

# **FOR THE PROVISION OF PROFESSIONAL SERVICES**

## **FOR THE DEFENCE RESOURCE MANAGEMENT INFORMATION SYSTEM (DRMIS) FOR THE DEPARTMENT OF NATIONAL DEFENCE**

## **AND FOR THE SIGMA SYSTEM FOR THE DEPARTMENT OF PUBLIC WORKS AND GOVERNMENT SERVICES**

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## BID SOLICITATION

### FOR THE PROVISION OF PROFESSIONAL SERVICES FOR THE DEFENCE RESOURCE MANAGEMENT INFORMATION SYSTEM (DRMIS) FOR THE DEPARTMENT OF NATIONAL DEFENCE AND FOR THE SIGMA SYSTEM FOR THE DEPARTMENT OF PUBLIC WORKS AND GOVERNMENT SERVICES

## PART 1 - GENERAL INFORMATION

### 1.1 Introduction

The bid solicitation is divided into eight parts plus attachments and annexes, as follows:

- Part 1** General Information: provides a general description of the requirement;
- Part 2** Bidder Instructions: provides the instructions, clauses and conditions applicable to the bid solicitation;
- Part 3** Bid Preparation Instructions: provides Bidders with instructions on how to prepare their bid;
- Part 4** Evaluation Procedures and Basis of Selection: indicates how the evaluation will be conducted, the evaluation criteria that must be addressed in the bid, if applicable, and the basis of selection;
- Part 5** Certifications: includes the certifications to be provided;
- Part 6** Security, Financial and Other Requirements: includes specific requirements that must be addressed by Bidders; and
- Part 7** Resulting Contract(s) Clauses: includes the clauses and conditions that will apply to any resulting contract(s) for the **Department of National Defence for the DRMIS**.
- Part 8** Resulting Contract(s) Clauses: includes the clauses and conditions that will apply to any resulting contract(s) for the **Department of Public Works and Government Services Canada for The SIGMA System**.

List of Annexes:

PART 7: THE DRMIS FOR DND		PART 8: SIGMA FOR PWGSC	
Annex "A-1"	Statement of Work	Annex "A-2"	Statement of Work
Annex "B"	Financial Bid	Annex "B"	Financial Bid
Annex "C-1"	Security Requirements Check List	Annex "C-2"	Security Requirements Check List
	Attachment A to Annex "C-1" - SRCL		
Annex "D-1"	DND 626, Task Authorization Form	Annex "D-2"	Task Authorization Form

PART 7: THE DRMIS FOR DND		PART 8: SIGMA FOR PWGSC	
Annex "E-1"	Minimum Qualifications For Resource Assessment At Task	Annex "E-2"	Minimum Qualifications For Resource Assessment At Task
Annex "F"	Definitions	Annex "F"	Definitions
Annex "G-1"	List of SAP Modules	Annex "G-2"	List of SAP Modules
Annex "H-1"	Non-Disclosure Agreement	Annex "H-2"	Non-Disclosure Agreement

**NOTE: This bid solicitation is a re-tender of the requirement described in bid solicitation number W8474-126279/D dated June 12, 2014 with a bid closing date of August 26, 2014 at 2:00 pm; this document replaces the previous version entirely.**

This bid solicitation is being issued to satisfy the requirements of both the Department of National Defence (DND) and the Department of Public Works and Government Services for the Defence Resource Management Information System (DRMIS) for DND and the SIGMA System for PWGSC.

## 1.2 Summary: The DRMIS (DND)

- (a) DND has an SAP-based integrated information system for the support of Materiel Acquisition and Support and Financial and Managerial Accounting business processes, as well as a number of other related processes. Implementation of this integrated information system involved the replacement of a large number of legacy systems with two main SAP R/3 based solutions: the Materiel Acquisition and Support Information System (MASIS) and the Financial and Managerial Accounting System (FMAS). In April 2010, these two systems were merged to establish a single core SAP ECC 6.0 based solution, known as the DRMIS. Further consolidation of business processes has occurred with the implementation of an SAP solution for supply chain functionality in the DRMIS, as well as the incorporation of other business processes including those related to real property management.
- (b) As the department continues to leverage the DRMIS to meet evolving requirements, and as functionality is increased and organizational coverage is widened (for example, the integration into the DRMIS of supply chain functionality and other business processes such as those related to real property management) it is expected that the DRMIS will grow to over 30,000 users in the coming years. These future opportunities will allow the organization to achieve maximum benefit from its Enterprise Resource Planning (ERP) platforms.
- (c) Professional Services may be required in support of the DRMIS activities for the following three scope categories:
  - (i) Steady-state In-service Support;
  - (ii) Expansion of the DRMIS footprint; and
  - (iii) Additional Work Requirements.

- (d) Annex A-1, Statement of Work – the DRMIS for DND defines the scope of this procurement for DND.

### 1.3 Summary: SIGMA (PWGSC)

- (a) Public Works and Government Services Canada (PWGSC) has implemented a fully integrated enterprise resource planning (ERP) system, known as SIGMA, which supports financial, procurement and real property business lines using SAP ECC, SAP Business Intelligence (BI) and other SAP tools and applications.
- (b) SIGMA is one of the most recent, comprehensive SAP ERP systems within the Government of Canada (GC). It was initially implemented in 2008 to meet departmental financial and material management requirements and is currently being used by over 6,200 users located within PWGSC and in other government departments.
- (c) The department continues to leverage SIGMA to standardize, automate and streamline business processes in order to achieve operational efficiencies, resulting in better utilization for the GC. With the recent integration of real property functionality into SIGMA, it is expected that SIGMA will grow to over 8,700 users in the coming years.
- (d) PWGSC continues to identify future opportunities that can allow the organization to achieve maximum benefit from its ERP platform.
- (e) Professional Services will be required in support of SIGMA activities for the following three scope categories:
- (i) Steady-state In-service Support;
  - (ii) Expansion of the SIGMA footprint; and,
  - (iii) Additional Work Requirements.
- (f) Annex A-2, Statement of Work – SIGMA for PWGSC defines the scope of this procurement.

### 1.4 Security Requirements

There are security requirements associated with this requirement. For additional information, consult Part 6 - Security, Financial and Other Requirements, and both Part 7 and Part 8- Resulting Contract Clauses. For more information on personnel and organizational security screening or security clauses, Bidders should refer to the Industrial and Security Program (ISP) of Public Works and Government Services Canada (<http://ssi-iss.tpsgc-pwgsc.gc.ca/index-eng.html>) website.

### 1.5 Trade Agreements

The requirement is subject to the provisions of the World Trade Organization Agreement on Government Procurement (WTO-AGP), the North American Free Trade Agreement (NAFTA), the Canada-Chile Free Trade Agreement (CCFTA), the Canada-Peru Free Trade Agreement (CPFTA), the Canada-Columbia Free Trade Agreement (CCoIFTA), the Canada-Panama Free Trade Agreement (CPanFTA), and the Agreement on Internal Trade (AIT).

### 1.6 Code of Conduct



As per the Integrity Provisions under section 01 of Standard Instructions 2003 and 2004, bidders must provide a list of all owners and/or Directors and other associated information as required. Refer to section 4.21 of the Supply Manual for additional information on the Integrity Provisions.

### 1.7 Former Public Servants

For services requirements, bidders must provide the required information as detailed in article 2.3 of Part 2 of the bid solicitation, in order to comply with Treasury Board policies and directives on contracts awarded to former public servants.

### 1.8 Federal Contractors Program for Employment Equity

The Federal Contractors Program (FCP) for employment equity applies to this procurement; see Part 5 - Certifications, Part 7 and Part 8 - Resulting Contract Clauses and the Form 4 titled Federal Contractors Program for Employment Equity - Certification.

### 1.9 Debriefings

Bidders may request a debriefing on the results of the bid solicitation process. Bidders should make the request to the Contracting Authority within 15 working days from receipt of the results of the bid solicitation process. The debriefing may be provided in writing, by telephone or in person.

### 1.10 Conflict of Interest

Without limiting Canada's rights under Article 18 of 2003 (2015-07-03) Standard Instructions - Goods or Services - Competitive Requirements, the following private sector individuals and non-crown employees have been engaged in the preparation of this solicitation:

- (a) Bob Tibbo with PPI Consulting Limited
- (b) Rick Wilson with PPI Consulting Limited

### 1.11 Purpose of this RFP

- (a) In order to meet operational needs for highly qualified resources in a timely manner and to access a larger resource pool for both DND and PWGSC, Canada intends to establish up to four (4) contracts with the top three (3) ranked responsive bidders, as follows:

Item	First three (3) Top Ranked Responsive bidders	Estimated Contracts	Departments	
			PART 7 (DND RESULTING CONTRACTS)	PART 8 (PWGSC RESULTING CONTRACTS)
i)	<b>First</b> Ranked Responsive Bidder.  The DRMIS scope of work as listed under Part 1, section 1.2 c).  Certain work will be allocated under the resulting contracts to	One (1) contract for DND	W8474-126279/ <b>001</b> -XQ	NIL

Item	First three (3) Top Ranked Responsive bidders	Estimated Contracts	Departments	
			PART 7 (DND RESULTING CONTRACTS)	PART 8 (PWGSC RESULTING CONTRACTS)
	the First Ranked Responsive Bidder, and some work may be allocated to the Third Ranked Responsive Bidder as described in section (b) below			
ii)	<p><b>Second</b> Ranked Responsive Bidder.</p> <p>SIGMA scope of work as listed under Part 1, section 1.3 (e).</p> <p>Certain work will be allocated under the resulting contracts to the Second Ranked Responsive Bidder, and some work may be allocated to the Third Ranked Responsive Bidder as described in section (b) below.</p>	One (1) contract for PWGSC	NIL	EP549-142533/ <u>001</u> -XQ
iii)	<p><b>Third</b> Ranked Responsive Bidder.</p> <p>The DRMIS scope of work as listed under Part 1, section 1.2 (c) and the SIGMA scope of work as listed under Part 1, section 1.3 (e).</p> <p>Certain work will be allocated under the resulting contracts to the First and Second Ranked Responsive Bidders, and some work may be allocated to the Third Ranked Responsive Bidder as described in section (b) below.</p>	<p>Two (2) Contracts as follows:</p> <ul style="list-style-type: none"> <li>• One (1) for DND and</li> <li>• One (1) for PWGSC</li> </ul>	W8474-126279/ <u>002</u> -XQ	EP549-142533/ <u>002</u> -XQ

- (b) Under contracts W8474-126279/002-XQ and EP549-142533/002-XQ, Task Authorizations may be issued to the Third Ranked Bidder :

- (i) for up to 25% of the total work requirements, as defined in the DRMIS and SIGMA Scope of Work, as directed by DND and PWGSC, respectively, and
- (ii) in the following circumstances:
  - (A) Overflow: When DND or PWGSC has identified required resources and timelines under W8474-126279/001-XQ or EP549-142533/001-XQ, respectively, and the contractor responsible for that contract is unable to meet the identified requirements, and
  - (B) Independent Advice: When independent advice is required.
- (c) Bidders who submit Proposals agree to be bound by the instructions, terms and conditions of this RFP and its resulting contract(s), as they are, in its entirety.

#### **1.12 Contract Period**

Each of the above noted contracts will be for a period of three (3) years with irrevocable options allowing Canada, at its discretion, to extend the terms of the contracts by an additional five (5) one-year periods.

## PART 2 - BIDDER INSTRUCTIONS

### 2.1 Standard Instructions, Clauses and Conditions

- (a) All instructions, clauses and conditions identified in the bid solicitation by number, date and title are set out in the [Standard Acquisition Clauses and Conditions Manual](https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual) (<https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual>) issued by Public Works and Government Services Canada.
- (b) Bidders who submit a bid agree to be bound by the instructions, clauses and conditions of the bid solicitation and accept the clauses and conditions of the resulting contract.
- (c) The 2003 (2015-07-03) Standard Instructions - Goods or Services - Competitive Requirements, are incorporated by reference into and form part of the bid solicitation. If there is a conflict between the provisions of 2003 and this document, this document prevails.
- (d) Subsection 5(4) of 2003, Standard Instructions - Goods or Services - Competitive Requirements is amended as follows:
  - (i) Delete: 60 days
  - (ii) Insert: two hundred forty (240) days

### 2.2 Submission of Bids

- (a) Bids must be submitted only to PWGSC Bid Receiving Unit by the date, time and place indicated on page 1 of the bid solicitation.
- (b) Due to the nature of the bid solicitation, bids transmitted by facsimile to PWGSC will not be accepted.

### 2.3 Former Public Servant

- (a) Contracts awarded to former public servants (FPS) in receipt of a pension or of a lump sum payment must bear the closest public scrutiny, and reflect fairness in the spending of public funds. In order to comply with Treasury Board policies and directives on contracts awarded to FPS, bidders must provide the information required below before contract award. If the answer to the questions and, as applicable the information required have not been received by the time the evaluation of bids is completed, Canada will inform the Bidder of a time frame within which to provide the information. Failure to comply with Canada's request and meet the requirement within the prescribed time frame will render the bid non-responsive.

- (b) **Definitions**

For the purposes of this clause, "former public servant" is any former member of a department as defined in the [Financial Administration Act](#), R.S., 1985, c. F-11, a former member of the Canadian Armed Forces or a former member of the Royal Canadian Mounted Police. A former public servant may be:

- (i) an individual;
- (ii) an individual who has incorporated;
- (iii) a partnership made of former public servants; or

- (iv) a sole proprietorship or entity where the affected individual has a controlling or major interest in the entity.

"lump sum payment period" means the period measured in weeks of salary, for which payment has been made to facilitate the transition to retirement or to other employment as a result of the implementation of various programs to reduce the size of the Public Service. The lump sum payment period does not include the period of severance pay, which is measured in a like manner.

"pension" means a pension or annual allowance paid under the Public Service Superannuation Act (PSSA), R.S., 1985, c.P-36, and any increases paid pursuant to the Supplementary Retirement Benefits Act, R.S., 1985, c.S-24 as it affects the PSSA. It does not include pensions payable pursuant to the Canadian Forces Superannuation Act, R.S., 1985, c.C-17, the Defence Services Pension Continuation Act, 1970, c.D-3, the Royal Canadian Mounted Police Pension Continuation Act, 1970, c.R-10, and the Royal Canadian Mounted Police Superannuation Act, R.S., 1985, c.R-11, the Members of Parliament Retiring Allowances Act, R.S., 1985, c.M-5, and that portion of pension payable to the Canada Pension Plan Act, R.S., 1985, .C-8.

(c) **Former Public Servant in Receipt of a Pension**

As per the above definitions, is the Bidder a FPS in receipt of a pension? **Yes ( ) No ( )**

If so, the Bidder must provide the following information, for all FPS in receipt of a pension, as applicable:

- (i) name of former public servant;
- (ii) date of termination of employment or retirement from the Public Service.

By providing this information, Bidders agree that the successful Bidder's status, with respect to being a former public servant in receipt of a pension, will be reported on departmental websites as part of the published proactive disclosure reports in accordance with [Contracting Policy Notice](#): 2012-2 and the [Guidelines on the Proactive Disclosure of Contracts](#).

(d) **Work Force Adjustment Directive**

Is the Bidder a FPS who received a lump sum payment pursuant to the terms of the Work Force Adjustment Directive? **Yes ( ) No ( )**

If so, the Bidder must provide the following information:

- (i) name of former public servant;
- (ii) conditions of the lump sum payment incentive;
- (iii) date of termination of employment;
- (iv) amount of lump sum payment;
- (v) rate of pay on which lump sum payment is based;
- (vi) period of lump sum payment including start date, end date and number of weeks;
- (vii) number and amount (professional fees) of other contracts subject to the restrictions of a work force adjustment program.

For all contracts awarded during the lump sum payment period, the total amount of fees that may be paid to a FPS who received a lump sum payment is \$5,000, including Applicable Taxes.

## 2.4 Enquiries - Bid Solicitation

- (a) All enquiries must be submitted in writing to the Contracting Authority no later than 10 calendar days before the bid closing date. Enquiries received after that time may not be answered.
- (b) Bidders should reference as accurately as possible the numbered item of the bid solicitation to which the enquiry relates. Care should be taken by Bidders to explain each question in sufficient detail in order to enable Canada to provide an accurate answer. Technical enquiries that are of a proprietary nature must be clearly marked "proprietary" at each relevant item. Items identified as proprietary will be treated as such except where Canada determines that the enquiry is not of a proprietary nature. Canada may edit the questions or may request that the Bidder do so, so that the proprietary nature of the question is eliminated, and the enquiry can be answered with copies to all Bidders. Enquiries not submitted in a form that can be distributed to all Bidders may not be answered by Canada.

## 2.5 Applicable Laws

- (a) Any resulting contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in the Province of Ontario, Canada.
- (b) Bidders may, at their discretion, substitute the applicable laws of a Canadian province or territory of its choice without affecting the validity of its bid, by deleting the name of the Canadian province or territory specified and inserting the name of the Canadian province or territory of its choice. If no change is made, it acknowledges that the applicable laws specified are acceptable to the Bidders. *Bidders are requested to indicate the Canadian province or territory they wish to apply to any resulting contract in their Bid Submission Form.*

## 2.6 Bidders' Conference

At the discretion of Canada, a bidders' conference may be held during the RFP process should it be deemed necessary. Should a bidder's conference be required, notification to potential bidders will be effectuated through a formal RFP amendment.

## 2.7 Volumetric Data

The estimated number of resources required per category data has been provided to Bidders to assist them in preparing their bids. The inclusion of this data in this bid solicitation does not represent a commitment by Canada that Canada's future usage of resources or days will be consistent with this data. It is provided purely for information and evaluation purposes.

## PART 3 - BID PREPARATION INSTRUCTIONS

### 3.1 Bid Preparation Instructions

- (a) **Copies of Bid:** Canada requests that Bidders provide their bid in separately bound sections as follows:

- (i) Section I: Technical Bid (7 hard copies) and 4 soft copy on CD-ROM
- (ii) Section II: Financial Bid (2 hard copies) and 2 soft copy on CD-ROM
- (iii) Section III: Certifications (2 hard copies), and
- (iv) Section IV: Additional Information (2 hard copies).

If there is a discrepancy between the wording of the soft copy and the hard copy, the wording of the hard copy will have priority over the wording of the soft copy.

Prices must appear in the financial bid only. No prices must be indicated in any other section of the bid.

- (b) **Format for Bid:** Canada requests that Bidders follow the format instructions described below in the preparation of their bid:

- (i) use 8.5 x 11 inch (216 mm x 279 mm) paper;
- (ii) use a numbering system that corresponds to the bid solicitation;
- (iii) include a title page at the front of each volume of the bid that includes the title, date, bid solicitation number, bidder's name and address and contact information of its representative; and
- (iv) include a table of contents.

- (c) **Canada's Policy on Green Procurement:** In April 2006, Canada issued a policy directing federal departments and agencies to take the necessary steps to incorporate environmental considerations into the procurement process. See the Policy on Green Procurement (<http://www.tpsgc-pwgsc.gc.ca/ecologisation-greening/achats-procurement/politique-policy-eng.html>). To assist Canada in reaching its objectives, Bidders should:

- (i) use paper containing fibre certified as originating from a sustainably-managed forest and/or containing a minimum of 30% recycled content; and
- (ii) use an environmentally-preferable format including black and white printing instead of colour printing, printing double sided/duplex, and using staples or clips instead of cerlox, duotangs or binders.

**(d) Submission of Only One Bid:**

- (i) A Bidder, including related entities, will be permitted to submit only one bid in response to this bid solicitation. If a Bidder or any related entities participate in more than one bid (participating means being part of the Bidder, not being a subcontractor), Canada will provide those Bidders with two working days to identify the single bid to be considered by Canada. Failure to meet this deadline will result in all the affected bids being disqualified.
- (ii) For the purposes of this Article, regardless of the jurisdiction where any of the entities concerned is incorporated or otherwise formed as a matter of law (whether that entity is a natural person, corporation, partnership, etc.), an entity will be considered to be **"related"** to a Bidder if:
  - (A) they are the same legal entity (i.e., the same natural person, corporation, partnership, limited liability partnership, etc.);
  - (B) they are "related persons" or "affiliated persons" according to the *Canada Income Tax Act*;
  - (C) the entities have now or in the two years before bid closing had a fiduciary relationship with one another (either as a result of an agency arrangement or any other form of fiduciary relationship); or
  - (D) the entities otherwise do not deal with one another at arm's length, or each of them does not deal at arm's length with the same third party.
- (iii) Individual members of a joint venture cannot participate in another bid, either by submitting a bid alone or by participating in another joint venture.

**(e) Joint Venture Experience:**

- (i) Where the Bidder is a joint venture with existing experience as that joint venture, it may submit the experience that it has obtained as that joint venture.

Example: A bidder is a joint venture consisting of members L and O. A bid solicitation requires that the bidder demonstrate experience providing maintenance and help desk services for a period of 24 months to a customer with at least 10,000 users. As a joint venture (consisting of members L and O), the bidder has previously done the work. This bidder can use this experience to meet the requirement. If member L obtained this experience while in a joint venture with a third party N, however, that experience cannot be used because the third party N is not part of the joint venture that is bidding.

- (ii) A joint venture bidder may rely on the experience of one of its members to meet any given technical criterion of this bid solicitation.

