



RETURN BIDS TO:

RETOURNER LES SOUMISSIONS À:

Bid Receiving - PWGSC / Réception des
soumissions - TPSGC

11 Laurier St. / 11, rue Laurier

Place du Portage , Phase III

Core 0B2 / Noyau 0B2

Gatineau, Québec K1A 0S5

Bid Fax: (819) 997-9776

INVITATION TO TENDER

APPEL D'OFFRES

**Tender To: Public Works and Government Services
Canada**

We hereby offer to sell to Her Majesty the Queen in right of
Canada, in accordance with the terms and conditions set
out herein, referred to herein or attached hereto, the goods,
services, and construction listed herein and on any attached
sheets at the price(s) set out therefor.

Soumission aux: Travaux Publics et Services Gouvernementaux Canada

Nous offrons par la présente de vendre à Sa Majesté la
Reine du chef du Canada, aux conditions énoncées ou
incluses par référence dans la présente et aux annexes
ci-jointes, les biens, services et construction énumérés
ici et sur toute feuille ci-annexée, au(x) prix indiqué(s).

Comments - Commentaires

Vendor/Firm Name and Address

Raison sociale et adresse du
fournisseur/de l'entrepreneur

Issuing Office - Bureau de distribution

Ship Refits and Conversions / Radoubss et
modifications de navires and / et

11 Laurier St. / 11, rue Laurier

6C2, Place du Portage

Gatineau, Québec K1A 0S5

Title - Sujet CCGS PIERRE RADISSON VESSEL LIFE EX	
Solicitation No. - N° de l'invitation F7049-160074/A	Date 2016-06-01
Client Reference No. - N° de référence du client F7049-160074	GETS Ref. No. - N° de réf. de SEAG PW-\$\$MD-031-25863
File No. - N° de dossier 031md.F7049-160074	CCC No./N° CCC - FMS No./N° VME
Solicitation Closes - L'invitation prend fin at - à 02:00 PM on - le 2016-07-13	
Time Zone Fuseau horaire Eastern Daylight Saving Time EDT	
F.O.B. - F.A.B.	
Plant-Usine: <input type="checkbox"/> Destination: <input checked="" type="checkbox"/> Other-Autre: <input type="checkbox"/>	
Address Enquiries to: - Adresser toutes questions à: Bilodeau, Allen	Buyer Id - Id de l'acheteur 031md
Telephone No. - N° de téléphone (819) 420-2912 ()	FAX No. - N° de FAX () -
Destination - of Goods, Services, and Construction: Destination - des biens, services et construction: DEPARTMENT OF FISHERIES AND OCEANS NGCC PIERRE RADISSON 101 BOUL.CHAMPLAIN QUEBEC Quebec G1K7Y7 Canada	

Instructions: See Herein

Instructions: Voir aux présentes

Delivery Required - Livraison exigée See Herein	Delivery Offered - Livraison proposée
Vendor/Firm Name and Address Raison sociale et adresse du fournisseur/de l'entrepreneur	
Telephone No. - N° de téléphone Facsimile No. - N° de télécopieur	
Name and title of person authorized to sign on behalf of Vendor/Firm (type or print) Nom et titre de la personne autorisée à signer au nom du fournisseur/ de l'entrepreneur (taper ou écrire en caractères d'imprimerie)	
Signature	Date

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PART 1 - GENERAL INFORMATION

1.1 Introduction

The bid solicitation is divided into seven 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 and states that the Bidder agrees to be bound by the clauses and conditions contained in all parts of 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 Financial and Other Requirements: includes specific requirements that must be addressed by bidders; and
- Part 7 Resulting Contract Clauses: includes the clauses and conditions that will apply to any resulting contract.

The Annexes include the Technical Specification, the Basis of Payment, the Federal Contractors Program for Employment Equity - Certification, the Insurance Requirements and other Annexes.

1.2 Summary

- 1.2.1 The Requirement is:
- 1.2.2 To carry out the docking, maintenance and alterations of the Canadian Coast Guard Vessel CCGS Pierre Radisson in accordance with the associated Technical Specifications detailed in Annex "A".
- 1.2.3 To carry out Unscheduled Work authorized by the Contracting Authority.
- 1.2.4 As per the Integrity Provisions under section 01 of Standard Instructions 2003 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.
- 1.2.5 The requirement is exempt from the provisions of the World Trade Organization Agreement on Government Procurement (WTO-AGP), Annex 4 and the North American Free Trade Agreement (NAFTA), Chapter Ten Annex 1001.2b Paragraph 1(a). However, it is subject to the Agreement on Internal Trade (AIT). The sourcing strategy relating to this procurement will be limited to suppliers in Eastern Canada, in accordance with Shipbuilding, Refit, Repair and Modernization Policy (2010-08-16).
- 1.2.6 The Federal Contractors Program (FCP) for employment equity applies to this procurement; see Part 5 - Certifications, Part 7 - Resulting Contract Clauses and the annex titled Federal Contractors Program for Employment Equity - Certification.

1.3 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 of receipt of the results of the bid solicitation process. The debriefing may be in writing, by telephone or in person.

PART 2 - BIDDER INSTRUCTIONS

2.1 Standard Instructions, Clauses and Conditions

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 issued by Public Works and Government Services Canada.

(<https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual>)

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.

The 2003 (2016-04-04) Standard Instructions - Goods or Services - Competitive Requirements, are incorporated by reference into and form part of the bid solicitation.

2.2 Submission of Bids

Bids must be submitted only to Public Works and Government Services Canada (PWGSC) Bid Receiving Unit by the date, time and place indicated on page 1 of the bid solicitation.

2.3 Enquiries - Bid Solicitation

All enquiries must be submitted in writing to the Contracting Authority no later than **five (5) Working Days** before the bid closing date. Enquiries received after that time may not be answered.

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.

Any clarifications or changes to the bid solicitation resulting from the questions and answers will be included as an amendment to the bid solicitation.

2.4 Applicable Laws

Any resulting contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in _____.

Bidders may, at their discretion, substitute the applicable laws of a Canadian province or territory of their choice without affecting the validity of their bid, by deleting the name of the Canadian province or territory specified and inserting the name of the Canadian province or territory of their choice. If no change is made, it acknowledges that the applicable laws specified are acceptable to the bidders.

Refer to Annex "J1" for Deliverables/Certifications.

2.5 Bidders' Conference

A bidders' conference chaired by the Contracting Authority will be held at the Canadian Coast Guard Base in Quebec City on **June 17, 2016 at 9h00 am..** The scope of the requirement outlined in the bid

solicitation will be reviewed during the conference and questions will be answered. It is recommended that bidders who intend to submit a bid attends or sends a representative.

Bidders are requested to communicate with the Contracting Authority before the conference to confirm attendance. They must provide to the Contracting Authority the names of the person(s) who will be attending and should provide a list of issues they wish to table at least **three (3) working days** before the scheduled conference.

Any clarifications or changes to the bid solicitation resulting from the bidder's conference will be included as an amendment to the bid solicitation. Bidders who do not attend will not be precluded from submitting a bid.

2.6 Optional Site Visit – Vessel

It is recommended that the Bidder or a representative of the Bidder visit the work site. Arrangements have been made for a tour of the work site onboard the vessel. The vessel will be available for site visit on June 16, 2016, from 8h00 am to 5h00 pm in Quebec City, berth location to be confirmed. Bidders must communicate with the Contracting Authority no later than three (3) Working Days before the scheduled visit to confirm attendance and provide the name(s) of the person(s) who will attend. Bidders who do not confirm attendance and provide the name(s) of the person(s) who will attend as required will not be allowed access to the site. Bidders will be requested to sign an attendance form. Bidders who do not attend or send a representative will not be given an alternative appointment but they will not be precluded from submitting a bid. Any clarifications or changes to the bid solicitation resulting from the site visit will be included as an amendment to the bid solicitation.

2.7 Work Period - Marine

Work must commence and be completed as follows:

Commence: September 06, 2016
Complete: January 31st, 2017

By submitting a bid, the Bidder certifies that they have sufficient materiel and human resources allocated or available and that the above work period is adequate to both complete the known work and absorb a reasonable amount of unscheduled work.

2.7.1 Additional Instructions to Work Period

From refit start date to the end of the work period, when the vessel will be unmanned during that period it will be considered to be out of commission and it will be in the care and custody of the Contractor and under its control.

The vessel will have to be made completely habitable for the ship's crew by January 17, 2017.

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:

- Section I - Technical Bid (1 hard copy and 1 soft copy on data DVD)
- Section II - Financial Bid (1 hard copy and 1 soft copy on data DVD)
- Section III - Certifications (1 hard copy and 1 soft copy on data DVD)

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 of 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;

(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 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 are encouraged to:

- 1) use 8.5 x 11 inch (216 mm x 279 mm) paper containing fibre certified as originating from a sustainably-managed forest and/or containing minimum 30% recycled content; and
- 2) use an environmentally-preferable format including black and white printing instead of colour printing, printing double sided/duplex, using staples or clips instead of cerlox, duotangs or binders.

Section I: Technical Bid

The Bidder must provide all of the deliverables as referenced in Annex "J1" Deliverables/Certifications.

Section II: Financial Bid

Bidders must submit their financial bid in accordance with the instructions in this solicitation and the Financial Bid Presentation Sheet in Annex "H", including its Pricing Data Sheets, Appendix 1 to Annex "H", and the Cumulative Pricing Sheet for Evaluation, Appendix 2 to Annex "H". The total amount of Applicable Taxes must be shown separately.

Section III: Certifications

Bidders must submit the certifications required under Part 5.

3.1.1 Unscheduled Work and Evaluation Price

In any vessel refit, repair or docking contract, unscheduled work will arise after the vessel and its equipment is opened up and surveyed.

An anticipated cost for the unscheduled work will be included in the evaluation price. The evaluation price will be calculated by including an estimated amount of additional person-hours multiplied by a firm hourly charge-out labour rate for unscheduled work and will be added to the firm price for the known work.

The Evaluation Price will be used for evaluating the bid. The additional amount of person-hours for unscheduled work will be based on historical experience and there is no minimum or maximum amount of unscheduled work nor is there a guarantee of such unscheduled work.

PART 4 - EVALUATION PROCEDURES AND BASIS OF SELECTION

4.1 Evaluation Procedures

- (a) Bids will be assessed in accordance with the entire requirement of the bid solicitation including the technical and financial evaluation criteria.
- (b) An evaluation team composed of representatives of Canada will evaluate the bids.

Section I - Technical Bid / Certifications

Each bid will be reviewed to determine whether it meets the mandatory requirements of the bid solicitation. Any element of the bid solicitation identified 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 disqualified. The mandatory requirements are as follows:

- (a) Mandatory deliverables that must be submitted with the Bidder's bid to be deemed responsive are summarized in Annex "J1";
- (b) Bidders must submit an Annex H, Appendix 2 Cumulative Pricing Sheet for Evaluation completed in accordance with the procedures specified below; and
- (c) The costs identified in Article B5 below must be bid in Annex H, Appendix 2 Cumulative Pricing Sheet for Evaluation.

Procedures for Completing Annex H, Appendix 2:

- (1) For an item in the CUMULATIVE PRICING SHEET FOR EVALUATION table for which they wish to bid a price, Bidders must enter their proposed Total Firm Price and Cumulative Price for the item. Ten points are assigned to each item on which a bidder has bid.
- (2) Appendix 2 represents the CCG's prioritization of Work to be completed within the budget available, from the highest priority at item 1 to the lowest priority at the last item. Bidders must bid on each item in the table sequentially, that is by leaving no unbid items at items numbered higher in the table. Skipping an entry of Total Firm Price and Cumulative Price for an item in the sequence will result in the bid being declared non-responsive and disqualified.
- (3) A Bidder is requested to insert "\$0.00" for any item for which it does not intend to charge or for an item that is included in other prices provided in the table. Excepting for remaining cell items as identified in 5 below, if the bidder leaves any price blank, or inserts wording other than a price, Canada will treat the price as "\$0.00" for evaluation purposes and may request that a 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 or worded item is "\$0.00" will be declared non-responsive.
- (4) Bidders are to sequentially enter their bids in the CUMULATIVE PRICING DATA SHEET, respecting the order of entries, and continue entering their pricing and cumulative pricing for each spec item. Bidders continue entering their pricing/cumulative pricing on the spec items with the intention of getting their bid as close to \$8,400,000 (without exceeding), and no less than \$8,000,000. If the bidder bids a firm Price on all Work Items with a maximum total of 200 points, a total Firm Price less than \$ 8,000,000 will be accepted.
The bidding procedure may result in a list of items bid that is shorter than the list of items identified within the Appendix. Once a bidder has entered their pricing sequentially, the totality of items for which they wish to bid has been reached, and their bid is as within the permitted financial range as stated in (4) above, a bidder must stop entering pricing in Appendix 2. This may result in the lowest numbered items being left blank. In this circumstance only, the remaining blank cells will not be interpreted as a bid to do the work for "\$0.00" but will identify Work that will not be included in the resulting Contract.
- (5) Bidders are reminded that the resulting Contract will not permit work not included in the Contractor's bid to be performed during the Contract if it arises, including contracting for it as Unscheduled Work.

- (6) At the point where the bidder stops bidding, the cumulative bid price (not exceeding \$8,400,000.00) is to be entered into Annex H1 - Price for Evaluation, Item A Known Work, and the cumulative points associated with the spec item where the bidding stops is to be entered into Annex H1 - Price for Evaluation, Item F CUMULATIVE POINTS.

Procedures for Completing Annex H, Appendix 1:

Annex H Appendix 1 is information that will form part of Annex B of the resulting Contract. Bidders are requested to enter into Appendix 1 the same data that was entered into Appendix 2. This information should be completed and submitted with the bid, but may be submitted afterwards. If it 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.

In the event of any conflict between the contents of the two Appendices, Annex 2 prevails.

Evaluation Procedures for Equivalent Products:

1. Products that are equivalent in form, fit, function and quality to the item(s) specified in the bid solicitation will be considered where the Bidder:
 - a. designates the brand name, model and/or part number of the substitute product;
 - b. states that the substitute product is fully interchangeable with the item specified;
 - c. provides complete specifications and descriptive literature for each substitute product;
 - d. provides compliance statements that include technical specifics showing the substitute product meets all mandatory performance criteria that are specified in the bid solicitation; and
 - e. clearly identifies those areas in the specifications and descriptive literature that support the substitute product's compliance with any mandatory performance criteria.
2. Products offered as equivalent in form, fit, function and quality will not be considered if:
 - a. the bid fails to provide all the information requested to allow the Contracting Authority to fully evaluate the equivalency of each substitute product; or
 - b. the substitute product fails to meet or exceed the mandatory performance criteria specified in the bid solicitation for that item.
3. In conducting its evaluation of the bids, Canada may, but will have no obligation to, request bidders offering a substitute product to demonstrate, at the sole cost of bidders, that the substitute product is equivalent to the item specified in the bid solicitation

Section II - Financial Bid

In order to be compliant, the Bidder's bid must, to the satisfaction of Canada, meet all requirements and provide all information required under Part 3, Section II - Financial Bid.

Canada reserves the right to request information to support any bid requirement. The Bidder is instructed to address each requirement in sufficient depth to permit a complete analysis and assessment by the Evaluation Team. The Bid will be deemed responsive if it is found to meet all the mandatory requirements.

4.1.1 Evaluation of Price

The price of the bid will be evaluated in Canadian Dollars, Applicable Taxes excluded, FOB destination, Canadian customs duties and excise taxes included

4.2 Basis of Selection

A bid must comply with the requirements of the bid solicitation and meet all mandatory technical evaluation criteria to be declared responsive. The responsive bid with the lowest evaluated price per point as per the formula included in **H1 Price for Evaluation**, Annex H will be recommended for award of a contract.

Bidders should note that all contract awards are subject to Canada's internal approvals process, which includes a requirement to approve funding in the amount of any proposed Contract. Notwithstanding that a Bidder may have been recommended for award of Contract, issuance of any Contract will be contingent upon internal approval in accordance with Canada's policies. If such approval is not given, no Contract will be awarded.

4.3. Deliverables after Contract Award

Refer to Annex "J2".

PART 5 - CERTIFICATIONS

Bidders must provide the required certifications and associated 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 in carrying out any of its obligations under the Contract, 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 may render the bid non-responsive or constitute a default under the Contract.

5.1 Certifications Required Precedent to Contract Award

5.1.1 Integrity Provisions - Associated Information

By submitting a bid, the Bidder certifies that the Bidder and its Affiliates are in compliance with the provisions as stated in Section 01 Integrity Provisions - Bid of SACC 2003 Standard Instructions - Goods or Services - Competitive Requirements. The associated information required within the Integrity Provisions will assist Canada in confirming that the certifications are true.

5.1.2 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) 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 Annex C, 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.

5.1.3 Education and Experience

The Bidder certifies that all the information provided in the résumés and supporting material submitted with its bid, particularly the information pertaining to education, achievements, experience and work history, has been verified by the Bidder to be true and accurate. Furthermore, the Bidder warrants that every individual proposed by the Bidder for the requirement is capable of performing the Work described in the resulting contract.

Refer to Annex "J1" for Deliverables/Certifications

5.1.4 Status and Availability of Resources

The Bidder certifies that, should it be awarded a contract as a result of the bid solicitation, every individual proposed in its bid will be available to perform the Work as required by Canada's representatives and at

the time specified in the bid solicitation or agreed to with Canada's representatives. If for reasons beyond its control, the Bidder is unable to provide the services of an individual named in its bid, the Bidder may propose a substitute with similar qualifications and experience. The Bidder must advise the Contracting Authority of the reason for the substitution and provide the name, qualifications and experience of the proposed replacement. For the purposes of this clause, only the following reasons will be considered as beyond the control of the Bidder: death, sickness, maternity and parental leave, retirement, resignation, dismissal for cause or termination of an agreement for default.

If the Bidder has proposed any individual who is not an employee of the Bidder, the Bidder certifies that it has the permission from that individual to propose his/her services in relation to the Work to be performed and to submit his/her résumé to Canada. The Bidder must, upon request from the Contracting Authority, provide a written confirmation, signed by the individual, of the permission given to the Bidder and of his/her availability. Failure to comply with the request may result in the bid being declared non-responsive.

