMA)

This RFSA supersedes the relevant categories of the previous RFSA document numbered F6855-123302/A dated 25 January 2013 with a closing of 25 February 2013 at 2:00 p.m.

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PART 1 - GENERAL INFORMATION

1. Introduction

The Request for Supply Arrangements (RFSA) is divided into six parts plus attachments and annexes, as follows:

- Part 1 General Information: provides a general description of the requirement;
- Part 2 Supplier Instructions: provides the instructions applicable to the clauses and conditions of the RFSA;
- Part 3 Arrangement Preparation Instructions: provides suppliers with instructions on how to prepare the arrangement to address the evaluation criteria specified;
- Part 4 Evaluation Procedures and Basis of Selection: indicates how the evaluation will be conducted, the evaluation criteria which must be addressed in the arrangement, the security requirement, and the basis of selection;
- Part 5 Certifications: includes the certifications to be provided; and
- Part 6 6A, Supply Arrangement, 6B, Bid Solicitation, and 6C, Resulting Contract Clauses:
 - 6A, includes the Supply Arrangement (SA) with the applicable clauses and conditions;
 - 6B, includes the instructions for the bid solicitation process within the scope of the SA;
 - 6C, includes general information for the conditions which will apply to any contract entered into pursuant to the SA.

The Annexes include the Statement of Requirement, the Basis of Payment, the Contracting Process/Statement of Work Format, the Insurance Requirements, and the Quarterly Supply Arrangement Business Volume Report.

2. Summary

This RFSA supersedes the relevant categories of the previous RFSA document numbered F6855-123302/A dated 25 January 2013 with a closing of 25 February 2013 at 2:00 p.m.

i) Public Works and Government Services Canada (PWGSC) has a requirement, on behalf of the Canadian Coast Guard (CCG), to establish Supply Arrangements (SAs) for Ship Engineering, Repair, and Maintenance Activities (SERMA).

SAs are non-binding agreements between PWGSC and suppliers to provide a range of services on an "as requested" basis. They are essentially a list of qualified suppliers for certain services with a set of predetermined terms and conditions that would apply to any subsequent contracts issued under the SA.

The overall objective of this SA is to assist the CCG in Newfoundland and Labrador in supporting and maintaining the operational capability, efficiency and safety of their surface fleet. Support of the surface fleet will be done through a variety of general ship repair trade activities at the base in St. John's or other locations across the province.

The following are the categories of services that may be required under this SA:

1. Fire Fighting System and Appliance Services
2. HVAC and Refrigeration System Services

Suppliers are invited to submit under one, or both, of the above categories. Each category will be evaluated separately.

ii) Term of Supply Arrangement:

SAs will be issued for a two (2) year period - from 1 April 2013 to 31 March 2015.

iii) Financial Limitation:

The maximum value for contracts issued under all resultant SAs will not exceed a total value of **\$108,000.00** (HST Included) for the two (2) year period, with the actual financial limitation determined by the Supply Arrangement Authority, based on assessment of the quantity of services offered and the supplier capability.

iv) Contract Limitation:

Individual contracts under the SA are not to exceed **\$40,000.00** (HST Included). This amount is comprised of a maximum firm price of \$35,000.00 for the defined work and a ceiling price of up to \$5,000.00 for any unknown work arising in connection with the Statement of Requirement. In no case shall work arising exceed \$5,000.00 in any contract. Work which exceeds the thresholds as defined above will not be contracted under the SA.

v) Estimated Utilization:

The services specified in this RFSA are only an approximation of CCG requirements given in good faith. The issuance of a SA to a supplier shall not constitute an agreement by Canada to utilize any or all of the specified services. The CCG Technical Authority may issue multiple RFPs under the SA, or none at all.

vi) This requirement is subject to the provisions of the Agreement on Internal Trade (AIT).

vii) This procurement is set aside from the North American Free Trade Agreement (NAFTA) - exemption reference: Chapter 10, Annex 1001.2b, General Notes, Schedule of Canada - paragraph 1(a). It is also set aside from the World Trade Organization - Agreement on Government Procurement (WTO-AGP) - exemption reference: Annex 4, Note 4.

viii) Pursuant to section 01 of Standard Instructions 2008, Suppliers must submit a complete list of names of all individuals who are currently directors of the Supplier. Furthermore, as determined by the Special Investigations Directorate, Departmental Oversight Branch, each individual named on the list may be requested to complete a Consent to a Criminal Record Verification form and related documentation.

3. Debriefings

After issuance of a supply arrangement, suppliers may request a debriefing on the results of the Request for Supply Arrangements process. Suppliers should make the request to the Supply Arrangement Authority within 15 working days of receipt of the results of the request for supply arrangements process. The debriefing may be in writing, by telephone or in person.

PART 2 - SUPPLIER INSTRUCTIONS

1. Standard Instructions, Clauses and Conditions

All instructions, clauses and conditions identified in the Request for Supply Arrangements (RFSA) by number, date and title are set out in the *Standard Acquisition Clauses and Conditions Manual* (<https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual>) issued by Public Works and Government Services Canada.

Suppliers who submit an arrangement agree to be bound by the instructions, clauses and conditions of the RFSA and accept the clauses and conditions of the Supply Arrangement and resulting contract(s).

The 2008 **(2012-11-19)** Standard Instructions - Request for Supply Arrangements - Goods or Services, are incorporated by reference into and form part of the RFSA.

Subsection 5.4 of 2008, Standard Instructions - Request for Supply Arrangements - Goods or Services, is amended as follows:

Delete: sixty (60) days

Insert: one hundred and twenty (120) days

1.1 SACC Manual Clauses

SACC Manual clause B1000T **(2007-11-30)**, Condition of Material.

SACC Manual clause C9000T **(2010-08-16)**, Pricing.

1.2 Firm Prices and/or Rates

The Supplier is required to submit firm prices, rates or both that will apply for the entire period of any resulting Supply Arrangement.

2. Submission of Arrangements

Arrangements 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 Request for Supply Arrangements.

3. Enquiries - Request for Supply Arrangements

All enquiries must be submitted in writing to the Supply Arrangement Authority no later than seven (7) calendar days before the Request for Supply Arrangements (RFSA) closing date. Enquiries received after that time may not be answered.

