

**RETURN BIDS TO:**  
**RETOURNER LES SOUMISSIONS À:**  
**Bid Receiving - PWGSC / Réception des soumissions**  
**- TPSGC**  
**11 Laurier St. / 11, rue Laurier**  
**Place du Portage, Phase III**  
**Core 0A1 / Noyau 0A1**  
**Gatineau, Québec K1A 0S5**  
**Bid Fax: (819) 997-9776**

## 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**  
Defence Communications Division. (QD)  
11 Laurier St./11, rue Laurier  
Place du Portage, Phase III, 8C2  
Gatineau, Québec K1A 0S5

<b>Title - Sujet</b> Medium Range Radar (MRR)	
<b>Solicitation No. - N° de l'invitation</b> W8476-133817/E	<b>Amendment No. - N° modif.</b> 004
<b>Client Reference No. - N° de référence du client</b> W8476-133817	<b>Date</b> 2014-04-07
<b>GETS Reference No. - N° de référence de SEAG</b> PW-\$\$QD-023-24350	
<b>File No. - N° de dossier</b> 023qd.W8476-133817	<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 2014-05-30</b>	<b>Time Zone</b> <b>Fuseau horaire</b> Eastern Daylight Saving Time EDT
<b>F.O.B. - F.A.B.</b> Specified Herein - Précisé dans les présentes <b>Plant-Usine:</b> <input type="checkbox"/> <b>Destination:</b> <input type="checkbox"/> <b>Other-Autre:</b> <input checked="" type="checkbox"/>	
<b>Address Enquiries to: - Adresser toutes questions à:</b> Bright, James	<b>Buyer Id - Id de l'acheteur</b> 023qd
<b>Telephone No. - N° de téléphone</b> (819) 956-6181 ( )	<b>FAX No. - N° de FAX</b> (819) 956-0636
<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>

## Medium Range Radar (MRR) Amendment# 4

**Intent:** The intent of this Amendment is to follow up on the March 17, 2014 Industry Day Consultation and solicit Industry feedback on Canada's proposed approach to a Value Proposition on the Medium Range Radar procurement. The Value Proposition used for this procurement should not be considered a precedent for other, future procurements. Value Propositions will be developed on a procurement by procurement basis.

Feedback provided on Canada's proposed approach to Value Propositions for the Medium Range Radar procurement should address the following elements of Canada's proposed approach:

1. The Value Proposition (VP) will be evaluated as part of the bidder selection process.
2. The bid evaluation will be based on 58.5% Technical, 31.5% Financial and 10.0% Value Proposition.
3. Bidders will be required to commit a Value Proposition (defined below) representing 30% of the Acquisition Contract bid price and 50% of the ISS Contract bid price in order to be considered responsive. These minimum requirements were selected as a result of industry engagement related to establishing the minimum levels of direct/global value chain Industrial and Regional Benefits.
4. Bidders will be able to earn up to 10 Value Proposition Points (VPPs), representing 10% of the total bid score, to the extent that they commit to a VP in the specified Key Industrial Capabilities (KIC) market segments in excess of the minimum requirements and to the extent that they demonstrate and identify those commitments at bid time. The points will be assigned as follows:
  - a. To earn VPPs bidders will need to commit to a VP in excess of the minimum requirement specified for each contract. Bidders may earn .048 of a VPP for each percentage point above the minimum VP commitment for the Acquisition Contract and may earn .012 of a VPP for each percentage point above the minimum VP commitment for the ISS Contract. The maximum number of allowable VPPs for VP commitments over the minimum requirement is 4.
  - b. To earn additional VPPs above the 4 possible ones described above, bidders will have to demonstrate and identify at bid time at least some of their proposed VP in the form of completed VP Transactions Sheets. For the Acquisition Contract bidders may earn VPPs for demonstrated commitments at the rate of .048 VPPs per percent of contract value. For the ISS Contract bidders may earn VPPs for demonstrated commitments at the rate of .012 VPPs per percent of contract value. The maximum number of allowable VPPs for proposed

VP commitments demonstrated an identified in VP Transactions Sheets at bid time is 6.

- c. Included is a sample scoring sheet that shows how the maximum 10 VPPs could be achieved.
5. Canada will retain a 10% holdback of the contract value for each contract. Those holdbacks will be progressively released commensurate with Contractor VP performance until all the required VP commitments have been achieved by the Contractor.
6. Attachment #1 is a sample to demonstrate scoring and methodology for the Value Propositions.
7. Attachment #2 is a sample to demonstrate scoring and methodology for determining the best overall value for Contract award (Reference Articles of Agreement Part 4 Evaluation).

Value Proposition - achieved through the provision of the goods and services required to deliver the **Medium Range Radar Project** and/or through transactions demonstrated to be in the following Market segments:

1. Electro-Optical, Radar and Sonar Systems and Components and Fire Control, Warning and Countermeasures Systems and Components. This category includes electro-optical systems (e.g. image intensification night-vision systems, thermal imaging systems, lasers), radars, sonar systems, fire-control systems used to aid weapons in target acquisition, tracking and engagement; warning systems (e.g. technologies that detect enemy radars, enemy laser targeting systems, and approaching threats such as missiles); and countermeasures (e.g. electronic jamming equipment, smoke screens, flares to counter heat-seeking missiles).
2. Electronics, Information Technology (including Software), Communications and Navigation Systems and Components. This category includes military communications systems, secure cyber/information systems and other military Information Technologies (including software), avionics, navigation and guidance systems (e.g. Global Positioning System [GPS] based systems, gyroscopes, accelerometers) and other geomatics related systems and services (e.g. geographic information system (GIS) products and services for military applications, remote sensing services for military applications), display technologies, digital control systems; other technologies for the receipt, exchange, analysis and integration of multiple types of data; and other defence electronics not elsewhere specified.

VP Transactions in the above areas will be measured in Canadian Content Value (CCV).

All interested Respondents will have five (5) days from the release of this amendment to submit feedback. Once feedback has been submitted and considered, Canada will amend the RFP to reflect Canada's intended approach to Value Proposition.

Solicitation No. - N° de l'invitation

W8476-133817/E

Amd. No. - N° de la modif.

004

Buyer ID - Id de l'acheteur

023qd

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

W8476-133817

File No. - N° du dossier

023qdW8476-133817

CCC No./N° CCC - FMS No/ N° VME

**Allocation of Value Proposition Points (VPPs) for Medium Range Radar Procurement**

	Acquisition Contract		ISS Contract	VPPs	Comment
Minimum required Value Proposition (VP) as percentages of the bid price:	30%		50%		Requirement prescribed in RFP.
Proposed VP requirement as percentages of the bid price:	100%		100%		Must meet minimums to receive further consideration.
Proposed VP in excess of minimums:	70%		50%		Difference between proposed and minimums required
Total VPPs awarded for VP commitment:				4,000	.048 of a VPP is assigned for each percentage point above the minimum VP commitment for the Acquisition Contract and .012 of a VPP is assigned for each percentage point above the minimum VP commitment for the ISS Contract. Maximum number of allowable VPPs for VP commitments is 4.
Demonstrated VP as percentages of bid price (as per Transactions Sheets submitted at bid time):	100%		100%		To earn additional VPPs above the 4 possible ones described above, bidders will have to demonstrate at bid time at least some of their proposed VP commitments in the form of completed VP Transactions Sheets. For the Acquisition Contract bidders will be awarded VPPs for demonstrated commitments at the rate of .048 VPPs per percent of bid price demonstrated at bid time. For the ISS Contract bidders will be awarded VPPs for demonstrated commitments at the rate of .012 VPPs per percent of bid price demonstrated at bid time. Maximum number of allowable VPPs for proposed VP commitments demonstrated in Transactions Sheets at bid time is 6.
Total VPPs awarded:				6,000	
				10,000	Total VPP available for award is 10.

The table below illustrates an *example* where all three bids are responsive and the selection of the contractor is determined by a 58.5/31.5/10 ratio of technical merit, Financial and Value Propositions, respectively. The total available points are 2000 and the lowest evaluated price is \$45,000,000.00 (\$45M).

		Bidder 1	Bidder 2	Bidder 3
Overall Technical Score		1200 / 2000	600 / 2000	900 / 2000
Bid Evaluated Price		\$55M	\$50M	\$45M
Calculations	Technical Merit Score	1200/2000 x 58.5 = 35.1	600/2000 x 58.5 = 17.55	900/2000 x 58.5 = 26.33
	Financial Score	45/55 x 31.5 = 25.77	45/50 x 31.5 = 28.35	45/45 x 31.5 = 31.5
Value Proposition max score 10		4	3	6
Combined Rating		64.87	48.9	63.83
Overall Rating		1st	3rd	2nd