

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 0B2 / Noyau 0B2
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
Ship Construction, Refit and Related
Services/Construction navale, Radoubs et services
connexes
11 Laurier St. / 11, rue Laurier
6C2, Place du Portage
Gatineau
Québec
K1A 0S5

Title - Sujet SAR Lifeboat Project	
Solicitation No. - N° de l'invitation F7047-141000/C	Amendment No. - N° modif. 021
Client Reference No. - N° de référence du client F7047-141000	Date 2015-02-02
GETS Reference No. - N° de référence de SEAG PW-\$\$MC-017-24806	
File No. - N° de dossier 017mc.F7047-141000	CCC No./N° CCC - FMS No./N° VME
Solicitation Closes - L'invitation prend fin at - à 02:00 PM on - le 2015-03-12	Time Zone Fuseau horaire Eastern Standard Time EST
F.O.B. - F.A.B. Plant-Usine: <input type="checkbox"/> Destination: <input checked="" type="checkbox"/> Other-Autre: <input type="checkbox"/>	
Address Enquiries to: - Adresser toutes questions à: Lamothe, Brenda	Buyer Id - Id de l'acheteur 017mc
Telephone No. - N° de téléphone (819) 956-6297 ()	FAX No. - N° de FAX (819) 956-7725
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 #21 is raised to post questions and answers, post the meeting minutes from the bidders conference, post the list of additional reports, Schedule "B", and Annex "M".

1. Questions and Answers

Annex G

Q.1 The RFP indicates that a bidders' meeting could take place. When would this decision be made and when would the meeting be announced?

2.7 BIDDERS' CONFERENCE

A bidders' conference could be organized, in which case clause SACCA9083T (2014-06-26) Bidders' Conference would apply.

A.1 If by Friday December 5th, sufficient bidders have demonstrated their interest to the CA by email, a bidder's conference will take place on December 16th in Ottawa.

Q.2. The English RFP document is larger (818 pages) than the French (737 pages); is the French version complete?

A.2 Yes. Both the English and French documents are complete. The formatting in the French Construction Specification is different from the English hence the total number of pages.

Q.3. We just went through the RFP document and noted that Lloyds Register (LR) classification notation with no equivalencies stated in the documents. Furthermore the design documents, plans and drawing have all been approved by LR, (refer page 76 annex A section 1.4 and page 239 and 240).

We are somewhat puzzled that other companies did not receive notification for approval through Marine Safety Supply Arrangement Agreement; being one of the approved Recognized Organization (RO) members. The entire documents have references to LR rules ref. page 141, 162 & 163 etc. This is not a level playing field for other ROs to participant in shipyards bids for SAR lifeboats. We are quite disappointed to observe that CCG always make references to LR rules and no other classification societies which puts us at disadvantage. Your comments or views are greatly appreciated.

A.3. In accordance with the RFP the SAR Lifeboats shall be built under the Delegated Statutory Inspection Program (DSIP) and in accordance with the rules of a Classification Society designated by Transport Canada as a Recognized

Organization (RO). Bidders are free to use any RO that they would like as long as fulfilling the above requirement. The design of the SAR Lifeboat was conducted utilizing Lloyd's Register Rules as the baseline rule set for the initial design work and LR was the RO selected to review and appraise the design IAW these rules. However, IAW the Construction Specification (CS), bidders are free to use any RO rules set for the final design of the SAR as long as the selected RO meets the DSIP requirements in the RFP. This is indicated in the CS in 1.70.2.0-8 The Vessel must meet all applicable Lloyds Register Classification Society Rules or equivalent rules of IACS members recognized by Transport Canada.

Q.4. As a qualified Canadian sub-contractor in this domain it seems very strange that we can neither get the program specification drawings nor the contact info of the potential primes to then get it from them. There are potentially 10 shipyards in Canada who will now be inundated with potential subcontractors trying to get the information that should be available under NDA. If there was at least an industry day scheduled that would help us identify the primes.

A.4. With reference to the memory / USB sticks they are to be distributed to the Prime bidders / Shipyards who will be building these SAR Lifeboats due to the Intellectual Property rights and to limit the number of these memory / USB sticks. Canada does promote that your company contacts any of the Canadian shipyards.

Please see question and answer #1 about the Industry Day / Bidders Conference.

With regards to your question on the identification of the potential shipyards, our new Buy and Sell website does not allow this due to Privacy Policies but does allow for open data on the Buy and Sell Website.

Q.5. Due in part to the holiday season approaching, and most notably, the complexity of this solicitation and requested deliverables, may we also request an extension to the bid closing date until end of February?

A.5. Your question is noted and at this time the bid closing date remains unchanged. The bid closing date is January 27th, 2015.

Q.6. Last March responses were made to the Letter of Interest for these vessels with a number of suggestions. Suggestions were not addressed or adopted in the RFP so we will now pose the major ones as questions to this solicitation.

Time of order:

When does Canada expect an order to be placed for these vessels?

-
- A.6. All contract awards are subject to Canada's internal approval process which includes a requirement to approve funding in the amount of any proposed contract and is subject to Canada securing appropriate licensing terms for the design. Subject to the above, the commencement of work for this requirement will be determined once the winning bidder has been selected and awarded the contract.
- Q.7. Response to RFP:
Last March we suggested a minimum 3 months for a response to this RFP. Request an extension be granted to at least the end of March 2015 in consideration of the complexity and magnitude of the project and the loss of the month of December because of year end business requirements and the Christmas season.
- A.7. Your question is noted and an extension to the bid closing is under consideration.
- Q.8. Design Responsibility:
Canada is providing a detailed design for the vessels. We do not understand why the builder is being asked to provide a performance guarantee ref 6.2 (a).
- A.8. As this is not a proven design and Canada has yet to build these SAR Lifeboats, the winning contractor must perform the Design Check in accordance with the Contract.
- Q.9. Design Check:
If the builder is required to provide a performance guarantee, then the Design Check must be very detailed and thorough. Request that a minimum 90 days be allotted for this.
- A.9. Your question is noted and at this time, the 45 days allotted to complete the Design Check remains unchanged.
- Q.10. Vessel deliveries:
The required delivery schedule posted in the solicitation is unrealistic, especially considering that 'time is of the essence'. Suggest that Canada require bidders to submit their best proposed delivery schedule.
- A.10. Your question is noted, however the delivery schedule remains unchanged.
- Q.11. Cost escalations and exchange rates:
Please advise how bidders are to handle cost escalations and currency exchanges over the life of the project.

- A.11. These factors should be taken into account by the bidder when preparing their submission.
- Q.12. Request that Canada advise who the project Technical Authority will be.
- A.12. The Technical Authority is not divulged until Contract Award. All questions are to be addressed to the Contracting Authority on the file.
- Q.13. It would be very helpful and reassuring to bidders to be provided a unequivocal list of mandatory's that must be complied with rather than the RFP making the statement that all mandatory's are defined by the terms "shall, will, must, etc. It has been very typical in the past that bidders have been considered "non-responsive" if they miss even a single mandatory item defined this way and needless to say bidding this type of project is extremely expensive to the industry.
May we please request such a definitive list?
- A.13. As per the RFP, Part 3 in order for a bid to be declared responsive, a bid must:
a) comply with all the requirements of the bid solicitation; b) meet all the Mandatory Criteria (MC) and the Mandatory Technical Criteria (MTC); c) obtain the required minimum of 40 percent for each individual Rated Technical Criterion (RTC); and d) obtain the required minimum pass of 80 out of 200 points overall for the Rated Technical Criteria (RTC).
- Q.14. RFP section 5.3, 5.4 and 5.5. Can you please re-confirm that these specific documents can be provided after contract award, and NOT at bid submission time?
- A.14. Part 5 sections 5.3, 5.4 and 5.5 are certifications that should be submitted with the bid, however they are not mandatory requirements at bid submission. They are mandatory precedent to Contract Award.
- Q.15. Milestone schedule – "B" ; a) May bidders provide an alternative schedule as the schedule "B" in this RFP is NOT conducive to our production methods and cash flow requirements. Eg: Milestone 11 representing a 15% payment "after vessel delivery (including spares and training) and Canada's acceptance". This is considered totally unreasonable.
b) May bidders provide a "2% Warranty Bond" in lieu of the 2% cash warranty holdback for 12 months ?
- A.15. a) Canada has reviewed Schedule "B" Milestone Payment Schedule and has determined that it remains unchanged.

b) At Milestone 13 the deliverable is a Completion of 12 month warranty period and it remains at 2% payment of the unit price.

Q.16. Further to a review of the bid documents, I would like to know whether it would be possible to extend the bid submission deadline to the end of February?

A.16. Please see Question and Answer #7, your question is noted and an extension to the bid closing is under consideration.

Q.17. Paragraph 24.0 (TRADE QUALIFICATIONS AND WELDING) of the solicitation document reads as follows: *"The Contractor shall use qualified, certificated and competent trades people and supervision to ensure a uniform high level of workmanship. The Inspection Authority may request to review and record details of the certification and/or qualifications held by the Contractor's tradespeople."*

Quebec shipyards do not employ "trades people" at their sites, but rather workers, supervisors and inspectors who have training in welding and fitting and who hold a Canadian Welding Bureau (CWB) welding competency card, which is regularly renewed, as specified in paragraph 38.0 of the Invitation to Tender document.

I would appreciate it if you could confirm the validity of paragraph 24.0.

A.17. The RFP document at Part 7 Section 24 has been amended to read:
The Contractor must use qualified, certified (where applicable) and competent tradespeople and supervision to ensure a uniform high level of workmanship. The Inspection Authority may request to view and record details of the certification and/or qualifications held by the Contractor's tradespeople. This request should not be unduly exercised but only to ensure qualified tradespeople are on the job.

Q.18. RFP section 13 , ANNEX "A" , Spec 2.6.2.6 & 2.6.2.6.7. and ANNEX "A" - APPENDIX A-2 ; regarding French documents , manuals , labels etc . May we request the Crown consider that bidders provide French translated documents and manuals "where available" , and include an allowance "established by the Crown" for all other translation work, documents , labels etc . The rationale is that it is impossible for bidders to know what this costing will involve and vendors will not commit either . This has been a recurring problem on every RFP for all of the 38 years I've been involved in Government bidding .

- A.18. All deliverables are required in both official languages where indicated. Concerning Technical Manuals, Canada draws attention to the following statement in Annex A, Appendix A-2, DID I-001 (Technical Manuals):

“Technical manuals are required both in English and French. Where required copies of English or French are not readily available commercially, unilingual versions in either of Canada’s official languages will then be accepted provided that the Contractor provides written evidence from the supplier that the prescribed manuals are not commercially available in the other official language.”

- Q.19. There’s a paragraph that states: “Object Number: 2.2.33.1.0-3 - The diesel engines must be compliant with IMO exhaust emission levels required at the time of keel laying. To be discussed with Canada.” Can you ask the Crown to clarify specifically what they are requiring? If all of the keels are laid prior to Jan 1 2016, IMO II would still be in effect, which is a simpler and less expensive option to supply and integrate. Also, what is meant by: “To be discussed with Canada”?

- A.19. Object Number 2.2.33.1.0-3 of Annex A- Search and Rescue Lifeboat: Appendix A-3 Construction Specification is modified to read as follows:

“Each diesel engine must meet or exceed the Tier II requirements for exhaust emission limits required by MARPOL, Annex VI, Regulations for the Prevention of Air Pollution from Ships.”

The sentence “To be discussed with Canada” has therefore been removed.

