

**RETURN BIDS TO:**  
**RETOURNER LES SOUMISSIONS À:**  
Bid Receiving - PWGSC/Réception des soumissions -  
TPSGC  
11 Laurier/11 rue Laurier  
Place du Portage, Phase III  
Core 0A1/Noyau 0A1  
Gatineau, Québec K1A 0S5  
Gatineau  
Ontario  
K1A 0S5  
Bid Fax: (819) 775-7279

**SOLICITATION AMENDMENT**  
**MODIFICATION DE L'INVITATION**

The referenced document is hereby revised; unless otherwise indicated, all other terms and conditions of the Solicitation remain the same.

Ce document est par la présente révisé; sauf indication contraire, les modalités de l'invitation demeurent les mêmes.

**Comments - Commentaires**

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

**Issuing Office - Bureau de distribution**  
Property Management Project Division/Division du  
projet de gestion immobilière  
Sir Charles Tupper Building 4th Fl  
Édifice Sir Charles Tupper 4e étage  
A-425-F  
2720 Riverside Drive/  
2720, promenade Riverside  
Ottawa  
Ontario  
K1A 0S5

<b>Title - Sujet</b> Real Property 1	
<b>Solicitation No. - N° de l'invitation</b> EP008-112560/D	<b>Amendment No. - N° modif.</b> 017
<b>Client Reference No. - N° de référence du client</b> 20112560	<b>Date</b> 2014-01-23
<b>GETS Reference No. - N° de référence de SEAG</b> PW-\$\$GC-002-63671	
<b>File No. - N° de dossier</b> gc002.EP008-112560	<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 2014-01-31</b>	<b>Time Zone</b> <b>Fuseau horaire</b> Eastern Standard Time EST
<b>F.O.B. - F.A.B.</b> <b>Plant-Usine:</b> <input type="checkbox"/> <b>Destination:</b> <input type="checkbox"/> <b>Other-Autre:</b> <input type="checkbox"/>	
<b>Address Enquiries to: - Adresser toutes questions à:</b> Michniewicz, Joe	<b>Buyer Id - Id de l'acheteur</b> gc002
<b>Telephone No. - N° de téléphone</b> (613) 736-3220 ( )	<b>FAX No. - N° de FAX</b> ( ) -
<b>Destination - of Goods, Services, and Construction:</b> <b>Destination - des biens, services et construction:</b>	

**Instructions: See Herein**

**Instructions: Voir aux présentes**

<b>Delivery Required - Livraison exigée</b>	<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>

Solicitation No. - N° de l'invitation

EP008-112560/D

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

20112560

Amd. No. - N° de la modif.

017

File No. - N° du dossier

gc002EP008-112560

Buyer ID - Id de l'acheteur

gc002

CCC No./N° CCC - FMS No/ N° VME

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**Please see attached.**

## AMENDMENT 017

# REQUEST FOR PROPOSAL FOR REAL PROPERTY - 1 PROPERTY MANAGEMENT AND PROJECT DELIVERY SERVICES (RP-1) FOR PUBLIC WORKS AND GOVERNMENT SERVICES CANADA

**THIS AMENDMENT HAS BEEN RAISED TO EFFECT THE FOLLOWING CHANGE:**

### **SECTION A: QUESTIONS AND ANSWERS**

**Q96:**

Please confirm that Transition activity associated with SOW Section 3.2 that commences from Contract Award Date to Operational Start Date will be paid in accordance with TP2 and TP3. Please also confirm how TP5 section 3, Performance Holdback will be evaluated for activity from contract award through the Operational Start Date of April 1, 2015. Will specific KPIs in the PMR be suspended? Is the holdback waived? Thank you for your clarification.

Pursuant to TP3 please provide additional detail on the components of the Service Delivery Regime that would be subject to inclusion in the fee per section 1.1.1.4 "The Contractor's Service Delivery Regime." It is our understanding that all staffing associated with the SOW, including the SDR is allowable subject to the exclusions previously identified.

**A96:**

Subject to the Terms of Payment and the Work Authorization Process, Canada will pay the Allowable Costs for Operational Transition activities associated with Section 3.2 of the Statement of Work from the Contract Award Date to the Operational Start Date.

The following terms are defined in the Statement of Work:

*Contract Award Date* - Date that the Contract is awarded.

*Operational Start Date* – 1 April 2015, by which date the Contractor completes the transition to full operations and begins to provide Management Services, Services to Establish Third-Party Leases and Agreements, Lease Administration Services and Project Delivery Services, as well as optional Services if the option for one or more of these is exercised by Canada.