Suppliers should reference as accurately as possible the numbered item of the RFSA to which the enquiry relates. Care should be taken by suppliers 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 suppliers do so, so that the proprietary nature of the question is

eliminated, and the enquiry can be answered with copies to all suppliers. Enquiries not submitted in a form that can be distributed to all suppliers may not be answered by Canada.

4. Applicable Laws

The Supply Arrangement (SA) and any contract awarded under the SA must be interpreted and governed, and the relations between the parties determined, by the laws in force in Newfoundland and Labrador.

Suppliers may, at their discretion, substitute the applicable laws of a Canadian province or territory of their choice without affecting the validity of the arrangement, 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 suppliers.

PART 3 - ARRANGEMENT PREPARATION INSTRUCTIONS

1. Arrangement Preparation Instructions

Canada requests that suppliers provide the arrangement in separately bound sections as follows:

Section I: Technical Arrangement
 Section II: Financial Arrangement
 Section III: Certifications

Prices must appear in the financial arrangement only, located in Annex "B" - Basis of Payment. No prices must be indicated in any other section of the arrangement.

Canada requests that suppliers follow the format instructions described below in the preparation of the arrangement.

- (a) use 8.5 x 11 inch (216 mm x 279 mm) paper;
- (b) use a numbering system that corresponds to that of the Request for Supply Arrangements;
- (c) include the certifications as a separate section of the arrangement.

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, suppliers should:

- 1) use 8.5 x 11 inch (216 mm x 279 mm) paper containing fibre certified as originating from a sustainably-managed forest and 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: Technical Arrangement

In the technical arrangement, suppliers should explain and demonstrate how they propose to meet the requirements and how they will carry out the Work, as outlined in Annex "A" - Statement of Requirement.

Suppliers should indicate which service categories are included in their arrangements by completing the following table:

	CATEGORY	INCLUDED IN ARRANGEMENT YES or NO
1	Fire Fighting System and Appliance Services	
2	HVAC and Refrigeration System Services	

Section II: Financial Arrangement

Suppliers must submit the financial arrangement in accordance with Annex "B" - Basis of Payment. The total amount of Goods and Services Tax or Harmonized Sales Tax must be shown separately, if applicable.

Payment by Credit Card

Canada requests that offerors complete one of the following:

- (a) ☐ Government of Canada Acquisition Cards (credit cards) will be accepted for payment of call-ups against the standing offer.

The following credit card(s) are accepted:

VISA _____

Master Card _____

- (b) ☐ Government of Canada Acquisition Cards (credit cards) will not be accepted for payment of call-ups against the standing offer.

The Offeror is not obligated to accept payment by credit card.

Acceptance of credit cards for payment will not be considered as an evaluation criterion.

Section III: Certifications

Suppliers must submit the certifications required under Part 5.

2. Arrangement Submission

Suppliers must submit the following:

- a) Copy of the RFSA signed and completed, as necessary, at the time of bid closing;
- b) Technical arrangement at the time of bid closing;
- c) Resumes for each service category at the time of bid closing;
- d) Financial arrangement, as per Annex "B" - Basis of Payment, at the time of bid closing;
- e) Certifications signed and completed, as necessary, prior to SA issuance;
- f) Workers Compensation Letter of Good Standing prior to SA issuance;
- g) Proof of required insurance, as outlined in Annex "D" - Insurance Requirements, after SA issuance.

PART 4 - EVALUATION PROCEDURES AND BASIS OF SELECTION

1. Evaluation Procedures

Each service category will be evaluated separately, as follows:

- (a) Arrangements will be assessed in accordance with the entire requirement of the Request for Supply Arrangements including the technical and financial evaluation criteria.
- (b) An evaluation team composed of representatives of Canada will evaluate the arrangements.

1.1. Technical Evaluation

1.1.1 Mandatory Technical Criteria

Arrangements will be examined to determine their compliance with the mandatory requirements, as detailed in Annex "A." Arrangements not meeting the mandatory requirements will be given no further consideration and will be declared non-responsive.

Suppliers are instructed to address each requirement in sufficient depth as to permit a complete analysis and assessment by the evaluation team, including documentation such as resumes or CVs of proposed personnel. Suppliers **MUST** demonstrate their ability to meet all of the mandatory requirements as applicable for each of the service categories to which they are responding.

Only arrangements including sufficient documentation to clearly indicate compliance with the mandatory requirements will be considered for any resulting SAs.

Mandatory experience for the Contractor:

Information is included to demonstrate Contractors have a minimum of **five (5)** years of experience in performing the work of each applicable service category to which they are responding:

MET: YES _____ NO _____

Mandatory experience for each of the service categories:

Resumes are included to demonstrate the ability to meet each applicable service category to which Contractors are responding:

MET: YES _____ NO _____

1.2 Financial Evaluation

1.2.1 Financial Arrangement

This section of the arrangement shall include a cost summary of the services requested or required.

Indicate a firm blended rate for the proposed personnel and applicable services for the period of the proposed Supply Arrangement, as indicated in Annex "B" - Basis of Payment.

Suppliers may be requested to provide a cost breakdown of their hourly blended rates indicating the determination of these rates as defined by their current labour agreements, overhead, and mark-up for profit. This information will be treated by PWGSC as "commercial confidential."

Suppliers, by submission of an arrangement, acknowledge that they will provide "best price certification" for any materials or sub-contracts greater than \$1,500.00 used in any resulting contracts.

Costs shall not appear in any other area of the arrangement except in Annex "B" - Basis of Payment.

1.2.2 Evaluation of Price

The price of the arrangement will be evaluated in Canadian Dollars, the Goods and Services Tax or the Harmonized Sales Tax excluded, FOB destination, Canadian customs duties and excise taxes included.

Although Canada reserves the right to award the contract(s) on either a FOB plant or FOB destination basis, Suppliers are requested to provide prices FOB destination as indicated in this document. Arrangements will be assessed on an FOB destination basis.

1.3 Evaluation Methodology

The winning arrangements will be selected based on meeting the mandatory requirements and the technical requirements, as evidenced by the technical evaluation of their proposed personnel and facilities in their proposed area(s) of service.

All submitted information must first meet mandatory requirements before being evaluated for technical compliance. Suppliers must be responsive, as stated herein, to be considered for a SA.