Example: A bidder is a joint venture consisting of members X, Y and Z. If a solicitation requires: (a) that the bidder have 3 years of experience providing maintenance service, and (b) that the bidder have 2 years of experience integrating hardware with complex networks, then each of these two requirements can be met by a different member of the joint venture. However, for a single criterion, such as the requirement for 3 years of experience providing maintenance services, the bidder cannot indicate that each of members X, Y and Z has one year of experience, totaling 3 years. Such a response would be declared non-responsive.



- (iii) Joint venture members cannot pool their abilities with other joint venture members to satisfy a single technical criterion of this bid solicitation. However, a joint venture member can pool its individual experience with the experience of the joint venture itself. Wherever substantiation of a criterion is required, the Bidder is requested to indicate which joint venture member satisfies the requirement. If the Bidder has not identified which joint venture member satisfies the requirement, the Contracting Authority will provide an opportunity to the Bidder to submit this information during the evaluation period. If the Bidder does not submitted this information within the period set by the Contracting Authority, its bid will be declared non-responsive.

Example: A bidder is a joint venture consisting of members A and B. If a bid solicitation requires that the bidder demonstrate experience providing resources for a minimum number of 100 billable days, the bidder may demonstrate that experience by submitting either:

- Contracts all signed by A;
- Contracts all signed by B; or
- Contracts all signed by A and B in joint venture, or
- Contracts signed by A and contracts signed by A and B in joint venture, or
- Contracts signed by B and contracts signed by A and B in joint venture.

That show in total 100 billable days.

- (iv) Any Bidder with questions regarding the way in which a joint venture bid will be evaluated should raise such questions through the Enquiries process as early as possible during the bid solicitation period.

### 3.2 Section I: Technical Bid

- (a) In their technical bid, Bidders must demonstrate their understanding of the requirements contained in the bid solicitation and explain how they will meet these requirements. Bidders must demonstrate their capability in a thorough, concise and clear manner for carrying out the work.
- (b) The technical bid must address clearly and in sufficient depth the points that are subject to the evaluation criteria against which the bid will be evaluated. Simply repeating the statement contained in the bid solicitation is not sufficient. In order to facilitate the evaluation of the bid, Canada requests that Bidders address and present topics in the order of the evaluation criteria under the same headings. To avoid duplication, Bidders may refer to different sections of their bids by identifying the specific paragraph and page number where the subject topic has already been addressed.
- (c) **The technical bid consists of the following:**
- (i) **Bid Submission Form:** Bidders are requested to include the Bid Submission Form – Form 1 with their bids. It provides a common form in which bidders can provide information required for evaluation and contract award, such as a contact name and the Bidder's Procurement Business Number, etc. Using the form to provide this information is not mandatory, but it is recommended. If Canada determines that the information required by the Bid Submission Form is incomplete or requires correction, Canada will provide the Bidder with an opportunity to do so.
- (ii) **Substantiation of Technical Compliance:** The technical bid must substantiate the compliance with the specific articles of Attachment "A", using the requested response

template provided in Appendix A – Attachment A. The substantiation must not simply be a repetition of the requirement(s), but must explain and demonstrate how the Bidder will meet the requirements and carry out the required Work. Simply stating that the Bidder or its proposed solution or product complies is not sufficient. Where Canada determines that the substantiation is not complete, the Bidder will be declared non-responsive and disqualified. The substantiation may refer to additional documentation submitted with the bid - this information can be referenced in the "Reference", where bidders are requested to indicate where in the bid the reference material can be found, including the title of the document, and the page and paragraph numbers; where the reference is not sufficiently precise, Canada may request that the Bidder direct Canada to the appropriate location in the documentation.

(iii) Customer Reference Contact Information:

- (A) The Bidder must provide customer references. The customer reference must each confirm, "if" requested by PWGSC, the facts identified in the Bidder's bid, as required in Attachment A - Technical Evaluation Criteria.
- (B) The form of question to be used to request confirmation from customer references is identified in Attachment A - Technical Evaluation Criteria.
- (C) For each customer reference, the Bidder must, at a minimum, provide the name and either the telephone number or e-mail address for a contact person. If only the telephone number is provided, it will be used to call to request the e-mail address and the reference check will be done by e-mail.

Bidders are also requested to include the title of the contact person. It is the sole responsibility of the Bidder to ensure that it provides a contact who is knowledgeable about the services the Bidder has provided to its customer and who is willing to act as a customer reference. Crown references will be accepted.

### 3.3 Section II: Financial Bid

- (a) **Pricing:** Bidders must submit their financial bid in response to Annex A-1 and Annex A-2 – Statement of Work, in accordance Annex B – Financial Bid. The total amount of Applicable Taxes must be shown separately, if applicable. Unless otherwise indicated, Bidders must include a single, firm, all-inclusive per diem rate in Canadian dollars in each cell requiring an entry in the pricing tables.
- (b) **Variation in Resource Rates By Time Period:** For any given resource category, where the financial tables provided by Canada allow different firm rates to be charged for a resource category during different time periods:
  - (i) the rate bid must not increase by more than 5% from one time period to the next; and
  - (ii) the rate bid for the same Resource Category during any subsequent time period must not be lower than the rate bid for the time period that includes the first month of the Initial Contract Period.
- (c) **All Costs to be Included:** The financial bid must include all costs for the requirement described in the bid solicitation for the entire Contract Period, including any option to extend the Contract Period.
- (d) **Blank Prices:** Bidders are requested to insert "\$0.00" for any item for which it does not intend to charge or for items that are already included in other prices set out in the tables. If the Bidder

leaves any price blank, Canada will treat the price as "\$0.00" for evaluation purposes and may request that the Bidder confirm that the price is, in fact, \$0.00. No bidder will be permitted to add or change a price as part of this confirmation. Any bidder who does not confirm that the price for a blank item is \$0.00 will be declared non-responsive.

(e) **Exchange Rate Fluctuation**

The requirement does not offer exchange rate fluctuation risk mitigation. Requests for exchange rate fluctuation risk mitigation will not be considered. All bids including such provision will render the bid non-responsive.

### **3.4 Section III: Certifications**

It is a requirement that bidders submit the certifications required under Part 5.

### **3.5 Section IV: Additional Information**

(a) **Bidder's Proposed Site(s) or Premises Requiring Safeguard Measures**

As indicated in Part 6 under Security Requirements, the Bidder must provide the full address(es) of the Bidder's and proposed individual(s)' site(s) or premises for which safeguard measures are required for Work Performance.

Street Number / Street Name, Unit / Suite / Apartment Number  
City, Province, Territory / State, Postal Code / Zip Code, Country

The Company Security Officer (CSO) must ensure through the Industrial Security Program (ISP) that the Bidder and proposal individual(s) hold a valid security clearance at the required level, as indicated in Part 6 – Security, Financial and Other Requirements.

## PART 4 - EVALUATION PROCEDURES AND BASIS OF SELECTION

### 4.1 Evaluation Procedures

- (a) Bids submitted must address both the SIGMA and the DRMIS requirements in their entirety. Bids will be evaluated in accordance with the entire requirement of the bid solicitation including the technical and financial evaluation criteria. There are several steps in the evaluation process, which are described below.

- (i) Technical Evaluation - Mandatory Technical Criteria
- (ii) Technical Evaluation - Point-Rated Technical Criteria
- (iii) Technical Evaluation - Reference Checks (if required)
- (iv) Financial Evaluation

Even though the evaluation and selection will be conducted in steps, the fact that Canada has proceeded to a later step does not mean that Canada has conclusively determined that the Bidder has successfully passed all the previous steps. Canada may conduct steps of the evaluation in parallel.

- (b) An evaluation team composed of representatives from DND and PWGSC will evaluate the bids on behalf of Canada. Canada may hire any independent consultant, or use any government resources, to evaluate any bid. Not all members of the evaluation team will necessarily participate in all aspects of the evaluation.
- (c) PWGSC Acquisitions Branch has engaged PPI Consulting Limited located in Ottawa, Ontario as a fairness monitor for this procurement. The fairness monitor will not be part of the evaluation team, but will observe the evaluation of the bids with respect to Canada's adherence to the evaluation process described in this bid solicitation.
- (d) In addition to any other time periods established in the bid solicitation:
- (i) **Requests for Clarifications:** If Canada seeks clarification or verification from the Bidder about its bid, the Bidder will have two working days (or a longer period if specified in writing by the Contracting Authority) to provide the necessary information to Canada. Failure to meet this deadline will result in the bid being declared non-responsive.
  - (ii) **Requests for Further Information:** If Canada requires additional information in order to do any of the following pursuant to the Section entitled "Conduct of Evaluation" in 2003, Standard Instructions - Goods or Services - Competitive Requirements:
    - (A) verify any or all information provided by the Bidder in its bid; or
    - (B) contact any or all references supplied by the Bidder (e.g., references named in the résumés of individual resources) to verify and validate any information submitted by the Bidder, the Bidder must provide the information requested by Canada within two working days of a request by the Contracting Authority.
  - (iii) **Extension of Time:** If additional time is required by the Bidder, the Contracting Authority may grant an extension in his or her sole discretion.

## 4.2 Technical Evaluation

- (a) Experience listed must include the month and year for both the start and finish dates and should also include the day. If the day is not provided, it will be evaluated as the last day of the month, in the case of the start date, and the first day of the month, in the case of the finish date.

- (b) Mandatory Technical Criteria:

- (i) Each bid will be reviewed for compliance with the mandatory requirements of the bid solicitation. Any element of the bid solicitation that is identified specifically with the words "must" or "mandatory" is a mandatory requirement. Bids that do not comply with each and every mandatory requirement will be declared non-responsive and be disqualified.
- (ii) The mandatory technical criteria are described in Attachment A – Technical Evaluation Criteria.

- (c) Point-Rated Technical Criteria:

Each bid will be rated by assigning a score to the rated requirements, which are identified in the bid solicitation by the word "rated" or by reference to a score. Bidders who fail to submit complete bids with all the information requested by this bid solicitation will be rated accordingly. The point-rated technical criteria are described in Attachment A – Technical Evaluation Criteria.

- (d) **Reference Checks:**

- (i) For reference checks, Canada will conduct the reference check in writing by e-mail. Canada will send all e-mail reference check requests to contacts supplied by all the Bidders on the same day using the e-mail address provided in the bid. Canada will not award any points and/or a bidder will not meet the mandatory experience requirement (as applicable) unless the response is received within 10 working days of the date that Canada's e-mail was sent.
- (ii) On the fifth working day after sending out the reference check request, if Canada has not received a response, Canada will notify the Bidder by e-mail, to allow the Bidder to contact its reference directly to ensure that it responds to Canada within 10 working days. If the individual named by a Bidder is unavailable when required during the evaluation period, the Bidder may provide the name and e-mail address of an alternate contact person from the same customer. Bidders will only be provided with this opportunity once for each customer, and only if the originally named individual is unavailable to respond (i.e., the Bidder will not be provided with an opportunity to submit the name of an alternate contact person if the original contact person indicates that he or she is unwilling or unable to respond). The 10 working days will not be extended to provide additional time for the new contact to respond.
- (iii) Wherever information provided by a reference differs from the information supplied by the Bidder, the information supplied by the reference will be the information evaluated.
- (iv) Points will not be allocated and/or a bidder will not meet the mandatory experience requirement (as applicable) if (1) the reference customer states he or she is unable or unwilling to provide the information requested, or (2) the customer reference is not a customer of the Bidder itself (for example, the customer cannot be the customer of an affiliate of the Bidder instead of being a customer of the Bidder itself). Nor will points be

allocated or a mandatory met if the customer is itself an affiliate or other entity that does not deal at arm's length with the Bidder.

- (v) Whether or not to conduct reference checks is discretionary. However, if PWGSC chooses to conduct reference checks for any given rated or mandatory requirement, it will check the references for that requirement for all bidders who have not, at that point, been found non-responsive.

### 4.3 Financial Evaluation

- (a) The financial evaluation will be conducted using the firm per diem rates provided in Annex B by the responsive bid(s).
- (b) There are two possible financial evaluation methods for this requirement. The first method will be used if three or more bids are determined responsive (see (c) Financial Evaluation - Method A below). The second method will be used if two bids are determined responsive (see (d) Financial Evaluation - Method B below).
- (c) **Financial Evaluation - Method A:** The following financial evaluation method will be used if three or more bids are determined responsive:
- (i) **STEP 1 - ESTABLISHING THE LOWER AND UPPER MEDIAN BAND LIMITS FOR EACH PERIOD AND EACH RESOURCE CATEGORY:** The Contracting Authority will establish, for each period and each Resource Category, the median band limits based on the firm per diem rates provided by the technically responsive bids. For each such Resource Category the median will be calculated using the median function in Microsoft Excel and will represent a range that encompasses any rate to a value of minus (-) 20% of the median, and an upper median rate to a value of plus (+) 30% of the median. When an even number of technically responsive bids have been determined, an average of the middle two rates will be used to calculate the median band limits and for an odd number of technically responsive bids, the middle rate will be used.
- (ii) **STEP 2 - POINTS ALLOCATION:** For each period and each Resource Category (randomly selected), points will be allocated as follows:
- (A) A Bidder's proposed firm per diem rate that is either lower than the established lower median band limit or higher than the established upper median band limit for that period and Resource Category will be allocated 0 points.
- (B) A Bidder's proposed firm per diem rate falling within the upper and lower median band limits, for that period and Resource Category, will be allocated points using the following calculation, which will be rounded to two decimal places:
- $$\frac{\text{Lowest proposed firm per diem rate within the median band limits}}{\text{Bidder's proposed firm per diem rate within median band limits}} \times \text{Maximum Points Assigned at Table 1 below}$$
- (C) A Bidder's proposed firm per diem rate falling within the established median band limits which is the lowest proposed firm per diem rate will be allocated the applicable maximum points assigned at Table 1 below.

Resource Categories to be evaluated based on Firm Per Diem Rates - Random Selection of Resource Categories (see 4.3(f))	Level of Expertise	TABLE 1 - MAXIMUM POINTS ASSIGNED						Total Points
		Initial 3 Year Contract Period	Option Period 1 (Year 4)	Option Period 2 (Year 5)	Option Period 3 (Year 6)	Option Period 4 (Year 7)	Option Period 5 (Year 8)	
Project Manager	3	10	10	10	10	10	10	60
Project Manager	2	10	10	10	10	10	10	60
Project Coordinator	3	10	10	10	10	10	10	60
Project Coordinator	2	10	10	10	10	10	10	60
Project Coordinator	1	10	10	10	10	10	10	60
Application Solution Architect	3	10	10	10	10	10	10	60
Application Solution Architect	2	10	10	10	10	10	10	60
Business Solution Architect	3	10	10	10	10	10	10	60
Business Solution Architect	2	10	10	10	10	10	10	60
Technical Architect	3	10	10	10	10	10	10	60
Technical Architect	2	10	10	10	10	10	10	60
SAP Functional Analyst - Core	3	10	10	10	10	10	10	60
SAP Functional Analyst - Core	2	10	10	10	10	10	10	60
SAP Functional Analyst - Core	1	10	10	10	10	10	10	60
SAP Functional Analyst – Specialized	3	10	10	10	10	10	10	60
SAP Functional Analyst – Specialized	2	10	10	10	10	10	10	60
SAP Functional Analyst – Specialized	1	10	10	10	10	10	10	60
Security Assessment and Authorization (SA&A) Specialist	3	10	10	10	10	10	10	60
Security Assessment and Authorization (SA&A) Specialist	2	10	10	10	10	10	10	60
Security Assessment and Authorization (SA&A) Specialist	1	10	10	10	10	10	10	60

Resource Categories to be evaluated based on Firm Per Diem Rates - Random Selection of Resource Categories (see 4.3(f))	Level of Expertise	TABLE 1 - MAXIMUM POINTS ASSIGNED						Total Points
		Initial 3 Year Contract Period	Option Period 1 (Year 4)	Option Period 2 (Year 5)	Option Period 3 (Year 6)	Option Period 4 (Year 7)	Option Period 5 (Year 8)	
Auditor - Security, Privacy and Internal Controls	3	10	10	10	10	10	10	60
Auditor - Security, Privacy and Internal Controls	2	10	10	10	10	10	10	60
Auditor - Security, Privacy and Internal Controls	1	10	10	10	10	10	10	60
Business Continuity/Disaster Recovery Specialist	3	10	10	10	10	10	10	60
Business Continuity/Disaster Recovery Specialist	2	10	10	10	10	10	10	60
Business Continuity/Disaster Recovery Specialist	1	10	10	10	10	10	10	60
Roles & Authorizations (R&A) Architect	3	10	10	10	10	10	10	60
Roles & Authorizations (R&A) Architect	2	10	10	10	10	10	10	60
Security Architect	3	10	10	10	10	10	10	60
Security Architect	2	10	10	10	10	10	10	60
Roles & Authorizations (R&A) Specialist	3	10	10	10	10	10	10	60
Roles & Authorizations (R&A) Specialist	2	10	10	10	10	10	10	60
Roles & Authorizations (R&A) Specialist	1	10	10	10	10	10	10	60
Programmer/Software Developer	3	10	10	10	10	10	10	60
Programmer/Software Developer	2	10	10	10	10	10	10	60
Programmer/Software Developer	1	10	10	10	10	10	10	60
Interface Specialist	3	10	10	10	10	10	10	60
Interface Specialist	2	10	10	10	10	10	10	60



Resource Categories to be evaluated based on Firm Per Diem Rates - Random Selection of Resource Categories (see 4.3(f))	Level of Expertise	TABLE 1 - MAXIMUM POINTS ASSIGNED						Total Points
		Initial 3 Year Contract Period	Option Period 1 (Year 4)	Option Period 2 (Year 5)	Option Period 3 (Year 6)	Option Period 4 (Year 7)	Option Period 5 (Year 8)	
Interface Specialist	1	10	10	10	10	10	10	60
Extract, Transform, Load (ETL) Specialist	3	10	10	10	10	10	10	60
Extract, Transform, Load (ETL) Specialist	2	10	10	10	10	10	10	60
Extract, Transform, Load (ETL) Specialist	1	10	10	10	10	10	10	60
SAP BI/BW Specialist	3	10	10	10	10	10	10	60
SAP BI/BW Specialist	2	10	10	10	10	10	10	60
SAP BI/BW Specialist	1	10	10	10	10	10	10	60
SAP Business Objects Developer	3	10	10	10	10	10	10	60
SAP Business Objects Developer	2	10	10	10	10	10	10	60
SAP Business Objects Developer	1	10	10	10	10	10	10	60
Enterprise Performance Management (EPM) Specialist	3	10	10	10	10	10	10	60
Enterprise Performance Management (EPM) Specialist	2	10	10	10	10	10	10	60
Enterprise Performance Management (EPM) Specialist	1	10	10	10	10	10	10	60
SAP Portal Specialist	3	10	10	10	10	10	10	60
SAP Portal Specialist	2	10	10	10	10	10	10	60
SAP Portal Specialist	1	10	10	10	10	10	10	60
BASIS Administrator	3	10	10	10	10	10	10	60
BASIS Administrator	2	10	10	10	10	10	10	60
BASIS Administrator	1	10	10	10	10	10	10	60
UNIX and Linux Administrator	3	10	10	10	10	10	10	60

Resource Categories to be evaluated based on Firm Per Diem Rates - Random Selection of Resource Categories (see 4.3(f))	Level of Expertise	TABLE 1 - MAXIMUM POINTS ASSIGNED						Total Points
		Initial 3 Year Contract Period	Option Period 1 (Year 4)	Option Period 2 (Year 5)	Option Period 3 (Year 6)	Option Period 4 (Year 7)	Option Period 5 (Year 8)	
UNIX and Linux Administrator	2	10	10	10	10	10	10	60
UNIX and Linux Administrator	1	10	10	10	10	10	10	60
Windows Administrator	3	10	10	10	10	10	10	60
Windows Administrator	2	10	10	10	10	10	10	60
Windows Administrator	1	10	10	10	10	10	10	60
Network Manager	3	10	10	10	10	10	10	60
Network Manager	2	10	10	10	10	10	10	60
Network Manager	1	10	10	10	10	10	10	60
Application Administrator	3	10	10	10	10	10	10	60
Application Administrator	2	10	10	10	10	10	10	60
Application Administrator	1	10	10	10	10	10	10	60
SAP Archiving Specialist	3	10	10	10	10	10	10	60
SAP Archiving Specialist	2	10	10	10	10	10	10	60
SAP Archiving Specialist	1	10	10	10	10	10	10	60
Business Analyst	3	10	10	10	10	10	10	60
Business Analyst	2	10	10	10	10	10	10	60
Business Analyst	1	10	10	10	10	10	10	60
Business Support Specialist	3	10	10	10	10	10	10	60
Business Support Specialist	2	10	10	10	10	10	10	60
Business Support Specialist	1	10	10	10	10	10	10	60
Business Transition Analyst	3	10	10	10	10	10	10	60

Resource Categories to be evaluated based on Firm Per Diem Rates - Random Selection of Resource Categories (see 4.3(f))	Level of Expertise	TABLE 1 - MAXIMUM POINTS ASSIGNED						Total Points
		Initial 3 Year Contract Period	Option Period 1 (Year 4)	Option Period 2 (Year 5)	Option Period 3 (Year 6)	Option Period 4 (Year 7)	Option Period 5 (Year 8)	
Business Transition Analyst	2	10	10	10	10	10	10	60
Business Transition Analyst	1	10	10	10	10	10	10	60
Training Development, Delivery and Support	3	10	10	10	10	10	10	60
Training Development, Delivery and Support	2	10	10	10	10	10	10	60
Training Development, Delivery and Support	1	10	10	10	10	10	10	60
Technical Writer	3	10	10	10	10	10	10	60
Technical Writer	2	10	10	10	10	10	10	60
Technical Writer	1	10	10	10	10	10	10	60
Transport Coordinator	3	10	10	10	10	10	10	60
Transport Coordinator	2	10	10	10	10	10	10	60
Transport Coordinator	1	10	10	10	10	10	10	60
Configuration Management Specialist	3	10	10	10	10	10	10	60
Configuration Management Specialist	2	10	10	10	10	10	10	60
Configuration Management Specialist	1	10	10	10	10	10	10	60
Incident Management Coordinator	3	10	10	10	10	10	10	60
Incident Management Coordinator	2	10	10	10	10	10	10	60
Incident Management Coordinator	1	10	10	10	10	10	10	60
Change Coordinator	3	10	10	10	10	10	10	60
Change Coordinator	2	10	10	10	10	10	10	60
Change Coordinator	1	10	10	10	10	10	10	60
Test Manager	3	10	10	10	10	10	10	60

TABLE 1 - MAXIMUM POINTS ASSIGNED								
Resource Categories to be evaluated based on Firm Per Diem Rates - Random Selection of Resource Categories (see 4.3(f))	Level of Expertise	Initial 3 Year Contract Period	Option Period 1 (Year 4)	Option Period 2 (Year 5)	Option Period 3 (Year 6)	Option Period 4 (Year 7)	Option Period 5 (Year 8)	Total Points
Test Manager	2	10	10	10	10	10	10	60
Quality Control	3	10	10	10	10	10	10	60
Quality Control	2	10	10	10	10	10	10	60
Quality Control	1	10	10	10	10	10	10	60
Tester	3	10	10	10	10	10	10	60
Tester	2	10	10	10	10	10	10	60
Tester	1	10	10	10	10	10	10	60

- (iii) **STEP 3 - FINANCIAL SCORE:** Points allocated under STEP 2 for each period and Resource Category will be added together and rounded to two decimal places to produce the Financial Score. Bidders will find below an example of a financial evaluation using Method A.