As stated in paragraph 3.1 of TP5 Payment, all Fees related to all Work, with the exception of Tenant Services, are subject to a Performance Holdback. However, as stated at paragraph 3.4 of TP3, Fees:

"The Management Fee is payable for each month from the Operational Start Date to the Operational Completion Date. The Management Fee is not payable during the period between the Contract Award Date and the Operational Start Date or the period from the Operational Completion Date to the Contract Completion Date."

Therefore, because no Management Fees are paid to the Contractor from the Contract Award Date to the Contract Operational Start Date, there would be no performance holdback during this period. Also, as stated in paragraph 2.2 in TP3 Direct Labour Overhead Fee, the Direct Labour Overhead Fee is payable to the Contractor between the dates of Contract Award and Contract Completion.

Canada confirms that there is no Performance Holdback associated with the Direct Labour Overhead fee between the Contract Award Date and the Contract Operational Start Date.

Canada's understanding is that "staffing" refers to the human resource functions associated with recruitment and hiring. Using this definition, staffing costs would not be considered Allowable Costs, but rather would be included in the Fees described in article TP3 Fees, paragraph 2.4.1.

**Q97:**

Regarding TP3 Fees, please clarify the intent of "1.1.1.4. The Contractor's Service Delivery Regime". We are unclear on the interpretation of this clause based on your A#70 published as part of Amendment 015.

In addition, which, if any, labour resource costs associated with the delivery of 3.3 and 4.4 should be considered Direct Labour Costs and which should be included in Fees (as defined by TP3 1.1.1.4). For example, are the labour resource costs for resources working on "3.3.1.3 Document the Contractor's SDR in an SDR Specification in accordance with the SDRL" considered Allowable Costs?

**A97:**

The Contractor is expected to have the Service Delivery Regime (SDR) described in SOW section 2 of the Statement of Work (SOW), titled "Have a Service Delivery Regime", in place by the Operational Start Date, or other date as specified in SOW, section 2. The Contractor must provide copies of the Contractor's existing procedural documentation covering the scope of the Service Delivery Regime as indicated in SOW section 2.2.2 and Table 1 of Attachment 2 to the SOW. (Please see numbers 52, 53 and 63 under Section B: Change to the Request for Proposal of this amendment 017). Costs associated with meeting the requirements of SOW, section 2 are not Allowable Costs.

Canada will pay Allowable Costs associated with:

- undertaking the Acceptance Review and preparation of the SDR Specification, as described in SOW, section 3.3 and in SI10, Real Property 1 - Technical Information 17E, RP-1 Deliverable Item Descriptions Standard DID CI-1, Service Delivery Regime Specification; and
- making changes to the SDR requested by Canada during the period of the Contract after the end of the Contract Initiation Period, as described in SOW, section 4.4.

To be considered payable, the Contractor's Direct Labour Costs must be:

- Authorized by the Technical Authority through the Work Authorization Process prior to the commencement of Work.
- For resources that are engaged in the provision of services described in the Statement of Work.
- Demonstrated to have been incurred and paid by the Contractor.

The Direct Labour costs for resources working on SOW, paragraph "3.3.1.3 Document the Contractor's SDR in an SDR Specification in accordance with the SDRL", as described in the Bidder's question, seem to be within the scope of the Statement of Work. As such the direct labour costs would become allowable costs under the resulting contract provided an approved Work Authorization has been issued by the Technical Authority. Prior to approval of a Work Authorization, the Contractor will need to provide, upon request by the TA, any information necessary to allow the TA to determine that the services to be provided by the resources are within the scope of the Statement of Work; that the resources are appropriate for the services to be delivered; and, that the costs are reasonable.

**Q98:**

Under section 3.2.1.1 of the Statement of Work, could you please confirm if the following costs are allowed under Section f) other costs:

- Furniture for non-GFA offices
- Fit-up cost for GFA or non-GFA offices
- Initial information technology hardware, network infrastructure, and communication costs for all allowable resources
- Initial recruitment cost and any severance costs under Bill 7 in Ontario
- Uniforms & safety equipment.

**A98:**

All the costs described in the Bidder's question, with the exception of severance costs under Bill 7 in Ontario, are not Allowable Costs. They would be included in the Fees described in article TP3, Fees. Further information can be found in sections TP3, 1.1 and 2.4 of the RFP.

