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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. 015
Client Reference No. - N° de référence du client W8476-133817	Date 2014-07-25
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 2014-09-16	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 #15 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 VP14:

First, as per Annex G-ACQ V2, Basis of Payment MRR Acquisition Contract Table 3.2, the Milestone Payment No. 13 with a value of 8% of the contract price is linked to the *“Project Close-out (All discrepancies cleared and all milestones delivered and accepted by Canada) AND all Value Proposition requirements have been determined, by Canada to have been met in accordance with the Contract.*

Second, the VP achievement period is linked to the ITB Achievement period as defined in Annex F-ACQ para 1.1.22. This period is to end seven years following the effective date of this contract. Consequently, our understanding is that the 8% value would not potentially be paid before seven years after contract award.

Third, Annex M-ACQ, VP Terms and Conditions para 4.0, Performance Guarantees states that *“failure to achieve any of the commitments in Article 2 by the end of the VP achievement periods will result in the Contractor paying to Canada as liquidated damages 10% of shortfall”.*

Fourth, under Para. 19, Performance Guarantees, of the ITB Model Contract Terms and Conditions for both ACQ and ISS, should Contractor fail to meet the ITB requirements the following Holdback/Stop Payment terms apply:

By end of Reporting Period 2:

- ACQ: Milestone Payment 13 will be withheld
- ISS: all further ISS payments will be withheld

By end of Reporting Period 4:

- ACQ and ISS: Canada will suspend contract payment

Fifth, there are liquidated damages of 10% of the Shortfall, as well as a Letter of Credit requirement to cover the amount of monies that would be owed by liquidated damages applicable to both ACQ and ISS contracts.

Are all of these requirements cumulative, complementary or else? In any case, these values and payment terms related to VP are considered excessive and it is recommended to remove the VP and ITB conditions from Milestone Payment No. 13. For your consideration.

Answer VP14:

Amendment 13 includes the new ITB and VP documentation that answers this question. For clarity, the VP requirements linked to Milestone Payment no. 13 are the identification of Committed VP Activities at the 24 MACA and 48 MACA time periods. These requirements are both due prior to the schedule to release the payment. The liquidated damages would apply at the end of the Achievement Period should the Contractor be faced with a Shortfall. Liquidated damages are mutually exclusive.

Question VP15:

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 VP15:

Amendment 13 includes the new ITB and VP documentation that answers this question.

Question VP16:

It is stated that VP points shall be awarded according to the following approach:

- 0.12 Points x 70 = 8.4 points (maximum) for Acquisition
- 0.03 Points x 50 = 1.5 points (maximum) for ISS

The total maximum VP point score possible under the scoring model is 9.90. To achieve a maximum combined VP score of 10.00 points, the bidder must overachieve beyond 100% of the contract value by a small margin. Is the intent to allow bidders to overachieve in either Acquisition or ISS VPs to a maximum score of 10.00 points or will the Government implement a rounding mechanism? If implementing a rounding mechanism, please describe the approach.

Answer VP16:

Amendment 13 includes the new ITB and VP documentation that answers this question.

Question VP17:

Within the VP Bidder’s Instructions, sections 1.0 and 5.0 describe the inclusion of a VP Plan as a mandatory component of a responsive bid; however, there is no reference to scoring of the actual plan.

- Is the VP Plan a pass/fail mandatory requirement (similar to the ITB Proposals for Acquisition and ISS)? If so, will the Government provide an evaluation framework for the VP Plan? If there is no VP Plan evaluation framework proposed, is the bidder to assume that the following VP components (section 5.0 of VP Bidder’s Instructions) will simply be verified for completeness?

Answer VP17:

Amendment 13 includes the new ITB and VP documentation that answers this question. For clarity, the VP Plan is a mandatory requirement that will be verified for completeness.

Question VP18:

The current document set released on May 1, 2014, includes a VP Bidder's Instructions document for ISS, but not for Acquisition, yet the VP Terms and Conditions documents contain specific and separate information for both Acquisition and ISS.

- Will the Government issue a revised set of Bidder's Instructions (one for Acquisition and one for ISS) or will they be combined into one set of Bidder's Instructions?

Answer VP18:

Amendment 13 includes the new ITB and VP documentation that answers this question.

Question VP19:

In the ISS Bidder's Instructions Document, section 5.2.3 provides a VP Obligation Table to capture the bidder's commitment to achieving VP transactions over the course of the achievement period. The bidder is concerned that the table included is not accurate based on the overall intentions of the VP methodology proposed. If combining Acquisition and ISS VP approaches into a single Bidder's Instructions document was intended, the bidder believes the table should be amended to include the following information for Acquisition and ISS VP commitments:

Answer VP19:

Amendment 13 includes the new ITB and VP documentation that answers this question.

Question VP20:**Acquisition VP Obligations**

The Bidder Commits to provide a minimum of 30% in VP Activity of the Medium Range Radar ACQUISITION contract value, measured in Canadian Content Value (CCV). YES/NO

The Bidder Commits to the following VP Activity on the Medium Range Radar as a percentage of the ACQUISITION contract value, measured in CCV.

- Bidder to identify its total (including the 30%) VP Obligation in percentage terms

ISS VP Obligations

The Bidder Commits to provide a minimum of 50% in VP Activity of the Medium Range Radar ISS contract value, measured in Canadian Content Value (CCV). YES/NO

The Bidder Commits to the following VP Activity on the Medium Range Radar as a percentage of the ISS contract value, measured in CCV.

- Bidder to identify its total (including the 50%) VP Obligation in percentage terms

VP Obligations (Common)

Bidder Commits to identify Committed VP Activities equal to 50% of its VP Obligation within 24 months after contract award (MACA). YES/NO

Bidder Commits to identify Committed VP Activities equal to 100% of its VP Obligation within 48 MACA. YES/NO

Will the Government combine Acquisition and ISS Bidder's Instructions into one document with an amended VP obligation table, or will the Government issue an additional VP Bidder's Instructions document specific to Acquisition and amend the VP Obligation Table in section 5.2.3 that currently includes conflicting statements?

Answer VP20:

Amendment 13 includes the new ITB and VP documentation that answers this question.

Question VP21:

As mentioned in the earlier question, there are disparities in the current VP Bidder's Instructions related to Acquisition and ISS VP requirements. In section 4.0, VP Mandatory Requirements, the bidder proposes that the section be amended to accurately reflect the unique requirements for Acquisition and ISS.

4.0 VP Mandatory Requirements

4.1 Bidders must meet the following minimum mandatory VP requirements:

4.1.1 Commit to a minimum of thirty (30) percent in VP Activity on the MRR acquisition contract value, as defined in the VP Terms and Conditions in Annex M-ACQUISITION.

4.1.2 Commit to a minimum of fifty (50) percent in VP Activity on the MRR ISS contract value, as defined in the VP Terms and Conditions in Annex M-ISS.

Will the Government update the VP Bidder's Instructions to clearly define the discrepancies noted above?

Answer VP21:

Amendment 13 includes the new ITB and VP documentation that answers this question.

Question VP22:

Within ITB Terms and Conditions Version 3, sections 19.2.1.1 and 19.2.1.3, there are references to requirements in 2.1.7 and 2.1.8. There appears to be no corresponding sections describing these requirements in the current ITB Terms & Conditions, nor the current VP Terms & Conditions documentation. The bidder assumes that the Government means 2.1.2 (not 2.1.7) and 2.1.3 (not 2.1.8), sections found within the VP Terms and Conditions document, stating:

- 2.1.2 > Identify through Committed VP Activity 50% of the Contractor's VP Obligation as part of its second Annual ITB Report
- 2.1.3 > Identify through Committed VP Activity 100% of the Contractor's VP

Will the Government amend the ITB Terms & Conditions document sections 19.2.1.1 and 19.2.1.3 to accurately reflect the noted disparity?

Answer VP22:

Amendment 13 includes the new ITB and VP documentation that answers this question.

Question VP23:

Amendment 5 included a file entitled "MRR VP Bidders Instructions - ISS". This file actually deals with the Acquisition portion of the contract. Will the crown be providing another Bidders Instruction files dealing with ISS?

Answer VP23:

Please see VP Question and Answers 18.

Question VP24:

Annex F Terms & Conditions

Will the Crown provide additional detail concerning the process and criteria whereby bidders VP plans will be evaluated?

Answer VP24:

Amendment 13 includes the new ITB and VP documentation that answers this question. For clarity, the VP Plan is a mandatory requirement that will be verified for completeness.

Question VP25:

Annex F-ISS Terms & Conditions-ITB, Section 7.5.2; "The ITB Authority reserves the right to validate, within one calendar year of the Effective Date of the Contract, the criteria associated with ITB Transaction eligibility, Global Value Chain Platform eligibly and Enhanced Priority Technology List eligibility."

Will the Crown confirm that the references to Global Value Chain Platform eligibility and EPTL eligibility in Para 7.5.2 of Annex F – ACQ should be removed from the document?

Answer VP25:

The reference to "Global Value Chain Platform eligibility and Enhanced Priority Technology List eligibility" is removed from the document. As a result, Annex F-ISSV3 Terms & Conditions - ITB, Section 7.5.2 is amended to read:

"The IRB Authority reserves the right to validate, within one calendar year of the Effective Date of the Contract, the criteria associated with ITB Transaction eligibility. In addition, the ITB Authority shall also have the right to validate the eligibility of proposed VP Activities to ensure the activities are eligible under the KIC Market Segments, defined in Annex M-ISS Terms and Conditions-VP, Section 6.3."

The same amendment is made to Annex F-ACQ V3 Terms & Conditions - ITB, Section 7.5.2.

Solicitation No. - N° de l'invitation

W8476-133817/E

Amd. No. - N° de la modif.

015

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