(iv) **EXAMPLE OF A FINANCIAL EVALUATION USING METHOD A**

TABLE 2 - EXAMPLE OF A FINANCIAL EVALUATION USING METHOD A:							
Resource Category	Max. Points	Bidder 1		Bidder 2		Bidder 3	
		Year 1	Year 2	Year 1	Year 2	Year 1	Year 2
Programmer	150 (75 pts. per year)	\$400.00	\$400.00	\$420.00	\$450.00	\$450.00	\$450.00
Business Analyst	100 (50 pts. per year)	\$600.00	\$600.00	\$600.00	\$620.00	\$650.00	\$820.00
Project Manager	50 (25 pts. per year)	\$555.00	\$900.00	\$750.00	\$800.00	\$700.00	\$800.00
<b>TOTAL</b>	300						
<b>STEP 1 - Establishing the lower and upper median band limits for each year and each resource category</b>							
(Median 1)	For the Programmer Resource Category, the year 1 median would be \$420.00. The lower median band limit would be \$336.00 and higher median band limit would be \$546.00.						
(Median 2)	For the Programmer Resource Category, the year 2 median would be \$450.00. The lower median band limit would be \$360.00 and higher median band limit would be \$585.00.						

(Median 3)	For the Business Analyst Resource Category, the year 1 median would be \$600.00. The lower median band limit would be \$480.00 and higher median band limit would be \$780.00.
(Median 4)	For the Business Analyst Resource Category, the year 2 median would be \$620.00. The lower median band limit would be \$496.00 and higher median band limit would be \$806.00.
(Median 5)	For the Project Manager Resource Category, the year 1 median would be \$700.00. The lower median band limit would be \$560.00 and higher median band limit would be \$910.00.
(Median 6)	For the Project Manager Resource Category, the year 2 median would be \$800.00. The lower median band limit would be \$640.00 and higher median band limit would be \$1,040.00.
<b>STEP 2 - Points Allocation:</b>	
<b>Bidder 1:</b> Programmer Year 1 = 75 points (lowest rate within the lower and upper median band limits) Programmer Year 2 = 75 points (lowest rate within the lower and upper median band limits) Business Analyst Year 1 = 50 points (lowest rate within the lower and upper median band limits) Business Analyst Year 2 = 50 points (lowest rate within the lower and upper median band limits) Project Manager Year 1 = 0 points (outside the lower and higher median band limits) Project Manager Year 2 = 22.22 points (based on the following calculation = (Lowest rate of \$800.00 / Bidder's proposed rate of \$900.00) Multiplied by 25 pts)	
<b>Bidder 2:</b> Programmer Year 1 = 71.43 points (based on the following calculation = (Lowest rate of \$400.00 / Bidder's proposed rate of \$420.00) Multiplied by 75 pts) Programmer Year 2 = 66.67 points (based on the following calculation = (Lowest rate of \$400.00 / Bidder's proposed rate of \$450.00) Multiplied by 75 pts) Business Analyst Year 1 = 50 points (lowest price within the lower and upper median band limits) Business Analyst Year 2 = 48.39 points (based on the following calculation = (Lowest rate of \$600.00 / Bidder's proposed rate of \$620.00) Multiplied by 50 pts) Project Manager Year 1 = 23.33 points (based on the following calculation = (Lowest rate of \$700.00 / Bidder's proposed rate of \$750.00) Multiplied by 25 pts) Project Manager Year 2 = 25 points (lowest price within the lower and upper median band limits)	
<b>Bidder 3:</b> Programmer Year 1 = 66.67 points (based on the following calculation = (Lowest rate of \$400.00 / Bidder's proposed rate of \$450.00) Multiplied by 75 pts) Programmer Year 2 = 66.67 points (based on the following calculation = (Lowest rate of \$400.00 / Bidder's proposed rate of \$450.00) Multiplied by 75 pts) Business Analyst Year 1 = 46.15 points (based on the following calculation = (Lowest rate of \$600.00 / Bidder's proposed rate of \$650.00) Multiplied by 75 pts) Business Analyst Year 2 = 0 points (outside the lower and higher median band limits) Project Manager Year 1 = 25 points (lowest price within the lower and upper median band limits) Project Manager Year 2 = 25 points (lowest price within the lower and upper median band limits)	
<b>STEP 3 - Financial Score:</b>	
<b>Bidder 1:</b>	75 + 75 + 50 + 50 + 0 + 22.22 = Total Financial Score of 272.22 points out of a possible 300 points
<b>Bidder 2:</b>	71.43 + 67.67 + 50 + 48.39 + 23.33 + 25 = Total Financial Score of 284.82 points out of a possible 300 points
<b>Bidder 3:</b>	66.67 + 66.67 + 46.15 + 0 + 25 + 25 = Total Financial Score of 229.49 points out of a possible 300 points

- (d) **Financial Evaluation - Method B:** The following financial evaluation method will be used if two bids are determined responsive:

- (i) **STEP 1 - POINTS ALLOCATION:** For each period and each Resource Category randomly selected points will be allocated as follows:

- (A) Points will be established based on the following calculation, with points rounded to two decimal places:

$$\frac{\text{Lowest proposed firm per diem rate}}{\text{Bidder's proposed firm per diem rate}} \times \text{Maximum Points Assigned at Table 3 below}$$

- (B) The Bidder with the lowest proposed firm per diem rate will be allocated the applicable maximum points assigned at Table 3 below.

Resource Categories to be evaluated based on Firm Per Diem Rates - Random Selection of Resource Categories (see 4.3(f))	Level of Expertise	TABLE 3 - MAXIMUM POINTS ASSIGNED						Total Points
		Initial 3 Year Contract Period	Option Period 1 (Year 4)	Option Period 2 (Year 5)	Option Period 3 (Year 6)	Option Period 4 (Year 7)	Option Period 5 (Year 8)	
Project Manager	3	10	10	10	10	10	10	60
Project Manager	2	10	10	10	10	10	10	60
Project Coordinator	3	10	10	10	10	10	10	60
Project Coordinator	2	10	10	10	10	10	10	60
Project Coordinator	1	10	10	10	10	10	10	60
Application Solution Architect	3	10	10	10	10	10	10	60
Application Solution Architect	2	10	10	10	10	10	10	60
Business Solution Architect	3	10	10	10	10	10	10	60
Business Solution Architect	2	10	10	10	10	10	10	60
Technical Architect	3	10	10	10	10	10	10	60
Technical Architect	2	10	10	10	10	10	10	60
SAP Functional Analyst - Core	3	10	10	10	10	10	10	60
SAP Functional Analyst - Core	2	10	10	10	10	10	10	60
SAP Functional Analyst - Core	1	10	10	10	10	10	10	60
SAP Functional Analyst – Specialized	3	10	10	10	10	10	10	60
SAP Functional Analyst – Specialized	2	10	10	10	10	10	10	60
SAP Functional Analyst – Specialized	1	10	10	10	10	10	10	60

Resource Categories to be evaluated based on Firm Per Diem Rates - Random Selection of Resource Categories (see 4.3(f))	Level of Expertise	TABLE 3 - MAXIMUM POINTS ASSIGNED						Total Points
		Initial 3 Year Contract Period	Option Period 1 (Year 4)	Option Period 2 (Year 5)	Option Period 3 (Year 6)	Option Period 4 (Year 7)	Option Period 5 (Year 8)	
Security Assessment and Authorization (SA&A) Specialist	3	10	10	10	10	10	10	60
Security Assessment and Authorization (SA&A) Specialist	2	10	10	10	10	10	10	60
Security Assessment and Authorization (SA&A) Specialist	1	10	10	10	10	10	10	60
Auditor - Security, Privacy and Internal Controls	3	10	10	10	10	10	10	60
Auditor - Security, Privacy and Internal Controls	2	10	10	10	10	10	10	60
Auditor - Security, Privacy and Internal Controls	1	10	10	10	10	10	10	60
Business Continuity/Disaster Recovery Specialist	3	10	10	10	10	10	10	60
Business Continuity/Disaster Recovery Specialist	2	10	10	10	10	10	10	60
Business Continuity/Disaster Recovery Specialist	1	10	10	10	10	10	10	60
Roles & Authorizations (R&A) Architect	3	10	10	10	10	10	10	60
Roles & Authorizations (R&A) Architect	2	10	10	10	10	10	10	60
Security Architect	3	10	10	10	10	10	10	60
Security Architect	2	10	10	10	10	10	10	60
Roles & Authorizations (R&A) Specialist	3	10	10	10	10	10	10	60
Roles & Authorizations (R&A) Specialist	2	10	10	10	10	10	10	60
Roles & Authorizations (R&A) Specialist	1	10	10	10	10	10	10	60

Resource Categories to be evaluated based on Firm Per Diem Rates - Random Selection of Resource Categories (see 4.3(f))	Level of Expertise	TABLE 3 - MAXIMUM POINTS ASSIGNED						Total Points
		Initial 3 Year Contract Period	Option Period 1 (Year 4)	Option Period 2 (Year 5)	Option Period 3 (Year 6)	Option Period 4 (Year 7)	Option Period 5 (Year 8)	
Programmer/Software Developer	3	10	10	10	10	10	10	60
Programmer/Software Developer	2	10	10	10	10	10	10	60
Programmer/Software Developer	1	10	10	10	10	10	10	60
Interface Specialist	3	10	10	10	10	10	10	60
Interface Specialist	2	10	10	10	10	10	10	60
Interface Specialist	1	10	10	10	10	10	10	60
Extract, Transform, Load (ETL) Specialist	3	10	10	10	10	10	10	60
Extract, Transform, Load (ETL) Specialist	2	10	10	10	10	10	10	60
Extract, Transform, Load (ETL) Specialist	1	10	10	10	10	10	10	60
SAP BI/BW Specialist	3	10	10	10	10	10	10	60
SAP BI/BW Specialist	2	10	10	10	10	10	10	60
SAP BI/BW Specialist	1	10	10	10	10	10	10	60
SAP Business Objects Developer	3	10	10	10	10	10	10	60
SAP Business Objects Developer	2	10	10	10	10	10	10	60
SAP Business Objects Developer	1	10	10	10	10	10	10	60
Enterprise Performance Management (EPM) Specialist	3	10	10	10	10	10	10	60
Enterprise Performance Management (EPM) Specialist	2	10	10	10	10	10	10	60
Enterprise Performance Management (EPM) Specialist	1	10	10	10	10	10	10	60
SAP Portal Specialist	3	10	10	10	10	10	10	60



Resource Categories to be evaluated based on Firm Per Diem Rates - Random Selection of Resource Categories (see 4.3(f))	Level of Expertise	TABLE 3 - MAXIMUM POINTS ASSIGNED						Total Points
		Initial 3 Year Contract Period	Option Period 1 (Year 4)	Option Period 2 (Year 5)	Option Period 3 (Year 6)	Option Period 4 (Year 7)	Option Period 5 (Year 8)	
SAP Portal Specialist	2	10	10	10	10	10	10	60
SAP Portal Specialist	1	10	10	10	10	10	10	60
BASIS Administrator	3	10	10	10	10	10	10	60
BASIS Administrator	2	10	10	10	10	10	10	60
BASIS Administrator	1	10	10	10	10	10	10	60
UNIX and Linux Administrator	3	10	10	10	10	10	10	60
UNIX and Linux Administrator	2	10	10	10	10	10	10	60
UNIX and Linux Administrator	1	10	10	10	10	10	10	60
Windows Administrator	3	10	10	10	10	10	10	60
Windows Administrator	2	10	10	10	10	10	10	60
Windows Administrator	1	10	10	10	10	10	10	60
Network Manager	3	10	10	10	10	10	10	60
Network Manager	2	10	10	10	10	10	10	60
Network Manager	1	10	10	10	10	10	10	60
Application Administrator	3	10	10	10	10	10	10	60
Application Administrator	2	10	10	10	10	10	10	60
Application Administrator	1	10	10	10	10	10	10	60
SAP Archiving Specialist	3	10	10	10	10	10	10	60
SAP Archiving Specialist	2	10	10	10	10	10	10	60
SAP Archiving Specialist	1	10	10	10	10	10	10	60
Business Analyst	3	10	10	10	10	10	10	60

Resource Categories to be evaluated based on Firm Per Diem Rates - Random Selection of Resource Categories (see 4.3(f))	Level of Expertise	TABLE 3 - MAXIMUM POINTS ASSIGNED						Total Points
		Initial 3 Year Contract Period	Option Period 1 (Year 4)	Option Period 2 (Year 5)	Option Period 3 (Year 6)	Option Period 4 (Year 7)	Option Period 5 (Year 8)	
Business Analyst	2	10	10	10	10	10	10	60
Business Analyst	1	10	10	10	10	10	10	60
Business Support Specialist	3	10	10	10	10	10	10	60
Business Support Specialist	2	10	10	10	10	10	10	60
Business Support Specialist	1	10	10	10	10	10	10	60
Business Transition Analyst	3	10	10	10	10	10	10	60
Business Transition Analyst	2	10	10	10	10	10	10	60
Business Transition Analyst	1	10	10	10	10	10	10	60
Training Development, Delivery and Support	3	10	10	10	10	10	10	60
Training Development, Delivery and Support	2	10	10	10	10	10	10	60
Training Development, Delivery and Support	1	10	10	10	10	10	10	60
Technical Writer	3	10	10	10	10	10	10	60
Technical Writer	2	10	10	10	10	10	10	60
Technical Writer	1	10	10	10	10	10	10	60
Transport Coordinator	3	10	10	10	10	10	10	60
Transport Coordinator	2	10	10	10	10	10	10	60
Transport Coordinator	1	10	10	10	10	10	10	60
Configuration Management Specialist	3	10	10	10	10	10	10	60
Configuration Management Specialist	2	10	10	10	10	10	10	60
Configuration Management Specialist	1	10	10	10	10	10	10	60
Incident Management Coordinator	3	10	10	10	10	10	10	60

Resource Categories to be evaluated based on Firm Per Diem Rates - Random Selection of Resource Categories (see 4.3(f))	Level of Expertise	TABLE 3 - MAXIMUM POINTS ASSIGNED						Total Points
		Initial 3 Year Contract Period	Option Period 1 (Year 4)	Option Period 2 (Year 5)	Option Period 3 (Year 6)	Option Period 4 (Year 7)	Option Period 5 (Year 8)	
Incident Management Coordinator	2	10	10	10	10	10	10	60
Incident Management Coordinator	1	10	10	10	10	10	10	60
Change Coordinator	3	10	10	10	10	10	10	60
Change Coordinator	2	10	10	10	10	10	10	60
Change Coordinator	1	10	10	10	10	10	10	60
Test Manager	3	10	10	10	10	10	10	60
Test Manager	2	10	10	10	10	10	10	60
Quality Control	3	10	10	10	10	10	10	60
Quality Control	2	10	10	10	10	10	10	60
Quality Control	1	10	10	10	10	10	10	60
Tester	3	10	10	10	10	10	10	60
Tester	2	10	10	10	10	10	10	60
Tester	1	10	10	10	10	10	10	60

- (ii) **STEP 2 - FINANCIAL SCORE:** Points allocated under STEP 1, for each period and each Resource Category, will be added together and rounded to two decimal places to produce the Financial Score.

(e) **Formulae in Pricing Tables**

If the pricing tables provided to bidders include any formulae, Canada may re-input the prices provided by bidders into a fresh table, if Canada believes that the formulae may no longer be functioning properly in the version submitted by a Bidder.

(f) **Annex B – Financial Bid: Random Selection of Resource Categories**

Canada will randomly select the Resource Categories to create a subset for the financial evaluation.

- (i) Prior to the closing date and time of this RFP, PWGSC will randomly select a number of Resource Categories from Annex B to create a subset for evaluation purposes.

- (ii) The number of Resource Categories that are included in the subset will be predetermined prior to bid closing and time, and will remain confidential
- (iii) To randomly select the specific categories to be used in evaluation :
  - (A) All Resource Categories will be placed in a box.
  - (B) Then Resource Categories will be drawn one by one from the box and based on the order of selection, will be assigned an ordinal number. i.e. 1st drawn will be 1, 2nd 2, etc.
  - (C) Finally all 107 ordinal numbers will be placed in a box from which the pre-determined number of categories will be drawn (without replacement), ensuring that the process is transparent and valid. There will be independent verification of device, witnesses, and certifications. A fairness monitor will also be present.

#### 4.4 Basis of Selection

##### (a) Evaluation of Bids – Selection Process

The following selection process will be conducted:

- (i) A bid must comply with the requirements of the bid solicitation and meet all mandatory evaluation criteria identified in this bid solicitation to be declared responsive.
- (ii) Up to four (4) contracts with the top three (3) ranked responsive bidders obtaining the highest Total Bidder Score will be recommended for award of a contract as identified in (b) (c) and (d) below. For any given Bidder, the greatest possible Total Technical Score is 70 while the greatest possible Total Financial Score is 30.

- (A) Calculation of Total Technical Score: the Total Technical Score will be computed for each responsive bid by converting the Technical Score obtained for the point-rated technical criteria using the following formula, rounded to two decimal places:

Bidder's Technical Score

Total Maximum Technical Points                      x 70 = Total Technical Score  
(Bidders, please refer to the  
maximum technical points at  
Attachment A – Technical Evaluation  
Criteria)

- (B) Calculation of Total Financial Score: The Total Financial Score will be computed for each responsive bid by converting the Financial Score obtained for the financial evaluation using the following formula rounded to two decimal places:

Bidder's Financial Score

Total Maximum Points Assigned                      x 30 = Total Financial Score  
(Note: The Total Points listed at  
Table 1 or 3 as applicable for all  
randomly selected Resource  
Categories (identified at 4.3(f)) will be  
added together to create the Total  
Maximum Points Assigned)

- (C) Calculation of the Total Bidder Score: The Total Bidder Score will be computed for each responsive bid in accordance with the following formula:

$$\text{Total Technical Score} + \text{Total Financial Score} = \text{Total Bidder Score}$$

- (iii) When determining the ranking of a bidder, in the event of identical Total Bidder Scores occurring within, then the bid with the highest Total Technical Score will prevail.

