

**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 CANADA**

**SOLICITATION NO. W8474-126279/F  
AMENDMENT 008**

This amendment contains the following sections:

1. Questions and Answers (Set 6)
2. Modifications to Solicitation

**Section 1: Questions and Answers (Set 6)**

Note: Questions are numerically sequenced upon arrival at PWGSC. A question and its answer will be provided via BuyandSell as the response becomes available. Potential bidders are therefore advised that questions and answers may be issued via BuyandSell out of sequence. The following questions have been received. In accordance with Article 13 under 2003 Standard Instructions - Goods or Services - Competitive Requirements (2015-07-03) which has been incorporated into the RFP in accordance with Article 2.1 of Part 2 of the RFP, the questions and corresponding answers are provided to all potential bidders as set out below:

- Q20. SACC manual 2003 defines the Bidder as the "person or entity (or, in the case of a joint venture, the persons or entities) **submitting a bid to perform a contract for goods, services or both**. It does **not include the parent, subsidiaries or other affiliates of the Bidder, or its subcontractors**. Section (d) (iv) of the Solicitation reinforces this interpretation and reads "Points will not be allocated and/or a bidder will not meet the mandatory experience requirement (as applicable) if.....(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 arms length with the Bidder". Attachment C - Team Certification to the draft Task Authorization (page 161 of the Solicitation) requires that each team member (joint venture partner, partner, parent organization, affiliated organization, any subsidiary organization and major tier one subcontractor) sign a certification that attests, among other things, to the Team Member's consent to the use of its experience throughout the performance of any resulting contract.

We read the SACC manual definition and language of Section (d) (iv) as limiting the references to be used to projects delivered by the Bidder itself and the language of Attachment C as allowing the use of references of affiliates and subsidiaries. Most organizations capable of delivering this project, for tax and accounting reasons, operate through different legal entities in different countries and/or for different parts of their business and this restriction will effectively preclude them from using references from outside of Canada. Given the number of references (10 to 12) and extent of the experience requirements, this limitation will likely preclude Bidder from bidding (and, we believe, many others) thus unduly limiting competition under this procurement without any attendant benefit to Canada. Moreover, Bidder's experience on a number of recent Government of Canada (GoC) procurements is that the Crown usually accepts references from "subsidiaries" and "affiliates" of the Bidder in addition to those from the Bidder itself. This approach maintains the principle that the reference experience is available to the Crown while not penalizing a Bidder for how it chose to set-up its corporate structure.

Will the Crown please clarify that it will allow the Bidder to use the experience of the Bidder, its subsidiaries and affiliates to meet the requirements of the Solicitation?

A20. Yes. Parents, subsidiaries and affiliate experience will be allowed to meet certain criteria, where specified. Please see revised Attachment A rev 002.

Q39. In review of solicitation W8474-126279/F, we do not feel that the mandatory and rated requirements (at Attachment A) represent an accurate reflection of the present contracts in place. Furthermore, the majority of the vendors supporting DRMIS and SIGMA cannot satisfy the requirements with the existing work being delivered. While the RFP outlines scenarios where up to three vendors may be selected, in reality the requirements are written in such a way that the incumbent suppliers cannot reference their current work and therefore may not be able to bid. It appears the Crown has inadvertently aligned the requirements so that only the former DRMIS contract holder can score full points and as such the Crown is eliminating several firms who are providing services today and are fully capable of delivering the services requested. According to the Government of Canada's Procurement Rules and Process, "the objective of government contracting is to acquire goods, services and construction in a manner that: facilitates access; encourages competition; treats suppliers fairly; and results in the best value to Canada". In the spirit of this commitment, we are requesting the Crown consider amending the mandatory and rated requirements to encourage fair and transparent competition. We respectfully request that the Crown reduce the duration of the contracts associated with M1-M4 to 24 months.

A39. The duration of contracts being requested for M1 to M4 have been reduced to 24 months. Please see revised Attachment A rev 002.