Upon determination of the arrangement meeting mandatory requirements, the Suppliers must qualify, as determined by the submitted resumes or CVs of the proposed personnel, the submitted plans, and, where required, the experience, facilities, and certifications required as per Annex "A."

The evaluation team will assess the Supplier's submission for compliance against the technical requirements as defined in Annex "A." The evaluation team reserves the right to audit the Supplier's facility or interview proposed personnel in order to verify any submission.

Failure to submit data or demonstrate compliance with the requirements of the SA will result in the Supplier's submission being declared non-compliant.

2. Basis of Selection

2.1 To be declared responsive, an arrangement must:

- a) comply with all the requirements of the Request for Supply Arrangements; and
- b) meet all mandatory technical evaluation criteria; and
- c) provide financial information and the necessary certifications, as requested.

Arrangements not meeting (a), (b) or (c) above will be declared non-responsive. At a minimum, in each one of the SERMA categories proposed the three (3) compliant arrangements offering the lowest average hourly rate for both years will be recommended for issuance of SAs.

PART 5 - CERTIFICATIONS

Suppliers must provide the required certifications and related documentation to be issued a supply arrangement (SA). Canada will declare an arrangement non-responsive if the required certifications are not completed and submitted as requested.

Compliance with the certifications suppliers provide to Canada is subject to verification by Canada during the arrangement evaluation period (before issuance of a SA) and after issuance of a SA. The Supply Arrangement Authority will have the right to ask for additional information to verify suppliers' compliance with the certifications before issuance of a SA. The arrangement will be declared non-responsive if any certification made by the Supplier is untrue, whether made knowingly or unknowingly. Failure to comply with the certifications, to provide the related documentation or to comply with the request of the Supply Arrangement Authority for additional information will also render the arrangement non-responsive.

1. Mandatory Certifications Required Precedent to Issuance of a Supply Arrangement

1.1 Code of Conduct and Certifications - Related documentation

- 1.1.1** By submitting an arrangement, the Supplier certifies, for himself and his affiliates, to be in compliance with the Code of Conduct and Certifications clause of the Standard instructions. The related documentation hereinafter mentioned will help Canada in confirming that the certifications are true. By submitting an arrangement, the Supplier certifies that it is aware, and that its affiliates are aware, that Canada may request additional information, certifications, consent forms and other evidentiary elements proving identity or eligibility. Canada may also verify the information provided by the Supplier, including the information relating to the acts or convictions specified herein, through independent research, use of any government resources or by contacting third parties. Canada will declare non-responsive any arrangement in respect of which the information requested is missing or inaccurate, or in respect of which the information contained in the certifications is found to be untrue, in any respect, by Canada. The Supplier and any of the Supplier's affiliates, will also be required to remain free and clear of any acts or convictions specified herein during the entire period of the Supply Arrangement and any resulting contracts arising from the SA.

Suppliers who are incorporated, including those submitting arrangements as a joint venture, must provide with their arrangement or promptly thereafter a complete list of names of all individuals who are currently directors of the Supplier. Suppliers submitting arrangements as sole proprietorship, including those submitting arrangements as a joint venture, must provide the name of the owner with their arrangement or promptly thereafter. Suppliers submitting arrangements as societies, firms, partnerships or associations of persons do not need to provide lists of names. If the required names have not been received by the time the evaluation of arrangements is completed, Canada will inform the Supplier of a time frame within which to provide the information. Failure to comply will render the arrangement non-responsive. Providing the required names is a mandatory requirement for issuance of a Supply Arrangement and any resulting contract.

Canada may, at any time, request that a Supplier provide properly completed and Signed Consent Forms ([Consent to a Criminal Record Verification form](http://www.tpsgc-pwgsc.gc.ca/app-acq/forms/formulaires-forms-eng.html)- PWGSC-TPSGC 229) (<http://www.tpsgc-pwgsc.gc.ca/app-acq/forms/formulaires-forms-eng.html>) for any or all individuals aforementioned within the time specified. Failure to provide such Consent Forms within the time period provided will result in the arrangement being declared non-responsive.

1.1.2 Information Required for Code of Conduct Certification

Please provide list of names for the following entities, according to the ownership nature of the company

1. For a Corporation - each current member of the Supplier's Board of Directors;

2. For a Partnership, General Partnership or Limited Partnership - the names of all current partners;

3. For a Sole Proprietorship or an individual doing business under a firm name - the name of the sole proprietor or individual;

4. For a Joint Venture - the names of all current members of the Joint venture;

5. For an individual - the full name of the person

2. Additional Certifications Precedent to Issuance of a Supply Arrangement

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

2.1 Federal Contractors Program - Certification

2.1.1 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 the issuance of a supply arrangement. If the Supplier, or, if the Supplier 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 issuance of a supply arrangement.

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 arrangements from ineligible contractors, including an arrangement from a joint venture that has a member who is an ineligible contractor, will be declared non-responsive.

2.1.2 If the Supplier 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 Supplier 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.

2.1.3 The Supplier, or, if the Supplier is a joint venture the member of the joint venture, certifies its status with the FCP, as follows:

The Supplier 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.

2.2 Former Public Servant Certification

Contracts with former public servants (FPS) in receipt of a pension or of a lump sum payment must bear the closest public scrutiny, and reflect fairness in the spending of public funds. In order to comply with Treasury Board policies and directives on contracts with FPS, suppliers must provide the information required below.

Definitions

For the purposes of this clause,

"former public servant" is any former member of a department as defined in the *Financial Administration Act*, R.S., 1985, c. F-11, a former member of the Canadian Armed Forces or a former member of the Royal Canadian Mounted Police. A former public servant may be:

- an individual;
- an individual who has incorporated;
- a partnership made of former public servants; or
- a sole proprietorship or entity where the affected individual has a controlling or major interest in the entity.

"lump sum payment period" means the period measured in weeks of salary, for which payment has been made to facilitate the transition to retirement or to other employment as a result of the implementation of various programs to reduce the size of the Public Service. The lump sum payment period does not include the period of severance pay, which is measured in a like manner.