- (b) Should Canada be in receipt of three (3) responsive bids, Contracts will be awarded as follows:

Item	First three (3) Top Ranked Responsive bidders	Estimated Contracts	Departments	
			PART 7 (DND RESULTING CONTRACTS)	PART 8 (PWGSC RESULTING CONTRACTS)
i)	<p><b>First</b> Ranked Responsive Bidder.</p> <p>The DRMIS scope of work as listed under Part 1, section 1.2 (c).</p> <p>Certain work will be allocated under the resulting contracts to the First Ranked Responsive Bidder, and some work may be allocated to the Third Ranked Responsive Bidder as described in Part 1, Section 1.11 (b) below.</p>	One (1) contract for DND	W8474-126279/ <u>001</u> -XQ	NIL
ii)	<p><b>Second</b> Ranked Responsive Bidder.</p> <p>SIGMA scope of work as listed under Part 1, section 1.3 (e).</p> <p>Certain work will be allocated under the resulting contracts to the Second Ranked Responsive Bidder, and some work may be allocated to the Third Ranked Responsive Bidder as described in Part 1, Section 1.11 (b) below.</p>	One (1) contract for PWGSC	NIL	EP549-142533/ <u>001</u> -XQ
iii)	<p><b>Third</b> Ranked Responsive Bidder.</p> <p>The DRMIS scope of work as listed under Part</p>	<p>Two (2) Contracts as follows:</p> <ul style="list-style-type: none"> <li>• One (1) for DND and</li> </ul>	W8474-126279/ <u>002</u> -XQ	EP549-142533/ <u>002</u> -XQ

Item	First three (3) Top Ranked Responsive bidders	Estimated Contracts	Departments	
			PART 7 (DND RESULTING CONTRACTS)	PART 8 (PWGSC RESULTING CONTRACTS)
	<p>1, section 1.2 (c) and the SIGMA scope of work as listed under Part 1, section 1.3 (e).</p> <p>Certain work will be allocated under the resulting contracts to the First and Second Ranked Responsive Bidders, and some work may be allocated to the Third Ranked Responsive Bidder as described in Part 1, Section 1.11 (b) below.</p>	<ul style="list-style-type: none"> <li>One (1) for PWGSC</li> </ul>		
<p>Part 1, Section 1.11 (b): Under contracts W8474-126279/<b>002</b>-XQ and EP549-142533/<b>002</b>-XQ, Task Authorizations may be issued to the Third Ranked Bidder :</p> <p>(i) for up to 25% of the total work requirements, as defined in the DRMIS and SIGMA Scope of Work, as directed by DND and PWGSC, respectively, and</p> <p>(ii) in the following circumstances:</p> <p>(A) <u>Overflow</u>: When DND or PWGSC has identified required resources and timelines under W8474-126279/001-XQ or EP549-142533/001-XQ, respectively, and the contractor responsible for that contract is unable to meet the identified requirements, and</p> <p>(B) <u>Independent Advice</u>: When independent advice is required.</p>				

- (c) Should Canada be in receipt of only two (2) responsive bids, Contracts will be awarded as follows:

Item	First two (2) Top Ranked Responsive bidders	Estimated Contracts	Departments	
			PART 7 (DND RESULTING CONTRACTS)	PART 8 (PWGSC RESULTING CONTRACTS)
i)	<u>First</u> Ranked Responsive Bidder.	Two (2) Contracts as follows: <ul style="list-style-type: none"> <li>• 1<sup>st</sup> Contract for DND and</li> <li>• 2<sup>nd</sup> Contract for PWGSC</li> </ul>	1 <sup>st</sup> Contract W8474-126279/ <u>001</u> -XQ	2 <sup>nd</sup> Contract EP549-142533/ <u>002</u> -XQ
ii)	<u>Second</u> Ranked Responsive Bidder	Two (2) Contracts as follows: <ul style="list-style-type: none"> <li>• 1<sup>st</sup> Contract for PWGSC and</li> <li>• 2<sup>nd</sup> Contract for DND</li> </ul>	2 <sup>nd</sup> Contract W8474-126279/ <u>002</u> -XQ	1 <sup>st</sup> Contract EP549-142533/ <u>001</u> -XQ

Note: Should the Contractors awarded the 1<sup>st</sup> contract with each department, fail to respond on the time specified in the draft Task Authorization, or confirms in writing that they refuse, or are unable to provide the resources or are unable to perform the task, or when Canada requires independent advice or the need to direct work, the draft Task Authorization will then be forwarded to the Contractors who have been awarded the 2<sup>nd</sup> contract with each department. The value of the 2<sup>nd</sup> Contract for each department will only be up to 15% of the total work requirements for each department. When the 15% limit has been reached, Canada reserves the right to seek the services required through other procurement vehicles.

- (d) Should Canada be in receipt of only one (1) responsive bids, Contracts will be awarded as follows:

Item	First Top Ranked Responsive bidders	Estimated Contracts	Departments	
			PART 7 (DND RESULTING CONTRACTS)	PART 8 (PWGSC RESULTING CONTRACTS)
i)	<u>First</u> Ranked Responsive Bidder.	Two (2) Contracts : <ul style="list-style-type: none"> <li>• One (1) for DND and</li> <li>• One (1) for PWGSC</li> </ul>	W8474-126279/ <u>001</u> -XQ	EP549-142533/ <u>001</u> -XQ

Item	First Top Ranked Responsive bidders	Estimated Contracts	Departments	
			PART 7 (DND RESULTING CONTRACTS)	PART 8 (PWGSC RESULTING CONTRACTS)
Note: Should the Contractor fail to respond on the time specified in the draft Task Authorization, or the Contractor confirms in writing that it refuses, is unable to provide resources, or is unable to perform the task, Canada reserves the right to seek the services required through other procurement vehicles.				

- (e) Bidders who submit Proposals agree to be bound by the instructions, terms and conditions of this RFP and its resulting contract(s), as they are, in its entirety.



## **PART 5 - CERTIFICATIONS AND ADDITIONAL INFORMATION**

Bidders must provide the required certifications and additional information to be awarded a contract.

The certifications provided by Bidders to Canada are subject to verification by Canada at all times. Canada will declare a bid non-responsive, or will declare a contractor in default if any certification made by the Bidder is found to be untrue, whether made knowingly or unknowingly, during the bid evaluation period or during the contract period.

The Contracting Authority will have the right to ask for additional information to verify the Bidder's certifications. Failure to comply and to cooperate with any request or requirement imposed by the Contracting Authority will render the bid non-responsive or constitute a default under the Contract.

The certifications listed below should be completed and submitted with the bid, but may be submitted afterwards. If any of these required certifications is not completed and submitted as requested, the Contracting Authority will so inform the Bidder and provide the Bidder with a time frame within which to meet the requirement. Failure to comply with the request of the Contracting Authority and meet the requirement within that time period will render the bid non-responsive.

### **5.1 Certifications Required with Bid**

Bidders must submit the following duly completed certifications as part of their bid.

#### **(a) Declaration of Convicted Offences**

As applicable, pursuant to subsection Declaration of Convicted Offences of section 01 of the Standard Instructions, the Bidder must provide with its bid, the completed Declaration Form 2, to be given further consideration in the procurement process.

### **5.2 Certifications Precedent to Contract Award and Additional Information**

The certifications and additional information listed below should be submitted with the bid, but may be submitted afterwards. If any of these required certifications or additional information is not completed and submitted as requested, the Contracting Authority will inform the Bidder of a time frame within which to provide the information. Failure to provide the certifications or the additional information listed below within the time frame provided will render the bid non-responsive.

#### **(a) Integrity Provisions – List of Names**

- (i) Bidders who are incorporated, including those bidding as a joint venture, must provide a complete list of names of all individuals who are currently directors of the Bidder.
- (ii) Bidders bidding as sole proprietorship, as well as those bidding as a joint venture, must provide the names of the owner(s).
- (iii) Bidders bidding as societies, firms or partnerships do not need to provide lists of names.

**(b) Federal Contractors Program for Employment Equity - Bid Certification**

By submitting a bid, the Bidder certifies that the Bidder, and any of the Bidder's members if the Bidder is a Joint Venture, is not named on the Federal Contractors Program (FCP) for employment equity "FCP Limited Eligibility to Bid" list ([http://www.labour.gc.ca/eng/standards\\_equity/eq/emp/fcp/list/inelig.shtml](http://www.labour.gc.ca/eng/standards_equity/eq/emp/fcp/list/inelig.shtml)) available from Employment and Social Development Canada (ESDC) - Labour's website.

Canada will have the right to declare a bid non-responsive if the Bidder, or any member of the Bidder if the Bidder is a Joint Venture, appears on the "FCP Limited Eligibility to Bid" list at the time of contract award.

Canada will also have the right to terminate the Contract for default if a Contractor, or any member of the Contractor if the Contractor is a Joint Venture, appears on the "FCP Limited Eligibility to Bid" list during the period of the Contract.

The Bidder must provide the Contracting Authority with a completed Form 4 - Federal Contractors Program for Employment Equity - Certification, before contract award. If the Bidder is a Joint Venture, the Bidder must provide the Contracting Authority with a completed annex Federal Contractors Program for Employment Equity - Certification, for each member of the Joint Venture.

## PART 6 - SECURITY, FINANCIAL AND OTHER REQUIREMENTS

### 6.1 Security Requirement

- (a) Before award of a contract, the following conditions must be met:
  - (i) the Bidder must hold a valid organization security clearance as indicated in Part 7 and 8 - Resulting Contract Clauses;
  - (ii) the Bidder's proposed location of work performance and document safeguarding must meet the security requirements as indicated in Part 7 and 8 - Resulting Contract Clauses; and
  - (iii) the Bidder must provide the address(es) of proposed site(s) or premises of work performance and document safeguarding as indicated in Part 3 - Section IV, Additional Information.
- (b) Bidders are reminded to obtain the required security clearance promptly. Any delay in the award of a contract to allow the successful Bidder to obtain the required clearance will be at the entire discretion of the Contracting Authority.
- (c) For additional information on security requirements, Bidders should refer to the Industrial Security Program (ISP) of Public Works and Government Services Canada (<http://ssi-iss.tpsgc-pwgsc.gc.ca/index-eng.html>) website.
- (d) In the case of a joint venture bidder, each member of the joint venture must meet the security requirements.

### 6.2 Financial Capability

- (a) SACC Manual clause A9033T (2012-07-16) Financial Capability applies, except that subsection 3 is deleted and replaced with the following:
 

"If the Bidder is a subsidiary of another company, then any financial information required by the Contracting Authority in 1(a) to (f) must also be provided by each level of parent company, up to and including the ultimate parent company. The financial information of a parent company does not satisfy the requirement for the provision of the financial information of the Bidder; however, if the Bidder is a subsidiary of a company and, in the normal course of business, the required financial information is not generated separately for the subsidiary, the financial information of the parent company must be provided. If Canada determines that the Bidder is not financially capable but the parent company is, or if Canada is unable to perform a separate assessment of the Bidder's financial capability because its financial information has been combined with its parent's, Canada may, in its sole discretion, award the contract to the Bidder on the condition that one or more parent companies grant a performance guarantee to Canada."
- (b) In the case of a joint venture bidder, each member of the joint venture must meet the financial capability requirements.

### 6.3 Controlled Goods Requirement – *The DRMIS for DND only.*

- (a) SACC Manual clause A9130T (2014-11-27) Controlled Goods Program

In the case of a joint venture bidder, each member of the joint venture must meet the requirements of the Controlled Goods Program.

#### **6.4 Insurance Requirements**

- (a) The Bidder must provide a letter from an insurance broker or an insurance company licensed to operate in Canada stating that the Bidder, if awarded a contract as a result of the bid solicitation, can be insured in accordance with the Insurance Requirements specified in Part 7 and Part 8 of resulting contract clauses.
- (b) If the information is not provided in the bid, the Contracting Authority will so inform the Bidder and provide the Bidder with a time frame within which to meet the requirement. Failure to comply with the request of the Contracting Authority and meet the requirement within that time period will render the bid non-responsive.

## PART 7 - RESULTING CONTRACT CLAUSES –THE DRMIS FOR DND

The following clauses and conditions apply to and form part of any contract resulting from the bid solicitation.

Canada intends to issue up to two (2) contracts for the **Department of National Defence** (under contract n°s starting with W8474-126279) as a result of this solicitation. The following clauses and conditions apply to and form part of any contract(s) resulting from the bid solicitation for the **DRMIS requirement**.

### 7.1 Requirement

- (a) \_\_\_\_\_ (the "Contractor") agrees to supply to the Client the services described in the Contract including the Statement of Work on an "as and when requested basis" through authorized Task Authorization, in accordance with, and at the prices set out in the Contract.
- (b) Client: Under the Contract, the "Client" is the Department of National Defence.
- (c) Reorganization of Client: The Contractor's obligation to perform the Work will not be affected by (and no additional fees will be payable as a result of) the renaming, reorganization, reconfiguration, or restructuring of any Client. The reorganization, reconfiguration and restructuring of the Client includes the privatization of the Client, its merger with another entity, or its dissolution, where that dissolution is followed by the creation of another entity or entities with mandates similar to the original Client. In connection with any form of reorganization, Canada may designate another department or government body as the Contracting Authority or Technical Authority, as required to reflect the new roles and responsibilities associated with the reorganization.

### 7.2 Task Authorization

- (a) As-and-when-requested Task Authorizations: The Work or a portion of the Work to be performed under the Contract will be on an "as-and-when-requested basis" using a Task Authorization (TA). The Work described in the TA must be in accordance with the scope of the Contract. The Contractor must not commence work until a validly issued TA has been issued by Canada and received by the Contractor. The Contractor acknowledges that any work performed before such issuance and receipt will be done at the Contractor's own risk.
- (b) Allocation of Task Authorizations: More than one contract has been awarded for this requirement. As a result, the Task Authorizations issued under this series of contracts will be allocated in accordance with the following:

NOTE: Should Canada be in receipt of three (3) responsive bids, as defined in Part 4, 4.4 (b), the following ranking will apply :

(c) **The Contracts are as follows:**

- (i) Contract no. W8474-126279/**001**-XQ: [*Note: The 1<sup>st</sup> ranked responsive bidder, Contractor to be named at contract award*]. Contractor No. **001** will be responsible for the DRMIS scope of work as defined in Annex A-1 Statement of Work, **including the**

**first Task Authorization for In-Service Support**, with the exceptions listed under (iii).

- (ii) Contract no. W8474-126279/**002**-XQ: [*Note: The 3rd ranked responsive bidder, Contractor to be named at contract award*]. Allocation of TA work requirements under Contract No. W8474-126279/**002**-XQ will be under the following circumstances.
- (iii) Under contract W8474-126279/**002**-XQ, Task Authorizations may be issued:
  - (A) for up to 25% of the total work requirements, as defined in the DRMIS Scope of Work, as directed by DND, and
  - (B) in the following circumstances:
    - (I) Overflow: When DND has identified required resources and timelines under W8474-126279/001-XQ respectively, and the contractor responsible for that contract is unable to meet the identified requirements, and
    - (II) Independent Advice: When independent advice is required.

NOTE: Should Canada be in receipt of two (2) responsive bids, as defined in Part 4, 4.4 (c), the following ranking will apply :

(c) The Contracts are as follows:

- (i) Contract no. W8474-126279/**001**-XQ: [*Note: The 1<sup>st</sup> ranked responsive bidder, Contractor to be named at contract award*]. Contractor No. 001 will be responsible for the DRMIS scope of work as defined in Annex A-1 Statement of Work, **including the first Task Authorization for In-Service Support**.
- (ii) Contract no. W8474-126279/**002**-XQ: [*Note: The 2<sup>nd</sup> ranked responsive bidder, Contractor to be named at contract award*]. Allocation of TA work requirements under Contract no. W8474-126279/**002**-XQ for the DRMIS will be for up to 15% of the total work requirements. Should Contractor No. **001** fail to respond on the time specified in the draft Task Authorization, or confirms in writing that they refuse or is unable to provide the resources or is unable to perform the task, or when Canada requires independent advice, or the need to direct work, the draft Task Authorization will then be forwarded to Contractor No. **002**. The value of the 2nd Contract for DND will only be up to 15% of the total work requirements. When the 15% limit has been reached, Canada reserves the right to seek the services required through other procurement vehicles.
- (d) Canada will send a draft TA to [insert name of contractor for contract no. W8474-126279/**001**-XQ], who will have the time set out further below under the subparagraph entitled "Contractor's Response to Draft Task Authorization" to respond to the Contracting Authority. If this contractor either fails to respond on time or confirms in writing that it refuses or is unable to perform the task, the draft TA will then be forwarded to [insert name of contractor who was awarded contract no. W8474-126279-**002**-XQ]. In the event that Canada determines the proposed resource(s) does not meet the minimum experience or other requirements of the categories identified in the draft TA. Canada may, at its entire discretion, request that the contractor propose another resource and the contractor will have the time set out in the subparagraph "Contractor's Response to Draft Task Authorization" to respond. If the contractor fails to respond on time or Canada determines that the proposed resource(s) does

not meet the minimum experience or other requirements of the categories identified in the draft TA, the draft TA will be forwarded to the other contractor.

- (e) The process of sending out the draft TA to the other contractor will continue until Canada either cancels the requirement for the task or the TA has been issued to one of the contractors. If none of the contractors can perform the task (in accordance with all the terms and conditions of this series of contracts), Canada may acquire the required Work by other means.
- (f) Any of the contractors may advise the Technical Authority and the Contracting Authority in writing that it is unable to carry out additional tasks as a result of previous commitments under one or more TAs issued under this series of contracts, and no draft TA will be sent to that contractor until that contractor has given notice in writing to the Technical Authority and the Contracting Authority that it is again available to perform additional tasks.

NOTE: Should Canada be in receipt of one (1) responsive bid, as defined in Part 4, 4.4 (d), sub-articles (b) to (i) of 7.2 above will be deleted.

- (g) Assessment of Resources Proposed at TA Stage: The process for the assessment of the additional resources and the approval of TA responses is described in detail in Annex E-1.
  - (i) The DND Procurement Representative will provide the Contractor with a description of the task using DND 626, Task Authorization Form specified in Annex D-1.
  - (ii) The draft Task Authorization will contain the details of the activities to be performed, a description of the deliverables, a schedule indicating completion dates for the major activities or submission dates for the deliverables and criteria for assessment of resources. The draft TA will also include the applicable basis (bases) and method (methods) of payment as specified in the Contract.
  - (iii) A draft Task Authorization must also contain the following information, if applicable:
    - (A) the task number;
    - (B) The date by which the Contractor's response must be received (which will appear in the draft Task Authorization, but not the issued Task Authorization);
    - (C) the details of any financial coding to be used;
    - (D) the categories of resources and the number required;
    - (E) a description of the work for the task outlining the activities to be performed and identifying any deliverables (such as reports);
    - (F) the start and completion dates;
    - (G) milestone dates for deliverables and payments (if applicable);
    - (H) the number of person-days of effort required;
    - (I) whether the work requires on-site activities and the location;
    - (J) the language profile of the resources required;
    - (K) the level of security clearance required of resources;

- (L) the price payable to the Contractor for performing the task, with an indication of whether it is a firm price or a maximum TA price (and, for maximum price task authorizations, the TA must indicate how the final amount payable will be determined; where the TA does not indicate how the final amount payable will be determined, the amount payable is the amount, up to the maximum, that the Contractor demonstrates was actually worked on the project, by submitting time sheets filled in at the time of the work by the individual resources to support the charges); and
- (M) any other constraints that might affect the completion of the task.
- (h) **Contractor's Response to Draft Task Authorization:** The Contractor must provide to the DND Procurement Representative, within 5 working days of receiving the draft Task Authorization (or within any longer time period specified in the draft TA), the proposed total price for performing the task and a breakdown of that cost, established in accordance with the Basis of Payment specified in the Contract. The Contractor's quotation must be based on the rates set out in the Contract. The Contractor will not be paid for preparing or providing its response or for providing other information required to prepare and validly issue the TA.
- (i) **Task Authorization Limit and Authorities for Validly Issuing Task Authorizations:**
- To be validly issued, a TA must include the following signatures:
- (i) for any TA with a value, inclusive of revisions, of less than or equal to **\$ (Amount to be determined at contract award)** (including Applicable Taxes), the TA must be signed by:
- (A) the DND Procurement Representative.
- (ii) for any TA with a value **greater than this amount**, a TA must include the following signatures:
- (A) the DND Procurement Representative; and
- (B) the Contracting Authority.
- Any TA that does not bear the appropriate signatures is not validly issued by Canada. Any work performed by the Contractor without receiving a validly issued TA is done at the Contractor's own risk. If the Contractor receives a TA that is not appropriately signed, the Contractor must notify the Contracting Authority. By providing written notice to the Contractor, the Contracting Authority may suspend the Client's ability to issue TAs at any time, or reduce the dollar value threshold described in sub-article (i) above; any suspension or reduction notice is effective upon receipt.
- (j) **Administration of Task Authorization Process for DND:** The administration of the Task Authorization process will be carried out by the DND, Procurement Representative. This process includes monitoring, controlling and reporting on expenditures of the contract with task authorizations to the Contracting Authority.
- (k) **Periodic Usage Reports:**
- (i) The Contractor must compile and maintain records on its provision of services to the federal government under the Task Authorizations validly issued as a result of the competitive TA process under the Contract. The Contractor must provide this data to Canada in accordance with the reporting requirements detailed below. If some data is



not available, the reason must be indicated. If services are not provided during a given period, the Contractor must still provide a "NIL" report. The data must be submitted on a quarterly basis to the Contracting Authority. From time to time, the Contracting Authority may also require an interim report during a reporting period.

- (ii) The quarterly periods are defined as follows:
  - (A) 1st quarter: April 1 to June 30;
  - (B) 2nd quarter: July 1 to September 30;
  - (C) 3rd quarter: October 1 to December 31; and
  - (D) 4th quarter: January 1 to March 31.
  - (E) The data must be submitted to the Contracting Authority no later than 30 days calendar days after the end of the reporting period.
- (iii) Each report must contain the following information for each validly issued TA (as revised):
  - (A) the Task Authorization number and the Task Authorization Revision number(s), if applicable;
  - (B) a title or a brief description of each authorized task;
  - (C) the name, Resource Category and level of each resource involved in performing the TA, as applicable;
  - (D) the total estimated cost specified in the validly issued TA of each task, exclusive of Applicable Taxes;
  - (E) the total amount, exclusive of Applicable Taxes, expended to date against each authorized task;
  - (F) the start and completion date for each authorized task; and
  - (G) the active status of each authorized task as applicable (e.g., indicate whether work is in progress or if Canada has cancelled or suspended the TA, etc.).
- (iv) Each report must also contain the following cumulative information for all the validly issued TAs (as revised):
  - (A) the amount, exclusive of Applicable Taxes, specified in the Contract (as last revised, as applicable) as Canada's total liability to the Contractor for all authorized TAs; and
  - (B) the total amount, exclusive of Applicable Taxes, expended to date against all validly issued tasks.