Provided the contractor has met all contractual and legal obligations as applicable (example Bill 7 in the Province Ontario), severance costs would be considered an allowable cost provided an approved Work Authorization has been issued by the Technical Authority. Prior to approval of a Work Authorization, the Contractor will need to provide, upon request by the TA, any information necessary to allow the TA to determine that the services to be provided by the resource are within the scope of the Statement of Work; that the resources are appropriate for the services to be delivered; and, that the allowable costs are reasonable.

**Q99:**

With respect to the page count limitations stated in SRE1, paragraph 5: if a sheet of paper (2 pages, one on each side) has one side with information on it, while the other side is blank, would that count as one page or two pages? Also, if there is quarter page of information, would that count as one full page or a quarter page?

**A99:**

If a sheet of paper has information provided on only one side, while the other side is blank, the blank page would not count within the page count limitation and both sides of the sheet of paper would be counted as one page. If both sides of the sheet of paper have information on them, even if it's half a sentence, it would count as two pages. For example, a quarter page of information would count as one page.

Further to Canada's response to Q99, please see number 51. Under Section B: Changes to the Request for Proposal.

**Q100:**

Referring to Attachment 1 to the Statement of Work, Performance Measurement Regime Information, would environmental regulatory compliance nonconformities counted against AI-1 and OHS Program nonconformities counted against AI-2 also be counted against AI-3 "Quality Monitoring Nonconformity Reduction Index"?

**A100:**

Environmental regulatory compliance nonconformities counted against AI-1 and OHS Program nonconformities counted against AI-2 would not be counted against AI-3 Quality Monitoring Nonconformity Reduction Index. To provide further clarification, amendments to the wording have been made both to the main body of the Statement of Work and to Attachment 1: Performance Measurement Regime Information. Please see numbers 54 to 62 under Section B: Changes to the Request for Proposal.

## **SECTION B: CHANGES TO THE REQUEST FOR PROPOSAL**

50. By providing responses to the remaining questions received from Bidders and making minor adjustments to the text of the Request for Proposal (RFP), Canada is confirming the information currently contained in the RFP. While there is no new information being presented, Canada is extending the solicitation close date to January 31, 2014 in order to provide Bidders with the opportunity to the contents of this Amendment 017 prior to solicitation close.

On page 1 of the Real Property 1 Request for Proposal,

**Delete:**

Solicitation Closes - L'invitation prend fin  
at - à 02:00 PM  
on - le 2014-01-28

**Insert:**

Solicitation Closes - L'invitation prend fin  
at - à 02:00 PM  
on - le **2014-01-31**

51. At paragraph 5 under SRE1 Bid Preparation Instructions:

**Delete:**

- i. any blank tabs used for dividing the sections of the bid submitted in response to the Evaluation Criteria.

and **Insert:**

- i. **may include any blank pages and** any blank tabs used for dividing the sections of the bid submitted in response to the Evaluation Criteria.

52. At 1. General, under TP3 Fees,

**Delete:**

1.1.1.4. The Contractor's Service Delivery Regime;

**Insert:**

1.1.1.4 **The requirements identified in the Statement of Work, Section 2, titled "Have a Service Delivery Regime";**

53. Under Section 2.2 of the Statement of Work, titled "Have Service Delivery Processes and Procedures",

**Insert:**

2.2.2 Provide copies of the Contractor's existing procedural documentation covering the scope of the Service Delivery Regime in accordance with the SDRL.

54. At paragraph 3.2.2.5 of the Statement of Work:

**Delete:**

- b) operate the QMS, EMS and WMS and provide IM/IT capabilities to enable the TA to validate and verify data and record, track, search, sort, query, comment and report on quality nonconformities, subsequent corrective and preventive action, and their resolution;

and **insert:**

- b) operate the QMS, EMS and WMS and provide IM/IT capabilities to enable the TA to validate and verify data and record, track, search, sort, query, comment and **report on nonconformities**, subsequent corrective and preventive action, and their resolution;

55. At paragraph 4.1.3.2 of the Statement of Work:

**Delete:**

- d) resolve nonconformities to the satisfaction of the TA, consistent with ISO requirements:
  - i. identify the root cause of quality nonconformities,
  - ii. carry out corrective action and act to minimize the escalation of minor nonconformities into major ones,
  - iii. include TA input during the planning of corrective action,
  - iv. obtain the TA's acceptance of planned corrective action and scheduled completion dates,
  - v. obtain the TA's written agreement to close out nonconformities raised by the TA, and
  - vi. provide evidence that corrective action has eliminated the causes of quality nonconformities and regularly conduct effectiveness verifications through ongoing monitoring of corrective action records; and