Q42. Regarding: Section 4.2(d)(iv) Reference Checks – Definition of Bidder

To allow for current corporate arrangements common to the type of bidder Canada is seeking to have compete for this important work. Recent RFP language from Canada has included the following material to clearly define bidder entity:

"The experience of affiliates will be accepted for evaluation purposes in response to these criterion. In such cases, the experience of an affiliate will be considered for evaluation purposes. For the purpose of this evaluation, everyone, including but not limited to organizations, bodies corporate, societies, companies, firms, partnerships, associations of persons, parent companies, and subsidiaries, whether partly or wholly-owned, as well as individuals, and directors, are Bidder's affiliates if:

- a. directly or indirectly either one controls or has the power to control the other, or
- b. a third party has the power to control both.

Indicia of control, include, but are not limited to, interlocking management or ownership, identity of interests among family members, shared facilities and equipment, common use of employees, or a business entity created following the acts or convictions specified in this section which has the same or similar management, ownership, or principal employees, as the case may be."

Bidder requests the following amendment to 4.2(d) (iv):

"(2) the customer reference is not a customer of the Bidder, the Bidder's Parent Company, or by an affiliate of the Bidder, as such term is defined in the Canada Business Corporations Act (and cannot include the experience of any proposed subcontractor of the Bidder). 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".

A42. Canada has considered this request. Please see revision to article 4.2 (d) (iv).

Q43. Regarding Section 7.10(e)/8.9(e) Discretionary Audit:

Canada has requested discretionary audit rights that are not bounded in time or relevant markets. (i.e. The Contractor's certification that the price or rate is not in excess of the lowest price or rate charged anyone else, including the Contractor's most favoured customer, for the like quality and quantity of the goods, services or both,). For new rates after contract award, Canada includes language in 7.10(a)(iii) that requires that rates provided must be fair and reasonable (The firm all-inclusive per diem rates must be fair and reasonable).

In order to make the rates reasonable, bidder requests modification of the language in the 7.10(e)/8.9(e) clause to reflect fair and reasonable:

(e) Discretionary Audit - Commercial Goods and/or Services

The Contractor's certification that the price or rate is fair and reasonable, for the like quality and quantity of the goods, services or both in Canada in the year before the role was added to the contract, is subject to verification by government audit, at the discretion of Canada, before or after payment is made to the Contractor. If the audit demonstrates that the certification is in error after payment is made to the Contractor, the Contractor must, at the discretion of Canada, make repayment to Canada in the amount found to be in excess of a fair and reasonable price or rate or authorize the retention by Canada of that amount by way of deduction from any sum of money that may be due or payable to the Contractor pursuant to the Contract. If the audit demonstrates that the certification is in error before payment is made, the Contractor agrees that any pending invoice will be adjusted by Canada in accordance with the results of the audit. It is further agreed that if the Contract is still in effect at the time of the verification, the price or rate will be lowered in accordance with the results of the audit.

A43. Please see response A34.

Q44. Regarding Attachment A – Technical Evaluation Criteria Rated Criteria R7 – Fraud Management for Public Sector

Canada has requested bidders to clearly demonstrate experience with emerging SAP technologies R7 dealing with the SAP Fraud Management for Public Sector. Based on extensive discussions and research with SAP, Bidder believes that there may not be organizations outside of SAP that have implemented this specific module. Would Canada extend experience with public sector Fraud Management projects, which may not be based on the new SAP module, or consider removing it?

A44. Evaluation criterion R7 provides points for Bidders who have implemented the SAP Fraud Management for Public Sector module as well as other emerging SAP technologies. No change will be made to this criterion.

Q46. At Attachment A, in R10 the bidder is requested to demonstrate "...that it successfully delivered the services under each contract provided under M5 within the allocated budget, schedule, and scope". Given this contract is for staff augmentation services on a time and materials basis, and not based on project deliverables, can the Crown please confirm that it will accept demonstration of successful delivery of resources as required within the contract framework? This will ensure alignment with the current SOW and associated expectations.