Refer to Annex "J1" for Deliverables/Certifications

PART 6 - FINANCIAL AND OTHER REQUIREMENTS

6.1 Financial Capability

6.1.1. Financial Capability Requirement:

The Bidder must have the financial capability to fulfill this requirement. To determine the Bidder's financial capability, the Contracting Authority may, by written notice to the Bidder, require the submission of some or all of the financial information detailed below during the evaluation of bids. The Bidder must provide the following information to the Contracting Authority within fifteen (15) Working Days of the request or as specified by the Contracting Authority in the notice:

- a. Audited financial statements, if available, or the unaudited financial statements (prepared by the Bidder's outside accounting firm, if available, or prepared in-house if no external statements have been prepared) for the Bidder's last three fiscal years, or for the years that the Bidder has been in business if this is less than three years (including, as a minimum, the Balance Sheet, the Statement of Retained Earnings, the Income Statement and any notes to the statements).
- b. If the date of the financial statements in (a) above is more than five months before the date of the request for information by the Contracting Authority, the Bidder must also provide, unless this is prohibited by legislation for public companies, the last quarterly financial statements (consisting of a Balance Sheet and a year-to-date Income Statement), as of two months before the date on which the Contracting Authority requests this information.
- c. If the Bidder has not been in business for at least one full fiscal year, the following must be provided:
 - i. the opening Balance Sheet on commencement of business (in the case of a corporation, the date of incorporation); and
 - ii. the last quarterly financial statements (consisting of a Balance Sheet and a year-to-date Income Statement) as of two months before the date on which the Contracting Authority requests this information.
- d. A certification from the Chief Financial Officer or an authorized signing officer of the Bidder that the financial information provided is complete and accurate.
- e. A confirmation letter from all of the financial institution(s) that have provided short-term financing to the Bidder outlining the total of lines of credit granted to the Bidder and the amount of credit that remains available and not drawn upon as of one month prior to the date on which the Contracting Authority requests this information.
- f. A detailed monthly Cash Flow Statement covering all the Bidder's activities (including the requirement) for the first two years of the requirement that is the subject of the bid solicitation, unless this is prohibited by legislation. This statement must detail the Bidder's major sources and amounts of cash and the major items of cash expenditures on a monthly basis, for all the Bidder's activities. All assumptions made should be explained as well as details of how cash shortfalls will be financed.
- g. A detailed monthly Project Cash Flow Statement covering the first two years of the requirement that is the subject of the bid solicitation, unless this is prohibited by legislation. This statement must detail the Bidder's major sources and amounts of cash and the major items of cash expenditures, for the requirement, on a monthly basis. All assumptions made should be explained as well as details of how cash shortfalls will be financed.

6.1.2. If the Bidder is a joint venture, the financial information required by the Contracting Authority must be provided by each member of the joint venture.

6.1.3. If the Bidder is a subsidiary of another company, then any financial information in 1. (a) to (f) above required by the Contracting Authority must be provided by the ultimate parent company. Provision of parent company financial information does not by itself satisfy the requirement for the provision of the financial information of the Bidder, and the financial capability of a parent cannot be substituted for the financial capability of the Bidder itself unless an agreement by the parent company to sign a Parental Guarantee, as drawn up by Public Works and Government Services Canada (PWGSC), is provided with the required information.

6.1.4. Financial Information Already Provided to PWGSC:

The Bidder is not required to resubmit any financial information requested by the Contracting Authority that is already on file at PWGSC with the Contract Cost Analysis, Audit and Policy Directorate of the Policy, Risk, Integrity and Strategic Management Sector, provided that within the above-noted time frame:

- a. the Bidder identifies to the Contracting Authority in writing the specific information that is on file and the requirement for which this information was provided; and
- b. the Bidder authorizes the use of the information for this requirement. It is the Bidder's responsibility to confirm with the Contracting Authority that this information is still on file with PWGSC.

6.1.5. Other Information:

Canada reserves the right to request from the Bidder any other information that Canada requires to conduct a complete financial capability assessment of the Bidder.

6.1.6. Confidentiality:

If the Bidder provides the information required above to Canada in confidence while indicating that the disclosed information is confidential, then Canada will treat the information in a confidential manner as permitted by the Access to Information Act, R.S., 1985, c. A-1, Section 20(1) (b) and (c).

6.1.7. Security:

In determining the Bidder's financial capability to fulfill this requirement, Canada may consider any security the Bidder is capable of providing, at the Bidder's sole expense (for example, an irrevocable letter of credit from a registered financial institution drawn in favour of Canada, a performance guarantee from a third party or some other form of security, as determined by Canada).

6.2 Contract Financial Security

6.2.1 In the bid, the Bidder must indicate the following ":

- a) In Annex "J1", the type of Contract Financial Security the Bidder intends to provide if awarded the Contract; and
- b) In Annex H "Financial Bid Presentation Sheet", the cost to the Bidder of the Contract Financial Security.

Refer to Annex "J1" for Deliverables/Certifications

6.2.2 If this bid is accepted, the Bidder shall be required to provide the Contract Financial Security in accordance with 7.12 within **(5) five Working Days** after the date of contract award.

6.2.3 If, for any reason, Canada does not receive, within the specified period, the required Contract Financial Security, Canada may accept another offer, seek new bids, negotiate a contract or not accept any bids, as Canada may deem advisable.

6.3 Vessel Transfer Costs

Vessel Transfer Costs will apply to the evaluation price of this solicitation.

1. The evaluation price must include the cost for transferring the vessel from its home port to the shipyard/ship repair facility where the Work will be performed and the cost of transferring the vessel to its home port following completion of the Work, in accordance with the following:
 - (a) The Bidder must provide the location of the shipyard/ship repair facility where it proposes to perform the Work together with the applicable vessel transfer cost from the list provided under paragraph 2 of this clause shall be entered into Table H1 (D):
 - (b) If the list in paragraph 2 of this clause does not provide the shipyard/ship repair location where the Bidder intends to perform the Work, then the Bidder must advise the Contracting Authority, in writing, at least **10 calendar days** before the bid closing date, of its proposed location for performing the Work. The Contracting Authority will confirm to the Bidder, in writing, at least **5 calendar days** before the bid closing date, the location of the shipyard/ship repair and the applicable vessel transfer cost.

A bid that specifies a location for executing the Work which is not on the list of paragraph 2 of this clause, and for which a notification in writing has not been received by the Contracting Authority as required above, will be considered non-responsive.

2. List of shipyard/ship repair facilities and applicable vessel transfer costs

Vessel:	CCGS Pierre Radisson
Home port:	Quebec, Qc

Transfer costs in the case of vessels transferred using a government delivery crew include the fuel cost at the vessel's most economical speed of transit and for unmanned refits only, crew transportation costs for the delivery crew based on the location of the vessel's home port and the shipyard/ship repair facility. Crew transportation costs do not include any members of the delivery crew who remain at the shipyard/ship repair facility in order to discharge project responsibilities related to the vessel being transferred.

Transfer costs in the case of vessels transferred unmanned by either commercial towing, railway, highway or other suitable means of transportation must be:

- (i) included as part of the Bidder's financial bid in the case where the Bidder is responsible for the transfer; or
- (ii) identified as the applicable vessel transfer cost, as given in the list below, in the case when Canada is responsible for the transfer.

Shipyard / Ship Repair Facility		Applicable Vessel Transfer Cost
Company	City	Transfer Cost Unmanned
Groupe Verreault Navigation Inc.	Les Méchins, Québec	\$46,160
Chantiers Davie Canada Inc.	Lévis, Québec	\$0
New Dock St John's Dockyard Limited	St. John's, Newfoundland and Labrador	\$120,765
Heddle Marine Service Inc.	Hamilton, Ontario	\$57,044

Proposed Drydocking Location: _____

Refer to Annex "J1" for Deliverables/Certifications.

6.4 Docking Facility

Before contract award, the successful Bidder may be required to demonstrate to the satisfaction of Canada that the certified capacity of the docking facility, including any means or conveyance to remove the vessel from the water, is adequate for the anticipated loading in accordance with the related dry docking plans and other documents detailed in the Contract. The successful Bidder will be notified in writing and will be allowed a reasonable period of time to provide detailed keel block load distribution sketches and blocking stability considerations, along with the supporting calculations to show the adequacy of the proposed docking arrangement.

At the time of bid closing, the Bidder must provide current and valid certification of the capacity and condition of the docking facility to be used for the Work. The certification must be provided by a recognized consultant or classification society and must have been issued within the past two years.

Although a dry docking facility may have a total capacity greater than the vessel to be docked, the weight distribution of the vessel may cause individual block loading to be exceeded. Also, while the physical dimensions of a dry docking facility may indicate acceptability for docking of a specific vessel, other limitations such as spacing of rails on a marine railway, concrete piers of abutments adjoining the dry dock may preclude the facility from being considered as a possible dry docking site and render the bid non-responsive.

Refer to Annex "J1" for Deliverables/Certifications

6.5 Workers' Compensation - Letter of Good Standing

The Bidder must have an account in good standing with the applicable provincial or territorial Workers' Compensation Board.

The bidder must provide with the bid, a certificate or letter from the applicable Worker's Compensation Board confirming the Bidder's good standing account. Failure to comply with the request may result in the bid being declared non-responsive.

Refer to Annex "J1" for Deliverables/Certifications.

6.6 Valid Labour Agreement

If the Bidder has a labour agreement, or other suitable instrument, in place with all its unionized labour, it must be valid for the proposed period of any resulting contract. Documentary evidence of the agreement or suitable instrument must be provided on or before bid closing date. If this information is not provided with the bid it will render the bid non-responsive.

Refer to Annex "J1" for Deliverables/Certifications

6.7 Preliminary Work Schedule

6.7.1 At the time of bid closing the Bidder must submit to Canada one (1) copy of a preliminary work schedule in a Gantt chart format elaborated with the software requirements of Annex A, Sub-section 1.13.1.1. This schedule must highlight the target dates listed at 6.7.2 below and all priced work items listed in Annex H. For purposes of the schedule, the Contractor will assume the Work Period to commence on September 6th, 2016 and complete on January 31st, 2017.

6.7.2 The Contractor's schedule must include target dates for each of the following significant events:

- a. Commencement of Work as defined at Article 7.3.1
- b. Period to be in dry dock
- c. All priced work items listed in Annex H Appendix 2
- d. FSR Scheduling for Priced Work Items
- e. Vessel ready for crew
- f. Dock and Sea Trials Period
- g. Completion of Work as defined at Article 7.3.1

Refer to Annex "J1", Deliverables/Certifications.

6.8 Safety Measures for Fueling and Disembarking Fuel

Fueling and disembarking fuel from Canadian government vessels must be conducted under the supervision of a responsible supervisor trained and experienced in these operations. At bid closing date, the Bidder must provide details of its safety measures for fueling and disembarking fuel together with the name and qualifications of the person in charge of this activity. If this information is not provided with the bid it will render the bid non-responsive.

Refer to Annex "J1", Deliverables/Certifications.

6.9 ISO 9001:2008 - Quality Management Systems

The Bidder shall have in place a Quality Management System registered to ISO 9001:2008 or a Quality Management System modeled on ISO 9001-2008 and shall provide at time of bid closing:

- If registered its valid ISO 9001-2008 certification;
- Example of Quality Control Plan (QCP) as per clause 6.17.

Documentation and procedures of bidders may be subject to a Quality System Evaluation (QSE) by the Technical Authority during bid evaluation period.

Refer to Annex "J1" for Deliverables/Certifications.

6.10 Health and Safety

The Bidder must certify with its bid that it has a documented Health and Safety system fully compliant with all current Federal, Provincial and Municipal regulations. If this information is not provided with the bid it will render the bid non-responsive.

Refer to Annex "J1" for Deliverable Requirements.

6.11 Fire Protection, Fire Fighting and Training Procedures

The Bidder must submit with its bid objective evidence that it has documented fire protection, firefighting and training procedures compliant with current regulations and their insurance requirements. The fire protection, firefighting and training procedures will, once accepted by Canada, form part of the Contract. Please refer to clause 7.25. If this information is not provided with the bid it will render the bid non-responsive.

Refer to Annex "J1" for Deliverable Requirements.

6.12 Hazardous Waste

1. The Bidder acknowledges that sufficient information has been provided by Canada with respect to the location and estimated amount of hazardous materials such as asbestos, lead PCBs, silica or other hazardous materials or toxic substances.
2. The price includes all costs associated with the removal, handling, storage, disposal and/or working in the vicinity of hazardous materials such as asbestos, lead, PCBs, silica and other hazardous materials or toxic substances on board the vessel, including those costs resulting from the need to comply with applicable laws and regulations in relation to the removal, handling, disposal or storage of hazardous materials or toxic substances.
3. The completion date for the Work takes into account the fact that the removal, handling, storage, disposal and/or working in the vicinity of hazardous materials such as asbestos, lead, PCBs, silica and other hazardous materials or toxic substances may be affected by the need to comply with applicable federal, provincial and municipal laws or regulations and that this will not be considered to be an excusable delay.

Refer to Annex "J1", Deliverables/Certifications.

6.13 Insurance Requirements

The Bidder must provide with its bid 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 Annex "D". If this information is not provided with the bid it will render the bid non-responsive.

Refer to Annex "J1", Deliverables/Certifications.

6.14 Welding Certification

Welding must be performed by a welder certified by the Canadian Welding Bureau and in accordance with the requirements of the following Canadian Standards Association (CSA) standards:

- (a) CSA W47.1, Certification for Companies for Fusion Welding of Steel (Minimum Division Level 1 or 2); and

- (b) CSA W47.2, Certification for Companies for Fusion Welding of Aluminum (Minimum Division Level 3).

The bidder must submit with his bid proof of its and/or subcontractors certification for CSA W47.1, Certification for Companies for Fusion Welding of Steel (Minimum Division Level 1 or 2) and CSA W47.2, Certification for Companies for Fusion Welding of Aluminum (Minimum Division Level 3). The bidder must maintain valid its certifications for the duration of the contract.

The successful bidder will have to provide five **five (5) days** after Contract Award, the list of welders susceptible to be assigned to the Work with a valid copy of their respective certificate. The bidder must maintain valid his list of certified welders for the duration of the contract in accordance with Article 7.30.

Refer to Annex "J1" and "J2" for Deliverables/Certifications.

6.15 Project Management Services

The Bidder is required to provide a Project Management Team experienced and capable of successfully managing the ship refit contract as defined herein. Project management personnel, services and deliverables must comply with the requirements detailed in the contract.

1. Intent

- (a) Job titles used in this annex are for clarity within this document only. The Contractor is free to choose job titles that suit its organization.
- (b) The Contractor, through its Project Management Team, is responsible to discharge the duties and supply the deliverables required in the Contract and the Specifications.

2. Project Manager

- (a) The Contractor must supply an experienced Project Manager (PM).
- (b) The PM must have at least two years experience within the last five years in managing a marine project.

3. Project Management Team

Other than the Project Manager, the Contractor may assign and deploy personnel to suit its organization; provided however that the collective resume of its Project Management Team provide for the effective control of the project elements including but not limited to:

- i. Engineering
- ii. Manufacturing
- iii. Quality Assurance
- iv. Planning and Scheduling
- v. Test and Trials
- vi. Purchasing

4. Tender Deliverable

Names, brief resumes, and list of duties for each of the team members that ensures that each of the project elements listed in Article 2 and 3i through 3vi inclusive have been addressed.

Refer to Annex "J1" for Deliverables/Certifications.

6.16 List of Proposed Subcontractors

If the bid includes the use of subcontractors, the Bidder must provide a list of all subcontractors including a description of the things to be purchased, a description of the work to be performed by specification

section and the location of the performance of that work. The list should not include the purchase of off-the-shelf items, software and such standard articles and materials as are ordinarily produced by manufacturers in the normal course of business, or the provision of such incidental services as might ordinarily be subcontracted in performing the Work, i.e. subcontract work valued at less than \$ 5,000.00 aggregate for the project.

Refer to Annex "J1" for Deliverables/Certifications.

6.17 Quality Control Plan

At the time of bid closing the Bidder must submit to Canada an example of its Quality Control Plan (QCP) as applied on previous projects of the same nature.

Refer to Annex "J1" for Deliverables/Certifications.

6.18 Inspection and Test Plan

At the time of bid closing the Bidder must submit to Canada an example of an Inspection and Test Plan (ITP) complete with requirement and inspection reports as developed on previous projects of the same nature.

Refer to Annex "J1" for Deliverables/Certifications.

6.19 Environmental Protection

At the time of bid closing the Bidder must submit details of its environmental emergency response plans, waste management procedures and/or formal environmental training undertaken by its employees.

Refer to Annex "J1" for Deliverables/Certifications.

PART 7 - RESULTING CONTRACT CLAUSES

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

7.1 Requirement

The Contractor must:

- a) carry out the docking, maintenance and alterations of the Canadian Coast Guard Vessel CCGS Pierre Radisson in accordance with the associated Technical Specifications detailed in the Requirement and attached as Annex "A".
- b) carry out any unscheduled work authorized by the Contracting Authority.

7.2 Definitions:

In this Contract, unless the context otherwise requires:

'CCGS' – means Canadian Coast Guard Ship

'Design Change' - means any change to approved drawings, Specifications, or statements of requirements. Work necessary to eliminate "fouling" points or for the correction of errors made by the Contractor is not a "Design Change" within the meaning of this section;

'DFO' – means Department of Fisheries and Oceans Canada

Dollar, "Dollars", or "\$" - means the legal tender of Canada;

"Good Marine Quality" - means constructed of materials unaffected by or resilient to moisture, sea spray (salt water and salt air), extremes of temperature, and other hazards of the marine environment, and has been designed and constructed to perform intended function in the marine environment conditions of the Atlantic Ocean and to withstand the dynamic motions and cyclic loads imparted in a marine environment. The item must further be designed and constructed for ease and safety of operation under dynamic conditions, to have an operational life equal or superior to the useful life that can be reasonably expected from such item in similar operating conditions and to require minimum maintenance as a result of such marine operating conditions;

'Milestone' - means an event, the completion of which signifies a significant and measurable achievement in the performance of the Work.

'OEM' - means original equipment manufacturer;

'Owner' - means Her Majesty the Queen in right of Canada as represented by the Minister of Fisheries and Oceans

'Owners Representative' – means the Technical Authority or his/her designate.

"PWGSC" or "PSPC" – means respectively the Department's former title Public Works and Government Services Canada or its new title Public Services and Procurement Canada;

'Working Day' – means any day of the year other than a Saturday, Sunday or any statutory holiday in the Province of Newfoundland, Nova Scotia, Ontario, Quebec or in the Public Service of Canada, and any reference herein to a day or days will mean calendar days unless expressly described as a "Working Day" or "Working Days"

Capitalized terms not otherwise defined in these Articles of Agreement numbered 1 through 51 inclusive and defined in the General Conditions or Supplemental Conditions referred to at Section 7.2 will have meanings given to them in those Annexes.

7.3 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 issued by Public Works and Government Services Canada (PWGSC). The manual is available on the following PWGSC website:
(<https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual>)

7.3.1 General Conditions

2030 (2016-04-04), General Conditions - Higher Complexity - Goods, apply to and form part of the Contract.

2030 (2016-04-04), General Conditions Higher Complexity - Goods are hereby amended as follows:

Section 22 Warranty

1. The Contractor, if requested by Canada, must replace or repair at its own expense any finished work, excluding Government Issue incorporated in the Work, which becomes defective or which fails to conform to contract requirements as a result of faulty or inefficient manufacture, material or workmanship.
2. Despite acceptance of the finished work, and without restricting any other term of the Contract or any condition, warranty or provision imposed by law, the Contractor warrants that the following will be free from all defects and will conform with the requirements of the Contract:
 - (a) The painting of the underwater portion of the hull for a period of 365 days commencing from the date of undocking, except that the Contractor will only be liable to repair and/or replace to a value to be determined as follows:

Original cost to Canada of the underwater painting work, divided by 365 days and multiplied by the number of days remaining in the warranty period. The resultant sum would represent the "Dollar Credit" due to Canada from the Contractor.
 - (c) All other painting work for a period of 365 days commencing from the date of acceptance of the Work;
 - (d) All other items of work for a period of ninety (90) days commencing from the date of acceptance of the Work, except that:
 - (i) the warranty on the work related to any system or equipment not immediately placed in continuous use or service will be for a period of ninety (90) days from the date of acceptance of the vessel;
 - (ii) for all outstanding defects, deviations, and work items listed on the Acceptance Document at Delivery, the warranty will be ninety (90) days from the subsequent date of acceptance for each item.
4. The Contractor agrees to pass to Canada, and exercise on behalf of Canada, all warranties on the materials supplied or held by the Contractor which exceed the periods indicated above. Refer to Annex "E" and its Appendix "1" for Warranty Defect Claim Procedures and forms.

1031-2 (2012-07-16), Contract Cost Principles, apply and form part of the Contract.

7.3.2 Supplemental General Conditions

1029 (2010-08-16) Ship Repairs;

7.4 Term of Contract

7.4.1 Work Period - Marine

1. Work must commence and be completed as follows:

Commence: September 6th, 2016
Complete: January 31st, 2017

2. The Contractor agrees that the above time (the "Work Period") provides an adequate period to perform the subject work and absorb a reasonable amount of unscheduled work. The Contractor certifies that they have sufficient material and human resources allocated or available to complete the subject work and a reasonable amount of unscheduled work within the Work Period.

Canada has the right to delay the arrival of the Vessel at the Contractor's facility subject to the following conditions:

- a) Canada gives 30 calendar days advance notice of a 15 day maximum delay.

The Contractor may claim no additional cost when arrival of the vessel at the Contractor's facility is delayed up to a maximum of 15 calendar days beyond the commencement date, above. The Completion Date shall be extended by a period equal to the length of the delay.

- b) Canada does not provide 30 calendar days advance notice of a delay.

The Completion Date shall be reasonably adjusted to reflect the impact of the delay on the arrival of the Vessel and Canada shall pay only the Daily Services Fee referred to in the Basis of Payment for the period of the delay.

7.4.2 Additional Instructions to the Work Period

From refit start date of September 6th, 2016 to January 31st, 2017 the vessel will be unmanned during the work period and will be considered to be out of commission. The vessel during that period will be in the care and custody of the Contractor and under its control.

The vessel will have to be made completely habitable for the ship's crew by January 17, 2017.

7.5 Authorities

7.5.1 Contracting Authority

The Contracting Authority for the Contract is:

Allen Bilodeau
Department of Public Services and Procurement Canada (PSPC)
Defence and Major Projects Sector
PWGSC, 6C2 Place du Portage, Phase III
11 Laurier Street,
Gatineau, Quebec, K1A 0S5
Tel: (819) 420-2912 Fax: (819) 956-7725
E-Mail - allen.bilodeau@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.

7.5.2 Technical Authority

The Technical Authority for the Contract is:

To be announced
Name:
Telephone:
Cell:
Fax:
E-mail:

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.

7.5.3 Inspection Authority

The role of the Inspection Authority for the Contract will be assumed by the Canadian Coast Guard.

Name will be announced at Contract Award

Name: TBD
Telephone:
Cell:
Fax:
E-mail:

The Inspection Authority is the representative of the department or agency for whom the Work is being carried out under the Contract and is responsible for the inspection of the Work and acceptance of the finished work. The Inspection Authority may be represented on-site by a designated inspector and any other Government of Canada Inspector who may from time to time be assigned in support of the designated inspector.

7.6 Payment

7.6.1 Basis of Payment - Firm Price

In consideration of the Contractor satisfactorily completing all of its obligations under the Contract, the Contractor will be paid a firm price indicated in the Basis of Payment Annex "B" for the Known Work. Applicable Taxes are extra, if applicable. Payment for unscheduled work must be in accordance with Annex "B".

No increase in the total liability of Canada or in the price of the Work resulting from any design changes, modifications or interpretations of the Specifications, will be authorized or paid to the Contractor unless such design changes, modifications or interpretations have been authorized in writing, by the Contracting Authority prior to their incorporation in the Work.

7.6.2 Method of Payment - Progress Payment

1. Canada will make progress payments in accordance with the payment provisions of the Contract, no more than once a month, for cost incurred in the performance of the Work, up to 90 percent of the amount claimed and approved by Canada if:
 - (a) an accurate and complete claim for payment using form PWGSC-TPSGC 1111 (<http://www.tpsgc-pwgsc.gc.ca/app-acq/forms/documents/1111.pdf>), Claim for Progress Payment, and any other document required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract;
 - (b) the amount claimed is in accordance with the basis of payment;
 - (c) the total amount for all progress payments paid by Canada does not exceed 90 percent of the total amount to be paid under the Contract;
 - (d) all certificates appearing on form PWGSC-TPSGC 1111 have been signed by the respective authorized representatives.
2. The balance of the amount payable will be paid in accordance with the payment provisions of the Contract upon completion and delivery of all work required under the Contract if the Work has been accepted by Canada and a final claim for the payment is submitted.
3. Progress payments are interim payments only. Canada may conduct a government audit and interim time and cost verifications and reserves the rights to make adjustments to the Contract from time to time during the performance of the Work. Any overpayment resulting from progress payments or otherwise must be refunded promptly to Canada.

7.6.3 Liens - Section 427 of the Bank Act

1. If any lien under section 427 of the Bank Act, S.C.. 1991, c. 46, exists in respect to any materials, parts, work-in-process, or finished work for which the Contractor intends to claim payment, the Contractor agrees to inform the Contracting Authority without delay and agrees, unless instructed otherwise by the Contracting Authority, either:
 - (a) to cause the bank to remove such lien and to provide the Contracting Authority with written confirmation from the bank; or,
 - (b) to provide to the Contracting Authority an undertaking from the bank that the bank will not make any claim under section 427 of the Bank Act on materials, parts, work-in-process, or finished work in respect of which payment is made to the Contractor under the Contract.
2. Failure to inform the Contracting Authority of such lien or failure to implement paragraph 1(a) or (b) above will constitute default under the default section of the general conditions and will entitle Canada to terminate the Contract.

7.6.4 Limitation of Price

Canada will not pay the Contractor for any design changes, modifications or interpretations of the Work unless they have been approved, in writing, by the Contracting Authority before their incorporation into the Work.

7.6.5 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.

7.7 Invoicing Instructions

The Contractor must submit invoices in accordance with the information required in Section 13 of 2030 (2016-04-04), General Conditions, Higher Complexity, Goods and Article 7.5 Payment and Article 7.6 Invoicing Instructions.

7.7.1 Invoices

1. Invoices are to be made out to:

CCGS ITS Marine Engineering VLE
200 Kent Street-Stn 7N-157
Ottawa, Ontario
K1A 0E6
Attention: Kim Green

The original invoice to be forwarded for verification to:

Public Works and Government Services Canada
Marine Systems Directorate
Defence and Major Projects Sector
11 Laurier Street, Place du Portage
Phase III, 6C2
Gatineau, Quebec
K1A 0S5
Attention: Allen Bilodeau

2. Canada will only make payment upon receipt of a satisfactory invoice duly supported by specified release documents and any other documents called for under the Contract.
3. The Contractor shall not submit an invoice prior to the completion and acceptance of the Work or shipment of the items to which it relates.

7.7.2 Invoicing Instructions - Progress Claim

1. The Contractor must submit a claim for payment using form PWGSC-TPSGC 1111 <http://publiservice-app.pwgsc.gc.ca/forms/pdf/1111.pdf>, Claim for Progress Payment.

Each claim must show:

- (a) all information required on form PWGSC-TPSGC 1111;
 - (b) all applicable information detailed under 2030 (2016-04-04), General Conditions, section 13 entitled "Invoice Submission";
2. 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.
 3. 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 Technical Authority identified under the section

entitled "Authorities" of the Contract for appropriate certification after inspection and acceptance of the Work takes place.

The 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.

4. The Contractor must not submit claims until all work identified in the claim is completed.

7.7.3 Warranty Holdback

A warranty holdback of 5% of the total contract price as last amended (Applicable Taxes excluded) will be applied to the final claim for payment. This holdback will be payable by Canada upon the expiry of the 90 day warranty period(s) applicable to the Work. Applicable Taxes, as appropriate, is to be calculated and paid on the total amount of the claim before the 5% holdback is applied. At the time that the holdback is released, there will be no Applicable Taxes payable, as it was included in previous payments.

7.8 Certifications

7.8.1 Compliance

Compliance with the certifications provided by the Contractor in its bid is a condition of the Contract and subject to verification by Canada during the term of the Contract. If the Contractor does not comply with any certification or 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.

7.9 Federal Contractors Program for Employment Equity - Default by the 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.

7.10 Applicable Laws

The Contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in _____.

7.11 Priority of Documents

If there is a discrepancy between the wording of any documents that appear on the list, the wording of the document that first appears on the list has priority over the wording of any document that subsequently appears on the list.

- (a) The Articles of Agreement;
- (b) The Supplemental General Conditions 1029 (2010-08-16), Ship Repairs;
- (c) The General Conditions 2030 (2016-04-04), General Conditions - Higher Complexity – Goods;
- (d) The General Conditions 1031-2 (2012-07-16), Contract Cost Principles;
- (e) Annex "A", Statement of Work dated 25 May, 2016;
- (f) Annex "B", Basis of Payment;
- (g) Annex "C", Federal Contractors Program for Employment Equity - Certification;
- (h) Annex "D", Insurance Requirements;
- (i) Annex "E", Warranty;
- (j) Annex "F", Procedure for Unscheduled Work;

- (k) Annex "G", Quality Control/Inspection;
- (l) Annex "H", Financial Bid Presentation Sheet;
- (m) Annex "I", Vessel Turnover;
- (n) Annex "J", Deliverables/Certifications;
- (o) Annex "K", PWGSC Form 450 Claim for Exchange Rate;
- (p) The Contractor's bid dated _____ (insert date of bid), as amended _____ (insert date(s) of amendment(s) if applicable)

7.12 Insurance Requirements

The Contractor must comply with the insurance requirements specified in Annex "D". 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.

The Contractor is responsible for deciding if additional insurance coverage is necessary to fulfil 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.

The Contractor must forward to the Contracting Authority within **ten (10) days** after the date of award of the Contract, a Certificate of Insurance evidencing the insurance coverage and confirming that the insurance policy complying with the requirements is in force. Coverage must be placed with an Insurer licensed to carry out business in Canada. The Contractor must, if requested by the Contracting Authority, forward to Canada a certified true copy of all applicable insurance policies.

7.13 Limitation of Contractor's Liability for Damages to Canada

1. 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.
2. Whether the claim is based in contract, tort, or another cause of action, the Contractor's liability for all damages suffered by Canada caused by the Contractor's performance of or failure to perform the Contract is limited to \$10 million per incident or occurrence to an annual aggregate of \$20 million for losses or damage caused in any one year of carrying out the Contract, each year starting on the date of coming into force of the Contract or its anniversary. This limitation of the Contractor's liability does not apply to nor include:
 - (a) Any infringement of intellectual property rights;
 - (b) Any breach of warranty obligations;
 - (c) Any liability of Canada to a third party arising from any act or omission of the Contractor in performing the Contract; or
 - (d) Any loss for which the policies of insurance specified in the Contract or any other policies of insurance held by the Contractor would provide insurance coverage.
3. Each Party agrees that it is fully liable for any damages that it causes to any third party in connection with the Contract, regardless of whether the third party makes its claim against Canada or the Contractor. If Canada is required, as a result of joint and several liability, to pay a third party in respect of damages caused by the Contractor, the Contractor must reimburse Canada for that amount.
4. The Parties agree that nothing herein is intended to limit any insurable interest of the Contractor nor to limit the amounts otherwise recoverable under any insurance policy. The Parties agree

that to the extent that the insurance coverage required to be maintained by the Contractor under this Contract or any additional insurance coverage maintained by the Contractor, whichever is greater, is more than the limitations of liability described in sub article (2), the limitations provided herein are increased accordingly and the Contractor shall be liable for the higher amount to the full extent of the insurance proceeds recovered.

5. If, at any time, the total cumulative liability of the Contractor for losses or damage suffered by Canada caused by the Contractor's performance of or failure to perform the Contract, excluding liability described under subsection 2(a), (b), (c) and (d) exceeds \$40 million, either Party may terminate the Contract by giving notice in writing to the other Party and neither Party will make any claim against the other for damages, costs, expected profits or any other such loss arising out of the termination. However, no such termination or expiry of the Contract shall reduce or terminate any of the liabilities that have accrued to the effective date of the termination but which liabilities are subject to the limitations as specified in sub-article (1) through (4) above.
6. The date of termination pursuant to this Article, shall be the date specified by Canada in its notice to terminate, or, if the Contractor exercises the right to terminate, in a notice to the Contractor from Canada in response to the Contractor's notice to terminate. The date of termination shall be in Canada's discretion to a maximum of 12 months after service of the original notice to terminate served by either Party pursuant to sub-article 5, above.
7. Nothing shall limit Canada's other remedies, including Canada's right to terminate the Contract for default for breach by the Contractor of any of its obligations under this Contract, notwithstanding that the Contractor may have reached any limitation of its liability hereunder.

7.13.1 Environmental Impairment Liability Insurance

1. The Contractor must obtain Contractor's Pollution Liability insurance, providing coverage for Asbestos Abatement, 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 \$5,000,000 per accident or occurrence and in the annual aggregate.
2. 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.
3. The Contractor's Pollution Liability insurance coverage provided under the remarks section above) 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 as additional insured should read as follows: Canada, represented by Public Works and Government Services Canada.
 - b. Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of policy cancellation.
 - c. Separation of Insureds: 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.
 - d. 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.
 - e. Incidental Transit Extension: The policy must extend to losses arising from any waste, products or materials transported, shipped, or delivered via any transportation mode to a location beyond the boundaries of a site at which the Contractor or any entity for which the Contractor is legally liable is performing or has performed the operations described in the contract.

- f. 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.

7.14 Financial Security

7.14.1 Term of Financial Security

Any bond, bill of exchange, letter of credit or other security provided by the Contractor to Canada in accordance with the terms of the Contract must not expire before 90 days after the completion date indicated in the Contract. The Contracting Authority may, at its sole discretion, require an extension to the period of the security, for which the Contractor may apply for financial compensation.

The Contracting Authority may, at its sole discretion, return the security to the Contractor before the expiration, provided however that no risk will accrue to Canada as a result of this.

7.14.2 Contract Financial Security

1. The Contractor must provide one of the following contract financial securities within **five (5)** Working Days after the date of contract award:
 - (a) a performance bond (form PWGSC-TPSGC 505) and a labour and material payment bond (form PWGSC-TPSGC 506), each in the amount of 20 percent of the Contract Price;

OR

 - (b) a security deposit as defined below in the amount of 10 percent of the Contract Price.

Any bond must be accepted as security by one of the bonding companies listed in Treasury Board Contracting Policy, Appendix L, Acceptable Bonding Companies (<http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=12027>). The bond forms mentioned in (a) above are available at: <http://www.tpsgc-pwgsc.gc.ca/app-acq/forms/formulaires-forms-eng.html>.

2. If, for any reason, Canada does not receive the financial security in the amount set out above within the specified period, the Contractor will be in default. Canada may, at its discretion, terminate the Contract for default pursuant to the Contract default provision, accept another bid, reject all bids or issue a new bid solicitation.
3. Security deposits in the form of government guaranteed bonds with coupons attached will be accepted only if all coupons that are unmatured, at the time the security deposit is provided, are attached to the bonds. The Contractor must provide written instructions concerning the action to be taken with respect to coupons that will mature while the bonds are pledged as security, when such coupons are in excess of the security deposit requirement.
4. If the security deposit is in the form of a bill of exchange, Canada will deposit the bill of exchange in an open account in the Consolidated Revenue Fund. Bills of exchange that are deposited to the credit of the Consolidated Revenue Fund will bear simple interest, calculated on the basis of the rates which are in effect during the period the deposit is held.

These rates are published monthly by the Department of Finance and are set to be equal to the average yield on 90-day Treasury Bills, less 1/8 of 1 percent. Interest will be paid annually or, when the security deposit is returned to the Contractor, if earlier. The Contractor may, however, request Canada to hold and not cash the bill of exchange, in which case no interest will become payable.

5. Canada may convert the security deposit to the use of Canada if any circumstance exists which would entitle Canada to terminate the Contract for default, but any such conversion will not constitute termination of the Contract.
6. When Canada so converts the security deposit:
 - (a) the proceeds will be used by Canada to complete the Work according to the conditions of the Contract, to the nearest extent that it is feasible to do so and any balance left will be returned to the Contractor on completion of the warranty period; and
 - (b) if Canada enters into a contract to have the Work completed, the Contractor will:
 - (i) be considered to have irrevocably abandoned the Work; and
 - (ii) remain liable for the excess cost of completing the Work if the amount of the security deposit is not sufficient for such purpose. "Excess cost" means any amount over and above the amount of the Contract Price remaining unpaid together with the amount of the security deposit.
7. If Canada does not convert the security deposit to the use of Canada before completion of the contract period, Canada will return the security deposit to the Contractor within a reasonable time after such date.
8. If Canada converts the security deposit for reasons other than bankruptcy, the financial security must be reestablished to the level of the amount stated above so that this amount is continued and available until completion of the contract period.

9. In this Article,

"security deposit" means

- (a) a bill of exchange that is payable to the Receiver General for Canada and certified by an approved financial institution or drawn by an approved financial institution on itself; or
- (b) a government guaranteed bond; or
- (c) an irrevocable standby letter of credit, or
- (d) such other security as may be considered appropriate by the Contracting Authority and approved by Treasury Board;

"approved financial institution" means

- (a) any corporation or institution that is a member of the Canadian Payments Association;
- (b) a corporation that accepts deposits that are insured by the Canada Deposit Insurance Corporation or the Régie de l'assurance-dépôts du Québec to the maximum permitted by law;
- (c) a credit union as defined in paragraph 137(6) of the Income Tax Act;
- (d) a corporation that accepts deposits from the public, if repayment of the deposits is guaranteed by a Canadian province or territory;
- (e) the Canada Post Corporation.

"government guaranteed bond" means a bond of the Government of Canada or a bond unconditionally guaranteed as to principal and interest by the Government of Canada that is:

- (a) payable to bearer;
- (b) accompanied by a duly executed instrument of transfer of the bond to the Receiver General for Canada in accordance with the Domestic Bonds of Canada Regulations;
- (c) registered in the name of the Receiver General for Canada.

"irrevocable standby letter of credit"

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

- (g) must be issued (Issuer) or confirmed (Confirmer), in either official language, by a financial institution that is a member of the Canadian Payments Association and is on the letterhead of the Issuer or Confirmer. The format is left to the discretion of the Issuer or Confirmer.

7.15 Foreign Nationals (Canadian Contractor)

The Contractor must comply with Canadian immigration requirements applicable to foreign nationals entering Canada to work temporarily in fulfillment of the Contract. If the Contractor wishes to hire a foreign national to work in Canada to fulfill the Contract, the Contractor should immediately contact the nearest Service Canada regional office to enquire about Citizenship and Immigration Canada's requirements to issue a temporary work permit to a foreign national. The Contractor is responsible for all costs incurred as a result of non-compliance with immigration requirements

7.16 Sub-contracts and Sub-contractor List

The Contracting Authority is to be notified, in writing, of any changes to the list of subcontractors before commencing the work.

When the Contractor sub-contracts work, a copy of the sub-contract purchase order is to be passed to the Contracting Authority. In addition, the Contractor must monitor progress of sub-contracted work and inform the Inspection Authority on pertinent stages of work to permit inspection when considered necessary by the Inspection Authority.

7.17 Work Schedule and Reports

No later than **five (5) calendar days** after contract award, the preliminary work schedule provided with the bid must be revised, detailed and resubmitted in preparation to the contract award meeting.

The Contractor must provide a detailed work schedule showing the commencement and completion dates for the Work in the available work period, including realistic target dates for significant events.

During the work period the schedule is to be reviewed on an ongoing basis by the Inspection Authority and the Contractor, updated when necessary, and available in the Contractor's office for review by Canada's authorities to determine the progress of the Work.

7.18 Insulation Materials - Asbestos Free

All materials used to insulate or re-insulate any surfaces on board the vessel must meet Transport Canada Marine standards, for commercial marine work, and, for all work, be free from asbestos in any form. The Contractor must ensure that all machinery and equipment located below or adjacent to surfaces to be re-insulated are adequately covered and protected before removing existing insulation.

7.19 Trade Qualifications

The Contractor must use qualified, certificated (if applicable) and competent tradespeople and supervision to ensure a uniform high level of workmanship. The Technical Authority may request to view and record details of the certification and/or qualifications held by the Contractor's tradespeople. This request should not be unduly exercised but only to ensure qualified tradespeople are on the job.

7.20 ISO 9001:2008 - Quality Management Systems

In the performance of the Work described in the Contract, the Contractor must comply with the requirements of:

ISO 9001:2008 - Quality management systems - Requirements, published by the International Organization for Standardization (ISO), current edition at date of submission of Contractor's bid.

The Contractor's quality management system must address each requirement contained in the standard, however, the Contractor is not required to be registered to the applicable standard.

7.21 Project Management Services

The Contractor is required to provide their own Project Management Team experienced and capable of successfully managing the ship repair contract as defined herein. Project management personnel, services and deliverables must comply with the requirements detailed in the contract.

Introduction

Project management refers to system integration and technical control as well as business management of the CCGS Pierre Radisson Vessel Life Extension Refit Project.

The Contractor must provide the following within 15 days of Contract Award:

Project Action Plan (PAP):

The Contractor must document the project management for the work in a Project Action Plan and must update this plan at monthly intervals or more frequently as required by the Contracting Authority.

The PAP must comprise:

- i) organization structure charts;
- ii) a master schedule, support schedules, sub-Contractor schedules and work;
- iii) Government Furnished Equipment (GFE), and Contractor Furnished Equipment (CFE) delivery dates as a minimum.

The monthly updates to the PAP must comprise schedule updates, a progress report and review meetings. The components of the PAP and its updates are described in the following sub-sections.

1) Project Integration Management:

The Contractor must provide an overall project organizational chart identifying all key personnel and sub-Contractors. Further, the Contractor must identify the contract-related work each sub-Contractor is responsible for.

2) Change Management Log:

The Contractor must provide a Change Management Log that must be used for the duration of the project to manage project changes.

The Change Management Log must track project issues with the following criteria:

- i) Individual tracking number;
- ii) Date issue was raised;
- iii) Expected resolution date;
- iv) Date issue was resolved;
- v) Brief note of resolution on issue;
- vi) Individual who raised issue;
- vii) Individual assigned to resolve issue;
- viii) Risk Factor.

3) Risk Management Plan:

The Contractor must identify emergent risks and rank these risks by impact on the work. Mitigation strategies must be identified for all "High" risks. The "Risk Management Plan" must be updated at least bi-weekly and provided to the Technical and Contracting Authorities. The "Risk Management Plan" must be included in the monthly progress meeting Record of Decisions.

4) Scheduling:

The Contractor must provide a schedule(s) that breaks the work down to the system and component level. The schedule must include sub-Contractor schedules to the same level. The Contractor must update the schedule(s) on a monthly basis and the updates must be provided to the Contract Authority, the Inspection Authority and the Technical Authority.

The schedule(s) must identify all work in the project. It must include long lead items, GFE, strip outs, production, assembly, installation, bench testing, system commissioning and tests and trials, as well as all scheduled and required resources.

The schedule(s) must identify the major milestones, critical path and all interrelationships between tasks. The schedule(s) must be baselined.

The PMBoK 2005 or later must be used as the reference for scheduling.

5) Project Reporting:

The Contractor must provide a monthly Progress Report describing the status of the project Time Line, Cost and Performance as an introduction. Time, Cost and Performance must then be addressed in detail. The report must identify significant risks to the program and the actions taken to resolve these risks. The risk analysis must identify any impact upon delivery and actions taken to recover any slippage that may affect the contract delivery date. The report, either in hard copy or in electronic format, must be delivered monthly, three (3) Working Days prior to the progress review meeting to the Contract Manager, the Inspection Authority and the Technical Authority. The progress report must include sub-Contractor and major component supplier activity.

The following Management Reports and Documentation are to be prepared and maintained by the Contractor and submitted to Canada in accordance with the Contract or upon request by the Contracting Authority.

- i. Production Work Schedule
- ii. Inspection Summary Report
- iii. Growth Work Summary Report

7.22 Quality Control Plan

The Contractor must implement and follow the Quality Control Plan (QCP) prepared according to the latest issue (at contract date) of ISO 10005:2005 Quality management - Guidelines for quality plans, approved by the Inspection Authority and the Technical Authority. The QCP must describe how the Contractor will conform to the specified quality requirements of the Contract and specify how the required quality activities are to be carried out, including quality assurance of subcontractors. The Contractor must include a traceability matrix from the elements of the specified quality requirements to the corresponding paragraphs in the QCP. The QCP must be made available to the Inspection and Technical Authority for review and approval **within five (5) calendar days** after contract award.

The documents referenced in the QCP must be made available when requested by the Inspection Authority.

The QCP must include a list of all deliverables stated under Annex A. It must be kept up to date and signed off by the IA when items are delivered.

The Contractor must make appropriate amendments to the QCP throughout the term of the Contract to reflect current and planned quality activities. Amendments to the QCP must be acceptable to the Inspection Authority and the Technical Authority.

Refer to Annex "G" for details.

7.23 Inspection and Test Plan

The Contractor must in support of its Quality Control Plan (QCP), implement an approved Inspection and Test Plan (ITP).

The Contractor must provide at no additional cost to Canada, all applicable test data, all Contractor technical data, test pieces and samples as may reasonably be required by the Inspection Authority to verify conformance to contract requirements. The Contractor must forward at his expense such technical data, test data, test pieces and samples to such location as the Inspection Authority may direct.

Refer to Annex "G" for details.

7.24 Equipment/Systems: Inspection/Test

Inspections, Tests and Trials of Equipment, Machinery and Systems shall be conducted in accordance with the Specification. The Contractor is responsible for performing, or having performed, all Inspections, Tests and Trials necessary to substantiate that the materiel and services provided conform to contract requirements.

Refer to Annex "G" for details.

7.25 Environmental Protection

The Contractor and its sub-contractors engaged in the Work on a Crown vessel must carry out the Work in compliance with applicable municipal, provincial and federal environmental laws, regulations and industry standards.

The Contractor must have detailed procedures and processes for identifying, removing, tracking, storing, transporting and disposing of all potential pollutants and hazardous material encountered, to ensure compliance as required above. The contractor must maintain in force their Environmental Protection procedures through the course of the contract.

All waste disposal certificates are to be provided to the Technical Authority, with information copies sent to the Contracting Authority. Furthermore, additional evidence of compliance with municipal, provincial and federal environmental laws and regulations is to be furnished by the Contractor to the Contracting Authority when so requested.

The Contractor must have environmental emergency response plans and/or procedures in place. Contractor and subcontractor employees must have received the appropriate training in emergency preparedness and response. Contractor personnel engaging in activities which may cause environmental impacts or potential noncompliance situations, must be competent to do so on the basis of appropriate education, training, or experience.

7.26 Hazardous Waste

1. The Contractor acknowledges that sufficient information has been provided by Canada with respect to the location and estimated amount of hazardous materials such as asbestos, lead PCBs, silica or other hazardous materials or toxic substances.
2. The price includes all costs associated with the removal, handling, storage, disposal and/or working in the vicinity of hazardous materials such as asbestos, lead, PCBs, silica and other hazardous materials or toxic substances on board the vessel, including those costs resulting from the need to comply with applicable laws and regulations in relation to the removal, handling, disposal or storage of hazardous materials or toxic substances.
3. The completion date for the Work takes into account the fact that the removal, handling, storage, disposal and/or working in the vicinity of hazardous materials such as asbestos, lead, PCBs,

silica and other hazardous materials or toxic substances may be affected by the need to comply with applicable federal, provincial and municipal laws or regulations and that this will not be considered to be an excusable delay.

7.27 Supervision of Fueling and Disembarking Fuel

The Contractor must ensure that fueling and disembarking of fuel from Canadian government vessels are conducted under the supervision of a responsible supervisor trained and experienced in these operations.

All fueling and disembarking of fuel on CCGS Pierre Radisson must be done in accordance with the Contractor's submitted and accepted procedures.

7.28 Fire Protection, Fire Fighting and Training

The Contractor must maintain in force their fire protection, firefighting and training procedures through the course of the Contract.

7.29 Loan of Equipment - Marine

The Contractor may apply for the loan of the Government special tools and test equipment particular to the subject vessel as identified in the Specifications. The provision of other equipment required for the execution of work in the Specifications is the sole responsibility of the Contractor.

Equipment loaned under this provision must be used only for work under this Contract and may be subject to demurrage charges if not returned on the date required by Canada. In addition, equipment loaned under the above provision must be returned in a like condition, subject to normal wear and tear.

A list of Government equipment that the Contractor intends to request must be submitted to the Contracting Authority within **five (5) days** of Contract Award to permit timely supply or for alternate arrangements to be made. The request must state the time frame for which the equipment is required.

Refer to Annex "J2" for Deliverables/Certifications.

7.30 Welding Certification

1. The Contractor must ensure that welding is performed by a welder certified by the Canadian Welding Bureau (CWB) in accordance with the requirements of the following Canadian Standards Association (CSA) standards:
 - (a) CSA W47.1, Certification for Companies for Fusion Welding of Steel (Division Level 1 or 2); and
 - (b) CSA W47.2, Certification for Companies for Fusion Welding of Aluminum (Minimum Division 3).
2. In addition, welding must be done in accordance with the requirements of the applicable drawings and specifications.
3. Before the commencement of any fabrication work, and upon request from the Technical Authority, the Contractor must provide approved welding procedures and/or a list of welding personnel intended to be used in the completion of the work. The list must identify the CWB welding procedure qualifications attained by each of the personnel listed and must be accompanied by a copy of each person's current CWB welding certification.

7.31 Procedures for Design Change or Additional Work

These procedures must be followed for any design change or additional work.

1. When Canada requests design change or additional work:
 - a. The Technical Authority will provide the Contracting Authority with a description of the design change or additional work in sufficient detail to allow the Contractor to provide the following information:
 - i. any impact of the design change or additional work on the requirement of the Contract;
 - ii. a price breakdown of the cost (increase or decrease) associated with the implementation of the design change or the performance of the additional work using either the form PWGSC-TPSGC 1686, Quotation for Design Change or Additional Work, or the form PWGSC-TPSGC 1379 Work Arising or New Work.
 - iii. a schedule to implement the design change or to perform the additional work and the impact on the contract delivery schedule.
 - b. The Contracting Authority will then forward this information to the Contractor.
 - c. The Contractor will return the completed form to the Contracting Authority for evaluation and negotiation. Once agreement has been reached, the form must be signed by all parties in the appropriate signature blocks. This constitutes the written authorization for the Contractor to proceed with the work, and the Contract will be amended accordingly.
2. When the Contractor requests design change or additional work:
 - a. The Contractor must provide the Contracting Authority with a request for design change or additional work in sufficient detail for review by Canada.
 - b. The Contracting Authority will forward the request to the Technical Authority for review.
 - c. If Canada agrees that a design change or additional work is required, then the procedures detailed in paragraph 1 are to be followed.
 - d. The Contracting Authority will inform the Contractor in writing if Canada determines that the design change or additional work is not required.
3. Approval - The Contractor must not proceed with any design change or additional work without the written authorization of the Contracting Authority. Any work performed without the Contracting Authority's written authorization will be considered outside the scope of the Contract and no payment will be made for such work. SACC Manual Clause B5007C (2010-01-11) Procedures for Design Change or Additional Work. In addition, refer to Annex "F".

7.32 Vessel Manned Refits

1. At the beginning and at the end of the Work Period, the vessel will be manned and will be considered to be in commission. The vessel during that period will remain in the care and custody of Canada and under its control, refer to Article 7.44 for details.

7.33 Vessel Unmanned Refits

From refit start date to the end of the work period, with the exception as noted above at 7.32, the vessel will be unmanned during that period it will be considered to be out of commission and it will be in the care and custody of the Contractor and under its control, refer to Article 7.44 for details.

7.34 Pre-Refit Meeting

A Pre-Refit meeting will be convened and chaired by the Contracting Authority at the Contractor's facility at a time to be determined. At that meeting the contractor will introduce all its management personnel as per its organization chart and Canada will introduce authorities. Details of ship's arrival and work commencement will be discussed.

7.35 Progress Meetings

Progress meetings, chaired by the Contracting Authority, will take place at the Contractor's facility as and when required, generally every four weeks in pace with the CCG personnel work schedule to the project. Interim meetings may also be scheduled in addition to production meetings described under Annex A, Section 1.5. Contractor attendees at these meetings will, as a minimum, be its Contract (Project) Manager, Production Manager (Superintendent) and Quality Assurance Manager. Progress meetings will generally incorporate Technical meetings to be chaired by the Technical Authority.

During each PRM the Contractor shall provide a status of the overall contracted project, including programmatic, production, test, Integrated Logistics Support, subcontract, risk issues, and progress as it relates to the Project Action Plan (PAP) and Schedule, and the associated Work Breakdown Structure. For each PRM, the Contractor shall:

- (a) Ensure that Contractor data, personnel and facilities are available for each formal meeting in order that the meetings may be conducted in an efficient manner; and
- (b) Include the following agenda items for discussion and resolution:
 - i. PAP and updates;
 - ii. Contractual Issues;
 - iii. Financial Issues;
 - iv. Technical Issues;
 - v. Environmental, Health and Safety Issues; and
 - vi. Previous action items.

The PWGSC CA or authorized representative will chair the PRMs and will approve decisions prior to adjourning the PRM with the resulting decisions reflected in the Meeting Minutes.

7.36 Outstanding Work and Acceptance

1. The Inspection Authority, in conjunction with the Contractor, will prepare a list of outstanding work items at the end of the work period. This list will form the annexes to the formal acceptance document for the vessel. A contract completion meeting will be convened by the Inspection Authority on the work completion date to review and sign off the form PWGSC-TPSGC1205, Acceptance. In addition to any amount held under the Warranty Holdback Clause, a holdback of twice the estimated value of outstanding work will be held until that work is completed.

2. The Contractor must complete the above form in three (3) copies, which will be distributed by the Inspection Authority as follows:
 - (a) original to the Contracting Authority;
 - (b) one copy to the Technical Authority;
 - (c) one copy to the Contractor.

7.37 Scrap and Waste Material

Despite any other provision of the Contract, scrap and waste materials other than accountable material, derived from the Contract, will revert to the Contractor as part of the Contract Price.

7.38 Stability

The Contractor will be solely responsible for the stability and trim of the ship during the period the vessel is in the Contractor's facility, including docking and undocking. The Contractor must maintain weight change information pertinent to the vessel's stability during the docking period. The Technical Authority will supply the Contractor with cross curves of stability, hydrostatic curves, tank status, location of centre of gravity, and other information relevant to the ship's condition upon handing over of the vessel.

7.39 Vessel Access by Canada

Canada reserves the right to have its personnel carry out limited work on equipment on board the vessel. This work will be carried out at times mutually acceptable to Canada and the Contractor.

7.40 Title to Property - Vessel

If the Contractor is in default in carrying any of its obligations under the Contract, Canada, or its agents, will have the immediate right to enter the shipyard, without first obtaining a court order, to take possession of the vessel and all other property of Canada, including, but not limited to, work-in-process located on the premises, and to perform any further work required to enable the vessel and other such property to be removed from the shipyard.

7.41 Workers Compensation

The Contractor must maintain its account in good standing with the applicable provincial or territorial Workers' Compensation Board for the duration of the Contract.

7.42 Dispute Resolution

The parties agree to follow the procedures below for the settlement of any disputes which may arise throughout the life of this Contract prior to seeking redress through court procedures:

- (a) Disputes arising from this Contract will in the first instance be resolved by the Contracting Authority and the Contractor's Contract Administrator within 15 Working Days or such additional time as may be agreed to by both parties.
- (b) Failing resolution under (a) above, the Manager of the Ship Refit Division (MD) of the Marine Systems Directorate at PWGSC and the Contractor's Representative Supervisor will attempt to resolve the dispute within an additional fifteen (15) Working Days.
- (c) Failing resolution under (a) or (b) above, the Director of the Marine Systems Directorate at PWGSC, and the Contractor's Senior Management will attempt to resolve the dispute within an additional thirty (30) Working Days.

- (d) Notwithstanding the above procedure, either party may seek a decision through the courts at any time during the dispute.

7.43 Failure to Deliver

Time is of the essence of the Contract. Changes in the Completion date not caused by Canada are Contractor defaults, will prejudice Canada and are at the Contractor's expense. The Completion date will not be extended without consideration being provided by the Contractor acceptable to Canada in the form of adjustment to the price, warranty or services to be provided.

7.44 Care, Custody and Control

Refer to Annex "I" and Supplemental General Conditions 1029 (2010-08-16) Ship Repairs Article 09 Where Vessel Out of Commission.

Refer to Annex "I" and Supplemental General Conditions 1029 (2010-08-16) Ship Repairs Article 08 Where Vessel In Commission.

7.45 Permits, Licenses and Certificates

The Contractor must obtain and maintain all permits, licenses and certificates of approval required for the work to be performed under any applicable federal, provincial or municipal legislation. The Contractor is responsible for any charges imposed by such legislation or regulations. Upon request, the Contractor must provide a copy of any such permit, license or certificate to Canada.

7.46 Export Licenses:

Where material is to be imported into Canada, the Contractor is responsible for obtaining all necessary export licenses from the country of origin in sufficient time to enable the export.

7.47 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 Contracting Authority.

All payments are subject to government audit.

7.48 Equivalency of Equipment

- (a) The Contractor guarantees that the equipment to be delivered under the Contract is:
 - (i) equivalent in form, fit, function and quality to the existing equipment owned by Canada that was described in the bid solicitation that resulted in the Contract; and
 - (ii) fully compatible, interchangeable and interoperable with the existing equipment owned by Canada.
- (b) The Contractor also guarantees that any warranties with third parties concerning the existing equipment owned by Canada will not be adversely affected by Canada's use of the equipment delivered under the Contract (for example, by interconnecting the equipment) or by any other services provided by the Contractor under the Contract. If Canada determines in its sole

discretion that any such warranty has been adversely affected, at Canada's sole option, the Contractor must:

- (i) pay to Canada the amount that Canada must pay to the original supplier (or an authorized reseller of that supplier) to re-certify Canada's existing equipment for warranty purposes and any other amounts paid by Canada to a third party in order to restore the equipment to full warranty status;
 - (ii) perform all warranty work on Canada's existing equipment in place of the original supplier; or
 - (iii) pay to Canada the amount that Canada must pay to the original supplier (or an authorized reseller of that supplier) to perform maintenance work on the equipment that otherwise would have been covered by the warranty.
- (c) The Contractor agrees that, during the Contract Period, if Canada determines that any of the equipment is not equivalent in form, fit, function and quality to the existing equipment owned by Canada or is not fully compatible, interchangeable and interoperable with the existing equipment owned by Canada, the Contractor must immediately and entirely at its own expense take all steps necessary to ensure that the equipment satisfies these requirements (for example, by implementing any additional software or firmware), failing which Canada will have the immediate right to terminate the Contract for default. The Contractor agrees that, if Canada terminates the Contract for this reason, the Contractor must pay to Canada the costs of reprocurring the equipment from a third party and the difference, if any, in price paid by Canada to the third party. The Contractor acknowledges that its failure to deliver equivalent equipment that satisfies the above requirements may result in the Contractor (as well as its affiliates and any other entities with whom the Contractor or its principals do not deal at arm's length) being unable to propose equivalent substitutes in response to future PWGSC bid solicitations.

7.49 Exchange Rate Fluctuation Adjustment

1. The foreign currency component (FCC) is defined as the portion of the price or rate that will be directly affected by exchange rate fluctuation. The FCC should include all related taxes, duties and other costs paid by the Bidder and which are to be included in the adjustment amount.
2. For each line item where a FCC is identified, Canada assumes the risks and benefits for exchange rate fluctuation, as shown in the Basis of Payment. For such items, the exchange rate fluctuation amount is determined in accordance with the provision of this clause.
3. The total price paid by Canada on each invoice will be adjusted at the time of payment, based on the FCC and the exchange rate fluctuation provisions in the contract. The exchange rate adjustment amount will be calculated in accordance with the following formula:

$$\text{Adjustment} = \text{FCC} \times \text{Qty} \times (i1 - i0) / i0$$

where formula variables correspond to:

FCC = Foreign Currency Component (per unit)

i0 = Initial exchange rate (CAN\$ per unit of foreign currency [e.g. US\$1])

i1 = exchange rate for adjustments (CAN\$ per unit of foreign currency [e.g. US\$1])

Qty = quantity of units

4. The initial exchange rate is typically set as the noon rate as published by the Bank of Canada on the solicitation closing date.
5. For goods, the exchange rate for adjustment will be the noon rate as published by the Bank of Canada on the date the goods were delivered. For services, the exchange rate for adjustment will be the noon rate on the last business day of the month for which the services were performed. For advance payments, the exchange rate for adjustment will be the noon rate on the date the payment was due. The most recent noon rate will be used for non-business days.

6. The Contractor must indicate the total exchange rate adjustment amount (either upward, downward or no change) as a separate item on each invoice or claim for payment submitted under the Contract. Where an adjustment applies, the Contractor must submit with their invoice form PWGSC-TPSGC 450, Claim for Exchange Rate Adjustments.
7. The exchange rate adjustment will only be applied where the exchange rate fluctuation is greater than 2% (increase or decrease), calculated in accordance with column 8 of form PWGSC-TPSGC 450 (i.e. $\frac{i1 - i0}{i0}$).
8. Canada reserves the right to audit any revision to costs and prices under this clause.

7.50 Government Supplied Material

Government Supplied Material (GSM) is the property of the Government of Canada. The Contractor is responsible for maintaining satisfactory records of the disposition of all GSM. The GSM described herein must be used in the manufacture of the item(s) contracted. Only the quantity of material stated herein will be supplied by Canada without charge. If GSM does not conform to requirements for incorporation into the Work, the Contractor shall make a request for replacement GSM in writing to Canada within 30 days after the receipt of GSM. At Canada's instruction, the Contractor shall replace or repair any GSM, at the prices and In Accordance with Contract provisions relating to Unscheduled Work. The Contractor shall replace or make good, at its own expense, any GSM which fail to conform to the Contract requirements as a result of faulty or inefficient cutting, manufacture or workmanship by the Contractor.

In the event of problems with the GSM supplied, the Contractor shall advise the Contracting Authority immediately, identifying the specific problem. Should the Contractor proceed Without guidance from the Contracting Authority, any costs incurred, and loss of GSM shall be at the Contractor's expense.

The Contractor shall repair or replace at its own expense GSM that is damaged or lost while in the Contractor's care.

While a final GSM accounting is not automatically required for every Contract, Canada reserves the right to request a final accounting at any time within one year of the Contract completion date.

Contractor must refer to Annex A for listed GSM if any.

7.51 Government Furnished Equipment

All Government Property must be used by the Contractor solely for the purpose of the Contract and remains the property of Canada. The Contractor must maintain adequate Accounting records of all Government Property and, whenever feasible, mark it as being the property of Canada.

The Contractor must take reasonable and proper care of all Government Property while it is in its possession or subject to its control. The Contractor is responsible for any loss or damage resulting from its failure to do so other than loss or damage caused by ordinary wear and tear. All Government Property, unless it is installed or incorporated in the Work, must be returned to Canada on demand. All scrap and all waste materials, articles or things that are Government Property must, unless provided otherwise in the Contract, remain the property of Canada and must be disposed of only as directed by Canada.

At the time of completion of the Contract, and if requested by the Contracting Authority, the Contractor must provide to Canada an inventory of all Government Property relating to the Contract.

The following items will be supplied as Government Furnished Equipment:

Contractor must refer to Annex A for listed Government Furnished Equipment if any.

ANNEX A

Technical Specification

CCGS Pierre Radisson VLE Refit 2016 (31 May 2016)

ANNEX B

BASIS OF PAYMENT PRICE

Annex "B" will form the Basis of Payment for the resulting Contract and should not be filled in at the bid submission stage.

B1 Contract Firm Price

A)	Known Work For work as stated in Article 7. 1, Specified in Annex "A" and detailed in the attached Cumulative Pricing Data Sheets, for a FIRM PRICE of:	\$
B)	GST / HST as applicable of line a) only	\$
C)	Cost of Financial Security as per 7.14	\$
D)	Total Firm Price GST/HST Included:	\$

B2 Unscheduled Work

The Contractor will be paid for unscheduled work arising, as authorized by Canada. The authorized unscheduled work will be calculated as follows:

"Number of hours (to be specified by Canada and accepted by Contractor as per the procedures of this Contract) X \$ _____, being the Contractor's firm hourly charge-out labour rate which includes overhead, consumables, and profit, plus net laid-down cost of materials to which will be added a mark-up of 10%, plus applicable taxes, of the total cost of material and labour. This rate shall be a blended rate for all classes of labor, engineering and foreperson.

The firm hourly charge-out labour rate and the material mark-up will remain firm for the duration of the Contract and any subsequent amendments."

B2.1: Notwithstanding definitions or useage elsewhere in this document, or in the Contractor's Cost Management System, when negotiating hours for unscheduled work, PWGSC will consider only those hours of labour directly involved in the production of the subject work package.

Elements of Related Labour Costs identified in B2.2 below, will not be negotiated, but will be compensated for in accordance with B2.2.

B2.2: Allowance for Related Labour Costs such as: Management, all Supervision, Purchasing and Material Handling, Quality Assurance and Reporting, First Aid, Gas Free Certification Inspecting and Reporting, Estimating, and Preparing Unscheduled Work Submissions will be included as Overhead for the purposes of determining the Charge-out Labour Rate entered in line B2 above.

B2.3: The 10% mark-up rate for materials will also apply to subcontracted costs. The mark-up rate includes any allowance for material and subcontract management not allowed for in the Chargeout Labour Rate. The Contractor will not be entitled to a separate labour component for the purchase and handling of materials or subcontract administration.

Pro-rated Prices Unscheduled Work

Hours and prices for unscheduled work shall be based on comparable historical data applicable to similar work at the same facility, or shall be determined by pro-rating the quoted Work costs in the Contract when in similar areas of the vessel.

B3 Overtime

The Contractor must not perform any overtime under the Contract unless authorized in advance and in writing by the Contracting Authority. There will be no overtime payment for Known Work. Any request for payment must be accompanied by a copy of the overtime authorization and a report containing the overtime performed pursuant to the written authorization. Overtime shall not be paid unless authorized in writing by the Contracting Authority.

Payment for authorized overtime will be calculated as follows:

Time and One-Half Rate: \$ _____ / per person hour
Double Time Rate: \$ _____ / per person hour

This rate shall be a blended rate for all classes of labor, engineering and foreperson and shall include all overheads, supervision and profit.

These rates will remain firm for the duration of the Contract, including all amendments and are subject to audit if considered necessary by Canada.

* *Regular time is defined as an 8 hour work day*

** *Overtime Time and One-Half Rate is defined as time in excess of the regular time,.*

*** *Overtime Double Time Rate is defined as Sundays and Statutory Holidays*

B4 Daily Services Fee

In the event of a delay in the performance of the Work that lengthens the Work period beyond the date specified in this Contract, and if such delay is recognized and agreed upon by the Contracting Authority as being attributable to Canada, Canada agrees to pay the Contractor the daily services fee, described below, for each day of such delay. This fee shall be the sole liability of Canada to the Contractor for the delay.

The firm daily services fee is:

- (a) For a Working Day: \$ _____
- (b) For a non-Working Day: \$ _____

The above fees shall include but not be limited to, all aspects of the following costs: Project Management Services, Administrative Support, Production Services, Quality Assurance, Material Support, Planned Maintenance and Ship Services, and all other resources and direct costs needed to maintain the Vessel at the Contractor's facility. These fees are firm and not subject to any additional charges for mark-up or profit.

B5 Vessel, Refit, Repair or Docking Cost

The following costs must be included in the price:

1. Ship Services: include all costs for ship services such as water, steam, electricity to perform the Work, garbage and waste removal, etc., required for vessel maintenance for the duration of the Contract.
2. Docking and Undocking include:

- a. all costs resulting from drydocking, calculations and drydocking plans, wharfage, security, shoring, shifting and/or moving of the vessel within the successful Bidder's facility;
- b. the cost of services to tie up the vessel alongside and to cast off.

Unless specified otherwise, the vessel will be delivered by Canada to the successful Bidder's facility alongside a mutually agreed safe transfer point, afloat and upright, and the successful Bidder will do the same when the Work is completed. The cost of services to tie up the vessel alongside and to cast off must be included in the evaluation price.

3. Field Service Representatives/Supervisory Services: include all costs for field service representatives/supervisory services including manufacturers' representatives, engineers or other technical personnel as specified. The Contractor is responsible to schedule all subcontractors and FSRs and their respective performances.

FSR daily expenses will be charged separately once the work is completed by submitting for adjustment a PWGSC Form 1379. These daily expenses will need to be submitted in accordance with Article 7.47 of the Contract.

For adjustment purposes, the Contractor is required to submit with the Form 1379 FSR daily time sheets signed by the IA and as well as daily expenses. Canada will not be responsible for time lost, standby time or delays that are not caused by Canada. It is the contractor's responsibility to schedule and plan for an optimal FSR presence.

The Contractor may be authorized to charge for admissible FSRs costs when unscheduled work requiring these services is added to the Contract.

4. Removals: include all costs for removals necessary to carry out the Work and will be the responsibility of the successful Bidder whether or not they are identified in the specifications, except those removals not apparent when viewing the vessel or examining the drawings. The successful Bidder will also be responsible for safe storage of removed items and reinstalling them on completion of the Work. The successful Bidder will be responsible for renewal of components damaged during removal.

5. Sheltering, Staging, Cranage and Transportation: include the cost of all sheltering, staging including handrails, cranage and transportation to carry out the Work as specified.

The Contractor will be responsible for the cost of any necessary modification of these facilities to meet applicable safety regulations.

B6 Pricing Data Sheets

Parameters from the Pricing Data Sheets will be used at Canada's sole discretion in the determination of unscheduled work price.

**ANNEX C
to PART 5 - BID SOLICITATION**

FEDERAL CONTRACTORS PROGRAM FOR EMPLOYMENT EQUITY - CERTIFICATION

I, the Bidder, by submitting the present information to the Contracting Authority, certify that the information provided is true as of the date indicated below. The certifications provided to Canada are subject to verification at all times. I understand that Canada will declare a bid non-responsive, or will declare a contractor in default, if a certification is found to be untrue, whether during the bid evaluation period or during the contract period. Canada will have the right to ask for additional information to verify the Bidder's certifications. Failure to comply with any request or requirement imposed by Canada may render the bid non-responsive or constitute a default under the Contract.

For further information on the Federal Contractors Program for Employment Equity visit Employment and Social Development Canada (ESDC)-Labour's website.

(http://www.esdc.gc.ca/en/jobs/workplace/human_rights/employment_equity/federal_contractor_program.page)

Date: _____ (YYYY/MM/DD) (If left blank, the date will be deemed to be the bid solicitation closing date.)

Complete both A and B.

A. Check only one of the following:

- ☐ A1. The Bidder certifies having no work force in Canada.
- ☐ A2. The Bidder certifies being a public sector employer.
- ☐ A3. The Bidder certifies being a federally regulated employer being subject to the *Employment Equity Act*.
- ☐ A4. The Bidder certifies having a combined work force in Canada of less than 100 employees (combined work force includes: permanent full-time, permanent part-time and temporary employees [temporary employees only includes those who have worked 12 weeks or more during a calendar year and who are not full-time students]).
- ☐ A5. The Bidder has a combined workforce in Canada of 100 or more employees; and
- ☐ A5.1. The Bidder certifies already having a valid and current Agreement to Implement Employment Equity (AIEE) in place with ESDC-Labour.

OR

- ☐ A5.2. The Bidder certifies having submitted the Agreement to Implement Employment Equity (LAB1168) to ESDC-Labour. As this is a condition to contract award, proceed to completing the form Agreement to Implement Employment Equity (LAB1168), duly signing it, and transmit it to ESDC-Labour.

B. Check only one of the following:

- ☐ B1. The Bidder is not a Joint Venture.

OR

- ☐ B2. The Bidder is a Joint Venture and each member of the Joint Venture must provide the Contracting Authority with a completed annex Federal Contractors Program for Employment Equity - Certification. (Refer to the Joint Venture section of the Standard Instructions)

ANNEX D

INSURANCE REQUIREMENTS

D.1 Ship Repairers' Liability Insurance

1. The Contractor must obtain Ship Repairer's 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 \$10,000,000 per accident or occurrence and in the annual aggregate.
2. The Ship Repairer's Liability insurance 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 as additional insured should read as follows: Canada, represented by Public Works and Government Services Canada.
 - (b) Waiver of Subrogation Rights: Contractor's Insurer to waive all rights of subrogation against Canada as represented by Environment Canada and Public Works and Government Services Canada for any and all loss of or damage to the vessel, however caused.
 - (c) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of cancellation.
 - (d) 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.
 - (e) Cross Liability/Separation of Insureds: 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.

D.2 Commercial General Liability Insurance

1. 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 \$10,000,000 per accident or occurrence and in the annual aggregate.
2. The Commercial General Liability Insurance 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) 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.
 - (d) Cross Liability/Separation of Insureds: 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.

- (e) 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.
- (f) Employees and, if applicable, Volunteers must be included as Additional Insured.
- (g) Employers' Liability (or confirmation that all employees are covered by Worker's compensation (WSIB) or similar program)
- (h) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of policy cancellation.
- (i) 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.
- (j) Owners' or Contractors' Protective Liability: Covers the damages that the Contractor becomes legally obligated to pay arising out of the operations of a subcontractor.
- (k) Sudden and Accidental Pollution Liability (minimum 120 hours): To protect the Contractor for liabilities arising from damages caused by accidental pollution incidents.

D.3 Environmental Impairment Liability Insurance

1. The Contractor must obtain Contractor's Pollution Liability insurance, providing coverage for Asbestos Abatement, 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 \$5,000,000 per accident or occurrence and in the annual aggregate.
2. 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.
3. The Contractor's Pollution Liability insurance 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 as additional insured should read as follows: Canada, represented by Public Works and Government Services Canada.
 - (b) Notice of Cancellation: The Insurer will endeavor to provide the Contracting Authority thirty (30) days written notice of policy cancellation.
 - (c) Separation of Insureds: 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.
 - (d) 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.
 - (e) Incidental Transit Extension: The policy must extend to losses arising from any waste, products or materials transported, shipped, or delivered via any transportation mode to a location beyond the boundaries of a site at which the Contractor or any entity for which the Contractor is legally liable is performing or has performed the operations described in the contract.
 - (f) Lead and Asbestos Abatement: The policy must provide coverage for the removal and disposal of asbestos material.
 - (g) 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.

ANNEX E

WARRANTY

Warranty Procedures

1. Scope

- a. The following are the procedures that suit the particular requirements for warranty considerations for a vessel on completion of a refit.

2. Reporting Failures With Warranty Potential

- a. The initial purpose of a report of a failure is to facilitate the decision as to whether or not to involve warranty and to generate action to effect repairs. Therefore in addition to identification, location data, etc. the report must contain details of the defect. Warranty decisions as a general rule are to be made locally and the administrative process is to be in accordance with procedures as indicated.
- b. These procedures are necessary as invoking a warranty does not simply mean that the warrantor will automatically proceed with repairs at his expense. A review of the defect may well result in a disclaimer of responsibility, therefore, it is imperative that during such a review the Department is directly represented by competent technical authority qualified to agree or disagree with the warrantor's assertions. Since the Inspection Authority has the closest and most active involvement of the contracted work completed this agency must assume this role.

3. Procedures

- a. Immediately it becomes known to the Ship's Staff that an equipment/system is performing below accepted standards or has become defective, the procedures for the investigation and reporting are as follows:
 - i. The vessel advises the Technical Authority when a defect, which is considered to be directly associated the refit work, has occurred.
 - ii. On review of the Specification and the Acceptance Document, the Technical Authority in consort with Ship's Staff is to complete the Tombstone Data and section 1 of the Warranty Claim Form Appendix 1 of Annex "D" and forward the original to the Contractor for review with a copy to the Contracting Authority. If the Contracting Authority is unable to support warranty action, the Defect Claim Form will be returned to the originator with a brief justification. It is to be noted that in the latter instance, the Contracting Authority will inform the Contractor of its decision and no further action will be required of the Contractor.

Warranty defect claims may be forwarded in hard copy, by fax or by e-mail whichever format is the most convenient.

- iii. Assuming the Contractor accepts full responsibility for repair, the Contractor completes Section 2 and 3 of the Warranty Claim Form, returns it to the Technical Authority who confirms corrective action has been completed, and who then distributes the form to the Contracting Authority.
- b. In the event that the Contractor disputes the claim as a warranty defect, or agrees to share, the contractor is to complete Part 2 and 3 of the Warranty Claim Form with the appropriate information and forward it to the Contracting Authority who will distribute copies as necessary.
- c. When a warranty defect claim is disputed by the Contractor, the Technical Authority may arrange to correct the defect by in-house resources or by contracting the work out. All associated costs must

be tracked and recorded as a possible charge against the contractor by the Contracting Authority action. Material costs and labor hours expended in correcting the defect are to be recorded and entered in Section 5 of the warranty defect claim by the Technical Authority who will forward the warranty defect claim to the Contracting Authority for action. Defective parts of equipment are to be retained pending settlement of claim.

d. Defective equipment associated with potential warranty should not normally be dismantled until the Contractor's representative has had the opportunity to observe the defect. The necessary work is to be undertaken through normal repair methods and costs must be segregated as a possible charge against a contractor by the Contracting Authority action.

4. Liability

a. Agreement between the Contracting Authority, Inspection Authority, Technical Authority and the Contractor will result in one of the following conditions:

i. The Contractor accepts full responsibility for costs to repair or overhaul under the warranty provisions of the contract;

ii. The Technical Authority accepts full responsibility for repair and overhaul of item concerned; or

iii. The Contractor and the Technical Authority agree to share responsibility for the costs to repair or overhaul the unserviceable item, in such cases the Contracting Authority will negotiate the best possible sharing arrangement.

b. In the event of a disagreement as in paragraph 5c, the Contracting Authority will take necessary action with the Contractor while the Technical Authority informs its Senior Management including pertinent data and recommendations.

c. The total cost of processing warranty claims must include accommodation and travel costs of the Contractor's employees as well as equipment/system down time and operational constraints. Accordingly, the cost to remediate the defect, in labor hours and material, will be discussed between the Contracting, Inspection and Technical Authorities to determine the best course of action.

5. Alongside Period For Warranty Repairs and Checks

a. If at all possible, an alongside period for the vessel is to be arranged just before the expiration of the 90 day warranty period. This alongside period is to provide time for warranty repair and check by the contractor.

b. In respect to the underwater paint, should it become defective during the associated warranty period the contractor is only liable to repair to a value determined as follows:
"Original cost to Canada for painting and preservation of the underwater section of the hull, divided by 365 days and multiplied by the number of days remaining in the 365 days warranty period. The resultant would represent the 'Dollar Credit' due to Canada from the Contractor."

c. The Underwater paint system, before expiration of the warranty, should be checked by divers. The Technical Authority is to arrange the inspection and ensure that a representative of the Contractor will attend. The Technical Authority will inform the Contracting Authority of any adverse results.

Warranty Claim
Réclamation De Garantie

Vessel Name – Nom de navire	File No. – N° de dossier	Contract No. - N ° de contrat
Customer Department – Ministère client		Warranty Claim Serial No. Numéro de série de réclamation de garantie
Contractor – Entrepreneur		Effect on Vessel Operations Effet sur des opérations de navire Critical Degraded Operational Non-operational Critique Dégradé Opérationnel Non- opérationnel

1. Description of Complaint – Description de plainte

Contact Information – l'information de contact	
 Name – Nom Tel. No. - N ° Tél	 Signature – Signature Date

2. Contractor's Investigative Report – Le rapport investigateur de l'entrepreneur

3. Contractor's Corrective Action – La modalité de reprise de l'entrepreneur

Contractor's Name and Signature – Nom et signature de l'entrepreneur

Date of Corrective Action - Date de modalité de reprise

Client Name and Signature - Nom et signature de client

Date

4. PWGSC Review of Warranty Claim Action – Examen d'action de réclamation de garantie par TPSGC

Signature – Signature

Date

ANNEX F

PROCEDURE FOR PROCESSING UNSCHEDULED WORK

1. Purpose

The Unscheduled Work Procedure has been instituted for the following purposes:

- a. To establish a uniform method of dealing with requests for Unscheduled Work;
- b. To obtain the necessary Technical Authority approval and Contracting Authority authorization before Unscheduled Work commences;
- c. To provide a means of maintaining a record of Unscheduled Work requirements including Serial Numbers, dates, and accumulated cost. The Contractor shall have a cost accounting system that is capable of assigning job numbers for each Unscheduled Work requirement so that each requirement can be audited individually.

2. Definitions

- a. An Unscheduled Work Procedure is a contractual procedure whereby changes to the scope of Work under the Contract may be defined, priced and contractually agreed to. Such changes may arise from;
 - i. "Work Arising" from opening up of machinery and/or surveys of equipment and material, or
 - ii. "New Work" not initially specified but required on the Vessel.
- b. The procedure does not allow for the correction of deficiencies in the Contractor's Bid.
- c. No unscheduled work may be undertaken by the Contractor without written authorization of the Contracting Authority except under emergency circumstances described in Sub. Paragraph 3(b). Unscheduled Work
- d. Work undertaken without written Contracting Authority authorization will be considered the Contractor's responsibility and cost.
- e. The appropriate PWGSC form is the final summary of the definition of the Unscheduled Work requirement, and the costs negotiated and agreed to.

3. Procedures

- a. The procedure involves the electronic form PWGSC 1379 for refit and repair and will be the only form for authorizing all Unscheduled Work.
- c. Emergency measures required to prevent loss or damage to the Vessel which would occur if this procedure were followed, shall be taken by the Contractor on its own authority. The responsibility for the cost of such measures shall be determined in accordance with the terms and conditions of the Contract.
- c. The Technical Authority will initiate a work estimate request by defining the Unscheduled Work requirement. It will attach drawings, sketches, additional specifications, other clarifying details as appropriate, and allocate their Serial Number for the request.
- d. Notwithstanding the foregoing, the Contractor may propose to the Technical Authority in writing, either by letter or some type of Defect Advice Form (this is the Contractor's own form) that certain Unscheduled Work should be carried out.

- e. The Technical Authority will either reject or accept such Proposal, and advise the Contractor and Contracting Authority. Acceptance of the Proposal is not to be construed as authorization for the work to proceed. If required, the Technical Authority will then define the Unscheduled Work requirement in accordance with Sub. Paragraph 3.(c).
- f. The Contractor will electronically submit its Proposal to the Contracting Authority together with all price support, any qualifications, remarks or other information requested.

The price support shall demonstrate the relationship between the scope of work, the Contractor's estimated costs and its selling price. It is a breakdown of the Contractor's unit rates, estimates of person hours by trade, estimate of material cost per item for both the contractor and all of its subcontractors including quotations, estimates of any related schedule impact and an evaluation of the contractor's time required to perform the Unscheduled Work.

- g. The Contractor shall provide copies of purchase orders and paid invoices for Subcontracts and/or materials, including stocked items, in either case. The Contractor shall provide a minimum of two quotations for Subcontracts or materials. If other than the lowest, or sole source is being recommended for quality and/or delivery considerations, this shall be noted. On request to the Contractor, the Contracting Authority shall be permitted, to meet with any proposed Subcontractor or material supplier for discussion of the price and always with the Contractor's representative present.
- h. After discussion between the Contracting Authority and the Contractor and if no negotiation is required, the Contracting Authority will seek Technical Authority confirmation to proceed by signing the form. The Contracting Authority will then sign and authorize the Unscheduled Work to proceed.
- i. In the event the Technical Authority does not wish to proceed with the work, it will cancel the proposed Unscheduled Work through the Contracting Authority in writing.
- j. In the event the negotiation involves a Credit, the appropriate PWGSC form will be noted as "credit" accordingly.
- k. In the event that the Technical Authority requires Unscheduled Work of an urgent nature or an impasse has occurred in negotiations, the commencement of the Unscheduled Work should not be unduly delayed and should be processed as follows, in either case. The Contractor will complete the appropriate PWGSC 1379 form indicating the offered cost and pass it to the Contracting Authority. If the Technical Authority wishes to proceed, the Technical Authority and the Contracting Authority will sign the completed PWGSC form with the notation, "CEILING PRICE SUBJECT TO DOWNWARD ADJUSTMENT", and allocate a Serial Number having the suffix "A". The work will proceed with the understanding that following an audit of the Contractor's actual costs for completing the described work, the cost will be finalized at the ceiling price or lower, if justified by the audit. A new PWGSC form will then be completed with the finalized costs, signed and issued with the same Serial Number without the suffix "A", and bearing a notation that this form is replacing and canceling the form having the same Serial Number with the suffix "A".

NOTE: PWGSC forms bearing Serial Numbers with a suffix "A" shall not to be included in any contract amendments, and therefore no payment shall be made until final resolution of the price and incorporation into the contract.

4. Amendment to Contract or Formal Agreement

The Contract will be amended from time to time in accordance with the Contract terms to incorporate the costs authorized on the appropriate PWGSC forms.

ANNEX G

QUALITY CONTROL/INSPECTION

G1 Quality Control Plan

The Contractor must implement and follow the Quality Control Plan (QCP) prepared according to the latest issue (at contract date) of ISO 10005:2005 quality management - Guidelines for quality plans, approved by the Inspection and the Technical Authority. The QCP must describe how the Contractor will conform to the specified quality requirements of the Contract and specify how the required quality activities are to be carried out, including quality assurance of subcontractors. The Contractor must include a traceability matrix from the elements of the specified quality requirements to the corresponding paragraphs in the QCP. The QCP must be made available to the Inspection and Technical Authority for review and approval **within five (5) calendar** days after contract award.

The documents referenced in the QCP must be made available within two (2) Working Days when requested by the Inspection Authority. The Contractor must make appropriate amendments to the QCP throughout the term of the Contract to reflect current and planned quality activities. Amendments to the QCP must be acceptable to the Inspection Authority and the Technical Authority.

G2 Inspection and Test Plan (ITP):

1. The Contractor must prepare an Inspection and Test Plan (ITP) comprising individual inspection and test plans for each specification item of this project, in accordance with the Quality Standard and its Quality Control Plan. The ITP must be submitted to the Inspection Authority for review and amended by the Contractor to the satisfaction of the Inspection Authority.
 - a. Each ITP must contain all inspection points identified in the Specification highlighting any mandatory points that must be witnessed by the Inspection Authority and other "hold" points imposed by the Contractor to ensure the quality of the work.
 - b. Milestone delivery date for the ITP is given in the Contract, however individual ITPs should be forwarded for review as developed.
2. Coding:
 - a. Each Inspection and Test Plan (ITP) is to be coded for identification clearly demonstrating a systematic approach similar to the following (Contractor's system should be defined in its Quality Control Plan):
 - i. Prefixes for Inspections, Test and Trials:
 - Prefix "1" is a Contractor inspection, i.e. 1H-10-01, 1H-10-02;
 - Prefix "2" is a Contractor post repair test, i.e. 2H-10-01; and
 - Prefix "3" is a Contractor post repair trial, i.e. 3H-10-01.
 - b. Specification items followed by assigned sequence numbers for inspection processes within each Specification Item; and
 - c. Cross reference to a verification document number

G3 Inspection and Test Plan Criteria:

Inspection criteria, procedures and requirements are stated in the specifications, drawings, technical orders and reference standards invoked by the Specifications. Test and trial documentation may also be included or referenced in the Specifications. An individual Inspection and Test Plan (ITP) is required for each Specification item.

- a. All ITPs must be prepared by the Contractor in accordance with the above criteria, its Quality Plan, and must provide the following reference information:
 - i. the ship's name;

- ii. the Specification item number;
- iii. equipment/system description and a statement defining the parameter which is being inspected;
- iv. a list of applicable documents referenced or specified in the inspection procedure;
- v. the inspection, test or trial requirements specified in the Specification;
- vi. the tools and equipment required to accomplish the inspection;
- vii. the environmental conditions under which the inspections are to be conducted and the tolerances on the inspection conditions;
- viii. a detailed step-by step procedure of how each inspection is to be performed, conformance parameters, accept/reject criteria and recording of results, deficiencies found and description of corrective action(s) required;
- ix. name and signature of the person who prepared the plan, date prepared and amendment level; and,
- x. names and signatures of the persons conducting and witnessing the inspection, test or trial.

4. Contractor Imposed Testing:

Tests and trials in addition to those given in the Specification must be approved by the Inspection Authority.

- a. Amendments: Amendment action for the Inspection and Test Plans must be ongoing throughout the refit and reflect the inspection requirements for unscheduled work. Amendments must be submitted as developed, but not less frequently than once every second week.

G4 Conduct of Inspection

1. Inspections must be conducted in accordance with the ITP and as detailed in G4.
2. The Contractor must provide its own staff or subcontracted staff to conduct inspections, tests and trials; excepting that Technical Authority or Inspection Authority personnel may be designated in the specifications, in which case the Contractor must ensure that its own staff are provided in support of such inspection/test/trial.
3. The Contractor must ensure that the required conditions stated in the ITP prevail at the commencement of, and for the duration of, each inspection/test/trial.
4. The Contractor must ensure that personnel required for equipment operation and records taking during the inspection/test/trial are briefed and available at the start and throughout the duration of the inspection/test/trial. Tradesmen or FSRs who may be required to effect minor changes or adjustments in the installation must be available at short notice.
5. The Contractor is to coordinate the activities of all personnel taking part in each inspection/test/trial and ensure that safe conditions prevail throughout the inspection/test/trial.

G5 Inspection Records and Reports

1. The Contractor on the inspection record, test or trials sheets as applicable must record the results of each inspection. The Contractor must maintain files of completed inspection records consistent with the Quality Standard and its Quality Plan for this project.
2. The Contractor's QC representative (and the FSR when required) must sign as having witnessed the inspection, test or trial on the inspection record. The Contractor must forward originals of completed inspection records, together with completed test(s) and/or trials sheets to the Inspection Authority as they are completed.
3. Unsatisfactory inspection/test/trial results, for which corrective action cannot be completed during the normal course of the inspection/test/trial, will require the Contractor to establish and record the cause of the unsatisfactory condition to the satisfaction of the Inspection Authority. Canada representatives may assist in identification where appropriate.

4. Corrective action to remove cause of unsatisfactory inspections must be submitted to the Inspection Authority in writing by the Contractor, for approval before affecting such repairs and rescheduling of the unsatisfactory inspection/test/trial. Such notices must be included in the final records passed to the Inspection Authority.
5. The Contractor must undertake rectification of defects and deficiencies in the Contractor's installation or repair as soon as practicable. The Contractor is responsible to schedule such repairs at its own risk.
6. The Contractor must reschedule unsatisfactory inspections after any required repairs have been completed.
7. Quality Control, Inspection and Test records that substantiate conformance to the specified requirements, including records of corrective actions, must be retained by the Contractor for three (3) years from the date of completion or termination of the Contract and must be made available to the Inspection Authority upon request.

G6 Inspection and Trials Process

1. Drawings and Purchase Orders
 - a. Upon receipt of two (2) copies of each drawing or purchase order, the designated Inspection Authority will review its content against the provisions of the specification. Where discrepancies are noted, the Inspection Authority will formally advise all concerned, in writing using a Discrepancy Notice. The resolution of any such discrepancy is a matter for consultation between the Contractor and other Crown Authorities.

The Inspection Authority is NOT responsible for the resolution of discrepancies.

2. Inspection
 - a. Upon receipt and acceptance of the Contractor's ITP, inspection will consist of a number of Inspection Points supplemented by such other inspections, tests, demonstrations and trials as may be deemed necessary by the Inspection Authority to permit him to certify that the work has been performed in compliance with the provisions of the specification. The Contractor must be responsible for notifying the designated Inspection Authority of when the work will be available for inspection, sufficiently in advance to permit the designated Inspection Authority to arrange for the appropriate inspection.
 - b. The Inspection Authority will inspect the materials, equipment and work throughout the project against the provisions of the specification and, where non-conformances are noted, will issue appropriate **INSPECTION NON-CONFORMANCE REPORTS**.
 - c. The Contract requires the implementation of a Quality Assurance/Quality Control system, so the Inspection authority must require that the Contractor provide a copy of its internal inspection report pertaining to a work item before conducting the requested inspection. If third party inspections are required by the Contract (e.g. inspections by a certified CWB 178.2 welding inspector), the reports of these inspections must be required before the Work is inspected by the PWGSC Inspection Authority.
 - d. The QA/QC system is a requirement, so if the documentation is presented to the Inspection Authority before an inspection stating that the Work is satisfactory but the Inspection Authority finds that the Work has not been satisfactorily inspected, the Inspection Authority must issue an Inspection Non-conformance Report against the Work and another against the failure of the Contractor's QA/QC system.
 - e. Before carrying out any inspection, the PWGSC Inspection Authority must review the requirements for the Work and the acceptance and/or rejection standards to be applied. Where more than one standard or requirement is called up and they are potentially conflicting, the Inspection Authority must refer to the order of precedence in the Contract to determine the standard or requirement to be applied.

3. Inspection Non-conformance report
 - a. An Inspection Non-conformance report will be issued for each non-conformance noted by the Inspection Authority. Each report will be uniquely numbered for reference purposes, will be signed and dated by the Inspection Authority, and will describe the non-conformance.
 - b. When the non-conformance has been corrected by the Contractor and has been re-inspected and accepted by the Inspection Authority, the Inspection Authority will complete the Report by adding an applicable signed and dated notation.
 - c. At the end of the project, the content of all Inspection Non-conformance Reports which have not been signed-off by the Inspection Authority will be transferred to the Acceptance Documents before the Inspection Authority's certification of such documents.
4. Tests, Trials, and Demonstrations
 - a. To enable the Inspection Authority to certify that the Work has been performed satisfactorily, in accordance with the Contract and Specifications, the Contractor must schedule, co-ordinate, perform, and record all specified Tests, Trials and Demonstrations required by the Inspection Authority.
 - b. Where the Specifications contain a specific performance requirement for any component, equipment, sub-system or system, the Contractor must test such component, equipment, sub-system or system to the satisfaction of the Inspection Authority, to prove that the specified performance has been achieved and that the component, equipment, sub-system or system performs as required by the specifications.
 - c. Tests, trials and demonstrations must be conducted in accordance with a logical, systematic schedule which must ensure that all associated components and equipment are proven before sub-systems demonstration or testing, and that sub-systems are proven before system demonstration or testing.
 - d. Where the Specifications do not contain specific performance requirements for any component, equipment, sub-system or system, the Contractor must demonstrate such component, equipment, sub-system or system to the satisfaction of the Inspection Authority.
 - e. The Contractor must submit its Inspection and Test Plan as detailed in G2.
 - f. The Contractor must co-ordinate each test, trial and demonstration with all interested parties, including the Inspection Authority; Contracting and Technical Authorities; regulatory authorities; Classification Society; Sub-contractors; etc. **The Contractor must provide the Inspection Authority and other Crown Authorities with a minimum of five (5) Working Days notice of each scheduled test, trial, or demonstration.**
 - g. The Contractor must keep written records of all tests, trials, and demonstrations conducted as detailed in G5. The Contractor may utilize the **PWGSC STANDARD TESTS & TRIALS RECORD SHEETS** which can be customized by the Contractor to suit individual test or trial requirements. These Record Sheets are available from the Inspection Authority in digital format.
 - h. The Contractor must in all respects be responsible for the conduct of all tests and trials in accordance with the requirements of the Contract.
 - i. The Inspection Authority and the Technical Authority reserve the right to defer starting or continuing with any sea trials for any reasonable cause including but not limited to adverse weather, visibility, equipment failure or degradation, lack of qualified personnel and inadequate compliance with safety standards.

ANNEX H

Financial Bid Presentation Sheet

H1 Price for Evaluation

A)	Known Work For work as stated in Part 1 Clause 1.2 (a), Specified in Annex "A" and detailed in the attached Cumulative Pricing Data Sheets Appendix 2 of Annex "H", for a FIRM PRICE of: - Equal to \$8,000,000.00 up to \$8,400,000.00 without exceeding. - Less than \$8,000,000.00 only if all items are priced with associated maximum of 200 points.	\$ _____
B)	B1. Unscheduled Work Contractor Labour Cost: Estimated labour hours at a firm Charge-out Labour Rate, including overhead and profit for evaluation purpose only: 5,000 person hours X \$ _____ per hour for a PRICE of: See Article H2.1 and H2.2 below. B2. Overtime premium for time and one half: Estimated hours for evaluation purposes only: 500 person hours X \$ _____ per hour for a PRICE of: See Article H3 Below. B3. Overtime premium for double time: Estimated hours for evaluation purposes only: 300 person hours X \$ _____ per hour for a PRICE of: See Article H3 below. <i>Note: Overtime Premium represents the difference between the applicable overtime rate at H3 a) and H3 b) and the charge out rate quoted at H1 B1</i>	\$ _____ \$ _____ \$ _____
C)	Daily Service Fees for evaluation purpose only as per Clause H4 i) Twenty (20) Working Days X \$ _____ firm daily service fee = ii) Eight (8) non-Working Days X \$ _____ firm daily service fee =	\$ _____ \$ _____
D)	Vessel Transfer Cost as Per Clause H6 Proposed shipyard/ship repair facility: _____	\$ _____
E)	Cost of Financial Security as per 6.2	\$ _____
F)	CUMULATIVE POINTS <i>(detailed in the attached Cumulative Pricing Data Sheets Appendix 2 of Annex "H")</i>	_____ Points
G)	EVALUATION PRICE = A + B + C + D + E (Applicable Taxes Excluded):	\$ _____
H)	Price Per Point = G / F Lowest price per point will be awarded the Contract.	\$ _____ / Point

H2 Unscheduled Work

The Contractor will be paid for unscheduled work arising, as authorized by Canada. The authorized unscheduled work will be calculated as follows:

"Number of hours (to be negotiated) X \$ _____, being the Contractor's firm hourly charge-out labour rate which includes overhead, consumables, and profit, plus net laid-down cost of materials to which will be added a mark-up of 10 percent, plus Applicable Taxes, if applicable, of the total cost of material and labour. This rate shall be a blended rate for all classes of labor, engineering and foreperson. The firm hourly charge-out labour rate and the material mark-up will remain firm for the duration of the Contract and any subsequent amendments."

H2.1: Notwithstanding definitions or usage elsewhere in this document, or in the Contractor's Cost Management System, when negotiating Hours for unscheduled work, PWGSC will consider only those hours of labour directly involved in the production of the subject work package.

Elements of Related Labour Costs identified in H2.2 below, will not be negotiated, but will be compensated for in accordance with Note H2.2. It is therefore incumbent upon the bidder to have bid appropriately which will result in fair compensation, regardless of their Cost Management System.

H2.2: Allowance for Related Labour Costs such as: Management, all Supervision, Purchasing and Material Handling, Quality Assurance and Reporting, First Aid, Gas Free Certification Inspecting and Reporting, and Estimating and preparing unscheduled work Submissions will be included as Overhead for the purposes of determining the Charge-out Labour Rate entered in line H2 above.

H2.3: The 10% mark-up rate for materials will also apply to subcontracted costs. The mark-up rate includes any allowance for material and subcontract management not allowed for in the Charge-out Labour Rate. The Contractor will not be entitled to a separate labour component for the purchase and handling of materials or subcontract administration.

Pro-rated Prices Unscheduled Work

Hours and prices for unscheduled work shall be based on comparable historical data applicable to similar work at the same facility, or shall be determined by pro-rating the quoted Work costs in the Contract when in similar areas of the vessel.

H3 Overtime

The Contractor must not perform any overtime under the Contract unless authorized in advance and in writing by the Contracting Authority. There will be no overtime payment for Known Work. Any request for payment must be accompanied by a copy of the overtime authorization and a report containing the overtime performed pursuant to the written authorization. Overtime shall not be paid unless authorized in writing by the Contracting Authority.

Payment for authorized overtime will be calculated as follows:

- a) Time and One-Half Rate: \$ _____ / per person hour
- b) Double Time Rate: \$ _____ / per person hour

This rate shall be a blended rate for all classes of labor, engineering and foreperson and shall include all overheads, supervision and profit.

These rates will remain firm for the duration of the Contract, including all amendments and are subject to audit if considered necessary by Canada.

* Regular time is defined as an 8 hour work day.

** Overtime Time and One-Half Rate is defined as time in excess of the regular time.

*** Overtime Double Time Rate is defined as Sundays and Statutory Holidays Pro-rated Prices.

H4 Daily Services Fee

In the event of a delay in the performance of the Work, and if such delay is recognized and agreed upon by the Contracting Authority as being attributable to Canada, Canada agrees to pay the Contractor the daily services fee, described below, for each day of such delay. This fee shall be the sole liability of Canada to the Contractor for the delay.

The firm daily services fee is:

- (a) For a Working Day: \$ _____
- (b) For a non-Working Day: \$ _____

The above fees shall include but not be limited to, all aspects of the following costs: Project Management Services, Administrative Support, Production Services, Quality Assurance, Material Support, Planned Maintenance and Ship Services, and all other resources and direct costs needed to maintain the Vessel at the Contractor's facility. These fees are firm and not subject to any additional charges for mark-up or profit.

H5 Vessel, Refit, Repair or Docking Cost

The following costs must be included in the price:

1. Ship Services: include all costs for ship services such as water, steam, electricity to perform the Work, required for vessel maintenance for the duration of the Contract.
2. Docking and Undocking include:
 - (a) all costs resulting from drydocking, wharfage, security, shoring, shifting and/or moving of the vessel within the successful Bidder's facility;
 - (b) the cost of services to tie up the vessel alongside and to cast off.

Unless specified otherwise, the vessel will be delivered by Canada to the successful Bidder's facility alongside a mutually agreed safe transfer point, afloat and upright, and the successful Bidder will do the same when the Work is completed. The cost of services to tie up the vessel alongside and to cast off must be included in the evaluation price.

3. Field Service Representatives/Supervisory Services: include all costs for field service representatives/supervisory services including manufacturers' representatives, engineers, etc.

These services must not be an extra charge except where unscheduled work requiring these services is added to the Contract.

4. Removals: include all costs for removals necessary to carry out the Work and will be the responsibility of the successful Bidder whether or not they are identified in the specifications, except those removals not apparent when viewing the vessel or examining the drawings. The successful Bidder will also be responsible for safe storage of removed items and reinstalling them on completion of the Work. The successful Bidder will be responsible for renewal of components damaged during removal.

5. Sheltering, Staging, Cranage and Transportation: include the cost of all sheltering, staging including handrails, cranage and transportation to carry out the Work as specified.

The successful Bidder will be responsible for the cost of any necessary modification of these facilities to meet applicable safety regulations.

H6 Vessel Transfer Costs

1. The evaluation price must include the cost for transferring the vessel from its home port to the shipyard/ship repair facility where the Work will be performed and the cost of transferring the vessel to its home port following completion of the Work, in accordance with the following:

- (a) The Bidder must provide the location of the shipyard/ship repair facility where it proposes to perform the Work together with the applicable vessel transfer cost from the list provided under paragraph 2 of this clause shall be entered into Table H1:
- (b) If the list in paragraph 2 of this clause does not provide the shipyard/ship repair location where the Bidder intends to perform the Work, then the Bidder must advise the Contracting Authority, in writing, at least 5 calendar days before the bid closing date, of its proposed location for performing the Work. The Contracting Authority will confirm to the Bidder, in writing, at least 3 calendar days before the bid closing date, the location of the shipyard/ship repair and the applicable vessel transfer cost.

A bid that specifies a location for executing the Work which is not on the list of paragraph 2 of this clause, and for which a notification in writing has not been received by the Contracting Authority as required above, will be considered non-responsive.

2. List of shipyard/ship repair facilities and applicable vessel transfer costs

Vessel: CCGS Pierre Radisson
Home port: Quebec, Qc

Transfer costs in the case of vessels transferred using a government delivery crew include the fuel cost at the vessel's most economical speed of transit and for unmanned refits only, crew transportation costs for the delivery crew based on the location of the vessel's home port and the shipyard/ship repair facility. Crew transportation costs do not include any members of the delivery crew who remain at the shipyard/ship repair facility in order to discharge project responsibilities related to the vessel being transferred.

Transfer costs in the case of vessels transferred unmanned by either commercial towing, railway, highway or other suitable means of transportation must be:

- (i) included as part of the Bidder's financial bid in the case where the Bidder is responsible for the transfer; or
- (ii) identified as the applicable vessel transfer cost, as given in the list below, in the case when Canada is responsible for the transfer.

Shipyard / Ship Repair Facility		Applicable Vessel Transfer Cost
Company	City	Unmanned
Group Verreault Navigation Inc.	Les Méchins, Québec	\$46,160
Chantiers Davie Canada Inc.	Lévis, Québec	\$0
New Dock St John's Dockyard Limited	St. John's, Newfoundland	\$120,765
Heddle Marine Service Inc.	Hamilton, Ontario	\$57,044

**ANNEX H - APPENDIX 1
PRICING DATA SHEETS**

(to form part of Annex B of the Resulting Contract)

Note: Bidders not required to fill out greyed Sections

Company Name:					CCGS Pierre Radisson VLE			
Spec Section	Sub Section	Description	Unit Cost	Total Hours	Total Labour Cost	Total Material Cost	Total FSR & Sub-Cont'rs Cost	Total Firm Price
1 – General Notes	1.5 / 1.6	Facilities for Canada						
	1.7	Storage						
	1.7.6	Fuel - Transfer Storage 20,000 litres						
	1.7.6	Fuel - Transfer Storage - per 1000 litres						
	All other costs Section 1							
	Total Section 1							
2 – General technical	2.10.3	Bilge Water, Cleaning Holds Waste Disposal per 100 liters						
	2.10.3	Bilge Water, Cleaning Holds Waste Disposal - 5000 liters						
	All other Costs and Total Section 2							
6 - Documents	6.3	Photography						
	All other costs Section 6							
	Total Section 6							
7 - Tests, Dock and Sea Trials	7.3.2	Sea Trials 8 hours						
	7.3.2	Sea Trials - Hourly Rate						
	All other costs and Total Section 7							
8 – Berthing, Mooring, Docking, Refloating	8.1	Berthing						
	8.2	Dry-docking						
	8.2.1.20	Block displacement - Each						
	8.2.1.23	Installation of 5 temp deck scuppers						
	8.3	Numbering						
	8.4	Undocking						
	All other costs Section 8							
	Total Section 8							

10 - Services	10.3.1	m ² rate and 650 m ²						
	10.4.3	kWh rate and 500,000 kWh						
	10.6.3	PW m ³ rate						
	10.6.3	Non PW m ³ rate						
	10.6.3	SW m ³ rate						
	10.8	BW/GW m ³ rate						
	10.9.1	Oily Bilge water 1,000 li. rate and 20,000 li.						
	10.11.1	Cranage - per hour						
	10.11.3	Motorized Pod (Cherry Picker) - per hour						
	All other costs Sect. 10							
	Total Section 10							
11 - Add Work	11.2.1	Transport Canada					\$20,000	\$20,000
12 - Hull Cleaning and Inspection	12.1.1	Hull Cleaning						
	12.1.3	Motorized Pod 6 hours						
	12.1.5 / 12.1.6	Identify Repairs and Ice Belt Inspection						
	Total Section 12							
13 - Propellers	13.1	Handling of Propellers						
	13.2.2	Use and Storage GFE						
	13.3.3.2	12 fits – Blue Prussian						
	13.3.3.2	unit price per fit Blue Prussia						
	13.3.5.2	Rope Guard work unit price						
	13.3	Work						
	13.4	Proof of Performance						
	13.5	Deliverables						
Total Section 13								

14 - Grids, Sea Chest and Sea Bays	14.3.1	Unit price beyond 10 Pipe Extensions						
	14.3.2	Firm Price 10 anodes						
	14.3.3	Cleaning/Painting – Firm price and unit price per m ²						
	14.3.6	Preparation and paint per m ²						
	14.3.9	Firm price for 10 studs and unit price per stud						
	14.3	Work						
	14.5	Deliverables						
	Total Section 14							
15 – Hull Welding Inspection and Repairs	15.3.6	Firm Price for 500 feet and Unit Price for a Weld Bead - per foot						
	15.3	Work						
	15.3.9	Firm Price for 500 feet and Unit Price for a gouging - per foot						
	15.4	Proof of Performance						
	15.4.2	Firm price for 8 weld films and unit price per film						
	15.5	Deliverables						
	Total Section 15							
16 – Hull Cleaning Painting	16.2.3.1	Paint						
	16.3	Work						
	16.3.4.4	Steel Preparation per m ²						
	16.3.7.4/27.3.13	International Paint FSR					\$10,000	
	16.4	Proof of Performance						
	16.5	Deliverables						
	Total Section 16							
17 – Hull Painting above waterline	17.1	General						
	17.2.4	Steel Preparation per m ²						
	17.2	Work						
	17.3	Proof of Performance						
	Total Section 17							

18 – Marking	18.3	Work						
	18.4 / 18.5	Proof Perfor. Deliverables						
	Total Section 18							
19 – Hull Survey	19.3	Work						
	19.4	Deliverables						
	Total Section 19							
20 – Cofferdams and Duct Reel	20.3	Work						
	20.3.7	Steel prep. & paint per m ²						
	20.4	Deliverables						
	Total Section 20							
21 – Anchors Chains	21.2	Work						
	21.3	Deliverables						
	Total Section 21							
22 – Chain Locker	22.14	Firm price 10 m ³ sludge disposal and per m ³						
	22.2	Work						
	22.3	Deliverables						
	Total Section 22							
23 – Propeller Shaft Mechanical Seals	23.1.2	Wartsila FSR					\$10,000	
	23.1	General						
	23.3	Work						
	23.4	Proof of Performance						
	23.5	Deliverables						
	Total Section 23							
24 – Ballast Tanks and #4 Double Bottom Tank	24.1.5	Steel plate per m ² – ½"						
	24.1.5	Steel plate per m ² – 5/16"						
	24.1.5	Steel plate per m ² – 3/4"						
	24.1.5	Steel plate per m ² – 5/8"						
	24.1.5	Steel plate per m ² – 15/32"						
	24.1.6	Degassing price per m ³						
	24.1	General						
	24.3	Work - Tanks						
	24.4	Work - Forepeak						
	24.5	Work – Fore Trim Tank						
	24.6	Work - Aft Trim Tank						
	24.7	Work - Afterpeak						
	24.8	Work - Heeling Tanks						
	24.9	Work - DB Tanks #4						
	Total Section 24							

25 – Fuel Tanks	25.1	General						
	25.3	Work						
	Total Section 25							
26 – Lloyds Inspection Fuel tanks and Hull	26.3.2	Lloyds Representative					\$10,000	
	26.3	Work						
	26.3.13	3 000 sondages ultrasoniques						
	26.3.13	Unit price pour 10						
	26.4	Deliverables						
	Total Section 26							
27 – Freshwater Tanks	27.1	General						
	27.3.13	(International Paint FSR included in 16.3.7.4)						
	27.3	Work						
	27.4	Deliverables						
	Total Section 27							
28 – Thrust Bearings	28.2.10	Kingsbury FSR					\$10,000	
	28.2	Work						
	28.3	Proof of Performance						
	28.4	Deliverables						
	Total Section 28							
29 – Bow Thruster Servicing	29.1.4	Wartsila FSR					\$10,000	
	29.3	Work						
	29.4	Proof of Performance						
	29.5	Deliverables						
	Total Section 29							
30 – Rudder & Rudder Stock	30.3	Work						
	30.3.3.4	Firm Price to replace a 25 foot ½ » pipe						
	30.4	Deliverables						
	30.5	Tests						
	Total Section 30							
31 – Scup. Drain Valves	31.3	Work						
	31.4	Tests						
	Total Section 31							
32 – Boiler Valves	32.3	Work						
	32.4	Tests						
	Total Section 32							

33 – Helicop. hanger Major Overhaul	33.3	Work						
	33.3.1.6	CME FSR					\$40,000	
	33.4	Proof of Performance						
	33.5	Deliverables						
	Total Section 33							
34 – Fligh Deck Steel Replacement	34.2.4	Materials Contractor						
	34.3.3.6	Firm Price to replace aluminum plate 12' X 8" X 3/8"						
	34.3	Work						
	34.4	Proof of Performance						
	34.5	Deliverables						
	Total Section 34							
35 – Emergency Gen Deck Steel Replac.	35.2.4.1	Materials Contractor						
	35.3	Work						
	35.4	Proof of Performance						
	35.5	Deliverables						
	Total Section 35							
36 – Forward Mast Steel Replacement	36.2.4	Materials Contractor						
	36.3	Work						
	36.4	Proof of Performance						
	36.5	Deliverables						
	Total Section 36							
37 - Firefighting Compartment Replace.	37.2.5	Materials Contractor						
	37.3	Work						
	37.4	Proof of Performance						
	37.5	Deliverables						
	Total Section 37							
38 – Helicop. Fuel Cabinet Replacement	38.2.4	Materials Contractor						
	38.3	Work						
	38.4	Proof of Performance						
	38.5	Deliverables						
	Total Section 38							
39 – Landing Lights Replacement	39.2.2	Materials Contractor						
	39.3	Work						
	39.4	Proof of Performance						
	39.5	Deliverables						
	Total Section 39							

40 – Sewage System replacement	40.2.6	Materials Contractor						
	40.3.1.5	Jetvac FSR					\$10,000	
	40.3	Work						
	40.4	Proof of Performance						
	40.5	Deliverables						
	Total Section 40							
41 - Portholes	41.2.6	Materials Contractor						
	41.3	Work						
	41.4	Proof of Performance						
	41.5	Deliverables						
	Total Section 41							
42 – Windows Superstructure	42.2.5	Materials Contractor						
	42.3	Work						
	42.4	Proof of Performance						
	42.5	Deliverables						
	Total Section 42							
43 – Emergency Escape Hatch	43.2.5	Materials Contractor						
	43.3	Work						
	43.4	Proof of Performance						
	43.5	Deliverables						
	Total Section 43							
44 – Galley GW Piping	44.2.4	Materials Contractor						
	44.3	Work						
	44.4	Proof of Performance						
	Total Section 44							
45 – Passageway Floor Tiles	45.2.5	Materials Contractor						
	45.3	Work						
	45.3.3.3	Unit Price per ft ²						
	45.3.5.3	Unit Price per ft ²						
	45.4	Proof of Performance						
	Total Section 45							
46 – Replacing Ceiling Tiles and	46.2.3	Materials Contractor						
	46.3	Work						
	46.3.2.3	100 labor hours		100				
	46.4	Proof of Performance						
	46.5	Deliverables						
	Total Section 46							

ANNEX H - APPENDIX 2

CUMULATIVE PRICING SHEET FOR EVALUATION

NOTES TO BIDDERS:

- (1) Bidders are to sequentially enter their bids in the CUMULATIVE PRICING DATA SHEET, respecting the order of entries, and to continue entering their pricing and cumulative pricing for each spec item. Bidders continue entering their pricing/cumulative pricing on the spec items with the intention of getting their bid as close to \$8,400,000.00 without exceeding and no less than \$8,000,000.00.
- (2) Skipping an entry of pricing / cumulative pricing in the sequence will result in the bid being non responsive.
- (3) Bidders are reminded that at no time can their cumulative pricing exceed the amount of \$8,400,000.00. If the cumulative price exceeds \$8,400,000.00, the bid will be considered non responsive.
- (4) The bidder cannot stop bidding on spec items until a minimum cumulative price of \$8,000,000.00 is reached. If the minimum cumulative price does not exceeds \$8,000,000.00, the bid will be considered non responsive.
- (5) If the bidder bids a firm Price on all Work Items with a maximum total of 200 points, a total Firm Price less than \$ 8,000,000 will be accepted.
- (6) 10 points will be assigned to each spec item that the bidder has bid on. Bidders are reminded not to enter uncharacteristically low bid amounts on spec items that they do not intend on completing during the refit to acquire more cumulative points. The PWGSC Form 1205 Acceptance Process will identify this item as a Defect and Canada will hold until it is completed by the Contractor two times the value it will cost Canada to complete the spec item.
- (7) At the point where the bidder stops bidding, the cumulative bid price is to be entered into Annex H1 - Price for Evaluation, Item A Known Work.
- (8) At the point where the bidder stops bidding, the cumulative points associated with the spec item where the bidding stops is to be entered into Annex H1 - Price for Evaluation, Item E CUMULATIVE POINTS.
- (9) Spec Items that have not been bid on by the Contractor, will not be introduced as new work or work arising during the Contract.

Company Name:			CCGS Pierre Radisson VLE			
Prioritised Item	Section	Description	Total Firm Price	Cumulative Price	Points per Prioritised Items	Cumulative points
1	1	General Notes	\$			
	2	General technical	\$			
	6	Documents	\$			
	7	Tests, Dock Trials, Sea Trials	\$			
	8	Berthing, Mooring, Dry-Docking and Refloat	\$			
	10	Services	\$			
	11	Additional Work	\$			
	Total for Prioritised Item 1		\$	\$	10	10
2	12	Hull Cleaning and Inspection	\$			
	13	Propellers	\$			
	14	Grids, Sea Chests and Sea Bays	\$			
	15	Hull Weldings Inspection and Repairs	\$			
	16	Hull Cleaning and Painting	\$			
	17	Hull Painting above Waterline	\$			
	18	Freeboard, Draft and Symbolisation Markings	\$			
	19	Hull Integrity Assessment	\$			
	20	Cofferdams and Duck Keel	\$			
	21	Anchors & chains	\$			
	22	Chain Locker	\$			
	25	Diesel Oil and Helicopter Fuel Tanks	\$			
	27	Fresh Water Tanks	\$			
	30	Rudder and Rudder Stock	\$			
	Total of Prioritised Item 2		\$	\$	10	20
3	26	Lloyds Inspection of Vessel's Tanks and Hull	\$	\$	10	30
4	23	Propeller Shaft Mechanical Seals	\$	\$	10	40
5	24	Ballast Tanks and #4 Double Bottom Tanks	\$	\$	10	50
6	38	Helicopter Refueling Cabinet Replacement	\$	\$	10	60

7	33	Helicopter Hanger Major Overhaul	\$			
	34	Flight Deck Steel Replacement	\$			
	37	Firefighting Equipment Compartment Replacement	\$			
	39	Helicopter Landing Lights Replacement	\$			
	Total of Prioritised Item 7		\$	\$	10	70
8	35	Emergency Generator Deck Steel Replacement	\$	\$	10	80
9	36	Forward Mast Steel Replacement	\$	\$	10	90
10	29	Bow Thruster Servicing	\$	\$	10	100
11	28	Thrust Bearings	\$	\$	10	110
12	31	Scupper Drain Valves	\$	\$	10	120
13	32	Boiler Blowdown Valves	\$	\$	10	130
14	40	Sewage System Replacement	\$	\$	10	140
15	41	Portholes	\$	\$	10	150
16	42	Windows Replacement Superstructure	\$	\$	10	160
17	43	Emergency Escape Hatch Replacement	\$	\$	10	170
18	44	Gray Water Piping Replacement	\$	\$	10	180
19	45	Passageway Floor Tiles Replacement	\$	\$	10	190
20	46	Ceiling Tiles and Ceiling Lights Replacement	\$	\$	10	200

ANNEX I

VESSEL CUSTODY

I1 Vessel Custody

1. This work is going to take place with the vessel "out of commission" and therefore in the "care, control and custody" of the Contractor.
2. An "ACCEPTANCE CERTIFICATE - ASSUMPTION OF CUSTODY OF FEDERAL GOVERNMENT SHIPS BY SHIPYARDS" (attached as Appendix 1 to this Annex "I") shall be completed as required and a copy passed to the INSPECTION AUTHORITY.
3. To facilitate this turnover, representatives of the Contractor and Canada shall confirm the condition of the vessel.
4. A vessel condition report shall be appended to the above noted certificate and shall be accompanied by colour photographs or videos in either conventional or digital format.
5. When the vessel is to be returned to the "care, control and custody" of Canada, an "ACCEPTANCE CERTIFICATE - RESUMPTION OF CUSTODY OF FEDERAL GOVERNMENT SHIPS BY THE CLIENT DEPARTMENT" (Attached as appendix 2 to this Annex I) shall be completed and a signed copy passed to Canada for distribution.

ANNEX I - APPENDIX 1

ACCEPTANCE CERTIFICATE

ASSUMPTION OF CUSTODY OF CANADIAN GOVERNMENT SHIPS BY CONTRACTORS

ACCEPTANCE OF _____

1. The undersigned, on behalf of the Department of Canadian Coast Guard and of _____ acknowledge to have handed over and received respectively CCGS _____ for the purpose of refit, all in accordance with the terms and conditions of PWGSC Contract Serial Number _____ and such documents which form part of the said contract.

2. It is mutually agreed by all parties that the condition report by compartment or area shall be considered as an addendum to this agreement; and shall be a valid document in the taking over of the vessel by the Contractor, even if the inspection and signing occur after the signing of the agreement but within the agreed ten (10) day period.

SIGNED AT _____ PROVINCE _____ ON,

THE _____ DAY OF _____ (Month) 2014.

AT _____ HOURS.

FOR: _____
(CONTRACTOR)

FOR: _____
Department of Canadian Coast Guard

WITNESSED BY: _____
PUBLIC WORKS AND GOVERNMENT SERVICES CANADA

ANNEX I - APPENDIX 2

ACCEPTANCE CERTIFICATE

RESUMPTION OF CUSTODY OF CANADIAN GOVERNMENT SHIPS BY SHIPYARDS

ACCEPTANCE OF CCGS _____

1. The undersigned, on behalf of _____ and of the Department of Canadian Coast Guard, acknowledge to have handed over and to have received respectively the CCGS _____, said vessel having been received By _____ on _____ (date), for the purpose of refit in accordance with the terms and conditions of PWGSC Contract Serial Number _____.

2. It is mutually agreed by all parties that the liabilities and responsibilities of _____, as defined in Article 9 of PWGSC 1029 Supplemental General Conditions for Ship Repairs, for a vessel out of commission, shall automatically cease as at _____ hours on _____ (date).

3. That effective from _____ hours on the _____ (date) Article 8 of PWGSC 1029 for a vessel "in commission" Shall apply, and that responsibility for the care and protection of the said vessel shall revert to Canada.

SIGNED AT _____ PROVINCE _____ ON,

THE _____ DAY OF _____ (Month) 2014.

AT _____ HOURS.

FOR: _____
(CONTRACTOR)

FOR: _____
Department of Canadian Coast Guard

WITNESSED BY: _____
PUBLIC WORKS AND GOVERNMENT SERVICES CANADA

ANNEX J

DELIVERABLES/CERTIFICATIONS

J1 Mandatory Tender Deliverables Check List

Notwithstanding deliverable requirements specified within the bid solicitation and its associated Technical Specification (Annex A), mandatory deliverables that must be submitted with the Bidder's tender to be deemed responsive are summarized below.

The Bidder must submit a completed Annex "J1" Deliverables/ Certifications.

The following are mandatory and the Bidder's submission will be evaluated against the requirements as defined herein. The Bidder must be determined to be compliant on each item to be considered responsive.

Item	Description	Completed and Attached
1	Invitation To Tender document part 1 page 1 completed and signed;	
2	1 hard copy and 1 soft copy for all 3 sections, Clause 3.1;	
3	Completed Annex "H" Financial Bid Presentation Sheet", Annex H, H1 through H6;	
4	Completed Pricing Data Sheets, per Clause 3.1 Section II, Annex "H", Appendix 1;	
5	Completed Cumulative Pricing Data Sheets, per Clause 3.1 Section II, Annex "H", Appendix 2;	
6	Completed Annex "J1" Deliverables/Certifications;	
7	Changes to Applicable Laws (if any), as per clause 2.4;	
8	Integrity Provisions - Associated Information, Clause 5.1.1;	
9	Federal Contractors Program for Employment Equity, Clause 5.1.2;	
10	Education and Experience Certification , Clause 5.1.3;	
11	Status and Availability of Resources Certification, Clause 5.1.4;	
12	Type of Contract Financial Security, Clause 6.2.1;	
13	Vessel Transfer Cost, Clause 6.3 and Annex "H";	
14	Docking Facilities, Clause 6.4;	
15	Proof of good standing with Worker's Compensation Board, Clause 6.5;	
16	Proof of valid Labor Agreement or similar instrument covering the work period, Clause 6.6;	
17	Preliminary Work Schedule , Clause 6.7;	
18	Fueling and Disembarking Procedures, Clause 6.8;	
19	Quality Management System, Clause 6.9;	
20	Health and Safety System, Clause 6.10;	
21	Objective evidence of documented Fire Protection, Fire Fighting and Training Procedure, Clause 6.11;	
22	Hazardous Materials, Bidder's acknowledgement, Clause 6.12 / Annex A, Section 2.2.7.2;	
23	Insurance Requirements – letter , Clause 6.13;	

24	Proof of welding certification, Clause 6.14;	
25	Project Management, Clause 6.15 para 4;	
26	List of subcontractors, Clause 6.16;	
27	Example of its Quality Control Plan, Clause 6.17;	
28	Example of an Inspection and Test Plan, Clause 6.18;	
29	Details of Environmental Emergency Response Plan, Details of Formal Environmental Training, Clause 6.19.	
30	Contractor's attestation to provide electrical power in accordance with Annex A, Section 10.4.5	

J2 Deliverables after Contract Award

Item	Description	Reference	Due By
1	Insurance requirements as per Annex "D"	Clause 7.12 and Annex "D"	10 Working Days after contract award
2	Contract Financial Security	Clause 7.14	5 calendar days after contract award
3	Revised Work Schedule	Clause 7.17	5 Working Days after contract award
4	The Contractor's Quality Control Plan	Clause 7.22	5 calendar days after contract award
5	The list of Government specialized loaned equipment that the Contractor intends to request.	Clause 7.29	5 calendar days after contract award
6	List of welders with valid certificates	Clauses 6.14 / 7.30	5 calendar days after contract award

J3 Deliverables Prior to Contract Award (If Requested)

Item	Description	Reference	Due By
1	Financial Capability	Clause 6.1	5 Working Days prior to contract award if requested

Annex "K" PWGSC Form 450 Claim For Exchange Rate

Claim for Exchange Rate Adjustments Demande de rajustement du taux de change

Contractor Name - Nom de l'entrepreneur		PWGSC File Number - Numéro du dossier de TPSGC			Contract Number - Numéro du contrat		Item/Invoice Number - Numéro d'article/de facture	
---	--	--	--	--	-------------------------------------	--	---	--

1	2	3	4	5	6	7	8	9
Item Number Numéro d'article	Description	Foreign Currency Component (FCC) per Unit Montant en monnaie étrangère par unité (\$CAN)	Foreign Currency Devise étrangères	Quantity Quantité	Initial Exchange Rate Facteur de conversion initial (i ₀)	Exchange Rate for Adjustments Taux de change aux fins du rajustement (i ₁)	% Change Variation en % (i ₁ - i ₀) / i ₀ > 0.02 (+/-)	Adjustment = FCC X Quantity X (i ₁ - i ₀) / i ₀ Rajustement = montant en monnaie étrangère X Quantité X (i ₁ - i ₀) / i ₀
							0.000	
							0.000	
							0.000	
							0.000	
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							0.000	
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							0.000	
							0.000	
							0.000	
							0.000	
							0.000	
Total Exchange Rate Adjustment Rajustement total du taux de change								

Instructions

Where:

i_0 = initial exchange rate (CAN\$ per unit of foreign currency [e.g. US\$1])

i_1 = exchange rate for adjustment purposes (CAN\$ per unit of foreign currency [e.g. US\$1])

Instructions to bidders:

1. Bidders must complete columns (1) to (4) at time of bidding, for each line item where they want to invoke the exchange rate fluctuation provisions.
2. Where bids are evaluated in Canadian dollars, the dollar values provided in column (3) should also be in Canadian dollars, so that the adjustment amount is in the same currency as the payment.

Instructions for Payment:

1. This form must be submitted with the invoice for payment with respect to all items with an FCC. Complete columns (1) through (7). Columns (8) and (9) will auto complete.
2. Suppliers should submit a separate calculation sheet for each invoice submitted showing the exchange rate adjustment for all line items with an FCC.
3. This form must be provided with all invoices where the exchange rate fluctuates more than 2% (Increase or decrease), (i.e. $\text{abs}[(i_1 - i_0) / i_0] > .02$), unless otherwise stated in the contract.

Étant entendu que :

i_0 = Facteur de conversion du taux de change initial (\$ CA par unité de devise étrangère [p. ex. 1 \$ US])

i_1 = Taux de change aux fins du rajustement (\$ CA par unité de devise étrangère [p. ex. 1 \$ US])

Instructions aux soumissionnaires :

1. Les soumissionnaires doivent remplir les colonnes (1) à (4) au moment de présenter leur soumission, pour chacun des produits pour lesquels ils veulent se prévaloir des dispositions relatives à la fluctuation du taux de change.
2. Lorsque les soumissions sont évaluées en dollars canadiens, les montants en dollars indiqués dans la colonne (3) doivent également être en dollars canadiens, de sorte que le montant du rajustement soit indiqué dans la même devise que pour le paiement.

Instructions relatives au paiement :

1. Le présent formulaire doit accompagner la facture en vue du paiement pour chaque article comportant un montant en monnaie étrangère. Il faut remplir les colonnes (1) à (7). Les colonnes (8) et (9) seront remplies automatiquement.
2. Les fournisseurs doivent présenter une feuille de calcul séparée pour chaque facture et indiquer le rajustement du taux de change pour chaque article comportant un montant en monnaie étrangère.
3. Le présent formulaire doit accompagner toutes les factures pour lesquelles la fluctuation du taux de change est supérieure à 2% (augmentation ou diminution), (c. -à-d. $\text{abs}[(i_1 - i_0) / i_0] > .02$), à moins d'indication contraire dans le contrat.