

## **Summary of Feedback and Outcomes**

### **REQUEST FOR INFORMATION**

OPERATIONAL RESEARCH AND ANALYSIS SUPPORT

ON BEHALF OF

DEFENCE RESEARCH AND DEVELOPMENT CANADA

FILE # W7714-156105/B

**1. INTRODUCTION:**

On 17 September, 2015, Public Works and Government Services Canada (PWGSC) published a Request for Information (RFI) on the Government Electronic Tendering Service (GETS) seeking to engage with the Industry on behalf of Defence Research and Development Canada (DRDC). As part of that engagement, Participants were asked to provide a written response to questions related to both the technical aspects of the Work to be undertaken and the procurement strategy. A draft Request for Proposal (RFP) was provided, which included the Statement of Work, Evaluation Criteria and the Basis of Selection.

The purpose of the Industry Engagement was:

- a) to seek information from industry on its interest, capacity and ability to perform technical services on an “as and when requested” basis in support of operational research and analysis activities
- b) to provide industry the opportunity to give feedback on the procurement strategy. Participants were encouraged to ask questions and provide comments with the objective to receive feedback that may be incorporated into the solicitation document, creating a procurement that is fair and transparent to suppliers, enhances competition, and results in best value to Canada.

The publication of this document and any resulting RFP effectively concludes the Industry Engagement process. The information gathered through this process was considered when finalizing the procurement strategy and should meet the needs of the Government of Canada and be compatible with Industry standard practices.

**2. REQUIREMENT:**

DRDC has a requirement for technical services to be provided on an “as and when requested” basis in support of operational research and analysis activities in the following streams:

- a. Concept Development;
- b. Experiment and Exercise Design;
- c. Experiment and Exercise Conduct;
- d. Modeling and Simulation; and
- e. Operational Research and Analysis.

**3. INDUSTRY ENGAGEMENT PROCESS:**

<b>Industry Engagement Period</b>	Posting of RFI: 17 September 2015; Responses to RFI requested: 8 October 2015; Publication of the RFP: December 2015.
<b>Participants</b>	Five organizations provided responses to the RFI: a) CAE Inc; b) Esterline CMC Electronics; c) International Safety Research Inc.; d) OODA Technologies Inc.; and e) Thales Canada.

#### **4. GENERAL OVERVIEW OF THE INDUSTRY ENGAGEMENT PROCESS FEEDBACK**

The consultative process provided Participants with an opportunity to participate in the procurement process by providing comments, questions and recommendations for improvement of the draft RFP, as well as seeking clarification on technical issues.

Overall, Participants indicated that the draft RFP was fair, and there was consistency in the comments regarding the Statement of Work, evaluation criteria and basis of selection. As a result, Canada has adjusted some specific requirements as necessary to address technical questions, and some changes have been made to the draft RFP to address key issues.

This document details the feedback received during the Industry Engagement Process and the outcomes on the draft RFP.

**5. SUMMARY OF FEEDBACK AND OUTCOMES**

The following represent questions posed in the Request for Information and the resulting responses from Industry. Administrative questions have been removed.