### 7.3 Minimum Work Guarantee

- (a) In this clause,
  - (i) **"Maximum Contract Value"** means the amount specified in the **"Limitation of Expenditure"** clause set out in the Contract (excluding Applicable Taxes); and

- (ii) **"Minimum Contract Value"** means \$5,000 (excluding Applicable Taxes).
- (b) Canada's obligation under the Contract is to request Work in the amount of the Maximum Contract Value or, at Canada's option, to pay the Contractor at the end of the Contract in accordance with sub-article (a), subject to sub-article (ii), in the event should there not be enough work for all contractors. In consideration of such obligation, the Contractor agrees to stand in readiness throughout the Contract period to perform the Work described in the Contract. Canada's maximum liability for work performed under the Contract must not exceed the Maximum Contract Value, unless an increase is authorized in writing by the Contracting Authority.
- (c) In the event that Canada does not request work in the amount of the Maximum Contract Value during the period of the Contract, Canada must pay the Contractor the Minimum Contract Value and the total cost of the Work requested.
- (d) Canada will have no obligation to the Contractor under this article if Canada terminates the entire Contract
  - (i) for default;
  - (ii) for convenience as a result of any decision or recommendation of a tribunal or court that the contract be cancelled, re-tendered or awarded to another supplier; or
  - (iii) for convenience within ten business days of Contract award.

#### 7.4 Standard Clauses and Conditions

All clauses and conditions identified in the Contract by number, date and title are set out in the [Standard Acquisition Clauses and Conditions Manual](https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual) (<https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual>) issued by Public Works and Government Services Canada.

(a) **General Conditions:**

- (i) 2035 (2015-07-03), General Conditions - Higher Complexity - Services, apply to and form part of the Contract.
- (ii) 1031-2 (2012-07-16), General Conditions – Contract Cost Principles

(b) **Supplemental General Conditions:**

The following Supplemental General Conditions:

- (i) 4002 (2010-08-16), Supplemental General Conditions - Software Development or Modification Services;
  - (ii) 4004 (2013-04-25), Supplemental General Conditions - Maintenance and Support Services for Licensed Software;
  - (iii) 4006 (2010-08-16), Supplemental General Conditions - Contractor to Own Intellectual Property Rights in Foreground Information;
  - (iv) 4008 (2008-12-12), Supplemental General Conditions - Personal Information;
- apply to and form part of the Contract.

## 7.5 Security Requirement

The following security requirements (SRCL and related clauses provided by ISP) apply and forms part of the Contract.

- (a) The Contractor must, at all times during the performance of the Contract, hold a valid **Facility Security Clearance at the level of SECRET**, issued by the Canadian Industrial Security Directorate (CISD), Public Works and Government Services Canada (PWGSC).
- (b) This contract includes access to **controlled goods**. Prior to access, the Contractor must be registered in the Controlled Goods Program of Public Works and Government Services Canada.
- (c) The Contractor personnel requiring access to **PROTECTED/CLASSIFIED** information, assets or sensitive work site(s) **must EACH hold a valid RELIABILITY STATUS or SECRET** clearance, as required, granted or approved by CISD/PWGSC.
- (d) The Contractor personnel requiring access to **RESTRICTED CLASSIFIED** information, assets or sensitive work site(s) **must be citizens of Canada** and must EACH hold a valid personnel security screening at the level of **SECRET clearance**, granted or approved by CISD/PWGSC.
- (e) The Contractor personnel requiring access to **NATO UNCLASSIFIED** information or assets do not require to hold a personnel security clearance; however, the Contractor must ensure that the NATO Unclassified information is not releasable to third parties and that the "need to know" principle is applied to personnel accessing this information
- (f) The Contractor personnel requiring access to **NATO RESTRICTED** information or assets **must be citizens of a NATO member country or a permanent resident of Canada** and EACH hold a valid **SECRET**, granted or approved by the appropriate delegated Nato Security Authority.
- (g) Until the security screening of the Contractor personnel required by this Contract has been completed satisfactorily by the CISD, PWGSC, the Contractor personnel **MAY NOT HAVE ACCESS** to CLASSIFIED/PROTECTED information or assets, and **MAY NOT ENTER** sites where such information or assets are kept, without an escort.
- (h) The Contractor **MUST NOT** remove any PROTECTED/CLASSIFIED information from the identified work site(s), and the Contractor must ensure that its personnel are made aware of and comply with this restriction.
- (i) Subcontracts which contain security requirements are **NOT** to be awarded without the prior written permission of CISD/PWGSC.
- (j) The Contractor must comply with the provisions of the:
  - (i) Security Requirements Check List and security guide (if applicable), attached at Annex "C-1";
  - (ii) Industrial Security Manual (Latest Edition).

**NOTE:** There are **multiple levels of personnel security restrictions** associated with this file. In this instance, a Security Classification Guide is included in this solicitation as Attachment A to Annex C-1 – SRCL – The DRMIS for DND clarifying these restrictions.

**NOTE:** There are **multiple levels of release restrictions** associated with this file. In this instance, a Security Guide is included in this solicitation as Attachment A to Annex C-1 – SRCL – The DRMIS for DND clarifying these restrictions.

## 7.6 Contractor's Site(s) or Premises Requiring Safeguarding Measures

The Contractor must diligently maintain up-to-date, the information related to the Contractor's and individual(s) site(s) or premises, where safeguarding measures are required in the performance of the Work, for the following addresses:

Street Number / Street Name, Unit / Suite / Apartment Number  
City, Province, Territory / State  
Postal Code / Zip Code, Country

The Company Security Officer (CSO) must ensure through the Industrial Security Program (ISP) that the Contractor and individual(s) hold a valid security clearance at the required level.

## 7.7 Contract Period

(a) **Contract Period:** The "**Contract Period**" is the entire period of time during which the Contractor is obliged to perform the Work, which includes:

- (i) The "**Initial Contract Period**", which begins on the date the Contract is awarded and ends three (3) year(s) later; and
- (ii) The period during which the Contract is extended, if Canada chooses to exercise any options set out in the Contract.

(b) **Option to Extend the Contract:**

- (i) The Contractor grants to Canada the irrevocable option to extend the term of the Contract by up to five (5) additional one (1) year period(s) under the same terms and conditions. The Contractor agrees that, during the extended period of the Contract, it will be paid in accordance with the applicable provisions set out in the Basis of Payment.
- (ii) Canada may exercise this option at any time by sending a written notice to the Contractor before the expiry date of the Contract. The option may only be exercised by the Contracting Authority, and will be evidenced, for administrative purposes only, through a contract amendment.

## 7.8 Authorities

(a) **Contracting Authority**

The Contracting Authority for the Contract is:

Vinh Tieu  
Supply Team Leader  
Public Works and Government Services Canada  
Acquisitions Branch  
Services and Technology Acquisitions Management  
Special Projects Initiatives Directorate (SPID)  
Place du Portage, Phase III, 12C1

11 Laurier Street, Gatineau, Quebec K1A 0S5

Telephone: 819-956-7848

Facsimile: 819-956-8303

E-mail address: [SIGRDetSIGMA.DRMISandSIGMA@tpsgc-pwgsc.gc.ca](mailto:SIGRDetSIGMA.DRMISandSIGMA@tpsgc-pwgsc.gc.ca)

The Contracting Authority is responsible for the management of the Contract and any changes to the Contract must be authorized in writing by the Contracting Authority. The Contractor must not perform Work in excess of or outside the scope of the Contract based on verbal or written requests or instructions from anybody other than the Contracting Authority.

**(b) DND Authorities**

The DND Procurement Representative for the Contract is:

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Organization: \_\_\_\_\_  
Address: \_\_\_\_\_  
Telephone : \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_  
Facsimile: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_  
E-mail address: \_\_\_\_\_

The DND Procurement Representative is the representative of DND for whom the Work is being carried out under the Contract and is responsible for matters concerning the administration aspects of the Work under the Contract, communication with the Contracting Authority on all matters concerning the Contract, procurement initiation authority, providing PWGSC with reports on Contract utilization, management of Contract cash flow and FAA Section 34 approval and processing of all invoices. Technical matters may be discussed with the DND Procurement Representative; however the DND Procurement Representative has no authority to authorize changes to the scope of the Work. Changes to the scope of the Work can only be made through a contract amendment issued by the Contracting Authority.

The DND Technical Authority for the Contract is:

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Organization: \_\_\_\_\_  
Address: \_\_\_\_\_  
Telephone : \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_  
Facsimile: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_  
E-mail address: \_\_\_\_\_

The Technical Authority [is the representative of DND for whom the Work is being carried out under the Contract and] is responsible for all matters concerning the technical content of the Work under the Contract. Technical matters may be discussed with the Technical Authority; however, the Technical Authority has no authority to authorize changes to the scope of the Work. Changes to the scope of the Work can only be made through a contract amendment issued by the Contracting Authority.

**(c) Contractor's Representative**

The Contractor's representative is:

Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Telephone : \_\_\_\_-\_\_\_\_-\_\_\_\_\_  
 Facsimile: \_\_\_\_-\_\_\_\_-\_\_\_\_\_  
 E-mail address: \_\_\_\_\_

## 7.9 Proactive Disclosure of Contracts with Former Public Servants

By providing information on its status, with respect to being a former public servant in receipt of a Public Service Superannuation Act (PSSA) pension, the Contractor has agreed that this information will be reported on departmental web sites as part of the published proactive disclosure reports, in accordance with Contracting Policy Notice: 2012-2 of the Treasury Board Secretariat of Canada.

## 7.10 Payment

One or several of the following Basis of Payment will form part of the approved Task Authorization:

### (a) Basis of Payment

- (i) **Professional Services provided under a Task Authorization with a Maximum Price:** For professional services requested by Canada, in accordance with a validly issued Task Authorization, Canada will pay the Contractor, in arrears, up to the Maximum Price for the TA, for actual time worked and any resulting deliverables in accordance with the firm all-inclusive per diem rates set out in Task Authorization Basis of Payment, Applicable Taxes extra. Partial days will be prorated based on actual hours worked based on a 7.5-hour workday.
- (ii) **Professional Services provided under a Task Authorization with a Firm Price:** For professional services requested by Canada, in accordance with a validly issued Task Authorization, Canada will pay the Contractor the firm price set out in the Task Authorization (based on the firm, all-inclusive per diem rates quoted in the Task Authorization. Applicable Taxes extra.
- (iii) **Additional Firm All-Inclusive Per Diem Rates:** Firm all-inclusive per diem rates for **Resource Categories** and **Subject Matter Experts** not identified in the contract and which are required for "as and when requested" work to be performed in accordance with Article 7.2 of the Contract, Task Authorizations, will be negotiated as and when required by the Contracting Authority. The firm all-inclusive per diem rates must be fair and reasonable. At Canada's request, the Contractor will be asked to demonstrate that the rates are not in excess of the best price for similar type quality and quantity of work. Canada also reserves the right to require the submission of a detailed rate breakdown from the Contractor and apply Contract Cost Principles 1031-2 and the PWGSC departmental Profit Policy in effect at the time. The rates will only apply to the TA for which they were negotiated unless incorporated into the Contract through a formal Contract amendment issued by the Contracting Authority.
- (iv) **On-call duty:** There may be stand-by requirements outside regular business hours, 24 hours per day, including Saturdays, Sundays and statutory holidays. To support the Contractor in satisfying this requirement, DND may provide the Resources with cellular phone and/or pagers. Stand-by payment is as follows: for every 12 hours, 1 hour paid at the hourly rate to the maximum of 11 hours per week;

For call-back requirements when the Contractor has been authorized to respond to an incident while on stand-by outside of regular business hours. Call-back payment is as follows:

- (A) the pay rate for the service shall be at the regular hourly rate; and
- (B) there shall be a minimum charge of two (2) hours at the regular hourly rate.

Firm Hourly Rate:

The firm hourly rate for stand-by and call-back will be in accordance with the firm per diem rates specified in the Basis of Payment and will be calculated as follows:

Firm Per Diem Rate for applicable resource category divided by 7.5 hours.

- (v) **Travel and Living Expenses – National Joint Council Travel Directive:** The Contractor will be reimbursed its authorized travel and living expenses reasonably and properly incurred in the performance of the Work, at cost, without any allowance for profit and/or administrative overhead, in accordance with the meal, private vehicle and incidental expenses provided in Appendices B, C and D of the National Joint Council Travel Directive and with the other provisions of the directive referring to “travellers”, rather than those referring to “employees”. All travel must have the prior authorization of the Technical Authority. All payments are subject to government audit.
- (vi) **Competitive Award:** The Contractor acknowledges that the Contract has been awarded as a result of a competitive process. No additional charges will be allowed to compensate for errors, oversights, misconceptions or underestimates made by the Contractor when bidding for the Contract.
- (vii) **Purpose of Estimates:** All estimated costs contained in the Contract are included solely for the administrative purposes of Canada and do not represent a commitment on the part of Canada to purchase goods or services in these amounts. Any commitment to purchase specific amounts or values of goods or services is described elsewhere in the Contract.

(b) **Limitation of Expenditure - Cumulative Total of all Task Authorizations**

- (i) Canada's total liability to the Contractor under the Contract for all validly issued Task Authorizations (TAs), inclusive of any revisions, must not exceed the sum of \$(to be determined at time of contract award). Customs duties are included and Applicable Taxes are extra.
- (ii) No increase in the total liability of Canada will be authorized or paid to the Contractor unless an increase has been approved, in writing, by the Contracting Authority.
- (iii) The Contractor must notify the Contracting Authority in writing as to the adequacy of this sum:
  - (A) when it is 75 percent committed, or
  - (B) 4 months before the Contract expiry date, or
  - (C) as soon as the Contractor considers that the sum is inadequate for the completion of the Work required in all authorized TAs, inclusive of any revisions,

whichever comes first.

- (iv) If the notification is for inadequate contract funds, the Contractor must provide to the Contracting Authority, a written estimate for the additional funds required. Provision of such information by the Contractor does not increase Canada's liability.

(c) **Method of Payment :**

One, several or all of the following methods of payment will form part of the approved Task Authorization:

(i) **Method of Payment for Task Authorizations with a Maximum Price:**

For each Task Authorization validly issued under the Contract that contains a maximum price:

- (A) Canada will pay the Contractor no more frequently than once a month in accordance with the Basis of Payment. The Contractor must submit time sheets for each resource showing the days and hours worked to support the charges claimed in the invoice.
- (B) Once Canada has paid the maximum TA price, Canada will not be required to make any further payment, but the Contractor must complete all the work described in the TA, all of which is required to be performed for the maximum TA price. If the work described in the TA is completed in less time than anticipated, and the actual time worked (as supported by the time sheets) at the rates set out in the Contract is less than the maximum TA price, Canada is only required to pay for the time spent performing the work related to that TA.

(ii) **Method of Payment for Task Authorizations with a Firm Price - Lump Sum Payment on Completion:**

Canada will pay the Contractor upon completion and delivery of all the Work associated with the validly issued Task Authorization in accordance with the payment provisions of the Contract if:

- (A) an accurate and complete invoice and any other documents required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract;
- (B) all such documents have been verified by Canada;
- (C) the Work delivered has been accepted by Canada.

(iii) **Method of Payment for Task Authorizations with a Firm Price - Milestone Payments**

For any Task Authorization validly issued under the Contract that includes a schedule of milestone payments to be made once specific portions of the work have been completed and accepted Canada will make milestone payments in accordance with the schedule of milestones detailed in that **TA** and the payment provisions of the Contract, if:

- (A) an accurate and complete claim for milestone payment using form PWGSC-TPSGC 1111 <http://www.tpsgc-pwgsc.gc.ca/app-acq/forms/1111-eng.html> and



any other documents required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract.

- (B) the total amount for all milestone payments paid by Canada under that TA does not exceed [XX percent to be determined at time of TA], or the other percentage specified in the TA, of the total amount to be paid under the TA.
  - (C) all the certificates appearing on form PWGSC-TPSGC 1111 have been signed by the respective authorized representatives; and
  - (D) all work associated with the milestone and any deliverable required have been completed, delivered, and accepted by Canada.
- (iv) The balance of the amount payable will be paid in accordance with the basis of payment provisions of the Contract TA following delivery and acceptance of the Work for which milestone payments were made.

(d) **SACC Manual Clauses**

- (i) C2000C - (2007-11-30), Taxes - Foreign-based Contractor applies
- (ii) C2605C - (2008-05-12), Canadian Customs Duties and Sales Tax - Foreign-based Contractor applies.
- (iii) A9117C - (2007-11-30), T-1204 – Direct request by Department applies.

(e) **Discretionary Audit – Non-commercial Goods and/or Services (New Labour Categories and Subject Matter Experts)**

The estimated amount of profit included in the Contractor's price or rate certification is subject to audit by Canada, before or after payment is made to the Contractor under the conditions of the Contract. The purpose of the audit would be to determine whether the actual profit earned on a single contract if only one exists, or the aggregate of actual profit earned by the Contractor on a series of negotiated firm price and fixed-time rate contracts performed during a particular period selected, is reasonable and justifiable based on the estimated amount of profit included in earlier price or rate certification(s).

If the audit demonstrates that the actual profit is not reasonable and justifiable, as defined above, the Contractor must repay Canada the amount found to be in excess.

- (i) C0003T - (2008-12-12), Price Certification – Canadian Suppliers applies.
- (ii) C0601T - (2007-11-30), Rate Certification – Non-commercial Services (Canadian-based Bidder) applies.

(f) **Time Verification**

Time charged and the accuracy of the Contractor's time recording system are subject to verification by Canada, before or after payment is made to the Contractor. If verification is done after payment, the Contractor must repay any overpayment, at Canada's request.

## 7.11 Invoicing Instructions

- (a) The Contractor must submit a claim for payment using form PWGSC-TPSGC 1111, Claim for Progress Payment.

Each claim must show:

- (i) all information required on form PWGSC-TPSGC 1111;
  - (ii) all applicable information detailed under the section entitled "Invoice Submission" of the general conditions;
  - (iii) a list of all expenses;
  - (iv) expenditures plus pro-rated profit or fee;
  - (v) the description and value of the milestone claimed as detailed in the Contract.
- (b) Each claim must be supported by:
- (i) a copy of time sheets to support the time claimed;
  - (ii) a copy of the invoices, receipts, vouchers for all direct expenses, travel and living expenses;
  - (iii) a copy of the monthly progress report.
- (c) Applicable Taxes must be calculated on the total amount of the claim before the holdback is applied. At the time the holdback is claimed, there will be no Applicable Taxes payable as it was claimed and payable under the previous claims for progress payments.
- (d) The Contractor must prepare and certify one original and two (2) copies of the claim on form PWGSC-TPSGC 1111, and forward it to the DND Procurement Representative identified under the section entitled "Authorities" of the Contract for appropriate certification after inspection and acceptance of the Work takes place.
- (e) The DND Procurement Representative will then forward the original and two (2) copies of the claim to the Contracting Authority for certification and onward submission to the Payment Office for the remaining certification and payment action.
- (f) The Contractor must not submit claims until all work identified in the claim is completed.

## 7.12 Certifications

The continuous compliance with the certifications provided by the Contractor in its bid and the ongoing cooperation in providing additional information are conditions of the Contract. Certifications are subject to verification by Canada during the entire period of the Contract. If the Contractor does not comply with any certification, or fails to provide the additional information, or if it is determined that any certification made by the Contractor in its bid is untrue, whether made knowingly or unknowingly, Canada has the right, pursuant to the default provision of the Contract, to terminate the Contract for default.

## 7.13 Federal Contractors Program for Employment Equity - Default by Contractor

The Contractor understands and agrees that, when an Agreement to Implement Employment Equity (AIEE) exists between the Contractor and Employment and Social Development Canada (ESDC)-Labour, the AIEE must remain valid during the entire period of the Contract. If the AIEE becomes invalid, the name of the Contractor will be added to the ["FCP Limited Eligibility to Bid"](#) list. The imposition of such a sanction by ESDC will constitute the Contractor in default as per the terms of the Contract.

## 7.14 Applicable Laws

The Contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in \_\_\_\_\_. (*To be determined*).