"pension" means, a pension or annual allowance paid under the *Public Service Superannuation Act* (PSSA), R.S., 1985, c. P-36, and any increases paid pursuant to the *Supplementary Retirement Benefits Act*, R.S., 1985, c. S-24 as it affects the PSSA. It does not include pensions payable pursuant to the *Canadian Forces Superannuation Act*, R.S., 1985, c. C-17, the *Defence Services Pension Continuation Act*, 1970, c. D-3, the *Royal Canadian Mounted Police Pension Continuation Act*, 1970, c. R-10, and the *Royal Canadian Mounted Police Pension Continuation Act*, R.S., 1985, c. R-11, the *Members of Parliament Retiring Allowances Act*, R.S., 1985, c. M-5, and that portion of pension payable to the *Canada Pension Plan Act*, R.S., 1985, c. C-8.

Former Public Servant in Receipt of a Pension

As per the above definitions, is the Supplier a FPS in receipt of a pension? **YES ()** **NO ()**

If so, the Supplier must provide the following information, for all FPS in receipt of a pension, as applicable:

- name of former public servant;
- date of termination of employment or retirement from the Public Service.

By providing this information, Suppliers agree that the successful Supplier's status, with respect to being a former public servant in receipt of a pension, will be reported on departmental websites as part of the

published proactive disclosure reports in accordance with Contracting Policy Notice: 2012-2 and the Guidelines on the Proactive Disclosure of Contracts.

Work Force Reduction Program

Is the Supplier a FPS who received a lump sum payment pursuant to the terms of a work force reduction program? **YES () NO ()**

If so, the Supplier must provide the following information:

- name of former public servant;
- conditions of the lump sum payment incentive;
- date of termination of employment;
- amount of lump sum payment;
- rate of pay on which lump sum payment is based;
- period of lump sum payment including start date, end date and number of weeks;
- number and amount (professional fees) of other contracts subject to the restrictions of a work force reduction program.

For all contracts awarded during the lump sum payment period, the total amount of fees that may be paid to a FPS who received a lump sum payment is \$5,000, including the Goods and Services Tax or Harmonized Sales Tax.

2.3 Status and Availability of Resources

2.3.1 SACC Manual clause S3005T (2008-12-12), Status and Availability of Resources.

2.4 Education and Experience

2.4.1 SACC Manual clause S1010T (2008-12-12), Education and Experience.

2.5 Workers Compensation Certification- Letter of Good Standing

The Supplier must have an account in good standing with the applicable provincial or territorial Workers' Compensation Board.

The Supplier must provide, within five (5) business days following a request from the Supply Arrangement Authority, a certificate or letter from the applicable Workers' Compensation Board confirming the Supplier's good standing account. Failure to comply with the request may result in the bid being declared non-responsive.

Solicitation No. - N° de l'invitation

F6855-123302/B

Amd. No. - N° de la modif.

Buyer ID - Id de l'acheteur

olz012

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

File No. - N° du dossier

CCC No./N° CCC - FMS No/ N° VME

F6855-123302

OLZ-2-35139

2.6 Security Requirement

Access to Port Facilities and Government vessels is controlled. The Supplier must comply with all applicable requirements. A system of positive identification, sign-in and out, and wearing of identification badges while within Port Facilities or on board Government vessels is required.

The Supply Arrangement and Technical Authorities reserve the right to direct that Supplier's personnel be security cleared, as necessary.

PART 6 - SUPPLY ARRANGEMENT AND RESULTING CONTRACT CLAUSES

A. SUPPLY ARRANGEMENT

1. Arrangement

The Supply Arrangement covers the Work described in the Statement of Requirement at Annex "A."

2. Standard Clauses and Conditions

All clauses and conditions identified in the Supply Arrangement and resulting contract(s) by number, date and title are set out in the *Standard Acquisition Clauses and Conditions Manual* (<https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual>) issued by Public Works and Government Services Canada.

2.1 General Conditions

2020 (2012-11-19) General Conditions - Supply Arrangement - Goods or Services, apply to and form part of the Supply Arrangement.

2.2 Supply Arrangement Reporting

The Supplier must compile and maintain records on its provision of goods, services or both to the federal government under contracts resulting from the Supply Arrangement. This data must include all purchases, including those paid for by a Government of Canada Acquisition Card.

The Supplier must provide this data in accordance with the reporting requirements detailed in Annex "E."

If some data is not available, the reason must be indicated. If no goods or services are provided during a given period, the Supplier must still provide a "NIL" report.

The data must be submitted on a quarterly basis to the Supply Arrangement Authority.

The quarterly reporting periods are defined as follows:

1st quarter: April 1 to June 30;

2nd quarter: July 1 to September 30;

3rd quarter: October 1 to December 31;

4th quarter: January 1 to March 31.

The data must be submitted no later than fifteen (15) calendar days after the end of the reporting period.

3. Term of Supply Arrangement

3.1 Period of the Supply Arrangement

The period for awarding contracts under the Supply Arrangement is for two (2) years - from 1 April 2013 to 31 March 2015.

4. Authorities

4.1 Supply Arrangement Authority

The Supply Arrangement Authority is:

Nikki Hoskins
Supply Specialist
Public Works and Government Services Canada
Acquisitions Branch

The John Cabot Building
10 Barter's Hill
P.O. Box 4600
St. John's, NL
A1C 5T2

Telephone: (709) 772-8192
Facsimile: (709) 772-4603
E-mail address: Nicole.Hoskins@pwgsc-tpsgc.gc.ca

The Supply Arrangement Authority is responsible for the issuance of the Supply Arrangement, its administration and its revision, if applicable.

4.2 Technical Authority

The Technical Authority for contracts resulting from the Supply Arrangement is identified in the contract as the DFO/CCG Newfoundland Superintendent Vessel Support or his designated Project Officer.

The Technical Authority is the representative of the department or agency for whom the Work will be carried out pursuant to a Contract against the Supply Arrangement and is responsible for all the technical content of the Work under the resulting Contract.

4.3 Supplier's Representative

Name: _____

Telephone: _____

Facsimile: _____

E-mail Address: _____

5. Identified Users

The Identified User is: the Department of Fisheries and Oceans, Canadian Coast Guard.

6. Limitation of Contracts

Individual contracts under the SA are not to exceed **\$40,000.00** (Goods and Services Tax or Harmonized Sales Tax included). This amount is comprised of a maximum firm price of \$35,000.00 for the defined work and a ceiling price of up to \$5,000.00 for any unknown work arising in connection with the Statement of Requirement. In no case shall work arising exceed \$5,000.00 in any contract. Work which exceeds the thresholds as defined above will not be contracted under the SA.

7. Financial Limitation

The total cost to Canada resulting from contracts under all resultant SAs must not exceed the sum of **\$108,000.00** (Goods and Services Tax or Harmonized Sales Tax included) for the two (2) year period.

8. 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 the Supply Arrangement;
- (b) the general conditions 2020 **(2012-11-19)**, General Conditions - Supply Arrangement - Goods or Services;
- (c) Annex "A" - Statement of Work;
- (d) Annex "B" - Basis of Payment;
- (e) Annex "C" - Contracting Process/Statement of Work Format;
- (f) Annex "D" - Insurance Requirements;
- (g) Annex "E" - Periodic Usage Reports - Supply Arrangements;
- (h) the Supplier's arrangement dated _____ (*insert date of arrangement*) (*if the arrangement was clarified or amended, insert at the time of issuance of the arrangement: "as clarified on _____" or "as amended _____"*).

9. Certifications

9.1 Compliance

Compliance with the certifications and related documentation provided by the Supplier in the arrangement is a condition of the Supply Arrangement (SA) and subject to verification by Canada during the term of the SA and of any resulting contract that would continue beyond the period of the SA. If the Supplier does not comply with any certification, provide the related documentation or if it is determined that any certification made by the Supplier in the arrangement is untrue, whether made knowingly or unknowingly, Canada has the right to terminate any resulting contract for default and suspend or cancel the SA.

10. Applicable Laws

Solicitation No. - N° de l'invitation

F6855-123302/B

Amd. No. - N° de la modif.

File No. - N° du dossier

OLZ-2-35139

Buyer ID - Id de l'acheteur

olz012

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

F6855-123302

CCC No./N° CCC - FMS No/ N° VME

The Supply Arrangement (SA) and any contract resulting from the SA must be interpreted and governed, and the relations between the parties determined, by the laws in force in Newfoundland and Labrador.

B. BID SOLICITATION

1. Bid Solicitation Documents

Canada will use the bid solicitation templates Simple for low dollar value requirements; MC - for medium complexity requirements; and HC for more complex requirements, available in the [Standard Acquisition Clauses and Conditions Manual](https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual) (<https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual>) based on the estimated dollar value and complexity of the requirement.

The bid solicitation will contain as a minimum the following:

- (a) security requirements (*if applicable*);
- (b) a complete description of the Work to be performed;
- (c) 2003, Standard Instructions - Goods or Services - Competitive Requirements;
- (d) bid preparation instructions;
- (e) instructions for the submission of bids (address for submission of bids, bid closing date and time);
- (f) evaluation procedures and basis of selection;
- (g) certifications;

By submitting an arrangement, the Supplier certifies, for himself and his affiliates, to be in compliance with the Code of Conduct and Certifications clause of the Standard instructions. The related documentation hereinafter mentioned will help Canada in confirming that the certifications are true. By submitting an arrangement, the Supplier certifies that it is aware, and that its affiliates are aware, that Canada may request additional information, certifications, consent forms and other evidentiary elements proving identity or eligibility. Canada may also verify the information provided by the Supplier, including the information relating to the acts or convictions specified herein, through independent research, use of any government resources or by contacting third parties. Canada will declare non-responsive any arrangement in respect of which the information requested is missing or inaccurate, or in respect of which the information contained in the certifications is found to be untrue, in any respect, by Canada. The Supplier and any of the Supplier's affiliates, will also be required to remain free and clear of any acts or convictions specified herein during the entire period of the Supply Arrangement and any resulting contracts arising from the SA.

Canada may, at any time, request that a Supplier provide properly completed and Signed Consent Forms (Consent to a Criminal Record Verification form - PWGSC-TPSGC 229) (<http://www.tpsgc-pwgsc.gc.ca/app-acq/forms/formulaires-forms-eng.html>) for any or all individuals aforementioned within the time specified. Failure to provide such Consent Forms within the time period provided will result in the arrangement being declared non-responsive.)

- (h) conditions of the resulting contract.

Solicitation No. - N° de l'invitation

F6855-123302/B

Amd. No. - N° de la modif.

Buyer ID - Id de l'acheteur

olz012

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

File No. - N° du dossier

CCC No./N° CCC - FMS No/ N° VME

F6855-123302

OLZ-2-35139

2. Bid Solicitation Process

- 2.1** Bids will be solicited for specific requirements within the scope of the Supply Arrangement (SA) from suppliers who have been issued a SA.
- 2.2** The bid solicitation will be sent directly to suppliers, as per the process outlined in Annex "C" - Contracting Process/Statement of Work.

C. RESULTING CONTRACT CLAUSES

1. General

The conditions of any contract awarded under the Supply Arrangement will be in accordance with the resulting contract clauses of the template used for the bid solicitation.

For any contract to be awarded using:

- (a) Simple (for low dollar value requirements), general conditions 2029, General Conditions - Goods or Services (Low Dollar Value), will apply to the resulting contract;
- (b) MC (for medium complexity requirements), general conditions 2010C, General Conditions - Services (Medium Complexity), will apply to the resulting contract;
- (c) HC (for higher complexity requirements), general conditions 2030, General Conditions - Higher Complexity - Goods, will apply to the resulting contract;
- (d) Supplemental general conditions 1029, Ship Repairs, will also apply to the resulting contract.

The above templates are set out in the *Standard Acquisition Clauses and Conditions Manual* (<https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual>) issued by Public Works and Government Services Canada.

2. Payment

2.1 Basis of Payment

In consideration of the Contractor satisfactorily completing all of its obligations under the Contract, the Contractor will be paid firm unit prices, as specified in Annex "B" - Basis of Payment.

2.2 Single Payment

SACC Manual Clause H1000C (2008-05-12), Single Payment.

2.3 Payment by Credit Card

The following credit card is accepted: _____

OR

The following credit cards are accepted: _____ and _____.

3. SACC Manual Clauses

SACC Manual clause A0285C (2007-05-25), Workers Compensation
 SACC Manual clause A0290C (2008-05-12), Hazardous Waste - Vessels
 SACC Manual clause A1009C (2008-05-12), Work Site Access
 SACC Manual clause A9019C (2011-05-16), Hazardous Waste Disposal
 SACC Manual clause A9039C (2008-05-12), Salvage
 SACC Manual clause A9055C (2010-08-16), Scrap and Waste Material

SACC Manual clause A9065C **(2006-06-16)**, Identification Badge
 SACC Manual clause A9066C **(2008-05-12)**, Vessel - Access by Canada
 SACC Manual clause A9068C **(2010-01-11)**, Government Site Regulations
 SACC Manual clause B1501C **(2006-06-16)**, Electrical Equipment
 SACC Manual clause B1505C **(2006-06-16)**, Shipment of Hazardous Materials
 SACC Manual clause B7500C **(2006-06-16)**, Excess Goods
 SACC Manual clause D3015C **(2007-11-30)**, Dangerous Goods/Hazardous Products

4. Insurance Requirements

The Contractor must comply with the insurance requirements specified in **Annex "D."** The Contractor must maintain the required insurance coverage for the duration of the Contract. Compliance with the insurance requirements does not release the Contractor from or reduce its liability under the Contract. The Contractor is responsible for deciding 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 is at the Contractor's expense, and for its own benefit and protection.

The Contractor must forward to the Contracting Authority within ten (10) days after the date of award of the Contract, a Certificate of Insurance evidencing the insurance coverage and confirming that the insurance policy complying with the requirements is in force. Coverage must be placed with an Insurer licensed to carry out business in Canada. The Contractor must, if requested by the Contracting Authority, forward to Canada a certified true copy of all applicable insurance policies.

5. Design Change or Additional Work

In the event of Design Changes, Additional Work or New Work being introduced to the Contract, the procedure given below must be followed:

Design Changes, Additional or New Work Originating from the Technical Authority

1. The Technical Authority will inform the Contracting Authority of the requirement, giving sufficient details.
2. The Contracting Authority will forward this information to the Contractor requesting estimates for the Work on a firm price basis wherever possible (increased or decreased).
3. The Contractor shall submit an estimate, supported by full details, to the Contracting Authority on:
 - (a) form PWGSC-TPGSC 1686, Quotation for Design Change or Additional Work, or
 - (b) form PWGSC-TPSGC 1379, Work Arising or New Work, or
 - (c) other forms as may be designated by the Contracting Authority.
4. The Contracting Authority will evaluate and negotiate with the Contractor as necessary and, upon agreement being reached, authorize the Work and amend the Contract accordingly.

Design Changes, Additional or New Work Originating from the Contractor

-
1. The Contractor will submit the proposal to the Contracting Authority, supported by full details including specifications and drawings if necessary, and reasons for the submission, together with the estimated cost (increased or decreased) for the Work, and request approval for same.
 2. The Contracting Authority will present the proposal to the Technical Authority for their review and approval.
 - (a) If approved, the Contracting Authority will negotiate with the Contractor, finalize prices, authorize the Work and amend the Contract.
 - (b) If not approved, the Contracting Authority will advise the Contractor.
 - (c) If approved with modifications, the procedures outlined under "Design Changes, Additional or New Work Originating from the Technical Authority" will be followed.

Authority

The Contractor shall not proceed with any design change, additional work or new work without the written authorization of the Contracting Authority. Any work taken in hand without the Contracting Authority's written authorization shall be considered to be work carried out outside the scope of the known contracted work and no extra payment shall be made for any such work.

Local approvals

1. Design Changes of a minor nature and low-dollar value, and particularly those requiring urgent decisions, WHEREVER POSSIBLE, will be dealt with by the Contracting Authority's on-site representative.
2. The Contracting Authority's on-site representative will negotiate a "firm price" with the Contractor for the Work, discuss same with the Technical Authority and, upon agreement, approve and advise the Contractor to proceed.
3. The Contract will be amended.
4. Forms will be provided for the proper reporting of the above indicating individual and cumulative maximum dollar values.

6. Inspection and Acceptance

The Technical Authority is the Inspection Authority. All reports, deliverable items, documents, goods and all services rendered under the Contract are subject to inspection by the Inspection Authority or representative. Should any report, document, good or service not be in accordance with the requirements of the Statement of Work and to the satisfaction of the Inspection Authority, as submitted, the Inspection Authority will have the right to reject it or require its correction at the sole expense of the Contractor before recommending payment.

7. Vessel Warranty - Refit and Repair

2030, General Conditions - Higher Complexity - Goods, are hereby amended as follows:

Delete Section 22 (2008-05-12) - Warranty and Insert the following:

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 are free from all defects and conform with the requirements of the contract:
 - a. The painting of the underwater portion of the hull for a period of three hundred 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 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.

All other painting Work for a period of three hundred sixty-five (365) days commencing from the date of acceptance of the Work;
 - b. All parts and materials supplied for the Work for a period of three hundred and sixty-five (365) days commencing from the date of acceptance of the Work;
 - c. 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 must 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. The Contractor agrees to pass to Canada, and exercise on behalf of Canada, all warranties on the materials and/or labour supplied or held by the Contractor which exceed the periods indicated above.

8. Warranty Defect Claims 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, General Conditions - 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 commencing from the day the PWGSC 1205 Acceptance Document is signed for parts and material provided by the contractor for the refit work specified;
 - iii. 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 man-hours 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 man-hours and material, will be discussed between the Contracting/Inspection Authorities and the Technical Authority to determine the best course of action.

ANNEX "A" STATEMENT OF REQUIREMENT

1. SCOPE

Purpose

The purpose of this Statement of Requirement (SOR) is to detail the requirements for the types of work to be performed under the Ship Engineering, Repair and Maintenance Activities (SERMA) Supply Arrangement for the Newfoundland and Labrador Region of the Canadian Coast Guard, Marine Engineering Section.

Requirement

The Canadian Coast Guard (CCG)/Department of Fisheries and Oceans (DFO), Marine Engineering maintains a large fleet of vessels throughout Newfoundland and Labrador, operated from the South Side base in St. John's. The vessels are of widely different sizes, ages and capabilities, covering a range of types from large arctic icebreakers to small Search and Rescue craft. These vessels are configured to respond to a variety of different roles, in addition to which, any unit may perform ice breaking, fisheries protection, general patrol, and rescue work, as required. The major specialized roles for vessels include icebreaking / vessel escorts, search and rescue (SAR), fisheries patrol, scientific and fisheries research, and aids to navigation tending. The Life Cycle Management System of the CCG demands regular dry-docking, inspection, regular maintenance and occasional engineering investigations to ensure vessel capabilities meet the level of service requirements.

The SERMA supply arrangement will be used for a rapid response to contracting repairs for the CCG Vessels.

Larger repairs and refit projects that exceed the financial limitations of the SERMA Supply Arrangements will continue to be handled through separate individual contracts tendered through PWGSC.

2. CATEGORIES OF SERVICE AND TECHNICAL REQUIREMENTS

1. **Fire Fighting System and Appliance Services.**

This work will involve the servicing, repair and maintenance of marine fire fighting and alarm and monitoring systems. This shall also include the servicing of fire fighting appliances and portable extinguishers.

The Contractor shall have a minimum of **five (5)** years of applicable experience in performing the aforementioned work. The Contractor will propose a minimum of **three (3)** qualified technicians for this requirement.

The supplied Curriculum Vitae (CV) for each employee shall clearly demonstrate the qualifications and experience that would make these individuals qualified to perform this type of work in the Marine Environment. The Contractor shall indicate that these **three (3)** employees, if found acceptable, would be the personnel performing work under the terms and conditions of the Supply Arrangement.

2. **HVAC and Refrigeration System Services.**

This work shall include troubleshooting and diagnostics and the repair and maintenance of heating, ventilation and air conditioning systems as well as large refrigeration units.

The Contractor shall have a minimum of **five (5)** years of applicable marine experience in performing the aforementioned work. The Contractor will propose a minimum of **three (3)** qualified technicians for this requirement.

The supplied Curriculum Vitae (CV) for each employee shall clearly demonstrate the qualifications and experience that would make these individuals qualified to perform this type of work in the Marine Environment. The Contractor shall indicate that these **three (3)** employees, if found acceptable, would be the personnel performing work under the terms and conditions of the Supply Arrangement.

3.0 SUITABILITY OF SERVICE

Any resultant Service Agreements are subject to ongoing evaluation within a reasonable time from commencement to termination, on the basis of quality and adherence to the agreed time, cost and performance. Personnel assigned must be those proposed, capable of performing assignments at a level of competence deemed acceptable by Canada. Should personnel perform unsuitably, individual contracts may be terminated by the Technical Authority verbally to the Contractor and followed up with written notice to the Contractor. The Contractor shall have two (2) working days from receipt of verbal termination to provide a replacement. If the Contractor is unable to provide a suitable replacement, further services for that individual requirement may be terminated at no cost to Canada.

4.0 SAFETY

The Contractor must adhere to all safety rules, regulations and labour codes in force in all jurisdictions where the Work is to be performed.

5.0 REPLACEMENT OF SPECIFIED PERSONNEL

1. When specific persons have been named in the bid package as the persons who will perform the Work, the Contractor shall provide the services of the persons so named unless the Contractor is unable to do so for reasons beyond its control.

2. If at any time the Contractor is unable to provide the services of any specific person named, it shall provide a replacement person with similar qualifications and experience. The Contractor shall, within 14 calendar days, give notice to the Contracting Officer of:

- (a) the reason for the removal of the named person from the Work;
- (b) the name, qualifications and experience of the proposed replacement person;

3. The Contracting Officer may order the removal from the Work of any such replacement person and the Contractor shall immediately remove the person from the Work and shall, in accordance with subsection (2), secure a further replacement.

4. The fact that the Contracting Officer does not order the removal of a replacement person from the Work shall not relieve the Contractor from its responsibility to meet the requirements of the Contract.

6.0 MANDATORY REQUIREMENT FOR EACH OF THE SERVICE CATEGORIES**Mandatory experience for the Contractor:**

Information is included to demonstrate Contractors have a minimum of **five (5)** years of experience in performing the work of each applicable service category to which they are responding:

MET: **YES**_____ **NO**_____

Mandatory experience for each of the service categories:

Resumes are included to demonstrate the ability to meet each applicable service category to which Contractors are responding:

MET: **YES**_____ **NO**_____

ANNEX "B"

BASIS OF PAYMENT

The Contractor shall be paid the following firm per hour rates for work and services rendered pursuant to contracts under this Supply Arrangement:

Category and Section 3 Reference	Firm Per Hour Blended Rates 2013-2014	Firm Per Hour Blended Rates 2014-2015
Fire Fighting System and Appliance Services (3.2.1g)		
HVAC & Refrigeration System Services (3.2.1h)		

A) Rates include all costs required to complete the work, travel time and expenses, overhead expenses, supervision and all other related expenses.

B) Rates will apply for the duration of the SA, which is for two (2) years.

C) All deliverables are FOB Destination, and Canadian Customs Duty included, where applicable.

D) A day is defined as 8 hours exclusive of meal breaks. Payment shall be for days actually worked with no provision for annual leave, statutory holidays and sick leave.

E) No overtime work shall be performed under the Contract unless specifically set out in the RFP for a particular contract.

Overtime Rate: \$ _____

F) All payments are subject to PWGSC or other government audit.

G) Materials (except government furnished equipment or free issue) will be invoiced at cost plus a maximum 10% mark-up. In addition, "best price certification" shall be provided for any materials or sub-contracts greater than \$1,500.00.

ANNEX "C"

CONTRACTING PROCESS/STATEMENT OF WORK FORMAT

1.0 CONTRACTING PROCESS

Individual requirements will be raised and processed as follows:

- 1.1. The CCG Technical Authority (TA) will prepare a Request for Proposal (RFP) including a Statement of Work (SOW) in the format provided. This will be distributed via e-mail to all approved contractors in the relevant category.

The RFP will state a ceiling price allowance for work arising (labour and material) which shall not, under any circumstances, exceed \$5,000.00.

- 1.2. The Contractor(s) will provide a return firm price proposal by e-mail to the TA within the time frame requested. This proposal will provide an all inclusive firm price for the completion of the work outlined in the SOW. For urgent work the TA may request a proposal for reply within 24 hours.

To be responsive, the Contractor must meet all requirements of the RFP, utilising the rates and personnel in their SA.

- 1.3. The TA will select the lowest priced compliant proposal for award of a contract, and forward the contract document to the successful contractor by e-mail. A copy of the contract will be forwarded to the Supply Arrangement Authority.

Evaluation of price will be for known work only. The allowance will be utilised only if necessary, and does not form part of the contract without a properly issued amendment.

- 1.4. Upon final inspection and acceptance of the work by Canada, the Contractor will invoice DFO/CCG for payment, with a copy to the PWGSC Supply Arrangement Authority. The invoice shall contain a reference to the PWGSC SA number and the individual contract number.

Care must be taken by both parties in the contracting activities as under no circumstances can Canada authorise payment of an invoice greater than \$40,000.00 under any contract resulting from these SAs. All contracts will be subject to audit verification as defined in the SA.

2.0 STATEMENT OF WORK (SOW) FORMAT

All RFPs shall have a SOW attached based on this format, addressing the following elements, as applicable:

1. SCOPE:

Provide brief introductory overview of work required addressing what, where and when, but not how. The how shall be the responsibility of the Contractor based on the following criteria stated in the SOW and so reflected in the Contractor's proposal for the work.

2. REFERENCES:

- a. Guidance drawings
- b. Standards
- c. Regulations
- d. Quality assurance standards

3. TECHNICAL DESCRIPTION:

- a. Define requirement in terms of performance
- b. State clearly what work is required to be completed

4. PROOF OF PERFORMANCE:

- a. Inspection
- b. Test
- c. Certification

5. DELIVERABLES:

- a. Drawings (including any revisions)
- b. Spares
- c. Training
- d. Manuals
- e. Maintenance
- f. Software

ANNEX "D" INSURANCE REQUIREMENTS

D1 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.

2. 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) Waiver of Subrogation Rights: Contractor's Insurer to waive all rights of subrogation against Canada as represented by the Department of Fisheries and Oceans and Public Works and Government Services Canada for any and all loss of or damage to the vessel, however caused.

C) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of cancellation.

D) 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.

E) 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.

F) Litigation Rights: Pursuant to subsection 5(d) of the Department of Justice Act, S.C. 1993, c. J-2, s.1, if a suit is instituted for or against Canada which the Insurer would, but for this clause, have the right to pursue or defend on behalf of Canada as an Additional Named Insured under the insurance policy, the Insurer must promptly contact the Attorney General of Canada to agree on the legal strategies by sending a letter, by registered mail or by courier, with an acknowledgment of receipt.

For the province of Quebec, send to:
Director Business Law Directorate,
Quebec Regional Office (Ottawa),
Department of Justice,
284 Wellington Street, Room SAT-6042,
Ottawa, Ontario, K1A 0H8

For other provinces and territories, send to:
Senior General Counsel,
Civil Litigation Section,
Department of Justice
234 Wellington Street, East Tower
Ottawa, Ontario K1A 0H8

A copy of the letter must be sent to the Contracting Authority. Canada reserves the right to co-defend any action brought against Canada. All expenses incurred by Canada to co-defend such actions will be at

Canada's expense. If Canada decides to co-defend any action brought against it, and Canada does not agree to a proposed settlement agreed to by the Contractor's insurer and the plaintiff(s) that would result in the settlement or dismissal of the action against Canada, then Canada will be responsible to the Contractor's insurer for any difference between the proposed settlement amount and the amount finally awarded or paid to the plaintiffs (inclusive of costs and interest) on behalf of Canada.

D2 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 \$2,000,000 per accident or occurrence and in the annual aggregate.

2. The Commercial General Liability 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) Products and Completed Operations: Coverage for bodily injury or property damage arising out of goods or products manufactured, sold, handled, or distributed by the Contractor and/or arising out of operations that have been completed by the Contractor.

D) 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.

E) 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.

F) 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.

G) Employees and, if applicable, Volunteers must be included as Additional Insured.

H) Employers' Liability (or confirmation that all employees are covered by Worker's compensation (WSIB) or similar program).

I) Broad Form Property Damage including Completed Operations: Expands the Property Damage coverage to include certain losses that would otherwise be excluded by the standard care, custody or control exclusion found in a standard policy.

J) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of policy cancellation.

K) 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.

L) Amendment to the Watercraft Exclusion to extend to incidental repair operations on board watercraft.

D3 Limitation of Contractor's Liability for Damages to Canada

1. This section applies despite any other provision of the Contract and replaces the section of the general conditions entitled "Liability". 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. This limitation of the Contractor's liability does not apply to:

A) any infringement of intellectual property rights; or

B) any breach of warranty obligations.

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.

ANNEX "E"

PERIODIC USAGE REPORTS - SUPPLY ARRANGEMENTS

The Supplier must compile and maintain records on its provision of goods, services or both to the federal government under contracts resulting from the Supply Arrangement. This data must include all purchases, including those paid for by a Government of Canada Acquisition Card.

If some data is not available, the reason must be indicated. If no goods or services are provided during a given period, the Supplier must still provide a "NIL" report.

The data must be submitted on a quarterly basis to the Supply Arrangement Authority.

The quarterly reporting periods are defined as follows:

1st quarter: April 1 to June 30;

2nd quarter: July 1 to September 30;

3rd quarter: October 1 to December 31;

4th quarter: January 1 to March 31.

The data must be submitted no later than fifteen (15) calendar days after the end of the reporting period.

GSIN	Supply Arrangement Number	Supply Arrangement Title / Description	Document Type	Supplier's Name	Supplier's Contract Info	Supply Arrangement Value (\$)	
						Original Value	Total Amended Value
Name of PWGSC Authority	Reporting Period (FY & Quarter)	Call up Detail by ordering Department					
		Department or Agency	Delivery Location (Province)	Total # of Orders for the Reporting Period (Quarter)	Total \$ Value of Orders for the Reporting Period (incl GST/HST)	Total # of Orders for the Fiscal Year to Date	Total # of Orders for the Fiscal Year to Date (incl GST/HST)

The required information for this Supply Arrangement must be e-mailed to the following address: ncr.acqbvmo@pwgsc.gc.ca.