<b>SECTION 1 – ADMINISTRATIVE REQUIREMENT</b>	
<b><u>Question 1</u></b>	<b>Please provide an impact statement on your ability to bid. If the current draft request for proposal is unduly restrictive (i.e. statement of work, evaluation criteria, or mandatory requirements) please explain why and suggest alternatives.</b>
<b><i>Respondents</i></b>	<ol style="list-style-type: none"> <li>1. The RFP restriction “No resource may be proposed for more than one labour category” will hinder the ability of forming efficient teams for the tasks in this contract, and lead to higher labour costs.</li> <li>2. It is recommended that the corporate requirements be strengthened to ensure the successful Bidder is a true science based operational research and technical consulting firm.</li> <li>3. It would be recommended that the corporate resource mandatory requirements be updated to include:                         <ul style="list-style-type: none"> <li>• ISO 9001:2008 or: 2015 quality management system.</li> </ul> </li> <li>4. The size of the team (29) required for evaluation far exceeds the size that would ever be needed to conduct the work expected. Given the limited amount of work over a 3 or 5 year period the investment in the proposal generation cannot be substantiated by the potential return.</li> <li>5. The point rated evaluation technical criteria are currently restrictive and overvalue education and devalue experience. It is recommended that the Education Scoring maximum points be lowered slightly so that the weighting of the Education Scoring is reduced to no more than 25% of the total point rated score for junior level resources and no more than 33% of the total point rated score for senior resources. We also suggest a graded scoring system providing zero points for undergraduate degrees, half points for masters degrees, and full points for doctorates. The scoring method in the draft request for proposal (RFP) produces a high relative weighting on education, especially for junior level resources, which marginalizes experience of some resource categories.</li> <li>6. The RFP should augment credentials required for corporate experience in the form of mandatory criteria that reflect the complexity and diversity of the requirement, and ensure that the most complex requirements will be met by the successful contractor.</li> <li>7. The scoring method in the draft RFP assesses maximum points only for what appears to be very high levels of experience.</li> <li>8. It is recommended that MT1.0 be changed from three (3) years of experience to five (5) years of experience.</li> </ol>

<p><b>Outcome</b></p>	<ol style="list-style-type: none"> <li>1. <i>Canada has retained the requirement that “No resource may be proposed for more than one labour category” (MT2.0 – Proposed Resource Requirements), but has modified the requirement for certain labour categories (See outcome 3) to facilitate the ability for a Contractor to form efficient teams for this contract.</i></li> <li>2. <i>Canada has retained the current corporate mandatory requirements (MT1.0 – Corporate Experience) so as to allow for a fair and open competitive bidding process.</i></li> <li>3. <i>Canada has retained the current proposed resource mandatory requirements (MT3.1 to MT3.13 – Proposed Resource Mandatory Criteria) and will not include ISO 9001:2008 or 9000:2015 Quality Management Systems as it is unclear as to the value-added that these systems will introduce for the purposes of the contract.</i></li> <li>4. <i>Canada has modified the requirement for certain labour categories, such as the number of required resources under MT3.10 – Intermediate Modeling and Simulation (M&amp;S) Professional from 5 to 4 individuals, MT3.11 – Senior M&amp;S Professional from 3 to 2 individuals, MT3.12 - Junior Operational Research and Analysis (OR&amp;A) Professional from 4 to 2 individuals and MT3.13 Senior OR&amp;A Professional from 4 to 3 individuals, to facilitate proposal generation and the building of efficient project teams. The maximum number of proposed resources required under this RFP is now 23 resources.</i></li> <li>5. <i>Canada has modified the point-rated evaluation technical criteria for <u>junior-level</u> resource categories to reduce the weighting on education (RT1.1 to 1.12 – Resource Education).</i></li> <li>6. <i>Canada has retained the current corporate mandatory requirements (MT1.0 – Corporate Experience) as it could be perceived as unfair to bidders to provide highly complex potential requirements that may not arise during the contract.</i></li> <li>7. <i>Canada has retained the point-rated evaluation technical criteria for all resource categories’ experience levels (RT1.1 to 1.12 – Resource Experience) as the levels of experience have been previously validated as appropriate through past and existing contracts.</i></li> <li>8. <i>Similar to outcome 7 above, Canada has retained the current corporate mandatory requirements (MT1.0 – Corporate Experience) as this level of experience is deemed sufficient for the purpose of the contract and increasing it could be construed as unfair to certain bidders.</i></li> </ol>
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<p><b><u>Question 2</u></b></p>	<p><b>Please indicate your institution’s or company’s ability and that of any subcontractors, to accommodate personnel and facility security requirements, together with controlled goods restrictions:</b></p> <p><b>2.1 Please clearly identify any implications that may affect delivery of the proposed contract in accordance with the requirements of the PWGSC Industrial Security Program.</b></p> <p><b>2.2 If some or all security measures are in progress, please indicate an estimate of when compliance will be achieved.</b></p> <p><b>2.3 If it is not possible to meet some or all security requirements, please substantiate.</b></p>
<p><b><i>Respondents</i></b></p>	<ol style="list-style-type: none"> <li>1. The issue of providing a large number of sub-contractors with valid security clearances is difficult.</li> <li>2. SECRET clearance should be replaced by RELIABILITY. And SECRET clearance (if really necessary) should be kept only for the tasks to be performed at the client facilities.</li> <li>3. SMEs are not yet defined, but a SECRET clearance is indicated to be necessary for such resources. This could be an issue, since we are not able to predict in advance which SME should start the clearance screening process. Obtaining written permission from CISD/PWGSC for subcontractors can take three to six months. Controlled goods registration for subcontractors can take three to four months.</li> <li>4. Since highly qualified resources (including SME) are necessary for this future project, it will be more beneficial for the CROWN to request a security clearance for all resource at the beginning of each TASK and not at the bid closing date or contract award date. This will give the industry the opportunity to recruit the best qualified resources for the job to be done.</li> </ol>
<p><b><i>Outcome</i></b></p>	<ol style="list-style-type: none"> <li>1. <i>Canada has retained the requirement for the Contractor to obtain written permission from CISD (RFP article 7.3.6 – Security Requirement) for subcontracts which contain security requirements as they may be required to access CLASSIFIED information.</i></li> <li>2. <i>Canada has retained the requirement for a SECRET or NATO SECRET personnel security clearance (RFP article 7.3 – Security Requirement) as many of the task domains involve Controlled Goods-related information and Controlled Technical Data, which require a SECRET personnel security clearance.</i></li> <li>3. <i>Canada has retained the requirement for SECRET or NATO SECRET personnel security clearance (RFP article 7.3 – Security Requirement) for SMEs as they may be required to access CLASSIFIED information. Each task authorization will detail the level of security required by DRDC.</i></li> <li>4. <i>Canada has retained the requirement for Bidders to hold the required security clearances before award of a contract (RFP article 6.1 and 7.3 – Security Requirement). This ensures that the Client will be able to access fully qualified resources at contract award.</i></li> </ol>

<b>SECTION 2 – REQUIREMENT</b>	
<b><u>Question 3</u></b>	<b>Please provide a statement of interest, capacity and ability to provide technical support services for operational research and analysis support services to DRDC on a task-by-task basis, and the ability to handle multiple tasks concurrently.</b>
<b><i>Respondents</i></b>	All five (5) respondents have indicated that they have the capacity and ability to provide technical support services to DRDC.
<b><i>Outcome</i></b>	<i>No changes required as a result of feedback from Respondents.</i>
<b><u>Question 4</u></b>	<b>Please provide information if and how your company can access expertise and experts through professional and/or scientific networks.</b>
<b><i>Respondents</i></b>	All five (5) respondents have indicated that they are able to access expertise and experts through professional, academic or scientific networks.
<b><i>Outcome</i></b>	<i>No changes required as a result of feedback from Respondents.</i>
<b><u>Question 5</u></b>	<b>Please provide any questions or comments on the nature and clarity of the SOW.</b>
<b><i>Respondents</i></b>	<ol style="list-style-type: none"> <li>1. In the SOW it is indicated that the Account Manager is expected to resolve technical issues and to meet with the Technical Authority – responsibilities not consistent with an Account Manager and are more closely related to a Project or Program Manager. It would appear that the SOW merges account and program management which are generally considered two different roles.</li> <li>2. There is some concern with how responsibilities are mapped to roles in the SOW. For example, the Data Collection Technician role does not exist in industry. As specified in the SOW these tasks could be performed by a number of the other roles listed such as the Operational Research and Analysis Professional and the Experiment and Exercise Conduct Professional. Needing to find 2 such junior people in industry is extremely difficult to fulfill responsibilities, which will likely be performed by other team members in practice.</li> <li>3. It is recommended that the specific technology area expertise for labour categories could be further detailed i.e. in the section 5.7 of the Statement of Work (SOW) in the RFP the requirement for expertise in advanced analytical methods is not apparent.</li> </ol>

<b>Outcome</b>	<ol style="list-style-type: none"><li data-bbox="394 226 1472 317">1. <i>Canada has modified the requirement for the Account Manager resource category (Annex A – Statement of Work, article 5.1) to provide clarity to the associated responsibilities.</i></li><li data-bbox="394 344 1472 434">2. <i>Canada has retained the requirement for all responsibilities as distinctly shown in Annex A - Statement of Work, article 5.1 to 5.8. These requirements are based on historical precedent and expected future needs.</i></li><li data-bbox="394 462 1472 575">3. <i>Canada has retained the requirement for technology area expertise as shown in Annex A - Statement of Work, article 5.1 to 5.8, acknowledging that there are many advanced analytical methods that could be applied in these areas, but not wishing to be prescriptive in dictating their use during the contract.</i></li></ol>
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SECTION 3 - EVALUATION and BASIS OF SELECTION	
<b><u>Question 6</u></b>	<b>How would you propose Canada evaluate bids based on the basis of selection and evaluation criteria proposed in the draft request for proposal.</b>
<b>Respondents</b>	<ol style="list-style-type: none"> <li>1. For the evaluation criteria, we propose 70% for the technical merit and 30% for the price.</li> <li>2. The response should be in the form of a job interview, not just lists of resources that for the most part are unlikely to participate in any of the call-ups. The Crown should ask for and then check references to ensure the type and quality of work being used within a response is accurate.</li> <li>3. We would reduce the required minimum pass score to 60% overall score for the technical and management evaluation criteria which are subject to point rating.</li> <li>4. If the subcontractors are not considered, the RFP will be favouring a large company over a team consisting of strong small networked companies.</li> <li>5. Leaving evaluation criteria for price at 40% will also cause manipulation of the bids to take place. Teams will low ball certain resources and then not employ them.</li> <li>6. It is recommended that the ability to meet all responsibilities be the focus of the SOW, rather than driving towards a specific allocation of those responsibilities to predefined roles.</li> </ol>
<b>Outcome</b>	<ol style="list-style-type: none"> <li>1. <i>Canada has retained the proposed basis of selection (RFP article 4.2 – Basis of Selection) based on the highest combined rating of technical merit (60%) and price (40%) in order to obtain the best value for Canada.</i></li> <li>2. <i>Canada has retained the proposed evaluation procedures (Attachment 1 – Evaluation Procedures, article “a”) which requires Bidders to submit a résumé for each proposed resource. A response in the form of a job interview is qualitative in nature and may insert subjectivity to the evaluation process.</i></li> <li>3. <i>Canada has modified the overall pass mark for the technical and management criteria subject to point rating (RFP article 4.2 – Basis of Selection) from 75% to 70% (new pass mark is 439 points).</i></li> <li>4. <i>Canada has retained the proposed evaluation procedure related to Corporate Experience and Resource Experience (MT1.0 – Corporate Experience and MT3.1 to MT3.13 – Proposed Resource Mandatory Criteria). Subcontractor experience <u>will be considered</u> in the evaluation of MT3.1 to MT3.13 and RT1.1 to RT1.12, Resource Experience.</i></li> <li>5. <i>Similar to outcome 1 above, Canada has retained the proposed basis of selection (RFP article 4.2 – Basis of Selection) based on the highest combined rating of technical merit (60%) and price (40%) in order to obtain the best value for Canada.</i></li> <li>6. <i>Canada will issue a resource based Task Authorization contract to a qualified supplier. This requirement is not solution based.</i></li> </ol>

<p><b><u>Question 7</u></b></p>	<p><b>Please provide any suggestions that, in your opinion, may enhance the bidding process and improve the evaluation procedures including evaluation criteria and the basis of selection of the Bidders.</b></p>
<p><b><u>Respondents</u></b></p>	<ol style="list-style-type: none"> <li>1. The respondent should be required to explain how they would accomplish specific aspects of operational research and how they have mitigated risks to proposed work on previous contracts.</li> <li>2. It is recommended that alter the ratio of the technical merit and price to 70% technical merit and 30% price due to the nature of the technical requirements.</li> <li>3. It is recommended that the Senior Concept Development Professionals and Senior Operational Research and Analysis Professionals require papers, publications, and other similar documentation as a means to demonstrate depths of experience.</li> <li>4. The bidders should demonstrate that they have ability to do similar work and be given the opportunity to build teams as required.</li> <li>5. The requirement for a Junior resource to have a graduate degree seems excessive.</li> <li>6. It is recommended that Intermediate and Senior Modelling and Simulation Professional point rated scoring include points for demonstrating professional certification (Certified Modelling and Simulation Professional).</li> <li>7. It is recommend that a Project Manager resource category be added to the list of resource categories. For larger tasks involving multiple resources, it is believed that including a part-time Project Manager on the tasks to monitor and handle cost, schedule, quality and scope details adds significant value by allowing the technical resources to concentrate on the technical work and contracted deliverables.</li> <li>8. The position of Account Manager is a position that provides direct client interface and support, including contract and project management and quality oversight. These tasks are not normally included as overhead costs in a consulting firm. We have an issue regarding the fact that the “Account Manager” is part of the point-rated evaluation.</li> <li>9. It is unclear if the number of resources for each work category is a guideline for the maximum of resources to be proposed or we must propose the exact indicated number of resources.</li> <li>10. Since full time is considered to be 1750 hours/year, and since the resources to be proposed are estimated to work on this contract less than 500 hours/year, we propose to remove the constraint from the mandatory requirement MT2.0 PROPOSED RESOURCE REQUIREMENTS «No resource may be proposed for more than one labour category. »</li> <li>11. Based on the estimated level of effort (in hours) / year to be performed through this contract (about 9100 hours / year which is equivalent to about 5 person-year), is it reasonable to request 28 resources for evaluation purposes ?</li> </ol>

<p><b><u>Outcome</u></b></p>	<ol style="list-style-type: none"><li>1. <i>Canada has retained the requirement for all responsibilities as distinctly shown in Annex A - Statement of Work, article 5.1 to 5.8. These requirements are based on historical precedent and expected future needs. Bidders are encouraged to include their approach and risk mitigation measures in the Resource Acquisition and Maintenance Plan (RAMP) Contract Management Plan (CMP) and Subcontracting Plan (SP).</i></li><li>2. <i>Canada has retained the proposed basis of selection (RFP article 4.2 – Basis of Selection) based on the highest combined rating of technical merit (60%) and price (40%) in order to obtain the best value for Canada.</i></li><li>3. <i>Canada has retained the current proposed resource mandatory requirements (MT3.1 to MT3.13 – Proposed Resource Mandatory Criteria). The Bidder should submit the résumés' of each proposed resource for each labour category to further demonstrate the resource's experience in response to the mandatory and point rated technical criteria. Bidders, however, are encouraged to provide details of papers, publications and other related documentation for submitted resources.</i></li><li>4. <i>Canada has retained the current proposed resource mandatory requirements (MT3.1 to MT3.13 – Proposed Resource Mandatory Criteria) and for corporate requirements (MT1.0 – Corporate Experience). The Contract is not a solutions-based, but rather intended to focus on defined tasks utilizing the specific labour categories.</i></li><li>5. <i>Canada has modified the point-rated evaluation technical criteria for <u>junior-level</u> resource categories to reduce the weighting on education (RT1.1 to 1.12 – Resource Education).</i></li><li>6. <i>Canada has retained the requirement for all responsibilities as distinctly shown in Annex A - Statement of Work, article 5.1 to 5.8 and has not added additional requirements, such as professional certifications that may benefit one Bidder over another. There are many professional certifications that may have relevance to the tasks undertaken through this Contract and Canada does not wish to be prescriptive regarding them.</i></li><li>7. <i>Canada has modified the requirement for the Account Manager (Annex A – Statement of Work, article 5.1) to provide clarity to the associated responsibilities. As the tasks to be undertaken through this Contract are small, defined activities and overall 'project management' is thus executed by DND, Canada does not feel that it is necessary to include a Project Manager resource/labour category.</i></li><li>8. <i>Similar to outcome 7 above, Canada has modified the requirement for the Account Manager (Annex A – Statement of Work, article 5.1) to provide clarity to the associated responsibilities. The Account Manager resource category is only subject to mandatory criteria evaluation.</i></li><li>9. <i>Canada has modified the language in the RFP regarding the number of resources in each labour category (Attachment 1, MT3.1 to MT3.13) to clarify how these resources will be evaluated. The maximum number of proposed resources required under this RFP is now 23 resources.</i></li></ol>
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	<p>10. <i>Canada has retained the requirement that “No resource may be proposed for more than one labour category” (MT2.0 – Proposed Resource Requirements), but has modified the requirement for certain labour categories (See outcome 11) to facilitate the ability for a Contractor to form efficient teams for this contract.</i></p> <p>11. <i>Canada has modified the requirement for certain labour categories, such as the number of required resources under MT3.10 – Intermediate Modeling and Simulation (M&amp;S) Professional from 5 to 4 individuals, MT3.11 – Senior M&amp;S Professional from 3 to 2 individuals, MT3.12 - Junior Operational Research and Analysis (OR&amp;A) Professional from 4 to 2 individuals and MT3.13 Senior OR&amp;A Professional from 4 to 3 individuals, to facilitate proposal generation and the building of efficient project teams. The maximum number of proposed resources required under this RFP is now 23 resources.</i></p>
<p><b><u>Question 8</u></b></p>	<p><b>For each of the point rated technical and management criteria, is the description of qualifications and experience adequate to cover the skills and work experience needed for the resource required? (Take into consideration demonstrated experience and education, and the period of time within which the experience is considered to be valid).</b></p>
<p><b><i>Respondents</i></b></p>	<ol style="list-style-type: none"> <li>1. Within industry it is getting more difficult to find resources with the experience listed, specifically the interaction with DRDC, as the number of contracts led by DRDC has fallen significantly.</li> <li>2. Section F of Attachment 1 lists "acceptable fields of engineering". We suggest that "Aerospace Engineering" and "Systems Engineering" be added to this list.</li> <li>3. Section H of Attachment 1 lists "acceptable fields for social sciences". We suggest that "Cognitive Science" be added to this list.</li> <li>4. It is recommended to have references corroborate the relevant experience and reduce the absolute numbers required. Within the mandatory table the experience level at times appears arbitrary.</li> </ol>

<b>Outcome</b>	<ol style="list-style-type: none"><li>1. <i>Canada has modified the requirement for certain labour categories, such as the number of required resources under MT3.10 – Intermediate Modeling and Simulation (M&amp;S) Professional from 5 to 4 individuals, MT3.11 – Senior M&amp;S Professional from 3 to 2 individuals, MT3.12 - Junior Operational Research and Analysis (OR&amp;A) Professional from 4 to 2 individuals and MT3.13 Senior OR&amp;A Professional from 4 to 3 individuals, to facilitate proposal generation and the building of efficient project teams. Interactions with DRDC is not a condition for being successful under this RFP, rather experience in “defense and security” as described at Attachment 1, Evaluation Procedures, article “i” is required.</i></li><li>2. <i>Canada has modified the acceptable fields of Engineering (Attachment 1, Evaluation Procedures, article “f”), to also include Aerospace Engineering and Systems Engineering.</i></li><li>3. <i>Canada has modified the acceptable fields of Social Sciences (Attachment 1, Evaluation Procedures, article “h”), to also include Cognitive Science.</i></li><li>4. <i>Similar to outcome 1 above, Canada has modified the requirement for certain labour categories, such as the number of required resources under MT3.10 – Intermediate Modeling and Simulation (M&amp;S) Professional from 5 to 4 individuals, MT3.11 – Senior M&amp;S Professional from 3 to 2 individuals, MT3.12 - Junior Operational Research and Analysis (OR&amp;A) Professional from 4 to 2 individuals and MT3.13 Senior OR&amp;A Professional from 4 to 3 individuals, to facilitate proposal generation and the building of efficient project teams. Canada does not believe that corroboration of resource experience through references is practical or warranted. The use of references to corroborate experience is considered to be too subjective and impractical in that references may not be positioned to speak to a career’s worth of experience for certain resources. For all labour categories, the associated requirements, including experience level, are based on historical precedent and expected future needs. The maximum number of proposed resources required under this RFP is now 23 resources.</i></li></ol>
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<b>SECTION 4 – BASIS OF PAYMENT</b>	
<b><u>Question 9</u></b>	<b>Please describe and provide an example if possible of your pricing model for the services you offer. For example, do you prefer hourly rates, per diem rates, firm prices over the life of the Contract, ability to negotiate option years (price adjustments), etc.</b>
<b>Respondents</b>	<ol style="list-style-type: none"> <li>1. It is recommended to negotiate the price adjustments for option years when the option is exercised.</li> <li>2. Hourly per diem rates are acceptable.</li> <li>3. The level of effort, with monthly invoicing has been used more often, with 2-3 percent rate escalation each year. With respect to pricing, Bidders should provide at most 3 rates – senior, intermediate, and junior and then work internally to ensure their resources are properly matched to the rates bid.</li> <li>4. In ANNEX B - BASIS OF PAYMENT it seems that all SMEs should be sub-contracted. Is it correct or they can be part of the bidder’s employees (internal resources)?</li> </ol>
<b>Outcome</b>	<ol style="list-style-type: none"> <li>1. <i>Canada has retained the requirement for Bidders to provide prices for the Contract Period and Option Periods for financial evaluation (Attachment 3 – Financial Bid Presentation Sheet). This will ensure that the evaluation of price is conducted in a fair and transparent manner.</i></li> <li>2. <i>Canada has retained the requirement for Bidders to provide all-inclusive hourly rates in each identified labour category (Attachment 3 – Financial Bid Presentation Sheet).</i></li> <li>3. <i>Similar to outcome 2 above, Canada has retained the requirement for Bidders to provide all-inclusive hourly rates in each identified labour category (Attachment 3 – Financial Bid Presentation Sheet).</i></li> <li>4. <i>Since Subject Matter Expert (SME) requirements are not known at this time, the SME category has been included in the subcontracting portion of Annex B - Basis of Payment. Canada will also accept SMEs as part of the Bidder’s employees.</i></li> </ol>