- Q.20. We wish to raise this additional concern regarding section 4.4.1 of Annex “A”. In the past Federal solicitations have stated that the builder must maintain a quality system that “models” the ISO 9001 system, which we have accommodated. This section of Annex ‘A’ states that our QA system must now be “CERTIFIED” to the current version of the ISO 9001:2000. This “certification” now adds another layer of overhead cost to the bidders without adding any value or assurance to the build quality, and could take a considerable length of time to obtain. The Governments own inspection process ensures that the successful proponents system is maintained through routine auditing of its functionality during the contract period. May we request that the requirement for “Certification” be deleted?

- A.20. Section 4.1 of Annex A- Search and Rescue Lifeboat: Shipbuilding Statement of Work is amended to read as follows:

The Contractor must implement and maintain a Quality Management System (QMS), consistent with the current version of the ISO 9001:2000 standard. The Contractor need not be certified to the applicable standard; however, the Contractor's quality management system must address each requirement contained in the standard. The Contractor must use reasonable commercial efforts to ensure that all other Subcontractors and Suppliers comply with appropriate quality management requirements.

- Q.21. We would like to have more detail about the IMO Tier certification. Knowing that the construction of the lifeboat will most likely start in 2016 or later, the IMO Tier3 should be the certification but there is no detail or evidence that IMO Tier3 engines are required in the RFP. We also have to consider that some emergency vessels can be excluded from the IMO certification.

What is the requirement concerning the certification level for the SAR lifeboat diesel engines? IMO Tier2 or Tier3?

- A.21. Please see Question and Answer #19.

- Q.22. May I please request reconsideration and response to question and answer # 15 of amendment 004 , schedule "B" milestone payment schedule.?

With all due respect, we find the response answer to this question very unreasonable and inflexible, to the extent that we are considering dropping out of the competition on the basis of this alone . As the milestone schedule stands it is flawed and posses unnecessary hardship on a shipyard. In addition , it drives up cost to the Crown due to financing requirements .

Additional rationale is as follows:

a) We provided an alternative milestone schedule which deleted two milestones (4 and 9) as they overlap the requirements of milestone block 1(a to d). This however meant moving funds up into block 1 where they should be, and as needed. There is a lot more upfront costs in this project, than funds have been allotted for in block 1.

b) In addition to the aforementioned hardship of payment # 11 at 15% the Crown maintains it wishes to hold back an additional 2% for the one year warranty period. Then there is 3% for as-fitted drawings which also can't be completed and provided until after delivery. Therefore at delivery on the first vessel (and possibly subsequent vessel's), the Crown will be holding back 20% of each vessel's value with the added impact that the shipyard will not receive payment for an additional 30 days minimum post approved invoicing. This will be an exponential problem when vessels are being delivered every 4 months (7 to 10 vessels in a 4.5 year program).

In summary, the shipyard will be struggling in a cash negative position.

As a last comment, it was our understanding that this build program was to be slotted for smaller shipyard businesses outside of the NSPS, however we're finding many of the requirements of this solicitation scaled for "Big Business".

A.22. Please see attached the amended Schedule B "Milestone Payment Schedule". At Milestone #4 it is requested by Canada for "All Contract Design Drawings and Purchases orders submitted to Canada" as this must be verified by Canada and is a deliverable under the Contract.

At Milestone #9 "Test and Trials procedures and agenda submitted to Canada" is also verified by Canada and is a deliverable under the Contract.

At Milestone 13 "Completion of 12 month warranty period" is a required deliverable under the Contract and remains unchanged.

Q.23. Question 23 is raised to correct the French translation answer at Q. and A. #17.

A.23. Answer 23 remains unchanged for the English Q. and A.#17 and is only raised to correct the French translation Q. and A. #17.

Q.24. Could the main hull drawings be provided in AutoCAD?

A.24. Yes, the following drawings can be provided in AutoCAD format :

SAR10010R3 Lines Plan
 SAR21000R4 Midship Section
 SAR21010R4 Structural Arrangement
 SAR21030R2 Shell Expansion
 SAR21050R4 Structural Sections
 SAR22010R5 Deckhouse Structure
 SAR30000R4 General Arrangement
 SAR30002R2 Inboard Profile
 SAR50000R3 Machinery Arrangement

Q.25. Could the table of offsets be provided for the hull or the hull plate flat layouts be provided?

A.25. The table of offsets will not be provided. As detailed on drawing SAR10010R3 Lines Plan: "3D GEOMETRY FILE IS AVAILABLE IN LIEU OF A TABLE OF OFFSETS. This model is not required for the purposes of bid preparation and will be provided to the successful bidder at time of contract award.

Q.26. We continue to find the answers to questions 15 and 22 very unsatisfactory. May we please request once again if the Crown will accept bids with an

alternate milestone payment schedule and that the crown base their
evaluation point system on the proposed alternate schedule from a bidder?

A.26. Schedule B - Milestone Payment Schedule has been amended and was attached to solicitation amendment #7. Bidders must bid to the same criteria set out in the evaluation for this solicitation.

Q.27. With regard to question # 11, previous RFP solicitations by the Crown had provisions for rate of exchange fluctuation. At present our dollar is roughly 85 cents to the US dollar primarily due to the reduction in the price of oil . As the Crown can appreciate, oil is a very volatile commodity and in all likelihood it will rebound. Once this happens US materials quoted at the conversation rate today could become unwieldy more expensive if and when this rebound takes place. Would it not be reasonable for the Crown to re-instate a provision for rate of exchange fluctuation to help small yards defray this risk?

A.27. This item is currently under review.

Q.28. Part 7 section 11 states that the production schedule shall be provided within 15 days of contract award and yet MTC1.2 states this schedule (which I understand to be the same one) is to be provided with the bid submission. Can this requirement please be clarified?

A.28. In accordance with MTC1.2 Project Schedule and Delivery Dates - Preliminary Project Schedule - The Bidder must provide a preliminary project schedule for the subject RFP, indicating the sequence and the completion dates of project milestones, deliverables, and project tasks based on a Contract Award as "day 0." The project schedule must indicate dates for the main events, including all milestones listed in the milestone schedule, attached as Schedule B.

Bidders must submit the required mandatory information in this solicitation with their proposal to be compliant.

At Part 7 section 11 PRODUCTION SCHEDULE , 11.1 Within fifteen (15) working days of Contract Award, the Contractor shall submit to Canada a preliminary Production Schedule including critical path items.

11.2 The Contractor is responsible for planning and scheduling the Work required herein. The Production Schedule shall be maintained and updated on continuing basis and shall be presented to the Contracting Authority, seven (7) calendar days prior to each Progress Review Meeting.

a

This Production Schedule is required fifteen (15) working days from Contract Award date. This Production Schedule will have concrete dates set out and aligning with the Contract Award date.

- Q.29. DADM-008 requires that the contractor to document the minutes of the meetings yet PWGSC always performed this task in the past as it was in their best interest. Can you please clarify if this to remain, that the contractor now performs this duty, or not?
- A.29. Yes, the contractor shall record the minutes of all meetings. Please see Part 7 Section 30.0 Progress Review and Technical Meetings.
- Q.30. Also can the designers please advise if there is any compound curvature in the hull plating and if so where it is?
- A.30. It is the bidder's responsibility to assess the technical package and to identify areas of compound curvature. There is sufficient information within the technical package to do so. However, it can be confirmed that areas of compound curvature include, but are not necessarily limited to, hull plating in the following locations: along the hull below the main spray rail, in particular in the forefoot, and in the propeller 'tunnel'. In addition, there is compound curvature in the main deck due to camber and sheer.
- Q.31. Reference Annex "A" section 4.7.1 . Can you please advise if the Coast Guard would be receptive to other integrated systems (other than those listed) offered as "optional"?
- A.31. In addition to the propulsion system, only the systems/suites listed at section 4.7.1 are required to have single integrators. There is no provision or requirement for "optional" systems/suites per se in the specifications. If, in the bidder's question, the terms "optional" and "other" are meant to mean "additional" systems/suites, CCG would be receptive, although the choice to offer such additional systems/suites is at the shipyard's discretion. The associated equipment selection must be compatible with all requirements and specifications.
- Q.32. RFP Part 7 – 4(4.1) . Can you please clarify/confirm the delivery for all vessels is in fact the CCG base in Dartmouth N.S.?
- A.32. The delivery point for all vessels is CCG Base Dartmouth (Bedford Institute of Oceanography), N.S.
- Q.33. RFP section 17.4 (C) and (D). Can you please advise how a dispute regarding NCR's raised by IA is dealt with?
- A.33. In accordance with Part 7 section 17.4 (c) and (d) when a non-conformance report is issued by the Inspection Authority it is because the Contractor is not in accordance with the Work in the Contract. The contractor must implement a resolution and it must be approved by Inspection Authority prior to

commencement of the resolution and must be copied to the Contracting Authority. All work must be completed in accordance with the Contract, please also see the General Terms and Conditions 2030 12 (2014-09-25) Inspection and Acceptance of the Work.

Q.34. Annex "D" consists of 11 lines. Can you please advise (specify) to what extent and limit bidders are required to provide information?

A.34. At Annex "D" Equipment, Material and Services Source List & Subcontractor's List, if the bidder needs more lines added, please do so.

Q.35. Schedule "A" The first 7 vessels has a line item cost for contract financial security however the optional (3) vessels does not. Is contract financial security therefore not required on these last (3) vessels?

A.35. Yes, the Cost of Contract Financial Security is based on the seven (7) vessels in accordance with Schedule "A".

Q.36. Schedule "A" "ADDITIONAL WORK" The request for additional work requests a cost for all labour, engineering and supervision however engineering costs are significantly different to labour and supervision . May we suggest it be prudent for a separate line item for engineering alone?

A.36. At Schedule "A" and Part 7 section 25.0 Payment, this rate shall be a blended rate for all classes of labour, engineering and foreperson and shall include all overheads, supervision and profit.

Q.37. Annex "A" 2.9 requires the work to be carried out using the metric system however structural aluminum plate and sections are still only available in imperial dimension. Can you please confirm that the nearest imperial equivalents to metric sizing would be acceptable?

A.37. As the structural design drawing indicate imperial plate and sections, it is acceptable to use imperial dimensions for these items.

Q.38. Annex "A" 2.11.2.1 requests from the contractor, a performance guarantee upon completion of the design check that the vessel's when built will perform fully in accordance with the contract including the specification . Can you please advise and confirm if successful tank testing has been carried out on this new vessel design, and if the results are available ?

If this has not been performed we contend that it would be unreasonable to expect a builder to guarantee performance on a unique and unproven hullform as this, and in that case we would suggest this guarantee requirement be waived. Please advise?

A.38. There was no tank testing programme conducted for the design however the designer [Robert Allan Limited] conducted an extensive CFD assessment during the design phase. The results of these simulations are contained in document 212-045, *CFD Analysis of SAR Lifeboat R1*. As detailed in this document this CFD assessment was validated "*by CFD simulations for the Severn (RNLI) hull and comparison of the results to the extensive set of model tests data available, both in the bare and appended configurations*".

For the Design Check, the successful bidder is being asked to review and accept the engineering developed by Robert Allan Ltd and provide a guarantee that the equipment the bidder has proposed for integration in the design and the construction engineering for the production of the vessel will enable the vessel to meet the estimated performance criteria.

Q.39. Marine Liability Insurance – G5003C 2014 -06-26

1. – This section refers to a limit of liability continued in the Marine Liability Act 2001. I have reviewed that document and cannot find a reference to any limit of insurance. Can you please ask what limit they would like you to carry>
 - In addition to this they are asking for an Excess Collision liability policy. Can you please ask why they are asking for this to be a limit in excess of the P&I limit.

A.39. Based on the Market Standard and with the terms negotiated with the Industry there is no set limit.

Q. 40. Errors and Omissions Liability Insurance G2002C 200-05-12

Please ensure that the owner will accept a certificate of insurance from your Naval Architect adding Hike and the owner as additional insured's.

A.40. Please follow the instructions in accordance with Annex F Errors and Omissions Liability Insurance G2002C

Q.41. 36.0 Limitation of Contractors Liability for Damages to Canada

This section refers to your limit of liability being \$10,000,000 per occurrence and \$20,000,000 in the aggregate. Please clarify if they are also requiring your limits of insurance to be \$10.0M / \$20.0M.

A.41. Part 7 section 36.0 Limitation of Contractors Liability for Damages to Canada is for Liability not for Insurance, please follow the section in accordance with the Solicitation.

Q.42. Annex A,

Electrical 2.4.24.2; 'The electronic and Acoustic Navigation Systems must follow the Construction Specification Design Drawing 90000 Integrated Communications and Navigation System Schematic.'

In the Confidentiality Agreement it specifically permits access to subcontractors but does not refer to suppliers. Can bidders sign sub NDI agreements with suppliers to acquire needed information on system specific segments of the RFP Specification?

There are many sections in the Specification where the Specification detail is not adequate for suppliers to provide complete information.

- A.42. The Confidentiality Agreement provides that the Bidder must not, without first obtaining the written permission of the Contracting Authority, disclose to anyone, other than an employee or a proposed subcontractor with a need to know, the Confidential Information. In accordance with Canada's SACC Manual 2030 General Conditions - Higher Complexity – Goods (2014-09-25) section 06 Subcontracts, Canada considers that a subcontract includes the purchase of "off-the-shelf" items and any standard articles and materials that are ordinarily produced by manufacturers in the normal course of business. Disclosure of any Confidential Information to any proposed subcontractor must be in accordance with the Confidentiality Agreement.

- Q.43. Amendment 009, Schedule B, Milestones; We agree with comments raised in Q15 and Q 22 regarding a warranty holdback of 2% for 12 months as excessive. This type holdback is not used by other G-7 countries including the US. This type of holdback penalizes the CAD Marine industry by preventing small businesses from re-investment to improve efficiencies in our businesses. This is counter-productive to CAD industrial efficiency. There have been many articles of late noting that US industrial efficiencies are much higher than Canadian industry. This does not help. We agree that service is a very important part of any contract.

The Performance Bond fully covers Canada during the full warranty period and a claims period for a year after that. Performance bonds cover the entire length of the Contract including warranty and provide a full year after that for the customer to file any claims from within the warranty period.

Will Canada consider reviewing the Bidder's submitted good service record with verification provided by its customers and recognize the Performance bond ensures no risk to Canada during the full warranty period?

We ask Canada to return the 2% holdback back to the rightful owner of this money, the Contractor who has earned and worked hard for it. This a fair and reasonable request.

A.43. Canada has reviewed and noted your request. Please be advised that Milestone 13 "Completion of 12 month warranty period" remains unchanged.

Q.44. Appendix A-4; Will Canada provide cut files for the successful bidder?

A.44. It is uncertain the specific files that are being referred to in the question. However, If the question is referring to the nesting files for cutting plates and shapes (NC cutting files), these will not be provided as it is the shipyard's responsibility to produce final lofting and production drawings.

Q.45. What we are looking for to quote the windows for this project is the polycarbonate stacking for each window. (**Thickness**)As from the spec there are some heated and some not.

If there is a window schedule available that would be helpful as well as that would allow me to call out each window for accurate location and costing.

A.45. A window schedule has not been created. Windows are to be designed and procured as part of the contract but can be estimated as per the Construction Specification and as in 22010R5 Deckhouse Structure. A window list has been provided in Construction Specification 2.6.25.1, and for weight estimating purposes window thicknesses have been estimates as 5/8" for front windows and 1/2" for side windows.

Q.46. Annex "A" 4.7 Integrators other than the propulsion Integrator;

The specifications and drawing already stipulate the components which make up these systems and the effectiveness of these will be established during the design check. Ultimately the shipyard is being made responsible for the entire vessel and its systems both at the build stage, and under the warranty period. We are having difficulty finding single source "Integrators" for some of these systems.

May we request these systems integration requirements be waived as we have never had to perform this on any other build program, it is a burdensome request due to the fact that these systems are made up of various OEM and shipyard components , and we see no added value in requesting it?

A.46. The requirement in the SOW will not be waived; however the SSI does not have to be an organization external to the shipyard. The shipyard is free to be the integrator for any or all of the systems and be responsible for the overall engineering design, integration, and testing of the system(s).

Q.47. We're finding the document package associated with this tender very convoluted and rather frustrating. The specification itself is in many cases not specific with regard to equipment outfit. Can you advise where perhaps these can be found

for other than those on the main equipment list and drawings as we feel there should be more consolidated definition?

A.47. All the information can be found in the technical package provided. The technical design package documents does not specify the exact makes and models but does define the necessary characteristics of the equipment. Often during the design work RAL used indicative equipment as the basis for the design RAL and this is indicated in the technical package. It is the responsibility of the successful bidder to select equipment compatible with the requirements and the specifications.

Q.48. May we also request what is meant by "Object Number" in the specification and what do these numbers associate with?

To give one example; spec section 2.5.12.1.2 10 states 1) heat recovery heat exchanger "DomesticMarine or equal per engine for transferring heat from each main engine jacket water circuit and transferring it to the tempered water circuit as per Construction Specification Design Drawings. Object Number 2.5.12.1.2.0-1.0-2...?

A.48. CCG uses software called DOORS

(<http://www-03.ibm.com/software/products/en/ratidoor>) for its requirements tracking. The software identifies each requirement by giving it a unique Object Number. The specification presented is the default format DOORS exports to Word. The Object Number appears first and then the requirement associated with that Object Number appears directly under it.

The Object Number becomes useful when questioning individual requirements. As oppose to questioning the Xth requirement on page XYZ you would just quote the Object Number.

Q.49. If one goes to the HVAC systems diagrams (81500 series), in this case page 5 of 5, this heat exchanger refers one to drawing 73500. If one goes to drawing 73500 page 3 of 3 (as this is the only drawing) the illustrated heat exchanger refers one back to drawing 81500 again. There is no specified model number provided for this heat exchanger ...? In addition page 3 of the Major Equipment List does not provide any reference to the heat exchanger adjacent to the relevant spec section.

A.49. The technical design package documents do not specify the necessary heat exchanger make and model, however drawing 73500 Machinery Cooling System Diagram does define the necessary characteristics of the required heat exchanger and as a basis for design RAL used Dometic Marine as an indicative heat exchanger as detailed in CS section 512.1.2 - Hydronic Heating. (note the CS has a typo as it states DomesticMarine). It is the responsibility of the

successful bidder to select equipment compatible with the requirements and the specifications.

Q.50. Our NA has the following question which I convey herewith for your response:

“The Marine Design Appraisal Documents provided from LR as part of the Class Appraisal process include some items identified as AQP (details to be submitted). Have these details been addressed and approved through CCG's design process?”

A.50. If the question is referring to DAD ADS-3123625-H-001 section 3, then the AQP is referring to the crane supporting structure and the window, door and hatches plan.

An FEA has been completed on the crane supporting structure (RAL00265F-212-045-200 Rev. 1 Structural Analysis for the high Endurance SAR Lifeboat – Deck Crane Foundation), and has been submitted to and reviewed by LR as referenced in DAD ADS-3123625-H-004. Therefore, details of the crane supporting structure provided in 22010R5 Deckhouse Structure have been appraised by LR.

A window, door and hatches plan has not been created. Windows, doors and hatches are to be designed and procured as part of the contract but can be estimated as per the Construction Specification and as in 22010R5 Deckhouse Structure, 21050R4 Structural Sections, 21010R4 Structural Arrangement and 33000R3 Accommodation Arrangement Plan. A window list has been provided in Construction Specification 2.6.25.1, and for weight estimating purposes window thicknesses have been estimates as 5/8" for front windows and 1/2" for side windows.

Q.51. If there is a insulation drawing produced for these vessels, which we have not received?

A.51. An insulation plan has not been created. Insulation is to be provided as indicated in the Construction Specification section 2.6.35 Insulation Systems.

Q.52. If there is a windows, doors and hatches drawing and/or schedule , which also we have not received?

A.52. A window, door and hatches plan has not been created. Windows, doors and hatches are to be designed and procured as part of the contract but can be estimated as per the Construction Specification and as in 22010R5 Deckhouse Structure, 21050R4 Structural Sections, 21010R4 Structural Arrangement and 33000R3 Accommodation Arrangement Plan. A window list has been provided in Construction Specification 2.6.25.1, and for weight estimating purposes window

thicknesses have been estimates as 5/8" for front windows and 1/2" for side windows.

Q.53. After going thru the drawing package for the SAR Lifeboat, I have made a Door, Hatch, Window spread sheet for my assistance on quoting for this project.

After going thru the drawing I have noticed that there are only a couple measurements for a couple doors.

There are no measurements for the remaining doors, hatches and or windows. Without those dimensions there is no way to quote for this project.

On other projects like this we would see a schedule for the doors, hatches and windows with all the pertinent information.

If there is any way we could receive that information it would be appreciated to quote this project in a timely manner.

A.53. See answer to question 52

Q.54. The Construction Specification Design Drawing 90000 Integrated Communications and Navigation System Schematic depicts a very "non-integrated" sensor control and ship information system architecture with a variety of stand-alone sensor and system controls and displays to be installed. Would the Coast Guard be receptive to a proposal option that would offer a more mission efficient integrated display and control solution making greater use of the specified touch screen displays to reduce the number of unique controls and displays on the bridge? A more integrated control and display solution could increase operator effectiveness and improve system reliability and availability.

A.54. Yes, the Contractor may propose such a system for Canada's review. As indicated in note 1 of the drawing No. 90000, the Contractor is to provide an integrated communication and navigation system in compliance with the specification, equipment's manufacturer recommendation and to the satisfaction of the owner. For operational reasons, the schematic in Design Drawing 90000 depicts vessel controls as stand-alone, and navigation displays are depicted as integrated with ECDIS.

Q.55. Are companies other than shipyards allowed to attend the Bidders Conference as mentioned in amendment 13?

A.55. Yes. All companies are invited to attend the Bidders Conference.

Q.56. **Part 3, 3.1.2 Section II& Annex E-**

The tender states: "If an evaluation item expressly provides that it, or any element of it, may be met by a subcontractor to the Bidder, then the Bidder shall provide documented evidence of such compliance by its subcontractor."

Under Mandatory Technical Criteria the tender states to expressly provide for subcontractor capabilities for MTC 2 and MTC 3, however it does not expressly state to provide for subcontractor capabilities for MTC 3,5 or MTC 6.

Can you please confirm that Canada will accept subcontractor capabilities for MTC 3,5 & 6, meeting the requirements for subcontractors stated in Paragraph 3 of Annex E, as there are certain elements of these criteria categories that would fall under the subcontractor list requirements in the normal course of our business.

A.56. Canada will accept subcontractor capabilities for MTC 5 and 6, but not for MTC 3.

Q.57. We have noticed some differences between the electronic items shown in Annex A and the Master Equipment List. Please clarify the following requirements.

a) one document shows a Furuno FS1503EM and the other shows an ICOM IC-802. Do you have a preference?

A.57.a) The equipment listed in the Construction Specification takes precedence; therefore the equivalency demonstration must be done for the ICOM IC-802.

b) The ICOM IC-802 will also require an antenna coupler unit AT140 to make a full system. Please confirm.

A.57.b) Yes. It is the Contractor responsibility to provide a fully functional system.

c) Comrod AXBY refers to a series of MF/HF antennas. Is it okay to quote a comrod AT82 with flange mount end feed?

A.57.c) The Contractor is free to choose the mounting type for the installation.

d) The Motorola MT1500 and Astro XTL5000 have been replaced with newer models. Please confirm that it is okay to substitute?

A.57.d) It is acceptable to substitute with new or different models. The Construction Specification for both the MT1500 and Astro XTL5000 states "or equivalent". The meaning of "or equivalent is defined in RFP section 1.3.

e) The Furuno NX700 Navtex comes with an NX7 antenna. There is an additional line in the master equipment list showing NXH7. Do you need a second (spare) antenna?

A.57.e) No, a second spare antenna is not required.

f) The Iridium satellite telephone is not shown in the Master Equipment List. Is it required?

A.57.f) The list provided as part of the RFP is 1310 Major Equipment List R1 is not a "Master Equipment List". As stated, under "assumptions" of the 1310 Major Equipment List "...*only the major components of each system is listed, to complete installation additional minor equipment will be required.*" Therefore the 1310 Major Equipment List is not a complete list of the equipment required for the SAR.

g) The master equipment list only shows one Hatteland HD-19T-21 MMD display. However Annex A Object number 2.4.24.2.0-3 describes two. Can we assume that two are required?

A.57.g) As per drawing SAR90000R2 Integrated Communication and Navigation System, two displays are required. The 1310 Major Equipment List R1 should indicate two displays.

Q. 58. We, as a Canadian manufacturer of systems that could really well fit on these boats, are truly interested by this project. However, as none of our products are specified, we fall in the category "or equal".

This being said, we have been talking to some of the shipyards that are working on this project as well and at this stage, the yards do not have the time to ask the contracting authority if the systems we are proposing them are acceptable, and we understand them.

We would like to provide them with some confirmations / communications from Canada, reassuring them that their proposal will be receivable if they are using our products.

We are looking at three (3) different products for this project :

- Steering gear system;
- Bow Thruster;
- Propulsion controls.

The last product is straight forward and we see no problem with it. However, to make sure that the two first products are receivable by Canada, this would require a simple discussion with the Technical authorities.

As I said above, being a Canadian manufacturer (high Canadian content level), we deeply believe that we have interesting solutions for this project, but also we think that we can have Canada realizes economies using our products rather than some other that are specified in the documents, which are by the way not Canadian products either.

We hope that you can provide us with some help in this file.

A.58. Please see Question and Answer #47.

Q.59. Given that Canada is transferring full responsibility of the system (RFP Section 37) to the successful bidder, what must the bidder do when:

- a. A piece of equipment is listed in the RFP without any details and is not listed in the Construction Specification?
- b. A piece of equipment is listed in the RFP, a summary specification is included in the Master Equipment List, but the parameters and performances indicated in the Master Equipment List are not available from the manufacturer, therefore the equipment does not exist in the form specified by the Specification?
- c. A standard is included in the Specification, indicating that the vessel must meet it, but experts already predict that it will be extremely difficult to meet this standard?

A.59. The list provided as part of the RFP is 1310 Major Equipment List R1 is not a "Master Equipment List". As stated, under "assumptions" of the 1310 Major Equipment List only the major components of each system is listed, to complete installation additional minor equipment will be required. Therefore the 1310 Major Equipment List is not a complete list of the equipment required for the SAR. This equipment is only there as it was used as a design basis for the SAR and to provide the primary qualities/characteristics of the equipment, it is not meant to be the equipment used in the vessel. The Contractor must meet the Construction Specification. It is up to the bidder to determine the best equipment to use for the overall purposes of their submission.

In the case of discrepancies between documents, the equipment listed in the Construction Specification takes precedence.

Canada request that if there are specific questions with respect to specific portions of the technical package that the bidder ask these directly.

Q.60. For the crew training program and familiarization:

- a. Must the student guide (educational material) be provided in both official languages?

A.60.a. Yes, the student guide and training materials are required in both official languages in order to conduct training in accordance with DID-I002.

- b. Does Amendment #12 decrease the number of training sessions planned? There are currently 4, 1-week sessions planned (3 English and 1 French).

A.60.b. No, the number of training sessions to be provided by each contractor does not change as a consequence of RFP Amendment #12.

- c. For the initial training of the Deck Department and Engine Room Department (separate staff and training), must the enrollment of the curriculum occur during the same scheduled week-long period?

A.60.c. Canada does not completely understand the question as presented. In regard to "curriculum" and "enrollment", it is not necessary for Deck Department Familiarization Training and for Engine Room Department Familiarization Training to take place during the same 1-week period. In accordance with DID I-012, Training for each stream (Deck and Engine Room) shall nonetheless be one (1) week in duration and shall include Emergency Familiarization Training and General Familiarization Training. Canada clarifies that "one (1) week" means over five (5) consecutive days of approximately equal duration, and at least 35 hours total duration, with reasonable lunch and break periods included in this figure.

- d. Can the training location vary from one session to the next, or is it possible to plan for a single location?

A.60.d. Yes, this is possible as long as SOW Section 5.11.5 is met and, per DID I-012, familiarization training takes place aboard a fully operable SAR Lifeboat with adjacent classroom facilities.

- e. Is it possible to schedule all training sessions in succession?

A.60.e. Familiarization training must be scheduled in accordance with SOW section 5.11.3. and DID I-012. It is not possible to schedule all Familiarization training sessions in succession.

Maintenance training must be scheduled in accordance with SOW section 5.11.8. and DID-I-013. It is possible to schedule the English and French sessions in succession.

Q.61. The specification requires the magnetic compass to be located in the enclosed bridge with a remote readout in the flying bridge. The magnetic compass does not have a remote readout available but the magnetic heading can be seen on the operator panel of the Horizon MF which is mounted in the enclosed bridge. The best solution is to install the magnetic compass in the flying bridge. This way the magnetic heading can be seen in both locations. Please confirm this proposal.

A.61. Canada would accept this solution as long as it meets Classification and all Regulations and Standards as indicated in the CS.

The Construction Specification is modified to read as follows:

CS 2.4.26.3.1.0-2: The magnetic compass must be located in the enclosed bridge with remote readout on the flying bridge. Alternatively the magnetic compass can be located in the flying bridge with remote readout in the enclosed bridge.

Q.62. The specification calls for two ICOM IC-M604 radiotelephones but drawing 90000 shows one radio in the enclosed bridge and a remote unit in the fly bridge. There are two possible solutions. (A) the best solution is to install one IC-M604 radiotelephone in the enclosed bridge and another in the fly bridge. Separate antennas will be required for each radio. (B) A full function Command Microphone can be mounted in the fly bridge and connected to the IC-M604 radiotelephone in the enclosed bridge. Only one antenna is required in this case.

A.62. The specification and drawing 9000 have two ICOM IC-M604 VHF-FM radio telephones, each with its own antenna (Specification Section 441.4). As shown on drawing 90000, one ICOM IC-M604 VHF-FM radio is located in the enclosed bridge with a VHF remote unit located in the fly bridge and one ICOM IC-M604 VHF-FM radio located in the enclosed bridge and integrated with the wireless communication systems (Specification Section 430.2).

Q.63. This question keeps arising, stimulated by vendors we are approaching; that the RFP, along with answers to previous questions, state that the project definition specifications and drawings are for guidance, and that bidders are responsible for the suitability of components selected. We view this very problematic. Firstly that the Crown will have difficulty in evaluating apples for apples bids, secondly and more importantly, that in many cases engineering needs to be carried out to determine the suitability of many of these components, and components

“unspecified”. Not only there is a cost associated to this process, but there simply isn't enough time to conduct it given the bid closing timeline. Can you please confirm for all bidders sake, how we should be coping with this problem?

A.63. There is sufficient information within the technical package for bidders to make an appraisal of vessel equipment requirements. Answers 47 and 59 provide information in this regard.

Per Sec. 3.1.1 of the RFP, bidders must provide their Equipment, Material, Services Source List and Subcontractors List at time of bid submission and in the format stipulated to meet the requirements of MC2. However, although the bidder is required to submit these lists, the bidder's equipment selection choices are not an element of the bid evaluation. Canada will evaluate the Technical Bid in accordance with Sec. 3.1.2 of the RFP.

Canada does not expect that the bidder's engineering work to integrate the equipment into the vessel's design will be accomplished when the bid is submitted. The Statement of Work is structured to include a Design Check Phase, an Initial Design Phase and a Production Design Phase. Bidders should review the requirements of these phases to appraise their scope of work associated with each phase, and the nature and timing of the required deliverables.

Q.64. Can you please advise, "specify" an acceptable casting alloy for the propeller shaft struts. We have checked with Lloyds and they cannot provide this.

A.64. While no specific alloy is identified for the struts, drawing 52600 Stern Tube and Strut Arrangement defines the necessary requirements that the struts are to be cast steel with a UTS of 400MPa and is to be welded to the strut bossing which is ASTM A311 Class B round stock). Drawing 52600 Stern Tube and Strut Arrangement was reviewed by LR as detailed in document ADS-3123625-H-005. Alternatively, as indicated by the note on the drawing, that should the strut and strut bossing be cast as a single piece the UTS of the alloy will have to meet that of the bossing, which could increase the size of the strut and bossing design. It is the responsibility of the successful bidder to select a suitable alloy compatible with the requirements and specifications.

Q.65. With regard to DID T-503 "Auxiliary Systems Drawings and Calculations", can the Crown please advise if a 3D integrated drawing would be acceptable in lieu of individual 2D overlay drawings?

A.65. If what is meant by a 3D Integrated Drawing is a model (e.g. SAR50010R2 3D Machinery Arrangement.pdf), then no, at least not as the only submittal.

A model alone does not provide the detailed information required by DID T-503 (e.g. schematic arrangement including equipment, valve types, pipe sizes, flow directions, valve alignment (i.e. N/O, N/C, LS, etc.), instrumentation, symbols, notes, and materials; construction details; calculations; interfaces; and references, etc.) in a format for review and appraisal.

A 3D Integrated Drawing or model can be submitted in partial fulfillment of the requirements of DID T-203 Machinery Room Arrangement, especially in support of demonstrating that maintainability and supportability considerations are incorporated in the design (e.g. access for maintainers, removal routes, lay-down areas, handling equipment, etc.).

Q.66. In the drawing No. 91500 (Alarm and monitoring system diagram), there is a note: "Ensure alarm and monitoring systems comply with Lloyd's special service craft rules for a service craft or patrol vessel not intended to comply with HSC code and having an Unmanned Machinery Space"

Does it mean that the alarm and monitoring system doesn't have to comply with HSC code and doesn't have to comply with the Unmanned Machinery Space?

A.66. The Alarm and Monitoring System for the vessel does not have to comply with the High Speed Craft (HSC) Code. The Alarm and Monitoring System does have to comply with Lloyd's Register Special Service Craft (SSC) Code rules and regulations for Unattended Machinery Space(s). Note 1 on Drawing 91500 should have been written as: "Ensure alarm and monitoring systems comply with Lloyd's Special Service Craft Part 16, Chapter 1, Section 6 "Requirements for craft which are not intended to comply with HSC Code" and the requirements for Unattended Machinery Space(s)"

Q.67. The RFP indicates that no security is required (IE a bid bond) Please confirm that to be the case.

A.67. There is no bid bond for this solicitation, however evidence of Contract Financial Security is required, please see Part 6 Security, Financial and Other Requirements at 6.4 Security for Performance, Schedule "A" cost, and Annex "M" .

Q.68. Typically the P & I coverage is afforded as an extension of builders risk as long as it meets the limits required. Please confirm this is satisfactory to Canada in fulfilling the requirements of Annex F Part 1?

A.68. In fulfilling the requirements of Annex F Part 1, bidders are required to follow the Ship Builders Risk and Marine Liability Insurance which are different Policies for specific coverages.

Q.69. Under Annex "M" Part 1 a number of scenarios are presented. Which case does Canada prefer as we believe that option (c) cannot occur without option (A)?

A.69. Canada does not have a preference please refer to the Annex "M" for compliance.

Q.70. Section 1.2.1 Requirement Overview: Will the two construction contracts be authorized at the same time or does Canada expect that there will be a delay between the awarding of the first and second contracts?

A.70. Once the internal approval process and the licensing agreement has been completed, Canada intends on awarding Contracts at the same time to the two compliant highest combined rating of technical merit and price.

Q.71. Section MTC5: Classification Society identification. Considering the obligation to build the SAR Lifeboats as part of the Delegated Statutory Inspection Program by Transport Canada as a Recognized Organization (RO), in what way does the identification of the Classification Society constitute a mandatory criteria for the evaluation of proposals? Will Canada accord a distinct preference to each RO?

A.71. To meet the requirement of MTC 5, the bidder must identify in its proposal the Classification Society it intends to use during the vessel construction. The Classification Society must be a Recognized Organization (RO) under Transport Canada Marine Safety (TCMS) Delegated Statutory Inspection Program (DSIP). Canada will not accord any preference to the bidder's choice of Classification Society in the bid evaluation.

Q.72. Within drawing SAR21010R4 Structural Arrangement.pdf, Detail P shows the "Hydrodynamic Interceptor". The Construction Specification does not contain any detail on this item, what is required from the Contractor?

A.72. The contractor is required to procure and install hydrodynamic interceptors as indicated in SAR21050R4 Structural Sections, SAR21010R4 Structural Arrangement and 212-045, CFD Analysis of SAR Lifeboat R1.

The construction Spec will be amended to include the following section, 2.1.14.6 – 114.5 Hydrodynamic Interceptors.

2.1.14.6 – 114.6 Hydrodynamic Interceptors.

2.1.14.6-1 Reference: Drawing - 21010 Structural Arrangement

2.1.14.6-2 Reference: Drawing - 21050 Structural Sections

- | | |
|------------|--|
| 2.1.14.6-3 | The vessel must be fit with hydrodynamic interceptors located as per Construction Specification Design Drawings. |
| 2.1.14.6-3 | The interceptors must be two (2) HAE 650 and two (2) HE 1250 Humphree, or equal. |
| 2.1.14.6-4 | The vessel must be fit with one (1) Automatic Trim Optimisation System (ATOS) , or equal. |

Q.73. We are working hard to complete our proposal for the F7047-141000/C tender. We would need however an extension to be able to submit a complete and detailed bid.

So my question goes as follows: Is it possible to extend the closing date of the F7047-141000/C Tender?"

A.73. Your question is noted and Canada has extended the bid closing date from February 26th, to March 12th, 2015.

Q.74. In the response to SARL Letter of Interest, March 2014, we had suggested that a 3 to 4 month time will be allocated for the future SARL Bid preparation. In the current RFP Canada had allocated 3 calendar months, November 25, 2014 till February 26, 2015. Considering the RFP is a body of information counting 818 pages and that during this period there was a Christmas recess observed by most, we hereby request Canada to extend the present Bid submission deadline by two weeks.

A.74. Please see question and answer #73.

Q.75. PART 5 – CERTIFICATIONS. 5.1 states "By submitting a bid, the Bidder certifies that the Bidder and its affiliates are in compliance with the provisions as stated in Section 01 Code of Conduct and Certifications - Bid of Standard Instructions 2003". However Government of Canada website states the following under 4.45.1. Code of Conduct (Certification) "*The content of this section was reviewed and moved to section 4.21 Integrity Provisions.*" *But there is no any reference in 4.21 to Code of Conduct Certifications. Further on 5.1 states "The related documentation therein required will assist Canada in confirming that the certifications are true" Can Canada clarify exactly what documentation is required to fully satisfy requirement 5.1?*

A.75. As per Part 5 Section 5.1., please follow the instructions of clause 2003 under section 01 (2014-09-25) Integrity Provisions – Bid, this is Mandatory Certifications Required Precedent to Contract Award.

Q.76. Can you confirm the duration of the validity of the proposals that will be submitted?

A.76. As per the RFP Part 2 – The bids will remain open for 180 days. At the Bidder Instructions Section 2.1 Standard Instructions, Clauses and Conditions (2003), Sub-section 5.4, it was amended from sixty (60) days to one hundred and eighty (180) days.

Q.77. Based on what was discussed at the bidders' meeting and taking into account the research that we must do to provide a competitive bid to Canada, would it be possible to have a further one-month (four-week) extension for submitting proposals?

A.77. Please see question and answer #73.

Q.78. Further to Q and A 36. It doesn't make sense to have only one rate. Considering the nature of the work for this project, the rate for engineering work must absolutely be separate from the rate for production work. We suggest that you allow us to enter two rates?

A.78. Your comment is noted and remains unchanged. As per RFP Part 7 section 25.1 Basis of Payment and at Schedule "A" Cost, this blended rate is only to be used for any Design Change Requests that may arise throughout the contract and must be approved by the Contracting Authority.

Q.79. Has Canada taken into account the ice season in the St. Lawrence with respect to the delivery schedule? Has any consideration been made for ice restrictions during tests and trials in the winter season?

A.79. A schedule is requested from bidders at MTC1.2 and Part 7 section 11, these predetermined delivery dates would be known in advance of the tests, trials and delivery during the winter months with ice restrictions. Canada will also be working closely with both winning contractors with their final schedule.

Provisions for excusable delays are stated in the contract under General Terms and Conditions 2030 section 11 Excusable delay.

Q.80. Question was asked if a Letter of Credit or a form of parental guarantee would be sufficient this is request?

A.80. In accordance with Part 6 section 6.4 Security for performance, Part 7 section 22.0 Contract Financial Security and Annex M Contract Financial Security, the list is provided in Part 1 of Annex M.

Q.81. Regarding the cost column on the Equipment List (Annex D). This document is to be supplied with the technical package Section 1, MC2. In accordance with

the submission guidelines no financial information is to be provided with the technical package. May we please be provided confirmation that the cost column should be removed?

A.81. The Equipment List (Annex D) is to be supplied in accordance with 3.1.1. Section 1 – RFP Response and Certifications – Mandatory Criteria (MC), MC2 Equipment, Material and Services Source List and Subcontractors List.

2. To post the Bidders Conference Meeting Minutes - See Attached

3. To post the List of Additional Reports - See Attached

4. To amend the number of boats in Schedule “B” from 10 to 9 the rest remains unchanged - See Attached

5. To amend the number of boats in Annex “M” from 7 to 6 the ret remains unchanged - See Attached

Meeting Minutes from the Bidder's Conference

Date: January 23rd 2015 Commenced at: 09:00

Location: The Canadian Coast Guard (CCG), 200 Kent Street, Ottawa, ON
Ground Floor, Business Conference Center.

The Search and Rescue Lifeboat Representatives

Brenda Lamothe – PWGSC Contracting Authority
Darren Van Reyen - CCG Project Manager Technical Authority
Nico Pau – CCG Inspection Authority

Peter Woods – The Public Sector Company – Fairness Monitor

Attendees Present: Paige Cutland – Kongsberg Gallium Ltd
Nick Edwards – Kongsberg Gallium Ltd
Andy Stanton – Hike Metal Products
Ragnar Radtke – Rad Power
Russell Peters – Alion Canada
Kiet Mach – Toromont Cat Power Systems
Martin Fournier – Wajax Power Systems
Stephen Pechkoff – Wajax Power Systems
Andrzej Marasinski – Chantier Davie Canada Ltd
Pierre Poulain – Fleetway
Peter McMillan – Fleetway
Jean David Samuel – Chantier Naval Forillon
Bernd Graffunder – Turmot Inc.
Dany Lafontaine – Hewitt CAT
Sylvain Robitaille – Kobelt
Keith Whittemore – Kvichak Marine Industries Inc.
Simon Girouard – Méridien Maritime Reparation
Patrick Beaulieu – Group Ocean
Martin Lepage – Concept Naval
Jean-Serge Potvin – CSC
Jeremy Neff – Metal Craft Marine
Tom Wroe – Metal Craft Marine
Christopher R. Phare – 3M
Mladen Pejic – Lloyd's Register

Teleconference attendees: John Meisner – ABCO Industries Ltd
Scott Robertson – ABCO Industries Ltd
Lee Erdman – Voith Turbo Marine North America
Bob Davis – Glovertown Shipyard
Manfred Kanter – Kanter Marine Inc.
Ken Fitzgerald – Bosch Rexroth, The Drive & Control Company

The Search and Rescue Lifeboat Project
017MC.F7047-141000/C

Luz Betancur – U.S. Department of Commerce
Nathan Bowland – BCS Automation

Canada Attendees: Cindy Soyland – PWGSC	Phil Hanbidge - CCG
Mark Seely – PWGSC	Rick DeAngelis- CCG
Joanne Marquis – PWGSC	Vince DeAngelis - CCG
Chantal Pilon – PWGSC	Rob Kelly - CCG
Dianne Tinkess – PWGSC	Jeff Neilson - CCG
Russ Passmore – PWGSC	Art Coughtry - CCG
Jeremy Langdon – PWGSC	Frank Jess - CCG
Rosemary Bourgeois – PWGSC	Joe Murphy - CCG
Erin Dufour – PWGSC	Martin Audette - CCG
	Lindsay Fyfe – CCG
	Ken Aker – CCG
	Danielle Dube – CCG
	Laura Hartley - CCG
	David Chabot - CCG

The meeting went as follows:

Opening Remarks and Introductions

-The Contracting Authority welcomed all and thanked everyone for attending the Bidders Conference and also for the attendees on the conference call.

- The chairperson introduced herself as the Contracting Authority for the Search and Rescue Lifeboat Project and asked that everyone introduce themselves both in attendance and the teleconference attendees.

-Mark Seely from Public Works and Government Services Canada opened with a few words, thanking everyone and welcomed them to the Search and Rescue Lifeboat Bidders Conference. He also spoke of the new Request for Proposal with the two parallel streams of two winning bidders for this project.

-The CA stated that Canada is hosting this Bidders Conference to allow Industry to ask questions and asked that they raise any areas of concern regarding the project. Canada wanted to make sure that there was a clear understanding of the requirement and what is expected of the each bidder in their proposal at bid closing.

-It was also stated from the CA that each bidder may propose a question in the language of their choice.

-The chairperson stated that Canada may need time to respond to some questions, as we may need to consult or verify any information prior to responding, and with that being said some questions may need to be answered later on in the conference or may need to be answered at questions and answers through a solicitation amendment.

Review of the Request for Proposal Part 1 to Part 7 including Schedule A and B, and Annexes B to I, and M.

Part 1 General Information

1.2 - Question was asked when will the anticipated date be for the award of contract?

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The CA stated that once the bids have closed the evaluation must be completed and the internal approvals must be sought prior to award of contract and that the date at this time is not known.

1.3 - Question was asked concerning the delivery schedule and that if some of these boats are to be delivered every four (4) months, during the winter months with ice build up on the water how are we do complete the Sea Trials and deliver to Canada?

It was stated by the CA that this item of concern is noted but remains unchanged and would be reviewed by Canada.

Part 2 Bidder Instructions

No questions or comments from Industry

Part 3 Bid Preparation Instructions

No questions or comments from Industry

Part 4 Evaluation Procedures and Basis of Selection

No questions or comments from Industry

Part 5 Certifications

No questions or comments from Industry

Part 6 Security, Financial and Other Requirements

6.4. Question regarding the clarity to this paragraph, i.e. that the Crown is specifically only requesting a letter from our Bond Company at this time, stating they will provide contract financial security, or are we required to provide a formal "Agreement to Bond"?

It was stated by the CA that this requirement is only a letter from the bond company stating that the Bidder can provide the Contract Financial Security. The bidder is to state the cost of the Contract Financial Security at Schedule "A" Cost.

Question was asked if a Letter of Credit or a form of parental guarantee would be sufficient this is request?

Canada answered that it states in the clause under a), b), c), or d) the forms. The CA would review and confirm the form of guarantee, and a response would be provided through a solicitation amendment.

6.4 Another question raised concerning the Contract Financial Security if it would also be for the three (3) bid options?

The response from the CA was no, the Contract Financial Security remains only for the firm six (6) SAR Lifeboats.

Part 7 Resulting Contract Clauses

No questions or comments from Industry

Schedule "A" Cost

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A question was raised concerning the charge-out rate as different categories of labour have different charge-out rates? Will Canada consider a standalone labour rate of Engineering and a standalone labour rate for the other classes of labour?

It was stated by the CA that this labour rate is a blended rate which is used for Design Change Requests. The CA will review the question and that Canada would provide a response through a solicitation amendment.

Schedule “B” Milestone Payment Schedule

Question raised with regards to Milestone #4 All Contract Design Drawings and Purchase orders submitted to Canada, as it may be difficult to produce all Purchase Orders for the supplies?

The CA answered that the Purchase Orders are to be presented to Canada for this Milestone payment.

Concerns raised with the Milestones and payments with regards to the delivery schedules, due to Canada reviewing the delivery schedule.

The CA answered that this will be reviewed along with the delivery schedule and that Canada would provide a response through a solicitation amendment.

Annex “B” Procedure for Implementing Additional Work

No questions or comments from Industry

Annex “C” Warranty Claim Procedure

No questions or comments from Industry

Annex “D” Equipment, Material, Services Source List and Subcontractors List

A question was raised: The Equipment List does not specify the model or supplier to be provided, and the vessel design is not entirely complete. For example, there is no detailed hatches and window schedules. How should the bidder estimate the cost of the technical proposal? How will Canada evaluate submissions so that “apples” are compared to “apples”?

The TA answered that the list provided in Annex “J” to the RFP is a Major Equipment List which contains representative equipment that was used by Robert Allan Ltd. as a basis for producing the vessel design, and is not a list of all equipment that is required for the vessel. This Major Equipment List is not intended to stipulate the exact models of equipment to be used on board the Vessels. There is sufficient information within the technical package (*Post-Conference note: i.e. Annexes to the RFP*) for Bidders to make an appraisal of Vessel equipment requirements. Answers 45, 47 and 59 of the Q&As provide information in this regard. Per Sec. 3.1.1 of the RFP, Bidders must provide their Equipment, Materiel, Services Source List and Subcontractors List at time of bid submission and in the format stipulated to meet the requirements of MC2. However, although the Bidder is required to submit the aforementioned Lists, the Bidder’s equipment selection choices are not an element of the bid evaluation. Canada does not expect that all of the Bidder’s engineering work to integrate the equipment into the Vessel’s design will be accomplished when the bid is submitted. The Statement of Work is structured to include a Design Check Phase, an Initial Design Phase, and a Construction Phase for this purpose.

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The TA added that Canada required to convene briefly to fully answer this question, and the Conference paused for a break.

On resuming the Conference after the break, the TA added: Per Statement of Work (SOW) Section 2.2, the SAR Lifeboats shall be built under the Delegated Statutory Inspection Program (DSIP) and in accordance with the rules of a Classification Society designated by Transport Canada as a Recognized Organization (RO).

Also, per SOW Section 2.5, “the Contractor... must obtain all the appraisals or approvals necessary under the Contract from the Classification Society, Transport Canada, and all other Regulatory Bodies as defined in the Contract.”

Also, per SOW Section 1.5, “the work shall also include inspections, tests and trials, delivery, training, and to obtain Classification and Regulatory approvals of the Vessels’ construction and to provide the required deliverables, documents, certification, and spares for supporting the operational readiness of these Vessels.”

Annex “E” Bid Evaluation Plan

No questions or comments from Industry

Annex “F” Insurance Requirements

No questions or comments from Industry

Annex “G” Bidders Questions and Answers

Questions and answers are on-going

Annex “H” Federal Contractors Program for Employment Equity - Certification

No questions or comments from Industry

Annex “I” Confidentially Agreement

Question was asked if Canada had received the rights to the license?

The CA responded that Canada is finalizing the negotiations and should have the agreement in place prior to Contract Award.

Annex “M” Contract Financial Security

No questions or comments from Industry

Review of Technical Specification – Annex A, Annex J, Annex K and Annex L

Annex “A” to RFP – Canadian Coast Guard Statement of Work (SOW)

A question was raised: What is the role of the Classification Society in the SAR Lifeboat contract?

The TA answered: The Shipyard, as the Prime Contractor, will select the Classification Society acceptable by Transport Canada to carry out Delegated Statutory Inspection Program (DSIP). The contract is between the Shipyard and the Classification Society. The protocol of the communication of Canada with the Classification Society will be through the Shipyard subject to the Shipyard’s agreement. Canada requires to have access of the correspondences between

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the Shipyard and Classification Society on the project, including providing Canada the correspondences, Design Appraised Document (DAD) and approved drawings. It is also expected that the Classification Society will be represented at the Technical Review Meeting as per the agenda. A copy of each final Classification Society-approved drawing will be submitted to Canada as deliverable.

A question was raised: With respect to the performance guarantee upon completion of the design check, how much give and take can Canada have on the estimate performance criteria?

The TA answered: Refer to A.38. for details of Canada's expectations of the Contractor with respect to the Design Check Phase and the performance guarantee. The TA also read aloud and included in his answer to this question the answer provided in these minutes at: "*Bidder's Questions Previously Sent In for this Conference*" (Design Check. Schedule B, 2.11.2.2: Please define 'vessel's performance characteristics), which is:

The vessels performance characteristics are the self-righting capability, for the loading conditions specified in 1.79 Stability and, with ice accumulation up to a limiting thickness of 2.9 cm and the speed, range and endurance as found in the Construction Specification section 1.50.1 Speed Range and Endurance.

A question was raised: With respect to SOW Section 4.5. and to the production drawing review period, will Canada allow the Shipyard to proceed with production while waiting for Canada to review the drawing?

The TA answered that Canada would have to review this question and would provide an answer after the Conference.

A question was raised: In relation to SOW 4.7.1 (Integrators Other Than Propulsion Integrator), would Canada be receptive to additional integrated systems proposed for these vessels as a costed option?

The TA answered that the question was previously addressed in A.31. and A.54. There is no provision or requirement for "optional" systems/suites per se in the specifications. The TA acknowledged and clarified that, on hearing this question posed as such, A.31 and A.54 did not address "optional" in the context of systems proposed as separate costed options, as it was not understood from the associated questions that this was what was proposed. The TA answered that the RFP is not structured to allow for the possibility of costed options; therefore they will not be accepted or evaluated as such. In their submission, the Bidder is free to include, as integrated, additional systems which are not expressly specified in the requirements of SOW Sections 4.6. and 4.7. However, these systems and their equipment must comply with all specifications provided.

A question was raised: With respect to the Factory Acceptance Test (FAT), what is Canada looking for? What equipment?

The TA answered that Canada expects that all active systems or items must be supplied with documentation indicating that the system has been satisfactorily demonstrated on the manufacturer's premises and have achieved the specified performance. At a minimum the Contractor must conduct factory acceptance tests on all diesel propulsion engines, steering gear, bow thruster motor, main crane, and propeller prior to installation in the vessel. The TA summarized that notwithstanding the above, SOW Sec. 4.11, and its associated DIDs (DID-02-7 and DID-Q-004), constituted Canada's requirements with regard to FATs.

Two questions were raised in succession: In relation to SOW Sec. 5.10, does Canada plan to establish a budget for additional spares? In relation to SOW Sec. 5.10.6, does Canada plan to establish a budget for additional tools and test equipment?

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The TA answered that there could be no assurance that Canada would do so for either, consequently the RFP does not provide for this. In the preparation and costing of their submission and the eventual fulfillment of this requirement, Bidders are required to deliver spares, tools, and test equipment as is stipulated in the SOW.

A question was raised: SOW Sec. 5.11.2 states "A minimum of four (4) familiarization training sessions shall be scheduled at approximately equal intervals over the course of the construction program." However, SOW Sec. 5.11.5 states: "The Crew training must include provision for five (5) contiguous days of training for each Vessel per participant." Can Canada clarify if a crew familiarization training session is required for every Vessel?

The TA answered that SOW Sec. 5.11.2 is correct, and that Sec. 5.11.5 would be amended to agree with SOW Sec. 5.11.2. A minimum of four (4) familiarization training sessions is therefore required; not one for every Vessel.

A question was raised: Could CCG provide details of the painting and insulation standards mentioned in the RFP package?

The TA answered that Canada would provide the standards, through an RFP amendment on the BuyandSell.gc.ca.

A question was raised: In the Construction Specification section 1.73.3 on Habitability Vibration, ISO 6954:2000 is required to be complied with. What is Canada's requirement for test and trials that shipyard will measure against the ISO standard?

The TA answered that the applicable specification would be reviewed, and information provided after the Conference.

A question was raised: In the CS object # 2.1.1.12.0-3 there is a requirement for additional radiographic photographs for Canada. To what standard does Canada expect these to be, as there are 4 levels in the ISO standard?

The TA answered that the Contractor will have to complete radiographic photographs as required by their chosen Classification Society. In addition, Canada will require the Contractor to provide up to twelve (12) additional radiographic photographs per Vessel. Furthermore, the applicable specification would be reviewed in terms of the required ISO Standard, and information provided after the Conference.

A question was raised: CS object #2.2.33.3.0-4 states that "The diesel engines must be fitted with intake air silencer, mounted external to the air filter." Are these silencers required?

The TA answered that the requirement for the engine intake silencer was meant to indicate an acoustic treatment solution that could be used to meet airborne noise level requirements. The applicable specification would be amended after the Conference.

A question was raised: CS object #2.2.33.1.0-1 and 2.4.37.3.0-2 state that the engines are to be self-contained and independently controlled, can this be clarified?

The TA answered that each engine is to be able to operate independently of the other with all the necessary equipment to do so, however the engines can utilize common ship services (e.g. sea chests, MCMS).

A question was raised: CS object #2.2.33.2.0-2.0-3 states that fuel leak oil pressure and temperature gauges are required, however this requirement seems specific to high pressure fuel injection systems (such as common rail), and would not be applicable to all fuel injection

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systems.

The TA answered that leak oil pressure and temperature gauges are necessary where available. Canada would review the applicable specification.

Questions were raised with respect to the requirements for stainless steel and counter-rotating bow tunnel thruster propellers. Can these requirements be relaxed to allow other proposals that meet other requirements?

The TA answered that the requirement for counter rotating propellers will be deleted and a performance specification for the amount of thrust to be generated will be added to the Construction Specification. The requirements that the propeller and gear housing be made of stainless steel will be deleted. The Construction Specification will be modified accordingly.

A question was raised: Could Canada clarify its requirements for marking(s) on the shell for the main watertight/ oil tight bulkhead?

The TA answered that the applicable specification would be reviewed, and information provided after the Conference.

A question was raised: CS object #2.5.64.2.0-11 states that “digital/hydraulic helm pumps” are required. However this requirement is patented by a specific manufacturer and there are other means of achieving the same functionality. Is this in fact required?

The TA answered that the applicable specification would be reviewed, and information provided after the Conference.

A question was raised: Can Canada comment on the intended operational areas for the vessels?

The TA answered that the delivery destination for the vessels is Bedford Institute of Oceanography (BIO), Dartmouth, N.S., from where the vessels will be deployed at the prerogative of CCG Fleet in response to operational requirements and priorities in place at the time of delivery.

Annex “J” to RFP – SAR Lifeboat Drawing Package

A question was raised: Would Canada be providing cut/lofting files?

The TA Answered: These files have not been produced and are the Contractor’s responsibility. A.44 refers.

A question was raised: Was every drawing/document received from Robert Allan provided in Annex “J”?

The TA answered that some additional design drawings and/or documents were not provided in Annex “J”, as they were not thought to be necessary for or relevant to the bid preparation, nor do they factor into the bid evaluation. It was nonetheless intended to provide these documents equally to the winning Bidders after Contract Award for information purposes. The TA stated that a list of these documents would be made, and this list would be provided to Bidders after the Conference so that all Bidders would know what the additional documents to be provided entail.

Annex “K” to RFP – Government Supplied Materiel List

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A question was raised: What is the purpose and intended use of the Government Supplied Materiel List?

The TA answered: This List entails equipment that Canada will provide and make available to the Contractor, as is necessary to enable the construction of the Vessels, or to enable acceptance and placement of the vessels into operation.

Annex “L” to RFP – CCG Reference Standards

No questions or comments from Industry.

**Bidders questions – Previously sent in for this conference
Canada’s response**

1. This is an inordinate amount of work required to submit a proposal. We expect there will be changes and clarifications after the bidder’s conference. We request that the closing for the RFP be extended at least one month.

The CA asked for clarification for the extension of one month and it was stated that because of the amount of work, changes and clarifications.

Noted and that Canada will review and respond through a solicitation amendment.

2. Will Robert Allan Ltd. be supporting Canada in this project?

The CA answered that Robert Allan Ltd is currently in Contract with Canada.

3. Will designing firm Robert Allan Ltd be providing engineering services to shipyards? This looks like a conflict of interest, but the invitation to tender does not seem to address this. Please confirm Canada’s position.

The CA stated that Robert Allan Ltd is currently in Contract with Canada and therefore cannot supply or support any services during the bid solicitation stage to any shipyards as this would be in a conflict of interest.

4. Would it be possible to get a list of the shipyards that have requested technical documents? We would like to contact them to offer our services?

The CA stated that with the new Buy and Sell website it does not allow for Industry to see who has picked up the documents as this would be against the Price Policy Act. However it was mentioned that companies can advertise their company on the website of the Buy and Sell, or advertise their company through social media, and they can also contact the shipyards in Canada.

5. We have gone over the entire document and haven’t found any requirement for a bid bond. Please confirm that there is no bid bond to submit when tendering a bid.

The CA stated that there is no bid bond requirement for this solicitation.

6. Can ships be delivered to their destination under their own steam?

The TA answered: yes, these ships can be delivered to the required delivery destination (BIO Dartmouth, NS) under their own power. If this delivery method is selected, it is the Contractor’s responsibility to accomplish. The TA reminded Bidders that regardless of the method of delivery, post-delivery trials are required to be completed before Acceptance (*Post-Conference note: this refers to Sec. 1.2.2.3 (Post Delivery Trials) of*

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the Inspection, Test and Trials Annex – i.e. Annex “B” to the Statement of Work).

7. I do have more and more concern regarding the specification document however, with regard to the lack of specific information which should have been contained in it. This is resulting in a major slow down in the estimating process as we have to hunt for the information elsewhere, only to find it doesn't exist. This should be tabled at the conference as the result of this may be our requesting an extension to the bid closing date again.

The TA answered: There is sufficient information within the technical package for Bidders to make an appraisal of vessel equipment requirements. Answers 47 and 59 provide information in this regard. Canada requests that if there are specific questions with regard to specific portions of the technical package that the Bidder ask these directly.

8. Design Check. Schedule B, 2.11.2.2:

- a) Please define 'vessel's performance characteristics'.

The TA answered: The Vessels performance characteristics are the self-righting capability, for the loading conditions specified in 1.79 Stability and, with ice accumulation up to a limiting thickness of 2.9 cm and the speed, range and endurance as found in the Construction Specification section 1.50.1 Speed Range and Endurance.

- b) We request a minimum of 60 days be allowed for the Design Check and maybe more subject to clarification above.

The TA answered: The intent of the Design Check Phase is to provide the successful Bidder sufficient opportunity to fully review the engineering package provided and ensure that they will be able to deliver a Vessel that meets the estimated performance criteria. For the Design Check, the successful Bidder is being asked to review and accept the engineering provided by Robert Allan Ltd (RAL) and provide a guarantee that the equipment the Bidder has proposed for integration in the design and the construction engineering for the production of the Vessel will enable the vessel to meet the estimated performance criteria. It is not expected that the successful Bidder will repeat all of the work previously completed by RAL. To this end, 45 days is considered sufficient.

9. Q.5. MTC6 Lead Naval Architect ([page 20/70): Please confirm qualifications required for this position. We assume that that individual must have registered professional status in the province where the office is similar to the qualification requirements of the Engineering Manager but please confirm.

The TA answered: The qualifications for education and experience are as detailed in the RFP. There is no requirement for the Lead Naval Architect or the Lead Mechanical Engineer to possess registered professional status in the province where the office is located.

10. Q.6. ILS: (page 21/35): Understanding that there will now be two building contractors, would Canada consider removing the requirement for the contractor to provide the ILS by Canada taking on this responsibility?

The TA answered: The requirements are unchanged. Canada requires both Contractors to fulfill these requirements.

11. 2.6.35.4 and 2.6.31: Description differs from one paragraph to the next. Item 2.6.35.4 is for the insulation of the ceiling with Mascoat. Item 2.6.31 is for the insulation of ceilings

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and the hull. What would you like exactly? When you say “hull,” do we go one foot below the water line or does it include the ship’s bottom?

The TA answered: Mascoat must be applied to the deckhead and the hull, to 300 mm below the lightest waterline, of the steering gear and forepeak compartment.

12. 2.6.31 (interior finish): There is no indication as to the finish of the ship’s interior. Does the ship’s interior need to be painted or will it be left with an aluminum finish? Perhaps the answer is in one of the standards you have provided.

The TA answered: The interior must be finished, either with linings, as indicated in the construction specification and guidance drawings, or paint in accordance with CCG Standard 18-080-000-SG-003, Paints and Coatings Standard.

13. Also, can you indicate where we can find the GCC standards you refer to?

The TA answered: CCG will provide the Standards and intends to make them available via the project webpage on BuyandSell.gc.ca

Other Issues

The Contracting Authority asked if there were any other issues or concerns. No other issues or concerns were raised by Industry.

The CA thanked all attendees again for participating.

Adjourned: 12:12pm

Annex “M”

Part 1

Contract Financial Security

1. The Contractor must provide one of the following contract financial securities within 14 calendar days after the date of contract award:
 - a. a performance bond form PWGSC-TPSGC 505 in the amount of ten (10) percent of the total bid price for the first six (6) Search and Rescue (SAR) Lifeboats; or
 - b. a performance bond form PWGSC-TPSGC 505 and a labour and material payment bond form PWGSC-TPSGC 506, each in the amount of 10 percent of the Contract Price; or
 - c. a labour and material payment bond form PWGSC-TPSGC 506 in the amount of ten (10) percent of the total bid price for the first six (6) Search and Rescue (SAR) Lifeboats; or
 - d. a security deposit, as defined below, in the amount of ten (10) percent of the total bid price for the first six (6) Search and Rescue (SAR) Lifeboats.

Any bond must be accepted as security by one of the bonding companies listed in Treasury Board Contracting Policy, Appendix L, Acceptable Bonding Companies.

2. Security deposits in the form of government guaranteed bonds with coupons attached will be accepted only if all coupons that are unmatured, at the time the security deposit is provided, are attached to the bonds. The Contractor must provide written instructions concerning the action to be taken with respect to coupons that will mature while the bonds are pledged as security, when such coupons are in excess of the security deposit requirement.
3. If Canada does not receive the required financial security within the specified period, Canada may terminate the Contract for default pursuant to the Contract default provision.
4. The contract financial security must not expire before the delivery and acceptance of the seventh SAR Lifeboat delivered under the Contract.

5. "security deposit" means
- a. a bill of exchange that is payable to the Receiver General for Canada and certified by an approved financial institution or drawn by an approved financial institution on itself; or
 - b. a government guaranteed bond; or
 - c. an irrevocable standby letter of credit, or
 - d. such other security as may be considered appropriate by the Contracting Authority and approved by Treasury Board;
6. "approved financial institution" means
- a. any corporation or institution that is a member of the Canadian Payments Association;
 - b. a corporation that accepts deposits that are insured by the Canada Deposit Insurance Corporation or the Régie de l'assurance-dépôts du Québec to the maximum permitted by law;
 - c. a credit union as defined in paragraph 137(6) of the Income Tax Act;
 - d. a corporation that accepts deposits from the public, if repayment of the deposits is guaranteed by a Canadian province or territory; or
 - e. the Canada Post Corporation.
7. "government guaranteed bond" means a bond of the Government of Canada or a bond unconditionally guaranteed as to principal and interest by the Government of Canada that is:
- a. payable to bearer;
 - b. accompanied by a duly executed instrument of transfer of the bond to the Receiver General for Canada in accordance with the Domestic Bonds of Canada Regulations;
 - c. registered in the name of the Receiver General for Canada.
8. "irrevocable standby letter of credit"

- a. means any arrangement, however named or described, whereby a financial institution (the "Issuer"), acting at the request and on the instructions of a customer (the "Applicant"), or on its behalf,
 - i. will make a payment to or to the order of Canada, as the beneficiary;
 - ii. will accept and pay bills of exchange drawn by Canada;
 - iii. authorizes another financial institution to effect such payment, or accept and pay such bills of exchange; or
 - iv. authorizes another financial institution to negotiate, against written demand(s) for payment, provided that the conditions of the letter of credit are complied with.
- b. must state the face amount which may be drawn against it;
- c. must state its expiry date;
- d. must provide for sight payment to the Receiver General for Canada by way of the financial institution's draft against presentation of a written demand for payment signed by the authorized departmental representative identified in the letter of credit by his/her office;
- e. must provide that more than one written demand for payment may be presented subject to the sum of those demands not exceeding the face amount of the letter of credit;
- f. must provide that it is subject to the International Chamber of Commerce (ICC) Uniform Customs and Practice (UCP) for Documentary Credits, 2007 Revision, ICC Publication No. 600. Pursuant to the ICC UCP, a credit is irrevocable even if there is no indication to that effect; and
- g. must be issued (Issuer) or confirmed (Confirmer), in either official language, by a financial institution that is a member of the Canadian Payments Association and is on the letterhead of the Issuer or Confirmer. The format is left to the discretion of the Issuer or Confirmer.

Part 2

THIS GUARANTEE made in duplicate as of the _____ day of _____, 201__.

BETWEEN: **HER MAJESTY THE QUEEN** in right of

Canada (hereinafter called "Her Majesty") as

represented by the Minister of Public

Works and Government Services

(hereinafter called the "Minister")

OF THE FIRST PART

AND: _____, a company incorporated under the laws

of _____, with an office at

(hereinafter referred to as the "Guarantor")

OF THE SECOND PART

WHEREAS the Minister proposes to enter into Contract Serial No. _____

(hereinafter referred to as "the "Contract") with _____ (hereinafter referred to as the "Contractor") for the _____, all as specified or described in the Contract; AND

WHEREAS the Guarantor acknowledges that the Minister is willing to enter into such Contract only if the Guarantor guarantees the performance of the obligations of the Contractor unconditionally and irrevocably; AND

WHEREAS the Guarantor has agreed to guarantee to the Minister unconditionally and irrevocably the Contractor's performance of all the Contractor's obligations under the Contract; NOW THEREFORE, in consideration of the Minister's issuance of the Contract, and the mutual covenants, promises, conditions and agreements hereinafter set out, the parties hereby agree:

1) The Guarantor unconditionally and irrevocably guarantees the performance and fulfilment of each and every obligation of the Contractor contained in or flowing from the Contract. In this Guarantee "obligation" includes all representations and warranties of the Contractor, all undertakings and promises of the Contractor and the payment of all damages for which the Contractor may become liable to the Minister in relation to the Contract.

