

RETURN BIDS TO:
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- 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

Title - Sujet Medium Range Radar (MRR)	
Solicitation No. - N° de l'invitation W8476-133817/E	Amendment No. - N° modif. 008
Client Reference No. - N° de référence du client W8476-133817	Date 2014-05-30
GETS Reference No. - N° de référence de SEAG PW-\$\$QD-023-24350	
File No. - N° de dossier 023qd.W8476-133817	CCC No./N° CCC - FMS No./N° VME
Solicitation Closes - L'invitation prend fin at - à 02:00 PM on - le 2014-07-03	
Time Zone Fuseau horaire Eastern Daylight Saving Time EDT	
F.O.B. - F.A.B. Specified Herein - Précisé dans les présentes	
Plant-Usine: <input type="checkbox"/> Destination: <input type="checkbox"/> Other-Autre: <input checked="" type="checkbox"/>	
Address Enquiries to: - Adresser toutes questions à: Bright, James	Buyer Id - Id de l'acheteur 023qd
Telephone No. - N° de téléphone (819) 956-6181 ()	FAX No. - N° de FAX (819) 956-0636
Destination - of Goods, Services, and Construction: Destination - des biens, services et construction:	

Instructions: See Herein

Instructions: Voir aux présentes

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

Amendment #8 is raised for the MRR Request for Proposal (RFP) number W8476-133817/E.

The intent of this amendment is to provide clarifying responses to Industry poised Value Proposition questions and where applicable, amend the RFP in response to Industry questions.

Question VP1:

Annex M para 4.1.1 (VP Mandatory Requirements) states **“Commit to a minimum of thirty (50) percent in VP activity on the MRR acquisition contract value”**. Question: Please confirm that it should read “(30)” and not “(50)”.

Answer VP1:

The correct minimum VP activity on the MRR Acquisition Contract is 30%. It should read “(30)” and not “(50)”

Delete: “...to a minimum of thirty (50) percent in VP activity on”

Insert: “...to a minimum of thirty (30) percent of VP activity on”

Question VP2:

As per Part 4 of the RFP (Evaluation Procedures and Basis of Selection para 2, Value Proposition Score). If we do the math, we get to a maximum of $(70 \times 0.12) + (50 \times 0.03) = 9.9$ vs 10. Please clarify the point allocation methodology.

Answer VP2:

All scores will be rounded to the nearest whole number. For example 9.9 will be rounded to 10 and 7.7 will be rounded to 8.

Question VP3:

Please confirm if the Annex M “Medium Range Radar Acquisition Value Proposition Bidder’s Instructions” also apply to the ISS Value Proposition or if a separate set of instructions will be provided.

Answer VP3:

Although essentially identical, a new set will be released in Amendment#9.

Question VP4:

The Government had mentioned that they would include an example how a bidder could expect to achieve a full score of 10 points on their VP. The bidder believes that this example was not included in the documents released on May 1, 2014.

Will the Government release an example demonstrating how a bidder would achieve a score of 10 points for VP, based on the scoring mechanism proposed?

Answer VP4:

The methodology was explained in:

PART 4 - EVALUATION PROCEDURES AND BASIS OF SELECTION of the RFP V2.

“To establish the Value Proposition score:

1. Bidders will be required to commit to a Value Proposition representing 30% of the Acquisition Contract bid price and 50% of the ISS Contract bid price.
2. 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 market segments in excess of the minimum requirements. Bidders may earn .12 of a VPP for each percentage point above the minimum VP commitment for the Acquisition Contract and may earn .03 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 10. Included is a sample scoring sheet that shows how the maximum 10 VPPs could be achieved.

The attached sheet was omitted accidentally:

Question VP5:

The Government has mandated a minimum level of VP Commitment for each of Acquisition (30% of Contract Value) and ISS (50% of Contract Value).

Can the Government confirm that bidders not meeting a minimum or 30% (Acquisition) and 50% (ISS) for VP Commitments will be declared non-compliant?

Answer VP5:

Yes. Bidders must commit to the minimum mandatory requirements to be considered compliant.

Question VP6:

Within the VP Terms and Conditions, section 2.1.4 states:

“In the event that the Contract value is increased or decreased, the Contractor’s VP Obligation shall be correspondingly either increased or decreased.”

The bidder is being asked to submit a VP commitment at bid submission based on known targets (contract value). The bidder feels that the VP commitment at bid submission should be fixed and not impacted by contract value increases, due to the fact that planned commitments are based contractually on dollar values related to expected procurements, not a proportion of contract value that could rise in the future.

Question:

Will the Government consider revising section 2.1.4 to remove the possibility of increasing VP commitments proportionately post-contract award?

Answer VP6:

As with ITB's, the VP obligation represents a percentage of the total contract value. If that value changes, the VP obligation will correspondingly change. The government will not revise section 2.1.4 to remove the possibility of increasing VP commitments proportionately post-contract award.

Question VP7:

Annex G describes an 8% Milestone Payment #13 tied to the achievement of two requirements:

1. Project Close-Out (All discrepancies cleared and all milestones delivered and accepted by Canada.
2. All Value Proposition Requirements have been determined, by Canada, to have been met in accordance with the Contract.

Therefore, is the performance of all commitments made under the ITB proposals for Acquisition and ISS considered an element of “Project Close-Out”?

Answer VP7:

ITB requirements included in the holdback of milestone payment 13 are the identification of Tranche 2 and Tranche 3. The achievement of both ITB and VP is not included as part of the holdback. This applies only to Acquisition and not ISS.

Question VP8:

It is clear that the allowable ITB/VP achievement period extends to 7 years after contract award, to give bidders sufficient time to execute committed transactions. The bulk of the deliveries are scheduled to occur within 3 years after contract award; however, under Milestone #13, the bidder cannot be compensated (8% holdback) until all VP commitments are delivered, which could be up to 4-5 years after the delivery of the final system. The bidder feels that the absolute holdback punishes bidders that commit to a higher percentage of VP commitments, thus requiring more time to complete the VP transactions.

Therefore, will the Government consider implementing a performance based holdback system (in lieu of Milestone #13) that compensates bidders on an annualized basis based on the proportion of their VP transaction achievements?

Answer VP8:

No. The holdback is tied to the identification NOT the achievement of ITB Transactions. Identification is to happen prior to the scheduled release of the milestone payment 13.

Question VP9:

It is clear that the Government wishes to encourage bidders to undertake transactions that are reflective of the aims identified in the market segments identified in the Value Proposition model. The bidder feels that the inclusion of a 15% mandatory minimum for SMBs will severely limit the ability of bidders to execute Value Proposition eligible transactions as the market segments identified are more in line with the capabilities of companies that do not meet the current SMB definition.

Will the Government consider reducing the mandatory minimum level of SMB ITB transactions, due to the addition of a Value Proposition model?

Answer VP9:

No. The Government will not reduce the mandatory minimum level of SMB ITB transactions due to the addition of a Value Proposition model.

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:	30%	50%		Must meet minimums to receive further consideration.
Proposed VP in excess of minimums:	0%	0%		Difference between proposed and minimums required
Total VPPs awarded for VP commitment:			0.00	.12 of a VPP is assigned for each percentage point above the minimum VP commitment for the Acquisition Contract and .03 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 10.
Total VPPs awarded:			0.00	Total VPP available for award is 10.