<b>SECTION 5 – VALUE PROPOSITION</b>	
<b><u>Question 10</u></b>	<b>Please describe the research and scientific networks that your company can access to recruit resources (i.e. university graduates, centres of excellence, head hunters) and comment on the use of value proposition and the possible ways to apply it. Should this form part of the evaluation criteria?</b>
<b><i>Respondents</i></b>	<ol style="list-style-type: none"> <li>1. Value propositions are very beneficial, especially in projects where basic research has to take place (Technology Readiness Levels 1,2), however the draft RFP structure does not accommodate such labour categories. Should value propositions be of interest to this contract, there should be a statement in the RFP regarding its possibility, and this should form part of the evaluation criteria.</li> <li>2. The use of a value proposition is strongly encouraged. To maximize the effectiveness of the work it is suggested that instead of prescribing a large and rigid team structure, you give the respondents an opportunity to suggest a teaming and work concept to maximize the value to the crown through increasing quality and reduce low-value effort. The value proposition is to be able to access these networks and subject matter experts from an OR and A perspective.</li> </ol>
<b><i>Outcome</i></b>	<ol style="list-style-type: none"> <li>1. <i>Canada must note that this contract is not expected to include tasks focusing on low Technology Readiness Level (TRL) work, but rather applied research and development at higher TRLs, such that the inclusion of a value proposition in the RFP is not warranted.</i></li> <li>2. <i>As per the Procurement Review Committee (PRC) Policy, this requirement was subject to review by a number of federal departments to ensure the procurement actions were consistent with and supportive of such national objectives as industrial and regional development, and other national objectives. The PRC has determined that further consideration was not required for this requirement. A Value Proposition under this requirement has been achieved through the application of the Canadian Content Policy (RFP article 5.2.3 – Canadian Content Certification).</i></li> </ol>
<b><u>Question 11</u></b>	<b>Please describe research codes of conduct applicable to your company.</b>
<b><i>Respondents</i></b>	Most respondents have indicated that they follow a business or research code of conduct.
<b><i>Outcome</i></b>	<i>Canada encourages each Bidder to include in their proposal those business or research codes of conduct that they follow.</i>

SECTION 6 - OTHER	
<b><u>Question 12</u></b>	<b>Please identify any other issues, concerns and recommendations you feel may enhance the outcome of this procurement.</b>
<b>Respondents</b>	<ol style="list-style-type: none"> <li>1. Can you be more specific regarding estimated % of work to be performed on-site at DRDC Ottawa?</li> <li>2. Large projects (like the one described in the proposed RFP) have evaluation criteria that favour a large bidder rather than a small bidder with a strong network. This is not only putting small companies with very advanced expertise into an unfair competitive situation, but also is depriving the DRDC from being able to leverage the technological strengths, flexibility and lower overhead potential from numerous small companies in Canada.</li> <li>3. The Crown should be more critical or thorough when grading responses.</li> </ol>
<b>Outcome</b>	<ol style="list-style-type: none"> <li>1. <i>Canada cannot provide an accurate percentage of work that will be performed at any DND facility at this time. As the nature of each future task is defined following contract award, the successful Bidder will be informed of the proposed location of work for that task.</i></li> <li>2. <i>Canada has modified the requirement for certain labour categories, such as the number of required resources under MT3.10 – Intermediate Modeling and Simulation (M&amp;S) Professional from 5 to 4 individuals, MT3.11 – Senior M&amp;S Professional from 3 to 2 individuals, MT3.12 - Junior Operational Research and Analysis (OR&amp;A) Professional from 4 to 2 individuals and MT3.13 Senior OR&amp;A Professional from 4 to 3 individuals, to facilitate proposal generation and the building of efficient project teams. For all labour categories, the associated requirements, including experience level, are based on historical precedent and expected future needs. The maximum number of proposed resources required under this RFP is now 23 resources. Subcontractor experience <u>will be considered</u> in the evaluation of MT3.1 to MT3.13 and RT1.1 to RT1.12, Resource Experience.</i></li> <li>3. <i>Canada will implement a rigorous and evidence-based evaluation of bids for this requirement.</i></li> </ol>

## 6. CONCLUSION

Industry feedback has informed Canada of areas of potential concern for some Participants which resulted in improvement of the procurement process through the implementation of changes to the final RFP that will address the key concerns.

PWGSC and DRDC would like to thank all Participants who provided responses. The two-way dialogue and information that resulted was invaluable in assisting Canada in finalizing the procurement strategy.