## 7.15 Priority of Documents

If there is a discrepancy between the wordings of any documents that appear on the following list, the wording of the document that first appears on the list has priority over the wording of any document that appears later on the list:

- (a) these Articles of Agreement, including any individual SACC Manual clauses incorporated by reference in these Articles of Agreement;
- (b) the signed Task Authorizations (including all of its annexes, if any);
- (c) supplemental general conditions, in the following order:
  - (i) 4002 (2010-08-16) Software Development or Modification Services;
  - (ii) 4004 (2013-04-25) Maintenance and Support Services for Licensed Software;
  - (iii) 4006 (2010-08-16) Contractor to Own Intellectual Property Rights in Foreground Information;
  - (iv) 4008 (dated 2008-12-12) Personal Information;
- (d) the General Conditions 2035 (2015-07-03);
- (e) the General Conditions 1031-2 (2012-07-16);
- (f) Annex A-1 Statement of Work – The DRMIS for DND;
- (g) Annex B Financial Bid;
- (h) Annex C-1 Security Requirements Check List – The DRMIS for DND;  
Attachment A to Annex C-1 – SRCL – The DRMIS for DND;
- (i) Annex D-1 DND 626, Task Authorization Form;
- (j) Annex E-1 Minimum Qualifications For Resource Assessment At Task – The DRMIS for DND;
- (k) Annex F Definitions
- (l) Annex G-1 List of SAP Modules – The DRMIS for DND;
- (m) Annex H-1 Non-Disclosure Agreement – The DRMIS for DND; and
- (n) the Contractor's bid dated \_\_\_\_\_, as clarified on \_\_\_\_\_ "or" as amended on, \_\_\_\_\_ not including any software publisher license terms and conditions that may be included in the bid, not including any provisions in the bid with respect to limitations on liability, and not including any terms and conditions incorporated by reference (including by way of a web link) in the bid.

## 7.16 Defence Contract

SACC Manual clause A9006C (2012-07-16), Defence Contract

#### **7.17 Foreign Nationals (Canadian Contractor)**

SACC Manual clause A2000C (2006-06-16), Foreign Nationals (Canadian Contractor)

#### **7.18 Foreign Nationals (Foreign Contractor)**

SACC Manual clause A2001C (2006-06-16), Foreign Nationals (Foreign Contractor)

#### **7.19 Insurance Requirements**

##### **(a) Compliance with Insurance Requirements**

- (i) The Contractor must comply with the insurance requirements specified in this Article. The Contractor must maintain the required insurance coverage for the duration of the Contract. Compliance with the insurance requirements does not release the Contractor from or reduce its liability under the Contract.
- (ii) The Contractor is responsible for deciding if additional insurance coverage is necessary to fulfill its obligation under the Contract and to ensure compliance with any applicable law. Any additional insurance coverage is at the Contractor's expense, and for its own benefit and protection.
- (iii) The Contractor should forward to the Contracting Authority within ten (10) working days after the date of award of the Contract a Certificate of Insurance evidencing the insurance coverage. Coverage must be placed with an Insurer licensed to carry out business in Canada and the Certificate of Insurance must confirm that the insurance policy complying with the requirements is in force. If the Certificate of Insurance has not been completed and submitted as requested, the Contracting Authority will so inform the Contractor and provide the Contractor with a time frame within which to meet the requirement. Failure to comply with the request of the Contracting Authority and meet the requirement within the time period will constitute a default under the General Conditions. The Contractor must, if requested by the Contracting Authority, forward to Canada a certified true copy of all applicable insurance policies.

##### **(b) Commercial General Liability Insurance**

- (i) The Contractor must obtain Commercial General Liability Insurance, and maintain it in force throughout the duration of the Contract, in an amount usual for a contract of this nature, but for not less than \$2,000,000 per accident or occurrence and in the annual aggregate.
- (ii) The Commercial General Liability policy must include the following:
  - (A) Additional Insured: Canada is added as an additional insured, but only with respect to liability arising out of the Contractor's performance of the Contract. The interest of Canada should read as follows: Canada, as represented by Public Works and Government Services Canada.
  - (B) Bodily Injury and Property Damage to third parties arising out of the operations of the Contractor.
  - (C) Products and Completed Operations: Coverage for bodily injury or property damage arising out of goods or products manufactured, sold, handled, or

distributed by the Contractor and/or arising out of operations that have been completed by the Contractor.

- (D) Personal Injury: While not limited to, the coverage must include Violation of Privacy, Libel and Slander, False Arrest, Detention or Imprisonment and Defamation of Character.
- (E) Cross Liability/Separation of Insured: Without increasing the limit of liability, the policy must protect all insured parties to the full extent of coverage provided. Further, the policy must apply to each Insured in the same manner and to the same extent as if a separate policy had been issued to each.
- (F) Blanket Contractual Liability: The policy must, on a blanket basis or by specific reference to the Contract, extend to assumed liabilities with respect to contractual provisions.
- (G) Employees and, if applicable, Volunteers must be included as Additional Insured.
- (H) Employers' Liability (or confirmation that all employees are covered by Worker's compensation (WSIB) or similar program)
- (I) Broad Form Property Damage including Completed Operations: Expands the Property Damage coverage to include certain losses that would otherwise be excluded by the standard care, custody or control exclusion found in a standard policy.
- (J) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority 30 day written notice of policy cancellation.
- (K) If the policy is written on a claims-made basis, coverage must be in place for a period of at least 12 months after the completion or termination of the Contract.
- (L) Owners' or Contractors' Protective Liability: Covers the damages that the Contractor becomes legally obligated to pay arising out of the operations of a subcontractor.
- (M) Non-Owned Automobile Liability - Coverage for suits against the Contractor resulting from the use of hired or non-owned vehicles.
- (N) Advertising Injury: While not limited to, the endorsement must include coverage for piracy or misappropriation of ideas, or infringement of copyright, trademark, title or slogan.
- (O) Litigation Rights: Pursuant to subsection 5(d) of the [Department of Justice Act](#), S.C. 1993, c. J-2, s.1, if a suit is instituted for or against Canada which the Insurer would, but for this clause, have the right to pursue or defend on behalf of Canada as an Additional Named Insured under the insurance policy, the Insurer must promptly contact the Attorney General of Canada to agree on the legal strategies by sending a letter, by registered mail or by courier, with an acknowledgement of receipt.

For the province of Quebec, send to:

Director Business Law Directorate,  
Quebec Regional Office (Ottawa),  
Department of Justice,  
284 Wellington Street, Room SAT-6042,  
Ottawa, Ontario, K1A 0H8

For other provinces and territories, send to:

Senior General Counsel,  
Civil Litigation Section,  
Department of Justice  
234 Wellington Street, East Tower  
Ottawa, Ontario K1A 0H8

A copy of the letter must be sent to the Contracting Authority. Canada reserves the right to co-defend any action brought against Canada. All expenses incurred by Canada to co-defend such actions will be at Canada's expense. If Canada decides to co-defend any action brought against it, and Canada does not agree to a proposed settlement agreed to by the Contractor's insurer and the plaintiff(s) that would result in the settlement or dismissal of the action against Canada, then Canada will be responsible to the Contractor's insurer for any difference between the proposed settlement amount and the amount finally awarded or paid to the plaintiffs (inclusive of costs and interest) on behalf of Canada.

**(c) Errors and Omissions Liability Insurance**

- (i) The Contractor must obtain Errors and Omissions Liability (a.k.a. Professional Liability) insurance, and maintain it in force throughout the duration of the Contract, in an amount usual for a contract of this nature but for not less than \$1,000,000 per loss and in the annual aggregate, inclusive of defence costs.
- (ii) If the Professional Liability insurance is written on a claims-made basis, coverage must be in place for a period of at least 12 months after the completion or termination of the Contract.
- (iii) The following endorsement must be included:

Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of cancellation.

**7.20 Controlled Goods Program**

SACC Manual clause A9131C (2014-11-27), Controlled Goods Program

**7.21 Limitation of Liability - Information Management/Information Technology**

- (a) This section applies despite any other provision of the Contract and replaces the section of the general conditions entitled "Liability". Any reference in this section to damages caused by the Contractor also includes damages caused by its employees, as well as its subcontractors, agents, and representatives, and any of their employees. This section applies regardless of whether the claim is based in contract, tort, or another cause of action. The Contractor is not liable to Canada with respect to the performance of or failure to perform the Contract, except

as described in this section and in any section of the Contract pre-establishing any liquidated damages. The Contractor is only liable for indirect, special or consequential damages to the extent described in this Article, even if it has been made aware of the potential for those damages.

**(b) First Party Liability:**

- (i) The Contractor is fully liable for all damages to Canada, including indirect, special or consequential damages, caused by the Contractor's performance or failure to perform the Contract that relate to:
  - (A) any infringement of intellectual property rights to the extent the Contractor breaches the section of the General Conditions entitled "Intellectual Property Infringement and Royalties";
  - (B) physical injury, including death.
- (ii) The Contractor is liable for all direct damages caused by the Contractor's performance or failure to perform the Contract affecting real or tangible personal property owned, possessed, or occupied by Canada.
- (iii) Each of the Parties is liable for all direct damages resulting from its breach of confidentiality under the Contract. Each of the Parties is also liable for all indirect, special or consequential damages in respect of its unauthorized disclosure of the other Party's trade secrets (or trade secrets of a third party provided by one Party to another under the Contract) relating to information technology.
- (iv) The Contractor is liable for all direct damages relating to any encumbrance or claim relating to any portion of the Work for which Canada has made any payment. This does not apply to encumbrances or claims relating to intellectual property rights, which are addressed under (i) (A) above.
- (v) The Contractor is also liable for any other direct damages to Canada caused by the Contractor's performance or failure to perform the Contract that relate to:
  - (A) any breach of the warranty obligations under the Contract, up to the total amount paid by Canada (including any applicable taxes) for the goods and services affected by the breach of warranty; and
  - (B) any other direct damages, including all identifiable direct costs to Canada associated with re-procuring the Work from another party if the Contract is terminated by Canada either in whole or in part for default, up to an aggregate maximum for this subparagraph (B) of the greater of 0.75 times the total estimated cost (meaning the dollar amount shown on the first page of the Contract in the cell titled "Total Estimated Cost" or shown on each call-up, purchase order or other document used to order goods or services under this instrument), or \$2,000,000.00.

In any case, the total liability of the Contractor under subparagraph (v) will not exceed the total estimated cost (as defined above) for the Contract or \$2,000,000.00, whichever is more.
- (vi) If Canada's records or data are harmed as a result of the Contractor's negligence or willful act, the Contractor's only liability is, at the Contractor's own expense, to restore

Canada's records and data using the most recent back-up kept by Canada. Canada is responsible for maintaining an adequate back-up of its records and data.

(c) **Third Party Claims:**

- (i) Regardless of whether a third party makes its claim against Canada or the Contractor, each Party agrees that it is liable for any damages that it causes to any third party in connection with the Contract as set out in a settlement agreement or as finally determined by a court of competent jurisdiction, where the court determines that the Parties are jointly and severally liable or that one Party is solely and directly liable to the third party. The amount of the liability will be the amount set out in the settlement agreement or determined by the court to have been the Party's portion of the damages to the third party. No settlement agreement is binding on a Party unless its authorized representative has approved the agreement in writing.
- (ii) If Canada is required, as a result of joint and several liability or joint and solidarily liable, to pay a third party in respect of damages caused by the Contractor, the Contractor must reimburse Canada by the amount finally determined by a court of competent jurisdiction to be the Contractor's portion of the damages to the third party. However, despite Sub-article (i), with respect to special, indirect, and consequential damages of third parties covered by this Section, the Contractor is only liable for reimbursing Canada for the Contractor's portion of those damages that Canada is required by a court to pay to a third party as a result of joint and several liability that relate to the infringement of a third party's intellectual property rights; physical injury of a third party, including death; damages affecting a third party's real or tangible personal property; liens or encumbrances on any portion of the Work; or breach of confidentiality.
- (iii) The Parties are only liable to one another for damages to third parties to the extent described in this Sub-article (c).

## 7.22 Joint Venture Contractor

- (a) The Contractor confirms that the name of the joint venture is \_\_\_\_\_ and that it is comprised of the following members: *[list all the joint venture members named in the Contractor's original bid]*.
- (b) With respect to the relationship among the members of the joint venture Contractor, each member agrees, represents and warrants (as applicable) that:
  - (i) \_\_\_\_\_ has been appointed as the "representative member" of the joint venture Contractor and has full authority to act as agent for each member regarding all matters relating to the Contract;
  - (ii) by giving notice to the representative member, Canada will be considered to have given notice to all the members of the joint venture Contractor; and
  - (iii) all payments made by Canada to the representative member will act as a release by all the members.
- (c) All the members agree that Canada may terminate the Contract in its discretion if there is a dispute among the members that, in Canada's opinion, affects the performance of the Work in any way.



- (d) All the members are jointly and severally or solidarily liable for the performance of the entire Contract.
- (e) The Contractor acknowledges that any change in the membership of the joint venture (i.e., a change in the number of members or the substitution of another legal entity for an existing member) constitutes an assignment and is subject to the assignment provisions of the General Conditions.
- (f) The Contractor acknowledges that all security and controlled goods requirements in the Contract, if any, apply to each member of the joint venture Contractor.

**Note to Bidders:** This Article will be deleted if the Bidder awarded the contract is not a joint venture. If the contractor is a joint venture, this clause will be completed with information provided in its bid.

### 7.23 Safeguarding Electronic Media

- (a) Before using them on Canada's equipment or sending them to Canada, the Contractor must use a regularly updated product to scan electronically all electronic media used to perform the Work for computer viruses and other coding intended to cause malfunctions. The Contractor must notify Canada if any electronic media used for the Work are found to contain computer viruses or other coding intended to cause malfunctions.
- (b) If magnetically recorded information or documentation is damaged or lost while in the Contractor's care or at any time before it is delivered to Canada in accordance with the Contract, including accidental erasure, the Contractor must immediately replace it at its own expense.

### 7.24 Timely Problem Identification

- (a) The Contractor must immediately advise the Contracting Authority and Technical Authority in writing of any and all situations or difficulties that the Contractor considers will have a significant impact upon the scope of the Work, expected Project achievement, delivery schedule, person-power or cost to Canada. Notwithstanding the submission of any such report, the Contractor remains responsible for the completion of the Work in accordance with the terms of this Contract.
- (b) Such reports must include proposed detailed remedial action plans to resolve or alleviate the identified situations or difficulties. The plans must set out the Contractor's detailed estimates of any increase in time, resources and cost to affect such plans. Such plans must include all reasonable options for consideration by Canada plus the costs and consequences to Canada of taking no remedial action and must also provide a reasonable amount of time for Canada to review these options and obtain any necessary funding authorization.
- (c) The Contractor will be prohibited from claiming for any additional costs incurred in remedying a problem not reported as described above in a timely fashion, and will be required to remedy such problems at its own expense.

### 7.25 Access to Canada's Property and Facilities

Canada's property, facilities, equipment, documentation and personnel are not automatically available to the Contractor. If the Contractor would like access to any of these, it is responsible for making a request to the Technical Authority. Unless expressly stated in the Contract, Canada has

no obligation to provide any of these to the Contractor. If Canada chooses, in its discretion, to make its property, facilities, equipment, documentation or personnel available to the Contractor to perform the Work, Canada may require an adjustment to the Basis of Payment and additional security requirement may apply.

#### **7.26 Transition Services**

- (a) The Contractor agrees that, in the period leading up to the end of the Contract Period and for up to three months afterwards, it will make all reasonable efforts to assist Canada in the transition from this Contract to a new contract with another supplier. The Contractor agrees that there will be no charge for these services.
- (b) The Contractor will cooperate with the Technical Authority and with the incoming contractor to ensure a seamless transition and a continuance of service including transferring data, and winding down of services.

#### **7.27 Dispute Resolution**

- (a) If a dispute arises out of, or in connection with this Contract, the parties agree to meet to pursue resolution through negotiation or other appropriate dispute resolution process before resorting to litigation.
- (b) All information exchanged during this meeting or any subsequent dispute resolution process, shall be regarded as "without prejudice" communications for the purpose of settlement negotiations and shall be treated as confidential by the parties and their representatives, unless otherwise required by law. However, evidence that is independently admissible or discoverable shall not be rendered inadmissible or non-discoverable by virtue of its use during the dispute resolution process.
- (c) The parties agree that the representatives selected to participate in the dispute resolution process will have the authority required to settle the dispute or will have a rapid means of obtaining the requisite authorization.
- (d) These clauses shall not affect any of Canada's rights of cancellation or termination contained in this Contract.

#### **7.28 Representations and Warranties**

The Contractor made statements regarding its own and its proposed resources' experience and expertise in its bid that resulted in the award of the Contract and the issuance of TAs. The Contractor represents and warrants that all those statements are true and acknowledges that Canada relied on those statements in awarding the Contract and adding work to it through TAs. The Contractor also represents and warrants that it has, and all its resources and subcontractors that perform the Work have, and at all times during the Contract Period they will have, the skills, qualifications, expertise and experience necessary to perform and manage the Work in accordance with the Contract, and that the Contractor (and any resources or subcontractors it uses) has previously performed similar services for other customers.

#### **7.29 Identification Protocol Responsibilities**

The Contractor will be responsible for ensuring that each of its agents, representatives or subcontractors (hereinafter referred to as Contractor Representatives) complies with the following self-identification requirements:

- (a) Contractor Representatives who attend a Government of Canada meeting (whether internal or external to Canada's offices) must identify if an individual is not a permanent employee of the Contractor prior to the commencement of the meeting, to ensure that each meeting participant is aware of the fact that the individual is not a Contractor permanent employee;
- (b) During the performance of any Work at a Government of Canada site, each Contractor Representative must be clearly identified at all times as being a Contractor Representative; and
- (c) If a Contractor Representative requires the use of the Government of Canada's e-mail system in the performance of the Work, then the individual must clearly identify him or herself as an agent or subcontractor of the Contractor in all electronic mail in the signature block as well as under "Properties." This identification protocol must also be used in all other correspondence, communication, and documentation.
- (d) If Canada determines that the Contractor is in breach of any obligation stated in this Article, upon written notice from Canada the Contractor must submit a written action plan describing corrective measures it will implement to eliminate the recurrence of the problem. The Contractor will have five working days to deliver the action plan to the Client and the Contracting Authority, and 20 working days to rectify the underlying problem.
- (e) In addition to any other rights it has under the Contract, Canada may terminate the Contract for default if the corrective measures required of the Contractor described above are not met.

## PART 8 - RESULTING CONTRACT CLAUSES –SIGMA FOR TPSGC

The following clauses and conditions apply to and form part of any contract resulting from the bid

Canada intends to issue up to two (2) contracts for the **Department of Public Works and Government Services** (under contract n°s starting with EP549-142533) as a result of this solicitation. The following clauses and conditions apply to and form part of any contract(s) resulting from the bid solicitation for the **SIGMA** System requirement.

solicitation.

### 8.1 Requirement

- (a) \_\_\_\_\_ (the "Contractor") agrees to supply to the Client the services described in the Contract including the Statement of Work on an "as and when requested basis" through authorized Task Authorization, in accordance with, and at the prices set out in the Contract.
- (b) Client: Under the Contract, the "Client" is the Department of Public Works and Government Services.
- (c) Reorganization of Client: The Contractor's obligation to perform the Work will not be affected by (and no additional fees will be payable as a result of) the renaming, reorganization, reconfiguration, or restructuring of any Client. The reorganization, reconfiguration and restructuring of the Client includes the privatization of the Client, its merger with another entity, or its dissolution, where that dissolution is followed by the creation of another entity or entities with mandates similar to the original Client. In connection with any form of reorganization, Canada may designate another department or government body as the Contracting Authority or Technical Authority, as required to reflect the new roles and responsibilities associated with the reorganization.

### 8.2 Task Authorization

- (a) As-and-when-requested Task Authorizations: The Work or a portion of the Work to be performed under the Contract will be on an "as-and-when-requested basis" using a Task Authorization (TA). The Work described in the TA must be in accordance with the scope of the Contract. The Contractor must not commence work until a validly issued TA has been issued by Canada and received by the Contractor. The Contractor acknowledges that any work performed before such issuance and receipt will be done at the Contractor's own risk.
- (b) Allocation of Task Authorizations: More than one contract has been awarded for this requirement. As a result, the Task Authorizations issued under this series of contracts will be allocated in accordance with the following:

NOTE: Should Canada be in receipt of three (3) responsive bids, as defined in Part 4, 4.4 (b), the following ranking will apply :

- (c) The Contracts are as follows:
  - (i) Contract no. EP549-142533/**001**-XQ: [*Note: The 2nd ranked responsive bidder, Contractor to be named at contract award*]. Contractor No. 001 will be responsible for

SIGMA scope of work as defined in Annex A-2 Statement of Work with the exceptions listed under (iii).

- (ii) Contract no. EP549-142533/**002**-XQ: [*Note: The 3rd ranked responsive bidder, Contractor to be named at contract award*]. Allocation of TA work requirements under EP549-142533/**002**-XQ will be under the following circumstances.
- (iii) Under contract EP549-142533/**002**-XQ, Task Authorizations may be issued:
  - (A) for up to 25% of the total work requirements, as defined in the SIGMA Scope of Work, as directed by PWGSC, and
  - (B) in the following circumstances:
    - (I) Overflow: When PWGSC has identified required resources and timelines under EP549-142533/001-XQ, respectively, and the contractor responsible for that contract is unable to meet the identified requirements, and
    - (II) Independent Advice: When independent advice is required.

NOTE: Should Canada be in receipt of two (2) responsive bids, as defined in Part 4, 4.4 (c), the following ranking will apply :

(c) The Contracts are as follows:

- (i) Contract no. EP549-142533/**001**-XQ: [*Note: The 2nd ranked responsive bidder, Contractor to be named at contract award*]. Contractor No. 001 will be responsible for the SIGMA scope of work as defined in Annex A-2 Statement of Work.
- (ii) Contract no. EP549-142533/**002**-XQ: [*Note: The 1st ranked responsive bidder, Contractor to be named at contract award*]. Allocation of TA work requirements under EP549-142533/002-XQ for SIGMA will be for up to 15% of the total work requirement. Should Contractor No. **001** fail to respond on the time specified in the draft Task Authorization, or confirms in writing that they refuse or is unable to provide the resources or is unable to perform the task, or when Canada requires independent advice, or the need to direct work, the draft Task Authorization will then be forwarded to Contractor No. **002**. The value of the 2nd Contract for PWGSC will only be up to 15% of the total work requirements. When the 15% limit has been reached, Canada reserves the right to seek the services required through other procurement vehicles.
- (d) Canada will send a draft TA in the form of a Statement of Work to [insert name of contractor who was awarded contract EP549-142533/**001**-XQ], who will have the time set out further below under the subparagraph entitled "Contractor's Response to Draft Task Authorization" to respond to the Contracting Authority. If this contractor either fails to respond on time or confirms in writing that it refuses or is unable to perform the task, the draft TA will then be forwarded to [insert name of contractor who was awarded contract no. EP549-142533/**002**-XQ]. In the event that Canada determines the proposed resource(s) does not meet the minimum experience or other requirements of the categories identified in the draft TA. Canada may, at its entire discretion, request that the contractor propose another resource and the contractor will have the time set out in the subparagraph "Contractor's Response to Draft Task Authorization" to respond. If the contractor fails to respond on time or Canada determines that the proposed resource(s) does not meet the minimum experience or other requirements of the categories identified in the draft TA, the draft TA will be forwarded to the other contractor.

- (e) The process of sending out the draft TA to the other contractor will continue until Canada either cancels the requirement for the task or the TA has been issued to one of the contractors. If none of the contractors can perform the task (in accordance with all the terms and conditions of this series of contracts), Canada may acquire the required Work by other means.
- (f) Any of the contractors may advise the Technical Authority and the Contracting Authority in writing that it is unable to carry out additional tasks as a result of previous commitments under one or more TAs issued under this series of contracts, and no draft TA will be sent to that contractor until that contractor has given notice in writing to the Technical Authority and the Contracting Authority that it is again available to perform additional tasks.

NOTE: Should Canada be in receipt of one (1) responsive bid, as defined in Part 4, 4.4 (d), sub-articles (b) to (i) of 8.2 above will be deleted.

- (g) Assessment of Resources Proposed at TA Stage: The process for the assessment of the additional resources and the approval of TA responses is described in detail in Annex E-2.
  - (i) The Technical Authority will provide the Contractor with a description of the task using the "Task Authorization Form – SIGMA for PWGSC" specific in Annex D-2.
  - (ii) The draft Task Authorization will contain the details of the activities to be performed, a description of the deliverables, and a schedule indicating completion dates for the major activities or submission dates for the deliverables. The draft TA will also include the applicable basis (bases) and method (methods) of payment as specified in the Contract.
  - (iii) A draft Task Authorization must also contain the following information, if applicable:
    - (A) the task number;
    - (B) The date by which the Contractor's response must be received (which will appear in the draft Task Authorization, but not the issued Task Authorization);
    - (C) the details of any financial coding to be used;
    - (D) the categories of resources and the number required;
    - (E) a description of the work for the task outlining the activities to be performed and identifying any deliverables (such as reports);
    - (F) the start and completion dates;
    - (G) milestone dates for deliverables and payments (if applicable);
    - (H) the number of person-days of effort required;
    - (I) whether the work requires on-site activities and the location;
    - (J) the language profile of the resources required;
    - (K) the level of security clearance required of resources;

- 
- (L) the price payable to the Contractor for performing the task, with an indication of whether it is a firm price or a maximum TA price (and, for maximum price task authorizations, the TA must indicate how the final amount payable will be determined; where the TA does not indicate how the final amount payable will be determined, the amount payable is the amount, up to the maximum, that the Contractor demonstrates was actually worked on the project, by submitting time sheets filled in at the time of the work by the individual resources to support the charges); and
- (M) any other constraints that might affect the completion of the task.
- (h) **Contractor's Response to Draft Task Authorization:** The Contractor must provide to the Technical Authority, within 5 working days of receiving the draft Task Authorization (or within any longer time period specified in the draft TA), the proposed total price for performing the task and a breakdown of that cost, established in accordance with the Basis of Payment specified in the Contract. The Contractor's quotation must be based on the rates set out in the Contract. The Contractor will not be paid for preparing or providing its response or for providing other information required to prepare and validly issue the TA.
- (i) **Task Authorization Limit and Authorities for Validly Issuing Task Authorizations:**
- To be validly issued, a TA must include the following signatures:
- (i) for any TA with a value, inclusive of revisions, of less than or equal to **\$ (Amount to be determined at contract award)** (including Applicable Taxes), the TA must be signed by:
- (A) the Technical Authority.
- (ii) for any TA with a value **greater than this amount**, a TA must include the following signatures:
- (A) the Contracting Authority.
- Any TA that does not bear the appropriate signatures is not validly issued by Canada. Any work performed by the Contractor without receiving a validly issued TA is done at the Contractor's own risk. If the Contractor receives a TA that is not appropriately signed, the Contractor must notify the Contracting Authority. By providing written notice to the Contractor, the Contracting Authority may suspend the Client's ability to issue TAs at any time, or reduce the dollar value threshold described in sub-article (i) above; any suspension or reduction notice is effective upon receipt.
- (j) **Administration of Task Authorization Process for PWGSC:** The administration of the Task Authorization process will be carried out by the Technical Authority. This process includes monitoring, controlling and reporting on expenditures of the contract with task authorizations to the Contracting Authority.
- (k) **Periodic Usage Reports:**
- (i) The Contractor must compile and maintain records on its provision of services to the federal government under the Task Authorizations validly issued as a result of the competitive TA process under the Contract. The Contractor must provide this data to Canada in accordance with the reporting requirements detailed below. If some data is not available, the reason must be indicated. If services are not provided during a given period, the Contractor must still provide a "NIL" report. The data must be submitted on

a quarterly basis to the Contracting Authority. From time to time, the Contracting Authority may also require an interim report during a reporting period.

- (ii) The quarterly periods are defined as follows:
  - (A) 1st quarter: April 1 to June 30;
  - (B) 2nd quarter: July 1 to September 30;
  - (C) 3rd quarter: October 1 to December 31; and
  - (D) 4th quarter: January 1 to March 31.
  - (E) The data must be submitted to the Contracting Authority no later than (30) calendar days after the end of the reporting period.
- (iii) Each report must contain the following information for each validly issued TA (as revised):
  - (A) the Task Authorization number and the Task Authorization Revision number(s), if applicable;
  - (B) a title or a brief description of each authorized task;
  - (C) the name, Resource Category of each resource involved in performing the TA, as applicable;
  - (D) the total estimated cost specified in the validly issued TA of each task, exclusive of Applicable Taxes;
  - (E) the total amount, exclusive of Applicable Taxes, expended to date against each authorized task;
  - (F) the start and completion date for each authorized task; and
  - (G) the active status of each authorized task as applicable (e.g., indicate whether work is in progress or if Canada has cancelled or suspended the TA, etc.).
- (iv) Each report must also contain the following cumulative information for all the validly issued TAs (as revised)
  - (A) the amount, exclusive of Applicable Taxes, specified in the Contract (as last revised, as applicable) as Canada's total liability to the Contractor for all authorized TAs; and
  - (B) the total amount, exclusive of Applicable Taxes, expended to date against all validly issued tasks.

### 8.3 Minimum Work Guarantee

- (a) In this clause,
  - (i) **"Maximum Contract Value"** means the amount specified in the **"Limitation of Expenditure"** clause set out in the Contract (excluding Applicable Taxes); and
  - (ii) **"Minimum Contract Value"** means \$5,000 (excluding Applicable Taxes).



- (b) Canada's obligation under the Contract is to request Work in the amount of the Maximum Contract Value or, at Canada's option, to pay the Contractor at the end of the Contract in accordance with sub-article (a), subject to sub-article (ii), in the event should there not be enough work for all contractors. In consideration of such obligation, the Contractor agrees to stand in readiness throughout the Contract period to perform the Work described in the Contract. Canada's maximum liability for work performed under the Contract must not exceed the Maximum Contract Value, unless an increase is authorized in writing by the Contracting Authority.
- (c) In the event that Canada does not request work in the amount of the Maximum Contract Value during the period of the Contract, Canada must pay the Contractor the Minimum Contract Value and the total cost of the Work requested.
- (d) Canada will have no obligation to the Contractor under this article if Canada terminates the entire Contract
  - (i) for default;
  - (ii) for convenience as a result of any decision or recommendation of a tribunal or court that the contract be cancelled, re-tendered or awarded to another supplier; or
  - (iii) for convenience within ten business days of Contract award.

#### 8.4 Standard Clauses and Conditions

All clauses and conditions identified in the Contract by number, date and title are set out in the *Standard Acquisition Clauses and Conditions Manual* (<https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual>) issued by Public Works and Government Services Canada.

(a) **General Conditions:**

- (i) 2035 (2015-07-03), General Conditions - Higher Complexity - Services, apply to and form part of the Contract.
- (ii) 1031-2 (2012-07-16), General Conditions – Contract Cost Principles

(b) **Supplemental General Conditions:**

The following Supplemental General Conditions:

- (i) 4002 (2010-08-16), Supplemental General Conditions - Software Development or Modification Services;
  - (ii) 4004 (2013-04-25), Supplemental General Conditions - Maintenance and Support Services for Licensed Software;
  - (iii) 4006 (2010-08-16), Supplemental General Conditions - Contractor to Own Intellectual Property Rights in Foreground Information;
  - (iv) 4008 (2008-12-12), Supplemental General Conditions - Personal Information;
- apply to and form part of the Contract.

## 8.5 Security Requirement

The following security requirement (SRCL and related clauses) applies and form part of the Contract.

- (a) The Contractor must, at all times during the performance of the Contract, hold a valid **Facility Security Clearance at the level of SECRET**, issued by the Canadian Industrial Security Directorate (CISD), Public Works and Government Services Canada (PWGSC).
- (b) The Contractor personnel requiring access to PROTECTED/CLASSIFIED assets or sensitive work site(s) must EACH hold a valid **RELIABILITY STATUS** or personnel security screening at the level of **CONFIDENTIAL**, or **SECRET**, as required, granted or approved by CISD/PWGSC. Until the security screening of the Contractor personnel required by this Contract has been completed satisfactorily by the CISD, PWGSC, the Contractor personnel **MAY NOT ENTER** sites without an escort.
- (c) The Contractor **MUST NOT** remove any PROTECTED/CLASSIFIED information from the identified work site(s), and the Contractor must ensure that its personnel are made aware of and comply with this restriction.
- (d) Subcontracts which contain security requirements are NOT to be awarded without the prior written permission of CISD/PWGSC.
- (e) The Contractor must comply with the provisions of the:
  - (i) Security Requirements Check List and security guide (if applicable), attached at Annex C-2.
  - (ii) Industrial Security Manual (Latest Edition).

## 8.6 Contract Period

- (a) **Contract Period:** The "**Contract Period**" is the entire period of time during which the Contractor is obliged to perform the Work, which includes:
  - (i) The "**Initial Contract Period**", which begins on the date the Contract is awarded and ends three (3) year(s) later; and
  - (ii) The period during which the Contract is extended, if Canada chooses to exercise any options set out in the Contract.
- (b) **Option to Extend the Contract:**
  - (i) The Contractor grants to Canada the irrevocable option to extend the term of the Contract by up to five (5) additional one (1) year period(s) under the same terms and conditions. The Contractor agrees that, during the extended period of the Contract, it will be paid in accordance with the applicable provisions set out in the Basis of Payment.
  - (ii) Canada may exercise this option at any time by sending a written notice to the Contractor before the expiry date of the Contract. The option may only be exercised by the Contracting Authority, and will be evidenced, for administrative purposes only, through a contract amendment.

## 8.7 Authorities

### (a) Contracting Authority

The Contracting Authority for the Contract is:

Vinh Tieu  
Supply Team Leader  
Public Works and Government Services Canada  
Acquisitions Branch  
Services and Technology Acquisitions Management  
Special Projects Initiatives Directorate (SPID)  
Place du Portage, Phase III, 12C1  
11 Laurier Street, Gatineau, Quebec K1A 0S5

Telephone: 819-956-7848

Facsimile: 819-956-8303

E-mail address: [SIGRDetSIGMA.DRMISandSIGMA@tpsgc-pwgsc.gc.ca](mailto:SIGRDetSIGMA.DRMISandSIGMA@tpsgc-pwgsc.gc.ca)

The Contracting Authority is responsible for the management of the Contract and any changes to the Contract must be authorized in writing by the Contracting Authority. The Contractor must not perform Work in excess of or outside the scope of the Contract based on verbal or written requests or instructions from anybody other than the Contracting Authority.

### (b) Technical Authority

The PWGSC Technical Authority for the Contract is:

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Organization: \_\_\_\_\_  
Address: \_\_\_\_\_  
Telephone : \_\_\_\_ - \_\_\_\_ - \_\_\_\_  
Facsimile: \_\_\_\_ - \_\_\_\_ - \_\_\_\_  
E-mail address: \_\_\_\_\_

The Technical Authority is the representative of the department or agency for whom the Work is being carried out under the Contract and is responsible for all matters concerning the technical content of the Work under the Contract. Technical matters may be discussed with the Technical Authority; however, the Technical Authority has no authority to authorize changes to the scope of the Work. Changes to the scope of the Work can only be made through a contract amendment issued by the Contracting Authority.

### (c) Contractor's Representative

The Contractor's representative is:

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
Telephone : \_\_\_\_ - \_\_\_\_ - \_\_\_\_  
Facsimile: \_\_\_\_ - \_\_\_\_ - \_\_\_\_  
E-mail address: \_\_\_\_\_

## 8.8 Proactive Disclosure of Contracts with Former Public Servants

By providing information on its status, with respect to being a former public servant in receipt of a Public Service Superannuation Act (PSSA) pension, the Contractor has agreed that this information will be reported on departmental web sites as part of the published proactive disclosure reports, in accordance with Contracting Policy Notice: 2012-2 of the Treasury Board Secretariat of Canada.

## 8.9 Payment

One or several of the following Basis of Payment will form part of the approved Task Authorization:

### (a) Basis of Payment

- (i) **Professional Services provided under a Task Authorization with a Maximum Price:** For professional services requested by Canada, in accordance with a validly issued Task Authorization, Canada will pay the Contractor, in arrears, up to the Maximum Price for the TA, for actual time worked and any resulting deliverables in accordance with the firm all-inclusive per diem rates set out in Task Authorization Basis of Payment, Applicable Taxes extra. Partial days will be prorated based on actual hours worked based on a 7.5-hour workday.
- (ii) **Professional Services provided under a Task Authorization with a Firm Price:** For professional services requested by Canada, in accordance with a validly issued Task Authorization, Canada will pay the Contractor the firm price set out in the Task Authorization (based on the firm, all-inclusive per diem rates quoted in the Task Authorization. [Applicable Taxes extra]).
- (iii) **Additional Firm All-Inclusive Per Diem Rates:** Firm all-inclusive per diem rates for **Resource Categories** and **Subject Matter Experts** not identified in the contract and which are required for "as and when requested" work to be performed in accordance with Article 8.2 of the Contract, Task Authorizations, will be negotiated as and when required by the Contracting Authority. The firm all-inclusive per diem rates must be fair and reasonable. At Canada's request, the Contractor will be asked to demonstrate that the rates are not in excess of the best price for similar type quality and quantity of work. Canada also reserves the right to require the submission of a detailed rate breakdown from the Contractor and apply Contract Cost Principles 1031-2 and the PWGSC departmental Profit Policy in effect at the time. The rates will only apply to the TA for which they were negotiated unless incorporated into the Contract through a formal Contract amendment issued by the Contracting Authority.
- (iv) **On-call duty:** There may be stand-by requirements outside regular business hours, 24 hours per day, including Saturdays, Sundays and statutory holidays. To support the Contractor in satisfying this requirement, PWGSC may provide the Resources with cellular phone and/or pagers. Stand-by payment is as follows: for every 12 hours, 1 hour paid at the hourly rate to the maximum of 11 hours per week;

For call-back requirements when the Contractor has been authorized to respond to an incident while on stand-by outside of regular business hours. Call-back payment is as follows:

- (A) the pay rate for the service shall be at the regular hourly rate; and

(B) there shall be a minimum charge of two (2) hours at the regular hourly rate.

Firm Hourly Rate:

The firm hourly rate for stand-by and call-back will be in accordance with the firm per diem rates specified in the Basis of Payment and will be calculated as follows:

Firm Per Diem Rate for applicable resource category divided by 7.5 hours.

- (v) **Travel and Living Expenses – National Joint Council Travel Directive:** The Contractor will be reimbursed its authorized travel and living expenses reasonably and properly incurred in the performance of the Work, at cost, without any allowance for profit and/or administrative overhead, in accordance with the meal, private vehicle and incidental expenses provided in Appendices B, C and D of the National Joint Council Travel Directive and with the other provisions of the directive referring to “travellers”, rather than those referring to “employees”. All travel must have the prior authorization of the Technical Authority. All payments are subject to government audit.
- (vi) **Competitive Award:** The Contractor acknowledges that the Contract has been awarded as a result of a competitive process. No additional charges will be allowed to compensate for errors, oversights, misconceptions or underestimates made by the Contractor when bidding for the Contract.
- (vii) **Purpose of Estimates:** All estimated costs contained in the Contract are included solely for the administrative purposes of Canada and do not represent a commitment on the part of Canada to purchase goods or services in these amounts. Any commitment to purchase specific amounts or values of goods or services is described elsewhere in the Contract.

(b) **Limitation of Expenditure - Cumulative Total of all Task Authorizations**

- (i) Canada's total liability to the Contractor under the Contract for all validly issued Task Authorizations (TAs), inclusive of any revisions, must not exceed the sum of \$ (to be determined at time of contract award). Customs duties are included and Applicable Taxes are extra.
- (ii) No increase in the total liability of Canada will be authorized or paid to the Contractor unless an increase has been approved, in writing, by the Contracting Authority.
- (iii) The Contractor must notify the Contracting Authority in writing as to the adequacy of this sum:
  - (A) when it is 75 percent committed, or
  - (B) 4 months before the Contract expiry date, or
  - (C) as soon as the Contractor considers that the sum is inadequate for the completion of the Work required in all authorized TAs, inclusive of any revisions,

whichever comes first.
- (iv) If the notification is for inadequate contract funds, the Contractor must provide to the Contracting Authority, a written estimate for the additional funds required. Provision of such information by the Contractor does not increase Canada's liability.

**(c) Method of Payment :**

One, several or all of the following methods of payment will form part of the approved Task Authorization:

**(i) Method of Payment for Task Authorizations with a Maximum Price:**

For each Task Authorization validly issued under the Contract that contains a maximum price:

- (A) Canada will pay the Contractor no more frequently than once a month in accordance with the Basis of Payment. The Contractor must submit time sheets for each resource showing the days and hours worked to support the charges claimed in the invoice.
- (B) Once Canada has paid the maximum TA price, Canada will not be required to make any further payment, but the Contractor must complete all the work described in the TA, all of which is required to be performed for the maximum TA price. If the work described in the TA is completed in less time than anticipated, and the actual time worked (as supported by the time sheets) at the rates set out in the Contract is less than the maximum TA price, Canada is only required to pay for the time spent performing the work related to that TA.

**(ii) Method of Payment for Task Authorizations with a Firm Price - Lump Sum Payment on Completion:**

Canada will pay the Contractor upon completion and delivery of all the Work associated with the validly issued Task Authorization in accordance with the payment provisions of the Contract if:

- (A) an accurate and complete invoice and any other documents required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract;
- (B) all such documents have been verified by Canada;
- (C) the Work delivered has been accepted by Canada.

**(iii) Method of Payment for Task Authorizations with a Firm Price - Milestone Payments**

For any Task Authorization validly issued under the Contract that includes a schedule of milestone payments to be made once specific portions of the work have been completed and accepted Canada will make milestone payments in accordance with the schedule of milestones detailed in that **TA** and the payment provisions of the Contract, if:

- (A) an accurate and complete claim for milestone payment using form PWGSC-TPSGC 1111 <http://www.tpsgc-pwgsc.gc.ca/app-acq/forms/1111-eng.html> and any other documents required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract.
- (B) the total amount for all milestone payments paid by Canada under that TA does not exceed [XX percent, to be determined at time of TA], or the other percentage specified in the TA, of the total amount to be paid under the TA;

- (C) all the certificates appearing on form PWGSC-TPSGC 1111 have been signed by the respective authorized representatives; and
- (D) all work associated with the milestone and any deliverable required have been completed, delivered, and accepted by Canada.
- (iv) The balance of the amount payable will be paid in accordance with the basis of payment provisions of the Contract TA following delivery and acceptance of the Work for which milestone payments were made.
- (d) **SACC Manual Clauses**
  - (i) C2000C - (2007-11-30), Taxes - Foreign-based Contractor applies
  - (ii) C2605C - (2008-05-12), Canadian Customs Duties and Sales Tax - Foreign-based Contractor applies.
  - (iii) A9117C - (2007-11-30), T-1204 – Direct request by Department applies.

**(e) Discretionary Audit – Non-commercial Goods and/or Services**

The estimated amount of profit included in the Contractor's price or rate certification is subject to audit by Canada, before or after payment is made to the Contractor under the conditions of the Contract. The purpose of the audit would be to determine whether the actual profit earned on a single contract if only one exists, or the aggregate of actual profit earned by the Contractor on a series of negotiated firm price and fixed-time rate contracts performed during a particular period selected, is reasonable and justifiable based on the estimated amount of profit included in earlier price or rate certification(s).

If the audit demonstrates that the actual profit is not reasonable and justifiable, as defined above, the Contractor must repay Canada the amount found to be in excess.

- (i) C0003T - (2008-12-12), Price Certification – Canadian Suppliers applies.
- (ii) C0601T - (2007-11-30), Rate Certification – Non-commercial Services (Canadian-based Bidder) applies.

**(f) Time Verification**

Time charged and the accuracy of the Contractor's time recording system are subject to verification by Canada, before or after payment is made to the Contractor. If verification is done after payment, the Contractor must repay any overpayment, at Canada's request.

## 8.10 Invoicing Instructions

- (a) The Contractor must submit a claim for payment using form PWGSC-TPSGC 1111, Claim for Progress Payment.

Each claim must show:

- (i) all information required on form PWGSC-TPSGC 1111;
- (ii) all applicable information detailed under the section entitled "Invoice Submission" of the general conditions;
- (iii) a list of all expenses;

- (iv) expenditures plus pro-rated profit or fee;
- (v) the description and value of the milestone claimed as detailed in the Contract.
- (b) Each claim must be supported by:
  - (i) a copy of time sheets to support the time claimed;
  - (ii) a copy of the invoices, receipts, vouchers for all direct expenses, travel and living expenses;
  - (iii) a copy of the monthly progress report.
- (c) Applicable Taxes must be calculated on the total amount of the claim before the holdback is applied. At the time the holdback is claimed, there will be no Applicable Taxes payable as it was claimed and payable under the previous claims for progress payments.
- (d) The Contractor must prepare and certify one original and two (2) copies of the claim on form PWGSC-TPSGC 1111, and forward it to the PWGSC Technical Authority identified under the section entitled "Authorities" of the Contract for appropriate certification after inspection and acceptance of the Work takes place.
- (e) The PWGSC Technical Authority will then forward the original and two (2) copies of the claim to the Contracting Authority for certification and onward submission to the Payment Office for the remaining certification and payment action.
- (f) The Contractor must not submit claims until all work identified in the claim is completed.

### 8.11 Certifications

The continuous compliance with the certifications provided by the Contractor in its bid and the ongoing cooperation in providing additional information are conditions of the Contract. Certifications are subject to verification by Canada during the entire period of the Contract. If the Contractor does not comply with any certification, or fails to provide the additional information, or if it is determined that any certification made by the Contractor in its bid is untrue, whether made knowingly or unknowingly, Canada has the right, pursuant to the default provision of the Contract, to terminate the Contract for default.

### 8.12 Federal Contractors Program for Employment Equity - Default by Contractor

The Contractor understands and agrees that, when an Agreement to Implement Employment Equity (AIEE) exists between the Contractor and Employment and Social Development Canada (ESDC)-Labour, the AIEE must remain valid during the entire period of the Contract. If the AIEE becomes invalid, the name of the Contractor will be added to the **"FCP Limited Eligibility to Bid"** list. The imposition of such a sanction by ESDC will constitute the Contractor in default as per the terms of the Contract.

### 8.13 Applicable Laws

The Contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in \_\_\_\_\_. *(To be determined).*



## 8.14 Priority of Documents

If there is a discrepancy between the wordings of any documents that appear on the following list, the wording of the document that first appears on the list has priority over the wording of any document that appears later on the list:

- (a) these Articles of Agreement, including any individual SACC Manual clauses incorporated by reference in these Articles of Agreement;
- (b) the signed Task Authorizations (including all of its annexes, if any);
- (c) supplemental general conditions, in the following order:
  - (i) 4002 (2010-08-16) Software Development or Modification Services;
  - (ii) 4004 (2013-04-25) Maintenance and Support Services for Licensed Software;
  - (iii) 4006 (2010-08-16) Contractor to Own Intellectual Property Rights in Foreground Information;
  - (iv) 4008 (dated 2008-12-12) Personal Information;
- (d) the General Conditions 2035 (2015-07-03);
- (e) the General Conditions 1031-2 (2012-07-16);
- (f) Annex A-2 Statement of Work - SIGMA for PWGSC;
- (g) Annex B Financial Bid;
- (h) Annex C-2 Security Requirements Check List – SIGMA for PWGSC;
- (i) Annex D-2 Task Authorization Form – SIGMA for PWGSC;
- (j) Annex E-2 Minimum Qualifications For Resource Assessment At Task – SIGMA for PWGSC;
- (k) Annex F Definitions
- (l) Annex G-2 List of SAP Modules – SIGMA for PWGSC
- (m) Annex H-2 Non-Disclosure Agreement – SIGMA for PWGSC; and
- (n) the Contractor's bid dated \_\_\_\_\_, as clarified on \_\_\_\_\_ "or" as amended on, \_\_\_\_\_ not including any software publisher license terms and conditions that may be included in the bid, not including any provisions in the bid with respect to limitations on liability, and not including any terms and conditions incorporated by reference (including by way of a web link) in the bid.

## 8.15 Foreign Nationals (Canadian Contractor)

SACC Manual clause A2000C (2006-06-16), Foreign Nationals (Canadian Contractor)

## 8.16 Foreign Nationals (Foreign Contractor)

SACC Manual clause A2001C (2006-06-16), Foreign Nationals (Foreign Contractor)

## 8.17 Insurance Requirements

### (a) Compliance with Insurance Requirements

- (i) The Contractor must comply with the insurance requirements specified in this Article. The Contractor must maintain the required insurance coverage for the duration of the Contract. Compliance with the insurance requirements does not release the Contractor from or reduce its liability under the Contract.
- (ii) The Contractor is responsible for deciding if additional insurance coverage is necessary to fulfill its obligation under the Contract and to ensure compliance with any applicable law. Any additional insurance coverage is at the Contractor's expense, and for its own benefit and protection.
- (iii) The Contractor should forward to the Contracting Authority within ten (10) working days after the date of award of the Contract a Certificate of Insurance evidencing the insurance coverage. Coverage must be placed with an Insurer licensed to carry out business in Canada and the Certificate of Insurance must confirm that the insurance policy complying with the requirements is in force. If the Certificate of Insurance has not been completed and submitted as requested, the Contracting Authority will so inform the Contractor and provide the Contractor with a time frame within which to meet the requirement. Failure to comply with the request of the Contracting Authority and meet the requirement within the time period will constitute a default under the General Conditions. The Contractor must, if requested by the Contracting Authority, forward to Canada a certified true copy of all applicable insurance policies.

### (b) Commercial General Liability Insurance

- (i) The Contractor must obtain Commercial General Liability Insurance, and maintain it in force throughout the duration of the Contract, in an amount usual for a contract of this nature, but for not less than \$2,000,000 per accident or occurrence and in the annual aggregate.
- (ii) The Commercial General Liability policy must include the following:
  - (A) Additional Insured: Canada is added as an additional insured, but only with respect to liability arising out of the Contractor's performance of the Contract. The interest of Canada should read as follows: Canada, as represented by Public Works and Government Services Canada.
  - (B) Bodily Injury and Property Damage to third parties arising out of the operations of the Contractor.
  - (C) Products and Completed Operations: Coverage for bodily injury or property damage arising out of goods or products manufactured, sold, handled, or distributed by the Contractor and/or arising out of operations that have been completed by the Contractor.
  - (D) Personal Injury: While not limited to, the coverage must include Violation of Privacy, Libel and Slander, False Arrest, Detention or Imprisonment and Defamation of Character.
  - (E) Cross Liability/Separation of Insured: Without increasing the limit of liability, the policy must protect all insured parties to the full extent of coverage provided.

Further, the policy must apply to each Insured in the same manner and to the same extent as if a separate policy had been issued to each.

- (F) Blanket Contractual Liability: The policy must, on a blanket basis or by specific reference to the Contract, extend to assumed liabilities with respect to contractual provisions.
- (G) Employees and, if applicable, Volunteers must be included as Additional Insured.
- (H) Employers' Liability (or confirmation that all employees are covered by Worker's compensation (WSIB) or similar program)
- (I) Broad Form Property Damage including Completed Operations: Expands the Property Damage coverage to include certain losses that would otherwise be excluded by the standard care, custody or control exclusion found in a standard policy.
- (J) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority 30 day written notice of policy cancellation.
- (K) If the policy is written on a claims-made basis, coverage must be in place for a period of at least 12 months after the completion or termination of the Contract.
- (L) Owners' or Contractors' Protective Liability: Covers the damages that the Contractor becomes legally obligated to pay arising out of the operations of a subcontractor.
- (M) Non-Owned Automobile Liability - Coverage for suits against the Contractor resulting from the use of hired or non-owned vehicles.
- (N) Advertising Injury: While not limited to, the endorsement must include coverage for piracy or misappropriation of ideas, or infringement of copyright, trademark, title or slogan.
- (O) Litigation Rights: Pursuant to subsection 5(d) of the [Department of Justice Act](#), S.C. 1993, c. J-2, s.1, if a suit is instituted for or against Canada which the Insurer would, but for this clause, have the right to pursue or defend on behalf of Canada as an Additional Named Insured under the insurance policy, the Insurer must promptly contact the Attorney General of Canada to agree on the legal strategies by sending a letter, by registered mail or by courier, with an acknowledgement of receipt.

For the province of Quebec, send to:

Director Business Law Directorate,  
Quebec Regional Office (Ottawa),  
Department of Justice,  
284 Wellington Street, Room SAT-6042,  
Ottawa, Ontario, K1A 0H8

For other provinces and territories, send to:

Senior General Counsel,  
Civil Litigation Section,

Department of Justice  
234 Wellington Street, East Tower  
Ottawa, Ontario K1A 0H8

A copy of the letter must be sent to the Contracting Authority. Canada reserves the right to co-defend any action brought against Canada. All expenses incurred by Canada to co-defend such actions will be at Canada's expense. If Canada decides to co-defend any action brought against it, and Canada does not agree to a proposed settlement agreed to by the Contractor's insurer and the plaintiff(s) that would result in the settlement or dismissal of the action against Canada, then Canada will be responsible to the Contractor's insurer for any difference between the proposed settlement amount and the amount finally awarded or paid to the plaintiffs (inclusive of costs and interest) on behalf of Canada.

(c) **Errors and Omissions Liability Insurance**

- (i) The Contractor must obtain Errors and Omissions Liability (a.k.a. Professional Liability) insurance, and maintain it in force throughout the duration of the Contract, in an amount usual for a contract of this nature but for not less than \$1,000,000 per loss and in the annual aggregate, inclusive of defence costs.
- (ii) If the Professional Liability insurance is written on a claims-made basis, coverage must be in place for a period of at least 12 months after the completion or termination of the Contract.
- (iii) The following endorsement must be included:

Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of cancellation.

## 8.18 Limitation of Liability - Information Management/Information Technology

- (a) This section applies despite any other provision of the Contract and replaces the section of the general conditions entitled "Liability". Any reference in this section to damages caused by the Contractor also includes damages caused by its employees, as well as its subcontractors, agents, and representatives, and any of their employees. This section applies regardless of whether the claim is based in contract, tort, or another cause of action. The Contractor is not liable to Canada with respect to the performance of or failure to perform the Contract, except as described in this section and in any section of the Contract pre-establishing any liquidated damages. The Contractor is only liable for indirect, special or consequential damages to the extent described in this Article, even if it has been made aware of the potential for those damages.
- (b) **First Party Liability:**
  - (i) The Contractor is fully liable for all damages to Canada, including indirect, special or consequential damages, caused by the Contractor's performance or failure to perform the Contract that relate to:
    - (A) any infringement of intellectual property rights to the extent the Contractor breaches the section of the General Conditions entitled "Intellectual Property Infringement and Royalties";
    - (B) physical injury, including death.

- (ii) The Contractor is liable for all direct damages caused by the Contractor's performance or failure to perform the Contract affecting real or tangible personal property owned, possessed, or occupied by Canada.
- (iii) Each of the Parties is liable for all direct damages resulting from its breach of confidentiality under the Contract. Each of the Parties is also liable for all indirect, special or consequential damages in respect of its unauthorized disclosure of the other Party's trade secrets (or trade secrets of a third party provided by one Party to another under the Contract) relating to information technology.
- (iv) The Contractor is liable for all direct damages relating to any encumbrance or claim relating to any portion of the Work for which Canada has made any payment. This does not apply to encumbrances or claims relating to intellectual property rights, which are addressed under (i) (A) above.
- (v) The Contractor is also liable for any other direct damages to Canada caused by the Contractor's performance or failure to perform the Contract that relate to:
  - (A) any breach of the warranty obligations under the Contract, up to the total amount paid by Canada (including any applicable taxes) for the goods and services affected by the breach of warranty; and
  - (B) any other direct damages, including all identifiable direct costs to Canada associated with re-procuring the Work from another party if the Contract is terminated by Canada either in whole or in part for default, up to an aggregate maximum for this subparagraph (B) of the greater of 0.75 times the total estimated cost (meaning the dollar amount shown on the first page of the Contract in the cell titled "Total Estimated Cost" or shown on each call-up, purchase order or other document used to order goods or services under this instrument), or \$2,000,000.00.

In any case, the total liability of the Contractor under subparagraph (v) will not exceed the total estimated cost (as defined above) for the Contract or \$2,000,000.00, whichever is more.
- (vi) If Canada's records or data are harmed as a result of the Contractor's negligence or willful act, the Contractor's only liability is, at the Contractor's own expense, to restore Canada's records and data using the most recent back-up kept by Canada. Canada is responsible for maintaining an adequate back-up of its records and data.

(c) **Third Party Claims:**

- (i) Regardless of whether a third party makes its claim against Canada or the Contractor, each Party agrees that it is liable for any damages that it causes to any third party in connection with the Contract as set out in a settlement agreement or as finally determined by a court of competent jurisdiction, where the court determines that the Parties are jointly and severally liable or that one Party is solely and directly liable to the third party. The amount of the liability will be the amount set out in the settlement agreement or determined by the court to have been the Party's portion of the damages to the third party. No settlement agreement is binding on a Party unless its authorized representative has approved the agreement in writing.
- (ii) If Canada is required, as a result of joint and several liability or joint and solidarily liable, to pay a third party in respect of damages caused by the Contractor, the Contractor must reimburse Canada by the amount finally determined by a court of competent

jurisdiction to be the Contractor's portion of the damages to the third party. However, despite Sub-article (i), with respect to special, indirect, and consequential damages of third parties covered by this Section, the Contractor is only liable for reimbursing Canada for the Contractor's portion of those damages that Canada is required by a court to pay to a third party as a result of joint and several liability that relate to the infringement of a third party's intellectual property rights; physical injury of a third party, including death; damages affecting a third party's real or tangible personal property; liens or encumbrances on any portion of the Work; or breach of confidentiality.

- (iii) The Parties are only liable to one another for damages to third parties to the extent described in this Sub-article (c).

### 8.19 Joint Venture Contractor

- (a) The Contractor confirms that the name of the joint venture is \_\_\_\_\_ and that it is comprised of the following members: *[list all the joint venture members named in the Contractor's original bid]*.
- (b) With respect to the relationship among the members of the joint venture Contractor, each member agrees, represents and warrants (as applicable) that:
  - (i) \_\_\_\_\_ has been appointed as the "representative member" of the joint venture Contractor and has full authority to act as agent for each member regarding all matters relating to the Contract;
  - (ii) by giving notice to the representative member, Canada will be considered to have given notice to all the members of the joint venture Contractor; and
  - (iii) all payments made by Canada to the representative member will act as a release by all the members.
- (c) All the members agree that Canada may terminate the Contract in its discretion if there is a dispute among the members that, in Canada's opinion, affects the performance of the Work in any way.
- (d) All the members are jointly and severally or solidarily liable for the performance of the entire Contract.
- (e) The Contractor acknowledges that any change in the membership of the joint venture (i.e., a change in the number of members or the substitution of another legal entity for an existing member) constitutes an assignment and is subject to the assignment provisions of the General Conditions.
- (f) The Contractor acknowledges that all security and controlled goods requirements in the Contract, if any, apply to each member of the joint venture Contractor.

**Note to Bidders:** This Article will be deleted if the Bidder awarded the contract is not a joint venture. If the contractor is a joint venture, this clause will be completed with information provided in its bid.

### 8.20 Safeguarding Electronic Media

- (a) Before using them on Canada's equipment or sending them to Canada, the Contractor must use a regularly updated product to scan electronically all electronic media used to perform the

Work for computer viruses and other coding intended to cause malfunctions. The Contractor must notify Canada if any electronic media used for the Work are found to contain computer viruses or other coding intended to cause malfunctions.

- (b) If magnetically recorded information or documentation is damaged or lost while in the Contractor's care or at any time before it is delivered to Canada in accordance with the Contract, including accidental erasure, the Contractor must immediately replace it at its own expense.

## 8.21 Timely Problem Identification

- (a) The Contractor must immediately advise the Contracting Authority and Technical Authority in writing of any and all situations or difficulties that the Contractor considers will have a significant impact upon the scope of the Work, expected Project achievement, delivery schedule, person-power or cost to Canada. Notwithstanding the submission of any such report, the Contractor remains responsible for the completion of the Work in accordance with the terms of this Contract.
- (b) Such reports must include proposed detailed remedial action plans to resolve or alleviate the identified situations or difficulties. The plans must set out the Contractor's detailed estimates of any increase in time, resources and cost to affect such plans. Such plans must include all reasonable options for consideration by Canada plus the costs and consequences to Canada of taking no remedial action and must also provide a reasonable amount of time for Canada to review these options and obtain any necessary funding authorization.
- (c) The Contractor will be prohibited from claiming for any additional costs incurred in remedying a problem not reported as described above in a timely fashion, and will be required to remedy such problems at its own expense.

## 8.22 Access to Canada's Property and Facilities

Canada's property, facilities, equipment, documentation and personnel are not automatically available to the Contractor. If the Contractor would like access to any of these, it is responsible for making a request to the Technical Authority. Unless expressly stated in the Contract, Canada has no obligation to provide any of these to the Contractor. If Canada chooses, in its discretion, to make its property, facilities, equipment, documentation or personnel available to the Contractor to perform the Work, Canada may require an adjustment to the Basis of Payment and additional security requirement may apply.

## 8.23 Transition Services

- (a) The Contractor agrees that, in the period leading up to the end of the Contract Period and for up to three months afterwards, it will make all reasonable efforts to assist Canada in the transition from this Contract to a new contract with another supplier. The Contractor agrees that there will be no charge for these services.
- (b) The Contractor will cooperate with the Technical Authority and with the incoming contractor to ensure a seamless transition and a continuance of service including transferring data, and winding down of services.

**8.24 Dispute Resolution**

- (a) If a dispute arises out of, or in connection with this Contract, the parties agree to meet to pursue resolution through negotiation or other appropriate dispute resolution process before resorting to litigation.
- (b) All information exchanged during this meeting or any subsequent dispute resolution process, shall be regarded as "without prejudice" communications for the purpose of settlement negotiations and shall be treated as confidential by the parties and their representatives, unless otherwise required by law. However, evidence that is independently admissible or discoverable shall not be rendered inadmissible or non-discoverable by virtue of its use during the dispute resolution process.
- (c) The parties agree that the representatives selected to participate in the dispute resolution process will have the authority required to settle the dispute or will have a rapid means of obtaining the requisite authorization.
- (d) These clauses shall not affect any of Canada's rights of cancellation or termination contained in this Contract.

**8.25 Representations and Warranties**

The Contractor made statements regarding its own and its proposed resources' experience and expertise in its bid that resulted in the award of the Contract and the issuance of TAs. The Contractor represents and warrants that all those statements are true and acknowledges that Canada relied on those statements in awarding the Contract and adding work to it through TAs. The Contractor also represents and warrants that it has, and all its resources and subcontractors that perform the Work have, and at all times during the Contract Period they will have, the skills, qualifications, expertise and experience necessary to perform and manage the Work in accordance with the Contract, and that the Contractor (and any resources or subcontractors it uses) has previously performed similar services for other customers.

**8.26 Identification Protocol Responsibilities**

The Contractor will be responsible for ensuring that each of its agents, representatives or subcontractors (hereinafter referred to as Contractor Representatives) complies with the following self-identification requirements:

- (a) Contractor Representatives who attend a Government of Canada meeting (whether internal or external to Canada's offices) must identify if an individual is not a permanent employee of the Contractor prior to the commencement of the meeting, to ensure that each meeting participant is aware of the fact that the individual is not a Contractor permanent employee;
- (b) During the performance of any Work at a Government of Canada site, each Contractor Representative must be clearly identified at all times as being a Contractor Representative; and
- (c) If a Contractor Representative requires the use of the Government of Canada's e-mail system in the performance of the Work, then the individual must clearly identify him or herself as an agent or subcontractor of the Contractor in all electronic mail in the signature block as well as under "Properties." This identification protocol must also be used in all other correspondence, communication, and documentation.



- (d) If Canada determines that the Contractor is in breach of any obligation stated in this Article, upon written notice from Canada the Contractor must submit a written action plan describing corrective measures it will implement to eliminate the recurrence of the problem. The Contractor will have five working days to deliver the action plan to the Client and the Contracting Authority, and 20 working days to rectify the underlying problem.
- (e) In addition to any other rights it has under the Contract, Canada may terminate the Contract for default if the corrective measures required of the Contractor described above are not me

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File No. – N° du dossier

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