2) The Minister shall not be obliged to resort to or exhaust any recourse which it may have against the Contractor or any other person before being entitled to claim against the Guarantor.

3) If the Contractor should fail to perform or fulfill any of its obligations, then forthwith upon the date of receipt by the Guarantor of a written call from the Minister, the Guarantor shall undertake or cause to be undertaken the performance of all outstanding obligations as a primary obligor and not as surety, and the Guarantor does hereby guarantee to indemnify and save harmless the Minister from and against all damages and claims of any nature relating to or occasioned by the Contractor's failure to perform or discharge each and every one of the obligations, conditions and liabilities on the part of the Contractor to be observed or performed under the Contract.

4) It is further understood and agreed that the receipt by the Contractor or the Guarantor of any monies paid by the Minister to the Contractor or the Guarantor, as the case may be, under or in respect of the Contract, shall be in complete discharge and release to the Minister for and in respect of all monies so paid irrespective of the date when or the party to whom, but for this Guarantee, such monies were or might, or would have been payable.

5) No dealings of whatsoever kind between the Minister and the Contractor whether with or

without notice to the Guarantor, shall exonerate the Guarantor in whole or in part, and in particular, but without limitation, the Minister may modify, amend or vary the Contract, exercise options, issue new contracts, grant any indulgence, release, postponement or extension of time, waive any term or condition of the Contract or any obligation of the Contractor, take or release any securities or other guarantees for performance and otherwise deal with the Contractor, the Contract in question, and any other persons as the Minister may see fit, without affecting, lessening or impairing in any way the liability of the Guarantor.

6) No assignment of the Contract, subcontract or any other dealings therewith by the Contractor, whether with or without the consent of the Minister, shall affect this Guarantee.

7) Nothing whatsoever except the performance in full of all of the obligations of the Contractor under the Contract shall discharge the Guarantor of this Guarantee.

8) Wherever any determination of any dispute is made pursuant to the provisions of the Contract or any settlement or any judgment or finding of a court of competent jurisdiction is issued or made which is binding upon the Contractor in respect of the Contract, such determination or judgment or finding shall be binding upon the Guarantor, without notice.

9) Any settlement between the Contractor and the Minister and any determination made pursuant to any provision of the Contract which is expressed to be binding upon the Contractor shall be immediately binding upon the Guarantor.

10) This Guarantee shall not be impaired by any loss of any security now or hereafter held by or on behalf of the Minister, whether occasioned through its fault, negligence or otherwise (including without limitation any loss occasioned by the failure to register, perfect, maintain the registration or perfection of, re-register, re-perfect or renew any such security or filing of any financing statement, financing change statement or other document, instrument or thing whatsoever).

11. Should the Contractor, for any reason before or during the implementation of its obligations under the Contract, cease to exist or be incapable of exercising any of its powers, this circumstance shall in no manner extinguish, lessen or impair any of the Contractor's obligations under the Contract nor the Guarantor's obligations pursuant to this guarantee.

12) Demands and calls under this Guarantee may be made by the Minister from time to time, at the Minister's discretion.

13) No delay on the part of the Minister in exercising any of its options, powers or rights hereunder or any partial or single exercise thereof shall constitute a waiver thereof. No waiver of any of the Minister's options, powers or rights hereunder and no modification of this Guarantee shall be effective unless the same shall be in writing, duly signed on behalf of the Minister and each such waiver, if any, shall apply only with respect to the specific instance involved, and shall in no way impair the options, powers or rights of the Minister or the obligations of the Guarantor hereunder in any other respect or at any other time.

14) This Guarantee is in addition and without prejudice to any security of any kind or any other Guarantee which may at any time after the date hereof be acquired by the Minister and any other rights or remedies that the Minister might have against the Contractor.

15) This Guarantee shall enure to the benefit of Canada, its successors and assigns and shall be binding upon the Guarantor and its successors. This Guarantee shall not be assignable by the

Guarantor without the consent of the Minister, and any such assignment made without the consent of the Minister shall be void as against Canada.

16) This Guarantee shall be in force and effect from the date of execution of the Contract until all obligations of the Contractor under the Contract have been fulfilled to the satisfaction of the Minister.

17) This Guarantee shall be governed by the laws in force in the Province of Ontario, Canada. IN WITNESS WHEREOF this Guarantee has been executed and sealed on behalf of the Minister by the Authorized officers of the Department of Public Works and Government Services and by the Guarantor under its corporate seal duly attested by the hands of its respective officers authorized in that behalf.

**SIGNED, SEALED AND DELIVERED:
MINISTER OF PUBLIC WORKS AND
GOVERNMENT SERVICES**

Name/Title

– Corporate Secretary
[Name of Guarantor]

Name/Title

Name/Title
(We have authority to bind the corporation)
Reviewed by / Révisé par
Legal Branch / Services juridiques
.....
Date.....

The List of Additional Reports has been provided below as per the discussion in the Bidder's Conference January 23rd, 2015. If the Bidder wishes to request the reports below, they may do so by e-mailing the Contracting Authority with the request. These reports are intended for reference only.

212-045 HVAC System Calculation Rev1

212-045 T-104 Structural Strength Assessment Report R2

212-045 T-301 Electrical Load Management Plan R3

212-045 T-302 Load and System Analysis Report R3

RAL00247F-212-045-200 Structural Analysis of the Engine Room Hull Bottom Structure

RAL00248F-212-045-200 Structural Analysis of the Survivor Space Bottom Structure

RAL00250F-212-045-220 Structural Analysis of the House for Overturning

RAL00260F-212-045-200 Global Hull Vibration Modal Analysis R1

RAL00265F-212-045-200 Deck Crane Supporting Structure FEA - R1

SAR90520R2 Rudder Sizing Calculations

SAR90521R1 Rudder Stock Bending Calculation

SCHEDULE "B" Milestone Payment Schedule
RFP NO: 17MC.F7047-141000

MILESTONE SCHEDULE

1 to 9 Boats

Milestone	Description	Deliverable(s)	Payment
1.a	Design Check Phase completed by Contractor and accepted by Canada.	Refer to Table 1 , "Deliverables required for completion of Design Check Phase"	0.50% of total contract price
1.b	Initial Design Phase completed by Contractor and accepted by Canada.	Refer to Table 2 , "Deliverables required for completion of Initial Design Phase"	1.00% of total contract price
1.c	Production Design Phase completed by Contractor and accepted by Canada	Refer to Table 3 , "Deliverables required for completion of Production Design Phase"	1.00% of total contract price
1.d.	Delivery of long-lead spares and test equipment for shore-based stock	Refer to SOW 5.10.4	0.50% of total contract price
2.1 to 2.9	Hull materials delivered to Contractor and accepted by Canada		10% of the unit price
3.1 to 3.9	Sustained Construction commenced and accepted by Canada		12% of the unit price
4.1 to 4.9	All Contract Design Drawings and Purchase orders submitted to Canada		5% of the unit price
5.1 to 5.9	Main propulsion machinery package (engine & gear) delivered to Contractor and inspected by Canada		10% of the unit price
6.1 to 6.9	Hull Fabrication 90% complete		10% of the unit price
7.1 to 7.9	Hull outfit 90% complete		12% of the unit price
8.1 to 8.9	Propulsion machinery - 90% installation complete including system piping		10% of the unit price
9.1 to 9.9	Tests and Trials procedures and agenda submitted to Canada		2% of the unit price
10.1 to 10.9	Completion of Tests and Trials and delivery of related documentation with a Provisional Acceptance completed by Canada.		7% of the unit price
11.1 to 11.9	Vessel delivery (including spares and training) and Canada's acceptance		15% of the unit price
12.1 to 12.9	As Fitted Drawings and all manuals delivered to Canada		2% of the unit price
13.1 to 13.9	Completion of 12 month warranty period		2% of the unit price
Note: The Milestone schedule above shall be updated to reflect the actual number of boats purchased at contract award.			100%

SCHEDULE “B” Milestone Payment Schedule
RFP NO: 17MC.F7047-141000

The Milestones shown above will be included and identified in all production schedules.

At Milestone 1.a Design Check, 1.b Initial Design, and 1.c Production Design the payment amount will be calculated by the percentage indicated by the contract price.

Payment amounts for Milestones 2 to 13 shall be calculated by the percentage indicated times the unit price per boat.

Milestone 11 inclusive shall be payable by Canada upon delivery of the Vessel(s) to the Crown, minus the holdback for double the total estimated value of any outstanding Work items.

The holdback for outstanding Work shall be payable by Canada upon completion and acceptance by Canada of the outstanding Work.

The payment for completion of Warranty Milestone 13 inclusive (completion of the warranty period) shall be payable by Canada upon completion of the warranty period of each Vessel, minus the total cost of any Work undertaken by the Crown to repair any defects subject to warranty.

Note: Sustained Construction means: the commencement of work to the hull structure.

Also note: The Milestones shown in the schedule shall be updated to reflect the actual number of boats purchased at time of contract award.

TABLE 1: Design Check Phase Deliverables

M-001	Project Management Plan
M-002	Master Plan and Schedule
M-02-1	Design Schedule
M-02-3	Drawing Schedule
M-02-5	Major Milestones and Key Events Schedule
M003	Risk Management Plan and Risk Register
M-005	Technical Data Management Plan
M-006	Configuration and Change Management Plan
M-009	Master Equipment List
M-010	Issues Management Plan
Q-001	Quality Plan
I-007	Asset Breakdown Structure

SCHEDULE “B” Milestone Payment Schedule
RFP NO: 17MC.F7047-141000

T-101	Weight Control Program
2.11.2.1	Review of weights, and centre of gravity estimate
2.11.2.2	Evaluation of the condition of the design with respect to the vessel's performance characteristics
2.11.2.3	Welding and erection sequence and a detailed welding schedule
2.11	Design Check Phase

TABLE 2: Initial Design Phase Deliverables

T-008	Working Decks Arrangement
T-102	Weight Report
T-103	Stability Analysis
T-201	Engine Solid Body Dynamic Analysis
T-203	Machinery Room Arrangements
T-206	Fuel Endurance Calculations
T-208	Shaft Vibration Analysis
T-301	Electrical Load Analysis
T-302	Electrical Systems Report
T-303	Short Circuit Analysis
T-307	Lighting Fixture Arrangement
T-401	Mast Structure and Arrangement
T-402	Antenna Arrangement EMC Analysis
T-405	Machinery Control Monitoring System
T-503	Auxiliary Systems
T-602	Compartment Arrangement & Outfit Drawings and Lists
2.12	Initial Design Phase

TABLE 3: Production Design Phase Deliverables

SCHEDULE “B” Milestone Payment Schedule
RFP NO: 17MC.F7047-141000

M-02-2	Construction Schedule
M-02-4	Material Schedule
M-02-6	Test and Trial Schedule
M-02-7	Factory Acceptance Test Schedule
M-012	Ship's Specification
Q-002	Inspection Plan
I-010	Sparing and Supply Plan
T-004	Coatings and Surface Treatments
T-207	Propeller Design Reports
2.13	Production Design Phase
2.13.3	Contractor's Work Breakdown Structure
2.13.4	Technical Drawing Package
2.13.5	Classification Society Approvals and Approved Drawings
2.13.6	Final Weight Report and Stability Assessment
2.13.7	List of materials and spares
2.13.8	Design-specific calculations and analyses