A46. Canada has considered this request. No change will be made to rated criterion R10. While some work under the contracts will be on a time and materials basis, other work may be required with other basis of payments, such as Fixed Price, as specified in the RFP. The purpose of this criterion is to assess Bidder's experience in delivering work within the prescribed schedule, budget and scope. Note that rated criterion R8 measures the experience of having provided resources successfully and consistently in the past.

- Q47. At Attachment A, given that the current SIGMA contract does not align or meet the requirements provided in M1, M2, M3, M4, and M5, and the SIGMA statement of work (as provided) does not align to the rated requirements provided in R1, R2, R4, R6 (military contract), and R7 it is apparent that the Crown has inadvertently created an RFP that does not align to the SIGMA contract and has therefore limited competition through the introduction of mandatory and rated requirements that align only to DND's requirements. Given this, the Crown has failed in its duty to provide an open, competitive process. We respectfully ask that the SIGMA contract be separately competed, or the requirements be aligned to allow bidders to demonstrate experience and expertise that would more closely align to the SIGMA requirements.
- A47. Canada has considered the request. Please see Attachment A rev 002 which has been modified and is consistent with Canada's overall requirements. As per A41, this solicitation is expected to result in the award of up to 4 contracts, therefore requirements are representative of all contracts that may be potentially issued.
- Q48. At Attachment A, the requirement, R6, states that the bidder will be awarded points for contracts provided in M1 and M5 if they were performed in support of a military organization. Could the Crown please explain how this requirement would provide benefit to the SIGMA team, or how it aligns to the SIGMA contract that is to be one of the contracts that results from this procurement process? We request that the Crown please remove this requirement as it only supports one of the requirements being competed and unfairly favours the past DRMIS supplier.
- A48. See response A41.
- Q49. Given that there are several outstanding questions that vendors are awaiting responses on to determine if they can compete on this requirement we request a 2 week extension to the due date.
- A49. The closing date for the RFP has been extended to February 12, 2016. Please see amendment 006.
- Q51. At Attachment A, rated requirement R2 maximum points are provided for providing steady-state in-service support services via a contract provided for M1 that has over 75 resources working concurrently. We understand that given the scope of the work being tendered that the Crown needs to ensure an organization has supported past contracts of this size, but linking this requirement to M1 greatly limits competition especially considering M1 also links to other rated requirements that provide significant points for Canadian military experience (R5 & R6). Based on our research there appears to only be one firm that has held SAP-based military contracts with the federal government that have had over 75 resources (perhaps the Crown can confirm this based on its records). Given this situation, our request is that R2 not be linked to M1, but be a standalone rated requirement. This will ensure a more competitive process while still ensuring that the Crown receives bids from organizations that have expertise supporting the tendered work.
- A51. Canada has considered the request. See revised Attachment A revision 002. Project experience used against M1a or M1b does not have to be for military contracts. Also, points allocated for Military experience in rated criterion R6 totals less than 5% of the overall total score.
- Q52. Given the number of outstanding questions, we would ask that the Crown provide a 2 week extension to the due date allowing bidders time to receive and review responses.
- A52. The closing date for the RFP has been extended to February 12, 2016. Please see amendment 006.

Q53. Please confirm that PWGSC would qualify as large\*, complex\*\* organization according to the definition provided in Annex 'F' given the presence of offices in Washington and Germany.

A53. That is correct. Please see revised Annex F rev 002.

**Section 2: Modifications to Solicitation:**

1. DELETE: Request For Proposal Part 1 to Part 8 rev 003  
INSERT: Request For Proposal Part 1 to Part 8 rev 004, changes to the RFP are highlighted in yellow, attached.
2. DELETE: Annex F – Definitions rev 000  
INSERT: Annex F – Definitions rev 001
3. DELETE: Attachment A – Technical Evaluation Criteria rev 001  
INSERT: Attachment A – Technical Evaluation Criteria rev 002
4. DELETE: Appendix A to Attachment A - Contract Description Response Template rev 001  
INSERT: Appendix A to Attachment A - Contract Description Response Template rev 002
5. DELETE: Attachment C – Team Certification Form

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED**