



**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

**REQUEST FOR PROPOSAL
DEMANDE DE PROPOSITION**

**Proposal 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.

**Proposition 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 sur toute feuille ci-annexée, au(x) prix indiqué(s).

Comments - Commentaires

Title - Sujet 6.8-6.9m LANDING CRAFT JET BOAT	
Solicitation No. - N° de l'invitation F7044-160002/A	Date 2016-06-20
Client Reference No. - N° de référence du client F7044-160002	
GETS Reference No. - N° de référence de SEAG PW-\$\$MC-032-25881	
File No. - N° de dossier 032mc.F7044-160002	CCC No./N° CCC - FMS No./N° VME
Solicitation Closes - L'invitation prend fin at - à 02:00 PM on - le 2016-08-02	
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: Girard, Luc J.	Buyer Id - Id de l'acheteur 032mc
Telephone No. - N° de téléphone (819) 420-2890 ()	FAX No. - N° de FAX () -
Destination - of Goods, Services, and Construction: Destination - des biens, services et construction: Specified Herein Précisé dans les présentes	

Instructions: See Herein

Instructions: Voir aux présentes

Vendor/Firm Name and Address

**Raison sociale et adresse du
fournisseur/de l'entrepreneur**

Issuing Office - Bureau de distribution

Ship Construction, Refit and Related Services/Construction
navale, Radoubs et services connexes

11 Laurier St. / 11, rue Laurier
6C2, Place du Portage

Gatineau

Québec

K1A 0S5

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;
- 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, and the basis of selection;
- Part 5 Certifications and Additional Information: includes the certifications and additional information to be provided;
- Part 6 Security, 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 Statement of Requirement, the Cost Breakdown, the Subcontractors' list, Bidders Questions and Canada Responses, the Inspection /Quality Assurance/Quality Control and any other annexes.

1.2 Summary

The Department of Fisheries and Oceans Canada has a requirement to purchase one (1) 6.8-6.9m aluminum jet boat landing craft with trailer, built in accordance with Annex "A" - Technical Statement of Requirement (TSOR).

All deliverables must be delivered by December 19, 2016 in Whitehorse, Yukon Territory, Canada.

The requirement is subject to the provisions of the North American Free Trade Agreement (NAFTA) and the agreement on Internal Trade (AIT).

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 from 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* (<https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual>) issued by Public Works and Government Services Canada.

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.

2.1.1 SACC Manual Clauses

A9125T 2007-05-25, Valid Labour Agreement
B1000T 2014-06-26, Condition of Material – Bid
B3000T 2006-06-16, Equivalent Products

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.

Due to the nature of the bid solicitation, bids transmitted by facsimile to PWGSC will not be accepted.

2.3 Enquiries - Bid Solicitation

All enquiries must be submitted in writing to the Contracting Authority no later than **seven (7)** calendar 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 question(s) or may request that the Bidder do so, so that the proprietary nature of the question(s) is eliminated and the enquiry can be answered to all Bidders. Enquiries not submitted in a form that can be distributed to all Bidders may not be answered by Canada.

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 the Province of Ontario.

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.

2.5 Improvement of Requirement during Solicitation Period

Should bidders consider that the specifications or Statement of Work contained in the bid solicitation could be improved technically or technologically, bidders are invited to make suggestions, in writing, to the Contracting Authority named in the bid solicitation. Bidders must clearly outline the suggested improvement as well as the reason for the suggestion. Suggestions that do not restrict the level of competition nor favour a particular bidder will be given consideration provided they are submitted to the Contracting Authority at least seven (7) days before the bid closing date. Canada will have the right to accept or reject any or all suggestions.

PART 3 - BID PREPARATION INSTRUCTIONS

3.1 Bid Preparation Instructions

Canada requests that Bidders provide their bid in separately bound sections as follows:

- Section I: Technical Bid, two (2) hard copies and two (2) soft copies on CD or USB drive
- Section II: Management Bid, two (2) hard copies and two (2) soft copies on CD or USB drive
- Section III: Financial Bid, one (1) hard copy and one (1) copy on CD or USB drive
- Section IV: Certifications, one (1) hard copy

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.

Two (2) packages must be provided with the bid as follows;

Package 1:

One (1) hard copy of Sections I, II, III and IV above; and one (1) soft copy of sections I and II.

Package 2:

One (1) hard copy of sections I and II above; and one (1) soft copy of sections I and II.

Note: Soft copies may be on the same CD or USB per package.

Canada requests that Bidders follow the format instructions described below in the preparation of their bid:

- (a) use 8.5 x 11 inch (216 mm x 279 mm) paper;
- (b) use a numbering system that corresponds to the bid solicitation.

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) (<http://www.tpsgc-pwgsc.gc.ca/ecologisation-greening/achats-procurement/politique-policy-eng.html>). To assist Canada in reaching its objectives, Bidders should:

- 1) use 8.5 x 11 inch (216 mm x 279 mm) paper containing fibre certified as originating from a sustainably-managed forest and 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.

3.2 Section I: Technical Bid

In their technical bid, Bidders should demonstrate their understanding of the requirements contained in the bid solicitation and explain how they will meet these requirements. Bidders should demonstrate their capability in a thorough, concise and clear manner for carrying out the work.

The technical bid must address clearly and in sufficient depth the points that are subject to the evaluation criteria against which the bid will be evaluated. Simply repeating the statement contained in the bid solicitation is not sufficient. In order to facilitate the evaluation of the bid, Canada requests that Bidders address and present topics in the order of the evaluation criteria under the same headings. To avoid duplication, Bidders may refer to different sections of their bids by identifying the specific paragraph and page number where the subject topic has already been addressed.

In addition to providing the above mentioned documentation, Bidders must provide all documentation requested in the following articles, **3.2.1, 3.2.2, 3.2.3 and 3.2.4.**

3.2.1 Preliminary Project Schedule

1. As part of its technical bid, the Bidder must propose its preliminary project schedule, in MS Project format or equivalent. The project schedule must include the Bidder's work breakdown structure, the scheduling of main activities and milestone events, and any potential problem areas involved in completing the Work.
2. The Bidder's schedule must also provide a target date for each of the following significant events as applicable:
 - (a) hull materials delivered to Contractor and sustained construction commenced;
 - (b) hull and deck completed, but not closed in to allow for full inspection of the structure and welding.

The Contractor will be required to supply a hard copy of the material certs and construction drawings to the Technical/Inspection Authority one (1) week prior to inspection by the Technical/Inspection Authority;

- (c) outfitting/electrical 75% complete but all equipment and components delivered to the Contractor and available for full inspection. The Contractor will be required to supply a hard copy of the list of equipment and electrical supplies to the Technical/Inspection Authority one (1) week prior to inspection by the Technical/Inspection Authority;
 - (d) technical manuals delivered to Canada for approval (no less than 14 days prior to the planned delivery date);
 - (e) Contractor's tests and trial and final sea trials required by the TSOR;
 - (f) boat and trailer delivered to Canada for approval;
 - (g) the start and the end of the twelve (12) month warranty period.

Note: Technical Manuals will not be returned once approved.

3. It is intended to award the Contract by August 15, 2016.

3.2.2 Proven Hull

The vessel must be built based on stock small working or commercial vessel hull forms with a minimum of customization as indicated in the TSOR. A prototype hull will not be considered.

Prototype hulls will not be considered for this procurement. Bidders must provide documentation for a minimum of two (2) proven hulls identical to the one subject to this RFP which have been produced and been in service within the last five (5) years.

Documentation required for each proven hull must include:

- (a) general arrangement drawings;
- (b) photographs;
- (c) references;
- (d) builder's plates; and
- (e) hull identification numbers.

3.2.3 Preliminary Data Package

Bidders must a preliminary data package to demonstrate that the vessel will be fully seaworthy, operable and fit in all regards for the purposes intended. The Preliminary Data Package must be accordance with the TSOR and include at a minimum, the following technical drawings and information:

- (a) as identified in TP 14612, a certificate of approval following the procedures contained therein;
- (b) general arrangement;
- (c) structural drawings showing deck plan, centerline profile and frame station construction details;
- (d) detailed lines plan;
- (e) drawing of the fuel supply arrangement;
- (f) drawing of bilge pumping system;
- (g) electrical one-line diagram;
- (h) calculated lightship weight;
- (i) draft stability calculation of the proposed vessel.

3.2.4 Government Supplied Material (GSM)

An auxiliary 25hp Mercury outboard (25ELPT Four Stroke) will be Government Supplied Material [GSM]. All ancillary equipment and installation materials including, but not limited to those listed below, must be Contractor Furnished Materials [CFM].

A swivel kicker bracket (auxiliary motor mount) is to be installed by contractor. The swivel kicker bracket must be mounted on port side of the swim grid, allowing the engine to remain attached to the bracket and swivel to a location that allows the engine to rest on the swim grid when not in use. The bracket must lock in the operational and stowed positions and must not interfere with the EZ clean out grate. A quick dis-connect through hull fitting for connecting a fuel hose for a four stroke auxiliary motor is to be priced as an optional installation.

Note: The engine will be shipped to the Contractor's facility within two (2) months after award of Contract for installation by the Contractor.

3.3 Section II: Management Bid

In their management bid, bidders must describe their capability and experience, the project management team and provide client contact(s) information including email address.

In addition of providing the above mentioned information, Bidders must provide all documentation as requested in the following articles, **3.3.1, 3.3.2, 3.3.3, 3.3.4, 3.3.5** and **3.3.6**.

3.3.1 Inspection and Test Plan (ITP)

1. Bidders must provide with their bid the inspection plan and testing procedures that will be used to verify, test and inspect all of the components and systems on the boat from initial construction to completion. The ITP must be in accordance with **Annex "E"** attached to this RFP.

Bidders must outline the process by which they will address and solve problems or delays with the fabrication, installations, testing and delivery of the boat.

3.3.2 Subcontractors

A list, in the form of the attached **Annex "C"** of subcontracts for labor and/or material must be included with the Bidder's Proposal, stating the name and address of each subcontractor, and a description (Make, Model No.) of the goods or services to be supplied by each.

3.3.3 Vessel Construction Experience

The Bidder must provide objective evidence that it has a proven capability in the construction of vessels of the size, type and complexity which is the subject to this RFP, by providing a detailed list of such boats built within the last five (5) years.

The technical bid must also demonstrate the firm has the facilities, management and the technical expertise.

3.3.4 Marine Drafting and Engineering Capability

The Bidder must provide objective evidence that it has either in-house capabilities, or has a written commitment for the duration of the Contract from a supplier to provide marine drafting and engineering services. The supplier must have the experience and capabilities on similar vessel construction projects (same size, type and complexity).

3.3.5 Contractor Quality Management System

1. The Bidder must provide objective evidence that it has a Quality Assurance Program, which must be in place during the performance of the Work, and should address the quality control elements below.

2. The objective evidence may be in the form of a copy of the Bidder's Quality Assurance Manual which should address these elements. Proof of registration with a recognized quality assurance organization whose system should address the minimum requirements below, may be submitted for consideration.

3. The quality control elements should, as a minimum, be:

- Management Representative

- Quality Assurance Manual
- Quality Assurance Program Descriptions
- Quality Reporting Organization
- Documentation
- Measuring and Testing Equipment
- Procurement
- Inspection and Test Plan
- Incoming Inspection
- In-Process Inspection
- Final Inspection
- Special Processes
- Quality Records
- Non Conformance
- Corrective Action

4. Bidder facilities may be audited by Canada, or its authorized representative, prior to award of contract to ensure that a system is in place in accordance with the foregoing requirement.

5. The Contractor will be required to submit completed quality assurance documentation with each claim for payment, as applicable.

3.3.6 Contractor's Representative

Bidder must provide their contact information:

Name: _____

Title: _____

Telephone: _____

E-mail address: _____

3.4 Section III: Financial Bid

Bidders must submit their financial bid in accordance with the BASIS OF PAYMENT and the following articles, **3.4.1, 3.4.2, 3.4.3, 3.4.4** and **3.4.5**. The total amount of the applicable taxes must be shown separately.

3.4.1 Exchange Rate Fluctuation

SACC Manual Clause C3011T, 2013-11-06, Exchange Rate Fluctuation

3.4.2 Firm Price

Bidders must indicate for each of the following Items, their Bid price excluding taxes.

Description	Firm Price (CAD\$)
Item 1: One (1) 6.8 to 6.9m aluminum hull, jet boat landing craft built in accordance with Annex "A" and "D".	\$ _____
Item 2: One (1) trailer built in accordance with Annex "A" and "D"	\$ _____
Item 3: Delivery of boat and trailer FOB Destination to Whitehorse, Yukon Territory, Canada	\$ _____
TOTAL WITHOUT GST/HST	\$ _____

3.4.2.1 Optional Price:

Quick dis-connect through hull fitting for connecting a fuel hose for a four stroke auxiliary motor. \$ _____

This optional price, if exercised, will be included in the Basis of Payment, **however it will not form part of the bid evaluation.**

3.4.3 Cost Breakdown

1. Bidders must include with their financial bid a complete cost breakdown of its bid price for the Work. Each item of work or services in the TSOR is to be priced individually to indicate labour, material, overhead and profit. Each item of cost must be cross referenced to the matching article numbers of the TSOR.
2. The cost breakdown must itemize all costs included in its price for the Work in accordance with the Bidder's cost accounting or cost schedule system. Alternatively, Bidders may complete the attached **Annex "B"** which is the minimum amount of information required.
3. The information submitted as a mandatory item will be held as confidential business information. The details of this information may be used for contractual evaluation purposes and/or contract administration purposes.

3.4.4 Unscheduled Work

Bidders must provide the information requested in the Basis of Payment, *Part 7, Article 7.6.1.1 - Chargeout Rate / Material Mark-up.*

The unscheduled work rates will be included in the Basis of Payment, however it will not form part of the bid evaluation.

3.4.5 Life Cycle Costing Projections

The boat must have a service life of at least ten (12) years with an expected usage of between 300 and 500 hours per year. Bidders must provide the life cycle costing projections for the following:

- (a) hull;
- (b) propulsion system;
- (c) steering system; and
- (d) other components and systems.

3.5 Section IV: Certifications

Bidders must submit the certifications required under Part 5.

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, management & financial evaluation criteria. Canada will evaluate the bids using a two-step approach detailed below.

(b) An evaluation team composed of representatives of Canada will evaluate the bids.

4.1.1 Two-step evaluation approach

(a) The two-step evaluation approach gives the opportunity to bidders to provide additional or different information when the evaluation team determined that the information/documentation supplied with the bid is insufficient or missing to fully assess the responsiveness of bids.

(b) This two-step bid evaluation process does not limit Canada's rights under *SACC 2003 (2016-04-04) Standard Instructions – Goods or Services – Competitive Requirements* nor Canada's right to request or accept any information during the solicitation period or after bid solicitation closing in circumstances where the bid solicitation expressly provides for this right.

(c) Notwithstanding the limited review which Canada may conduct for certain parts of the bid solicitation during Step 1, any adjustments to a non-responsive bid are at the Bidder's sole discretion and will be made solely by the Bidder. Canada will not provide information about any other bid or any information as to how a Bidder should complete its response, if any, to the Preliminary Evaluation Report (PER), Bidders are and will remain solely responsible for:

- i) the accuracy and completeness of their bids. Canada does not undertake, by reason of this review, any obligations or responsibility for identifying errors or omissions in bids submitted nor does Canada undertake to identify any or all such errors or omissions.
- ii) ensuring consistency of the information submitted in their bids at all times, without limiting the foregoing,
- iii) ensuring that any additional or different information provided in response to the PER is consistent with all other information originally submitted in their bids in response to other requirements. Failure to

do so may prejudice the evaluation of previously submitted information and/or render the bid non-responsive.

4.1.1.1 Step 1

A. Evaluation of Section I – Technical Bid (3.2) and Section II – Management Bid (3.3)

For the evaluation of the requirements of the Section I, Technical Bid (3.2) and of the Section II, Management Bid (3), Canada will conduct a full evaluation of all mandatory requirements to determine if the bid meets all of the mandatory requirements. A bid will be considered non-responsive if one or more mandatory requirements are not met.

B. Evaluation of Section III – Financial Bid (3.4)

An evaluation of the financial bid will not be conducted at Step 1. The review of this section will be limited to identifying whether required data is missing from the bid. In instances where a different price for the same item is provided in more than one location within the Financial Bid, Canada will identify this discrepancy and the Bidder will be required to confirm which price applies.

Where a required line item has been left blank, only the missing information may be added to the Financial Bid, except that, in those instances where the addition of such information will necessarily result in a change to other pricing or cost information previously submitted as a result of calculations required by the solicitation (for example, the calculation to determine a total price), such necessary adjustments must be identified by the Bidder and only these adjustments can be made. **Any other changes to the Bid will be considered to be new information and will be disregarded.**

C. Evaluation of Section IV – Certifications (3.5)

Canada will identify any instances where a Bidder has failed to submit a required certification or proof of compliance or where a submitted document lacks the requisite signature(s).

4.1.1.2 Preliminary Evaluation Report (PER)

- (a) After the completion of Step 1, if a bid is determined to be non-responsive, the Contracting Authority will provide to the Bidder a PER listing only the instances where the bid is non-responsive to the requirements of the bid solicitation and the applicable references. No PER will be issued for compliant bids. In those instances, the Contracting Authority will complete the full bid evaluation, including the Financial Bid evaluation, using the original bid documents submitted.
- (b) The Bidder will be invited to submit additional or different information to demonstrate to Canada, in accordance with the solicitation, that the bid is compliant with the requirements of the bid solicitation.
- (c) Except as expressly permitted above, information submitted for any other line item or category will not be considered nor will submitted information be used to evaluate any other section of the bid.
- (d) Bidders must provide written confirmation to the Contracting Authority upon receipt of a PER. The Bidder who do not confirm receipt will be deemed to have received the PER as of the date issued by Canada.
- (e) Submitted additional or different information submitted in response to the PER must be based on the vessel proposed by the Bidder at bid closing. A bidder responding to a request for additional or different information must not modify, alter or substitute anything from the proposed vessel to correct a nonresponsive issue. All submitted information must otherwise comply with the requirements of

this bid solicitation. Failure to comply with these requirements will result in the additional or different information being returned to the Bidder without further consideration.

- (f) The additional or different information submitted in response to the PER and accepted by Canada will be deemed to replace, in full, **only** the non-compliant information/documentation or response in the Bidder's original bid as identified in the PER and will be used for the remainder of the bid evaluation process.
- (g) The additional or different information submitted in response to the PER should follow the Bid Preparation Instructions (such as, for example, separating financial information from other information as required). Canada requests that bidders clearly indicate, for each requirement the additional or different information is associated to.
- (h) The additional or different information submitted in response to the PER must be submitted to the Contracting Authority on or before the date and time specified in the PER. Failure to do so will result in the bid being deemed non-responsive.
- (i) For those instances where a Bidder chooses not to submit additional or different information for a requirement identified in the PER, the Bidder must submit a response indicating "No Change" for such requirement and the original response for that item will continue to apply. If a bidder does not respond to a requirement identified in the PER, the Bidder will be deemed to have provided a "No Change" response and the original response for that item will continue to apply.
- (j) Once the additional or different information is received within the prescribed time, the evaluation team will evaluate the additional or different information provided against the mandatory requirement of the bid solicitation to determine if the bid is compliant. If the evaluation team determines that the additional or different information is still non-compliant, the evaluation team will render the bid non-compliant and the bid will not be given any further consideration. The bid will also be found non-compliant if the additional or different information submitted renders non-compliant any other mandatory requirements.

4.1.1.3 Step 2

Canada will conduct a full evaluation of the financial bids for those Bidders whose bids have been found compliant at Step 1.

4.1.2 Technical Evaluation

4.1.2.1 Mandatory Technical Criteria

In order to be compliant, Bidder's proposal must, to the satisfaction of Canada, meet all requirements of the TSOR and provide all information as requested in **PART 3 - BID PREPARATION INSTRUCTIONS, 3.2 Section I - Technical Bid.**

4.1.3 Management Evaluation

4.1.3.1 Mandatory Management Criteria

In order to be compliant, Bidder's proposal must, to the satisfaction of Canada, meet all requirements and provide all information as requested in **PART 3 - BID PREPARATION INSTRUCTIONS, 3.3 Section II – Management Bid.**

4.1.4 Financial Evaluation

SACC Manual Clause [A0222T](#) (2014-06-26), Evaluation of Price

4.1.4.1 Mandatory Financial Criteria

In order to be compliant, Bidder's proposal must, to the satisfaction of Canada, meet all requirements and provide all information as requested in **PART 3 - BID PREPARATION INSTRUCTIONS, 3.4 Section III – Financial Bid.**

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 will be recommended for award of a contract.

A mandatory requirement is described using the words "shall", "must", "will" "is required" or "is mandatory".

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 Precedent to Contract Award

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

5.1.1 Integrity Provisions - Declaration of Convicted Offences

In accordance with the [Ineligibility and Suspension Policy](http://www.tpsgc-pwgsc.gc.ca/ci-if/politiquepolicy-eng.html) (<http://www.tpsgc-pwgsc.gc.ca/ci-if/politiquepolicy-eng.html>), the Bidder must provide with its bid the required documentation, as applicable, to be given further consideration in the procurement process.

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](http://www.labour.gc.ca/eng/standards_equality/eq/emp/fcp/list/inelig.shtml)" list (http://www.labour.gc.ca/eng/standards_equality/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.

5.1.3 Workers Compensation Certification – 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, **within five (5) calendar days** following a request from the Contracting Authority, a certificate or letter from the applicable Workers' Compensation Board confirming the Bidder's good standing account. Failure to comply with the request may result in the bid being declared non-responsive.

5.1.4 Welding Certification

1. Welding must be performed by a welder certified by the Canadian Welding Bureau and in accordance with the requirements of the following standards:
 - (a) CT-043-EQ-EG-001-E, Canadian Coast Guard Welding Specification, March 2014;
 - (b) CSA W47.2-11, Certification of Companies for Fusion Welding of Aluminum, division 2.
2. Before contract award and **within five (5) calendar days** of the written request by the Contracting Authority, the successful Bidder must submit evidence demonstrating its certification to the welding standards.

PART 6 - SECURITY, FINANCIAL AND OTHER REQUIREMENTS

6.1 Security Requirement

There is no security requirement applicable to this Contract.

6.2 Financial Capability

A9033T, 2012-07-16, Financial Capability

6.3 Insurance Requirements

The Bidder must provide a letter from an insurance broker or an insurance company licensed to operate in Canada stating that the Bidder, if awarded a contract as a result of the bid solicitation, can be insured in accordance with the Insurance Requirements specified in *Part 7 - Resulting Contract Clause 7.17*.

If the information is not provided in the bid, the Contracting Authority will so inform the Bidder and provide the Bidder with a time frame within which to meet the requirement. Failure to comply with the request of the Contracting Authority and meet the requirement within that time period will render the bid nonresponsive.

N° de l'invitation - Solicitation No.
F7044-16002/A
N° de réf. du client - Client Ref. No.
F7044-160002

N° de la modif - Amd. No.
File No. - N° du dossier
032mc.F7044-160002

Id de l'acheteur - Buyer ID
032mc
N° CCC / CCC No. / N° VME - FMS

PART 7 - RESULTING CONTRACT CLAUSES

This title and the following sentence will be deleted at contract award.

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

7.1 Requirement

The Contractor must deliver to the Department of Fisheries and Oceans, one (1) 6.8-6.9m aluminum jet boat landing craft with trailer, in accordance with **Annex "A"** Technical Statement of Requirement (TSOR) and **Annex "D"** Bidders Questions and Canada Responses.

Delivery location:

Boat and trailer	Delivery address	National Asset Code (NAC)	Contact information to be provided at contract award
1	Fisheries and Oceans 100 – 419 Range Road Whitehorse, Yukon Territory, Y1A 3V1	VXE85	

7.2 Standard Clauses and Conditions

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

7.2.1 General Conditions

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

7.2.2 Supplemental General Conditions

1028 2010-08-16, Ship Construction – Firm Price, apply to and form part of the Contract.

Warranty

The Supplemental General Conditions 1028, article 12 – Warranty, paragraph 3 is deleted and replaced with the following:

The warranty period for the propelling machinery and auxiliaries, fittings and equipment of all kinds (excluding GSM) is twelve (12) months and the warranty period for the hull is 24 months from the date of delivery and acceptance by Canada.

7.3 Security Requirements

7.3.1 There is no security requirement applicable to the Contract.

7.4 Term of Contract

7.4.1 Delivery Date

All deliverables must be delivered by December 19, 2016.

7.5 Authorities

7.5.1 Contracting Authority

The Contracting Authority for the Contract is:

Luc Girard
Supply Specialist
Public Works and Government Services Canada
Acquisitions Branch
Marine Systems Directorate
Portage III - Floor: 6C2
11, rue Laurier, Gatineau (Québec), K1A 0S5 Canada

Luc.Girard@tpsgc-pwgsc.gc.ca

Téléphone : 819-420-2890

Télécopieur/Facsimile : 819-956-0897

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 *will be provided at contract award*

The Technical Authority for the Contract is:

The Technical Authority named above 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 *will be provided at contract award*

The Inspection Authority for the Contract is:

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 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.

7.5.4 Contractor's Representative

Fill in or delete as applicable

7.6 Payment

7.6.1 Basis of Payment

In consideration of the Contractor satisfactorily completing all of its obligations under the Contract, the Contractor will be paid a firm price of \$ _____ (*insert the amount at contract award*). Customs duties are included and Applicable Goods and Services or Harmonized Sales Taxes are extra, if applicable.

7.6.1.1 Charge-out Rate / Material Mark-up for Unscheduled Work

The following rates are included in the Basis of Payment and must remain valid for the duration of the contract:

1. The Charge-out Rate specified below includes all classes of labor, engineering and foreperson, and all overheads, supervision and profit. The Charge-out Rate will be used for pricing unscheduled work that results in an increase or decrease in the Work Period, except as noted in the clause entitled "Overtime."

Charge-out Rate - \$..... /person/hour.

2. Overtime:

Occasionally, Canada may elect to authorize overtime, for Unscheduled Work only. If this is the case, and the rate is greater than the Charge-out Rate, cost of labor hours will be determined on the following basis;

Time and one-half rate: \$..... /person/hour

Double Time Rate: \$..... /person/hour

3. The cost of material must be the net laid-down cost of the material to which must be added a mark-up of 10% of the net laid-down cost of the material. For the purposes of pricing, Unscheduled Work and material must be deemed to include subcontracts.

7.6.2 Payment for Fuels, Oils and Lubricants

The Contractor is responsible for the supply and cost of all fuel, lubricating oil, hydraulic oil and other lubricants sufficient for fully charging all systems as required for operating the machinery and other equipment and for performing all tests and trials.

7.6.3 Field Engineering and Supervisory Services

If Field Service Representatives (FSR) and/or Supervisory Services are required for the Work, the cost of all such services is to be included in the price for the Work.

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 Milestone Payments

Canada will make milestone payments in accordance with the Schedule of Milestones detailed in the Contract and the payment provisions of the Contract if:

- (a) an accurate and complete claim for payment using PWGSC-TPSGC 1111, 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) all the certificates appearing on form PWGSC-TPSGC 1111 have been signed by the respective authorized representatives;
- (c) all work associated with the milestone and as applicable any deliverable required has been completed and accepted by Canada.

7.6.6 Schedule of Milestones

The schedule of milestones for which payments will be made in accordance with the Contract is as follows:

Milestone No.	National Asset Code (NAC)	Description of deliverable(s)	% of contract value	Firm Amount CDN \$
A	VXE85	Hull materials delivered to Contractor and sustained construction commenced	30	
B		Boat, Trailer and technical manuals delivered and accepted by Canada	67	
C		End of 12 month warranty period – Final acceptance	3	

The milestones shown above must be included and identified in all production schedules.

The payment for the delivery, **Milestone “B”** will be payable by Canada upon delivery of the boat, trailer and manuals and Acceptance by Canada, minus the holdback for double the total estimated value of any outstanding work items.

The holdback for outstanding work will be payable by Canada upon completion of the outstanding work and when the work is accepted by Canada.

The payment for completion of the twelve month warranty period, **Milestone “C”**, will be payable by Canada upon completion of the warranty period of the workboat, minus the total cost of any work undertaken by Canada to repair any defects subject to warranty.

7.7 Invoicing Instructions

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

Each claim must show:

- (a) all information required on form PWGSC-TPSGC 1111;
- (b) all applicable information detailed under the section entitled "Invoice Submission" of the general conditions;
- (c) the description and value of the milestone claimed as detailed in the Contract;
- (d) Quality assurance documentation when applicable and/or as requested by the Contracting Authority.

2. The Goods and Services Tax or Harmonized Sales Tax (GST/HST), as applicable, 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 GST/HST payable as it was claimed and payable under the previous claims for progress payments.

3. The Contractor must prepare and certify one original and one (1) copy of the claim on form PWGSC-TPSGC 1111, and forward it to the Contracting Authority identified under the section entitled "Authorities" of the Contract for appropriate certification after inspection and acceptance of the Work takes place.

4. The Contracting Authority will then forward the original of the claim to the Technical Authority for certification and onward submission to the Payment Office for the remaining certification and payment action.

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

7.8 Certifications

7.8.1 Compliance

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

7.8.2 Welding

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 standards:

- (a) CT-043-EQ-EG-001-E, Canadian Coast Guard Welding Specification, March 2014;
- (b) CSA W47.2-11, Certification of Companies for Fusion Welding of Aluminum, division 2.

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 Inspection Authority, the Contractor must provide approved welding procedures and/or a list of welding personnel he intends

to use in the performance 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.

7.8.3 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.

7.9 Project Schedule

1. The Contractor must provide an updated detailed project schedule in MS Project format or equivalent to the Contracting Authority and the Technical Authority **5 days after award of Contract**.

2. This schedule must highlight the specific dates for the events listed below.

- (a) hull materials delivered to Contractor and sustained construction commenced;
- (b) hull and deck completed, but not closed in to allow for full inspection of the structure and welding. The Contractor must supply a hard copy of the material certs and construction drawings to the Technical/Inspection Authority one (1) week prior to inspection by the Technical/Inspection Authority;
- (c) outfitting/electrical 75% complete but all equipment and components delivered to the Contractor and available for full inspection. The Contractor must supply a hard copy of the list of equipment and electrical supplies to the Technical/Inspection Authority one (1) week prior to inspection by the Technical/Inspection Authority;
- (d) technical manuals delivered to Canada for approval (no less than 14 days prior to the planned delivery date);
- (e) Contractor's tests and trial and final sea trials required by the TSOR;
- (f) boat and trailer delivered to Canada for approval;
- (g) the start and the end of the twelve (12) month warranty period.

Note: Technical Manuals will not be returned once approved.

3. The schedule is to be regularly updated and available in the Contractor's office for review by Canada's authorities to determine the progress of the Work.

7.10 Progress Report

1. The Contractor must submit monthly reports on the progress of the Work in an electronic format to the Technical Authority and to the Contracting Authority.

2. The progress report must contain two (2) Parts:

PART 1: The Contractor must answer the following three questions:

- (i) is the project on schedule?
- (ii) is the project within budget?
- (iii) is the project free of any areas of concern in which the assistance or guidance of Canada may be required?

Each negative response must be supported by an explanation.

PART 2: A narrative report, brief, yet sufficiently detailed to enable the Technical Authority to evaluate the progress of the Work, containing as a minimum:

- (i) a description of the progress of each task and of the Work as a whole during the period of the report.

Sufficient sketches, diagrams, photographs, etc., must be included, if necessary, to describe the progress accomplished.

- (ii) an explanation of any variation from the schedule.

7.11 SACC Manual Clauses

B5007C - Procedures for Design Change or Additional Work, 2010-01-11

B9035C - Progress Meetings, 2008-05-12

C0711C - Time Verification, 2008-05-12

C2000C - Taxes – Foreign-based Contractor, 2007-11-30

C2604C - Customs Duties, Excise Taxes and Applicable Taxes – Non-resident, 2013-04-25

D0018C - Delivery and Unloading, 2007-11-30

D3015C - Dangerous Goods/Hazardous Products – Labelling and Packaging Compliance, 2014-09-25

H4500C - Lien - Section 427 of the Bank Act, 2010-01-11

7.12 Trade Qualifications

The Contractor must use qualified, certified (where applicable) and competent tradespeople and supervision to ensure a uniform high level of workmanship. The Contracting 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.

7.13 Quality Management Systems

1. The Contractor must have in place a Quality Assurance Program approved by the Inspection Authority during the performance of the Work which addresses the quality control elements below.

2. The quality control elements should include, as a minimum:

Management Representative
Quality Assurance Manual
Quality Assurance Program Descriptions
Quality Reporting Organization
Documentation
Measuring and Testing Equipment
Procurement
Inspection and Test Plan
Incoming Inspection
In-Process Inspection
Final Inspection
Special Processes
Quality Records
Non Conformance

Corrective Action

3. The Contractor's facilities may be audited by Canada, or its authorized representative, during the performance of the Work to ensure that the approved system is in place and in accordance with the foregoing requirement.
4. The Contractor will be required to submit completed quality assurance documentation with each claim for payment as applicable.

7.14 Post Contract Award/Pre-Production Meeting

Within three (3) working days of the receipt of the Contract, the Contractor must contact the Contracting Authority to determine the details of a pre-production meeting. The meeting will be held at the Contractor's plant. Cost of holding such pre-production meeting must be included in the price of the bid. Please note that the travel and living expenses for Government Personnel will be arranged and paid for by the Canada.

7.15 Manuals

1. The Contractor must obtain and deliver to the Technical Authority, no later than fourteen calendar (14) days prior to delivery of the boat for approval all Data Books, Operating Instruction Books, Maintenance Manuals and Spare Parts Lists (including part numbers and ordering instructions) for all machinery and equipment fitted on the vessel as required. Once approved by the TA, the Contractor will provide two (2) complete copies in accordance with and as specified in the TSOR.
2. Where manuals are examined by Canada, such examination does not relieve the Contractor of any responsibility under the Contract for ensuring the correctness of all details and adequacy of performance of the vessel, nor does it obligate Canada to accept, in part or in whole, an item of Work completed in accordance with such manual, nor does it mean such an item of Work meets the requirements of the TSOR.

7.16 Inspection, Test & Trials

1. During construction of the vessel, the Contractor must arrange for regular inspections and upon completion of the construction of the vessel, the Contractor must arrange trials. All inspections and test and trials performed must be in accordance with the Annex "A" TSOR and Annex "E" - Inspection/Quality Assurance/Quality Control. The Inspection Authority must approve any additional testing not specified in the TSOR.
2. The Contractor must update as required the Inspection and Test Plan (ITP) provided with its bid and submit to the Contracting Authority and the Inspection Authority seven (7) days after contract award for review and amended by the Contractor to the satisfaction of the Inspection Authority.
3. Once approved, any modification to the ITP must be pre-approved by the Inspection Authority. A revised ITP will be required should any modification be made.

7.17 Insurance Requirements

1. The Contractor must comply with the insurance requirements specified in Articles 7.17.1 and 7.17.2 below. 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.

2. The Contractor is responsible for deciding if additional insurance coverage is necessary to fulfill its obligation under the Contract and to ensure compliance with any applicable law. Any additional insurance coverage is at the Contractor's expense, and for its own benefit and protection.

3. 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.

7.17.1 General Commercial 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 \$2,000,000 per accident or occurrence and in the annual aggregate.

2. The Commercial General Liability policy must include the following:

- (a) Additional Insured: Canada is added as an additional insured, but only with respect to liability arising out of the Contractor's performance of the Contract. The interest of Canada should read as follows: Canada, as represented by Public Works and Government Services Canada.
- (b) Bodily Injury and Property Damage to third parties arising out of the operations of the Contractor.
- (c) Products and Completed Operations: Coverage for bodily injury or property damage arising out of goods or products manufactured, sold, handled, or distributed by the Contractor and/or arising out of operations that have been completed by the Contractor.
- (d) Personal Injury: While not limited to, the coverage must include Violation of Privacy, Libel and Slander, False Arrest, Detention or Imprisonment and Defamation of Character.
- (e) Cross Liability/Separation of 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.
- (f) Blanket Contractual Liability: The policy must, on a blanket basis or by specific reference to the Contract, extend to assumed liabilities with respect to contractual provisions.
- (g) Employees and, if applicable, Volunteers must be included as Additional Insured.
- (h) Employers' Liability (or confirmation that all employees are covered by Worker's compensation (WSIB) or similar program).
- (i) Broad Form Property Damage including Completed Operations: Expands the Property Damage coverage to include certain losses that would otherwise be excluded by the standard care, custody or control exclusion found in a standard policy.
- (j) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of policy cancellation.
- (k) If the policy is written on a claims-made basis, coverage must be in place for a period of at least 12 months after the completion or termination of the Contract.

(l) Owners' or Contractors' Protective Liability: Covers the damages that the Contractor becomes legally obligated to pay arising out of the operations of a subcontractor.

(m) Non-Owned Automobile Liability - Coverage for suits against the Contractor resulting from the use of hired or non-owned vehicles.

(n), (o), (p), (q) not used.

(r) 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.

7.17.2 Marine Liability Insurance

1. The Contractor must obtain Protection & Indemnity (P&I) insurance that must include excess collision liability and pollution liability. The insurance must be placed with a member of the International Group of Protection and Indemnity Associations or with a fixed market in an amount of not less than the limits determined by the Marine Liability Act, S.C. 2001, c. 6. Coverage must include crew liability, if it is not covered by Worker's Compensation as detailed in paragraph (2.) below.

2. The Contractor must obtain Worker's Compensation insurance covering all employees engaged in the Work in accordance with the statutory requirements of the Territory or Province or state of nationality, domicile, employment, having jurisdiction over such employees. If the Contractor is assessed any additional levy, extra assessment or super-assessment by a Worker's Compensation Board, as a result of an accident causing injury or death to an employee of the Contractor or subcontractor, or due to unsafe working conditions, then such levy or assessment must be paid by the Contractor at its sole cost.

3. The Protection and Indemnity 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) Waiver of Subrogation Rights: Contractor's Insurer to waive all rights of subrogation against Canada as represented by Fisheries and Oceans Canada and Public Works and Government Services Canada for any and all loss of or damage to the watercraft however caused.
- (c) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of cancellation.
- (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) 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

4. 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.

7.18 Applicable Laws

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

7.19 Priority of Documents

If there is a discrepancy between the wordings 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 1028, 2010-08-16, Ship Construction Firm Price;
- c) The General Conditions 2030, 2016-04-04, Goods (Higher Complexity);
- d) Annex "A", Technical Statement of Requirement;
- e) Annex "B", Cost Breakdown;
- f) Annex "C", Subcontractors;
- g) Annex "D", Bidder Questions and Canada Responses;
- h) Annex "E", Inspection/Quality Assurance/Quality Control;
- i) The Contractor's bid dated _____.

7.20 Acceptance

1. Canada's provisional acceptance for delivery of the vessel must occur with the execution of a certificate in accordance with form PWGSC 1105 upon satisfactory completion of the vessel and all trials. The execution of the certificates must in no way relieve the Contractor of any obligations under the Contract.
2. It is understood and agreed that where the work has been substantially completed and the parties have agreed upon the terms and conditions for the Contractor to make good any deficiencies, the certificate referred to above may be executed with a statement attached concerning the rectification of the deficiencies by the Contractor.
3. Canada's final acceptance must occur upon completion of the twelve (12) month warranty period and settlement of all accounts between the parties in relation to the Contract.

7.21 Government Supplied Material

The Contractor must install as per manufacturer recommendations the following GSM on the boat:

An auxiliary 25 hp Mercury outboard (25ELPT FourStroke) will be Government Supplied Material [GSM]. All ancillary equipment and installation materials including, but not limited to those listed below, must be Contractor Furnished Materials [CFM].

Note: The engine will be shipped to the Contractor's facility within two (2) months after award of Contract for installation by the Contractor.

N° de l'invitation - Solicitation No.
F7044-160002/A
N° de réf. du client - Client Ref. No.
F7044-160002

N° de la modif - Amd. No.
File No. - N° du dossier
032mc.F7044-160002

Id de l'acheteur - Buyer ID
032mc
N° CCC / CCC No./ N° VME - FMS

ANNEX "A"

TECHNICAL STATEMENT OF REQUIREMENT (TSOR)

PONTENTIAL BIDDERS MUST CONTACT THE CONTRACTING AUTHORITY TO RECEIVE A COPY OF THE TSOR.

N° de l'invitation - Solicitation No.
F7044-160002/A
N° de réf. du client - Client Ref. No.
F7044-160002

N° de la modif - Amd. No.
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032mc.F7044-160002

Id de l'acheteur - Buyer ID
032mc
N° CCC / CCC No./ N° VME - FMS

ANNEX "C"

SUBCONTRACTORS

Specification Item	Description of Goods/Services (Incl. Make, Model Number as applicable)	Name of Supplier	Address of Supplier

N° de l'invitation - Solicitation No.
F7044-160002/A
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F7044-160002

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032mc.F7044-160002

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032mc
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ANNEX "D"

BIDDERS QUESTIONS AND CANADA RESPONSES

ANNEX "E"

INSPECTION / QUALITY ASSURANCE / QUALITY CONTROL

1. Conduct of Inspection

- (a) Inspections will be conducted in accordance with the ITP provided and accepted by the Inspection Authority and as detailed in this Annex.
- (b) The Contractor must provide its own staff or subcontractors 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.
- (c) As applicable, the Contractor must ensure that the required conditions stated in the specification prevail at the commencement of, and for the duration of, each inspection/test/trial.
- (d) 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.
- (e) 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.

2. Inspection Records and Reports

- (a) 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.
- (b) The Contractor's Quality Control (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.
- (c) 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.
- (d) Corrective action to remove cause of unsatisfactory inspections must be submitted to the Contracting Authority and 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 Contracting Authority and to the Inspection Authority.
- (e) 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.
- (f) The Contractor must reschedule unsatisfactory inspections after any required repairs have been completed.

- (g) 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 Contracting Authority and to the Inspection Authority upon request.

3. Inspection and Trials Process

3.1 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 TSOR. 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 Government of Canada Authorities.

3.2 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 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 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.

3.3 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.

3.4 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 and the Specifications and any additional tests and trials performed by the Contractor 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 co-ordinate each test, trial and demonstration with all interested parties, including the Inspection, Contracting and Technical Authorities; regulatory authorities; Classification Society; Sub-contractors; etc. The Contractor must provide the Inspection Authority and other Government of Canada Authorities with a minimum of ten (10) working days' notice of each scheduled test, trial, or demonstration.

(f) The Contractor must keep written records of all tests, trials, and demonstrations conducted required by the QA System.

(g) The Contractor must in all respects be responsible for the conduct of all tests and trials in accordance with the requirements of the Contract.

(h) The Contracting Authority and the Inspection/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.