And **insert:**

- d) resolve nonconformities to the satisfaction of the TA, consistent with ISO requirements:
  - i. identify the root **cause of nonconformities**,
  - ii. carry out corrective action and act to minimize the escalation of minor nonconformities into major ones,
  - iii. include TA input during the planning of corrective action,
  - iv. obtain the TA's acceptance of planned corrective action and scheduled completion dates,
  - v. obtain the TA's written agreement to close out nonconformities raised by the TA, and
  - vi. provide evidence that corrective action has eliminated the causes **of nonconformities** and regularly conduct effectiveness verifications through ongoing monitoring of corrective action records; and

56. At paragraph 9.3.5 of the Statement of Work,

**Delete:**

- e) provide documentation on outstanding quality nonconformities as of the In-Contract Operational Completion Date; and

And **insert:**

- e) provide documentation on **outstanding nonconformities** as of the In-Contract Operational Completion Date; and

57. At paragraph 11.2.5 of the Statement of Work:

**Delete:**

- e) provide complete documentation on outstanding quality nonconformities as of the Contract Completion Date; and

and **Insert:**

e) provide complete documentation on **outstanding nonconformities** as of the Contract Completion Date; and

58. Under the Table of Contents of Attachment 1 to the Statement of Work, Performance Measurement Regime Information,

**Delete:**

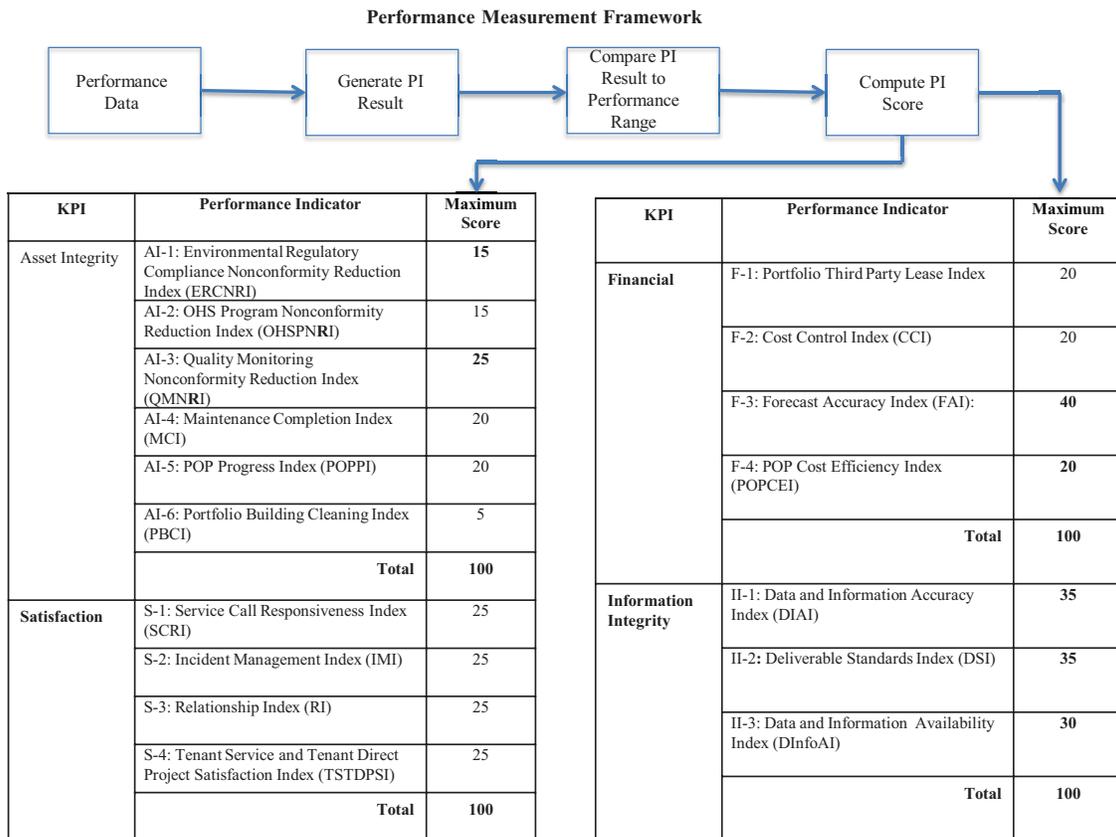
2. TREATMENT OF QUALITY MONITORING NONCONFORMITIES

and **Insert:**

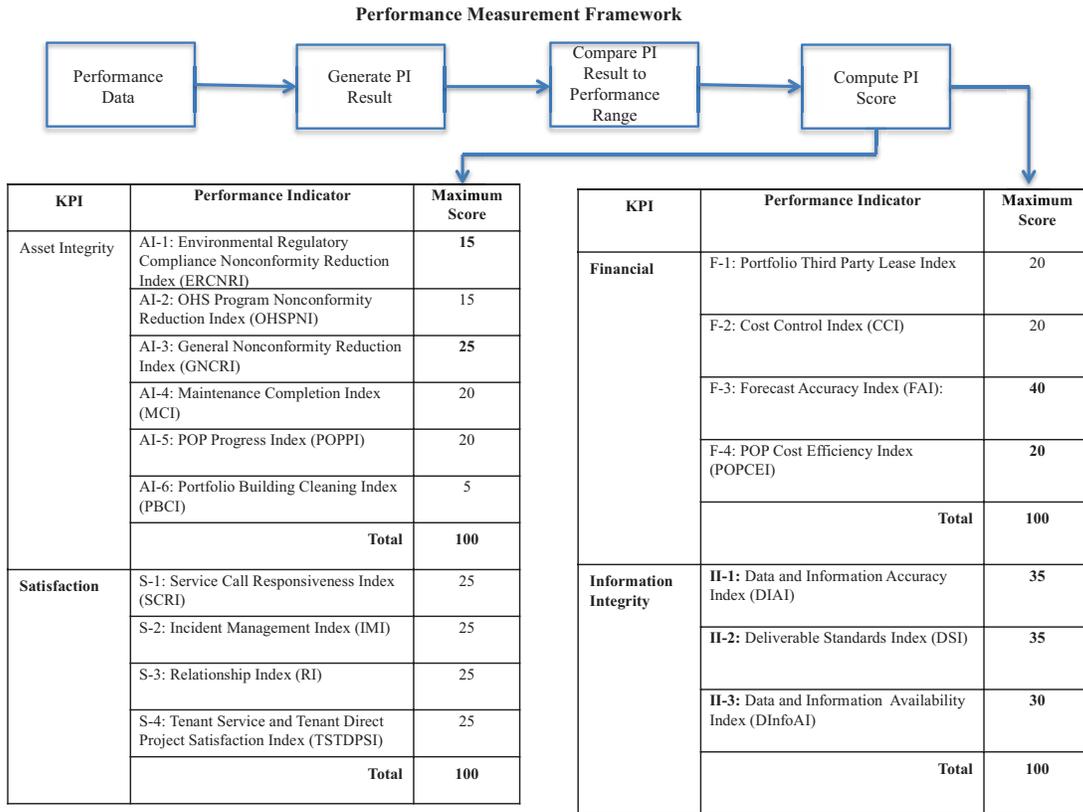
2. TREATMENT OF NONCONFORMITIES

59. Under the paragraph 1.8 of Attachment 1 to the Statement of Work, Performance Measurement Regime Information,

**Delete:**



**And Insert:**



60. At Section 2 of Attachment 1 to the Statement of Work, Performance Measurement Regime Information,

**Delete:**

**2. TREATMENT OF QUALITY MONITORING NONCONFORMITIES**

2.1 Nonconformity refers to a failure to comply with requirements set out in the Contract including the accepted SDR specification. Nonconformities are identified by the TA or by the Contractor. The onus is on the Contractor to identify all quality nonconformities using its Quality Management System including identifying root causes and taking corrective measures in accordance with its corrective action plans. Quality Nonconformities identified by the Contractor do not affect the PI score unless they are outstanding or recurring. Quality Nonconformities identified by the TA affect the PI score. Nonconformities that require considerable time to correct may be excluded from PI calculations as requested by the TA.

And **insert:**

2. **TREATMENT OF NONCONFORMITIES**

- 2.1 Nonconformity refers to a failure to comply with requirements set out in the Contract including the accepted SDR specification. Nonconformities are identified by the TA or by the Contractor. **There are three sources of nonconformities: Environmental Regulatory Compliance (AI-1), OHS Program (AI-2) and General (AI-3) nonconformities.** The onus is on the Contractor to identify **all nonconformities** using its Quality Management System including identifying root causes and taking corrective measures in accordance with its corrective action plans. **Nonconformities** identified by the Contractor do not affect the PI score unless they are outstanding or recurring. **Nonconformities** identified by the TA affect the PI score. Nonconformities that require considerable time to correct may be excluded from PI calculations as requested by the TA.

61. At Schedule 1: Performance Measures for Crown-owned Assets, under Attachment 1 to the Statement of Work, Performance Measurement Regime Information,

**Delete:**

RP-1 Performance Measurement – Schedule 1 - Crown-owned Assets								
KPI	Performance Indicator	PI Description	Max Score	PI Components	Component Score	Reporting Frequency	Performance Range	
							Units	Min
	AI-3: I Quality Monitoring Nonconformity Reduction Index (QMNRi)	Measures success in reducing quality nonconformities	25	AI-3.1: Number of quality Nonconformities identified by the TA. AI-3.2: Number of quality nonconformity recurrences identified by either the TA or Contractor determined as the first recurrence of the same nonconformity plus the number of subsequent recurrences of the same nonconformity based on ongoing monitoring of corrective action records (second recurrence of the same nonconformity is weighted by a factor of two and recurrences beyond the second by a factor of "n" where "n" is 3, 4, 5 etc. AI-3.3: Number of outstanding quality Nonconformities identified by either the Contractor or TA.	Overall PI result calculated as the sum of the nonconformity scores associated with AI-3.1, AI-3.2 and AI-3.3 converted to a PI score out of 25 determined by where the sum falls in relation to the performance range	Monthly	30	0
						Monthly	#	
						Monthly	#	
						Monthly	#	

And insert:

RP-1 Performance Measurement – Schedule 1 - Crown-owned Assets								
KPI	Performance Indicator	PI Description	Max Score	PI Components	Component Score	Reporting Frequency	Performance Range	
							Min	BM
	AI-3: <b>General Nonconformity</b> Reduction Index ( <b>GNCRI</b> )	Measures success in <b>reducing nonconformities</b>	25	AI-3.1: Number of <b>General nonconformities</b> identified by the TA. AI-3.2: Number of <b>General nonconformity</b> recurrences identified by either the TA or Contractor determined as the first recurrence of the same nonconformity plus the number of subsequent recurrences of the same nonconformity based on ongoing monitoring of corrective action records (second recurrence of the same nonconformity is weighted by a factor of two and recurrences beyond the second by a factor of "n" where "n" is 3, 4, 5 etc. AI-3.3: Number of outstanding <b>General nonconformities</b> identified by either the Contractor or TA.	Overall PI result calculated as the sum of the nonconformity scores associated with AI-3.1, AI-3.2 and AI-3.3 converted to a PI score out of 25 determined by where the sum falls in relation to the performance range	Monthly	30	0
						Monthly		
						Monthly		

62. At Schedule 2: Performance Measures for Leases, under Attachment 1 to the Statement of Work, Performance Measurement Regime Information

**Delete:**

RP-1 Performance Measurement – Schedule 2 - Lease Administration									
KPI	Performance Indicator	PI Description	Max Score	PI Components	Component Score	Units	Performance Range		
							Reporting Frequency	Min	BM
	AI-2: Quality Monitoring Nonconformity Reduction Index (QMNCRI)	Measures success in verifying that leased space and services provided by landlords meet lease requirements	25	AI-2.1: Number of lease nonconformity items identified by the TA that are not documented in a Deficiency Report	25	#	Monthly	10	0

**And Insert:**

RP-1 Performance Measurement – Schedule 2 - Lease Administration									
KPI	Performance Indicator	PI Description	Max Score	PI Components	Component Score	Units	Performance Range		
							Reporting Frequency	Min	BM
	AI-2: <b>General Nonconformity</b> Reduction Index (GNCRI)	Measures success in verifying that leased space and services provided by landlords meet lease requirements	25	AI-2.1: Number of lease nonconformity items identified by the TA that are not documented in a Deficiency Report	25	#	Monthly	10	0

63. At Table 1: Statement of Work Deliverable Requirements List under Attachment 2 to the Statement of Work, Statement of Work Deliverable Requirements, between CI-9 IM/IT Plan and CG-1\* Contract Initiation Contact Information List,

**Insert:**

Table 1: Statement of Work Deliverable Requirements List					
Area	SDRL Identifier	Deliverable Title	Purpose	Frequency	Timing
Contract Initiation	<b>CG-0</b>	<b>Contractor Existing Procedural Documentation</b>	<b>For Information leading to Preliminary SDR Acceptance Review</b>	<b>Once</b>	<b>30 days following contract award</b>

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED**