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Amendment #7 REQUEST FOR PROPOSAL

Amendment n ° 7 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 or attached hereto, the supplies and services listed herein or on any attached sheets at the price(s) set out therefore.

Propositions 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 articles et les services énumérés ici et sur toute

feuille ci-annexée, au(x) prix indiqué(s).

Comments - Commentaires

Questions and answers/ Les questions et les réponses.

Vendor / Firm Name and Address Raison sociale et adresse du Fournisseur /de l'entrepreneur

Issuing Office - Bureau de distribution
Acquisitions Branch / Direction générale
des approvisionnements
Marine Systems and Small Vessels Sector
Major Projects Directorate – Sea
AJISS Project Office
Gatineau, Quebec

Title-Sujet				
Arctic Offshore Patrol Ship (AOPS) and Joint Support Ship				
(JSS) In-Service Support/Le soutien en service (SES) du				
navire de patrouille extracôtier et de l'Arctique (NPEA) et du				
navire de soutien interarmées (NSI)				
Solicitation No N° de l'invitation Date				
W8476-133818/C/B	August 16, 2016/le 16 août			
	2016			
Client Reference No N° de référence du client				
W8482-156698				
GETS Reference No N° de référence de SEAG				
PW-16-00738522				
Solicitation Closes — L'invitation prend fin Time Zone /				
Solicitation Closes – L'invitation prend fin		Fuseau horaire		
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October 25, 2016		Time (EDT) /		
at 14:00 /le 25 octobre 2016		Heure avancé de l'est		
		1001		
F.O.B. – F.A.B				
Plant-Usine : Destination: Other-Autre:				
Plant-Osine: Destination: Other-Autre:				
Address Enquiries to: - Adresser toutes questions à:				
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Destination of Goods, Services and Construction:				
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Specified Herein				
Précisé aux présentes				

Instructions: See Herein

Instructions : voir aux présentes

Delivery Required - Livraison exigée See Herein – voir aux présentes	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		





This Amendment #7 is being issued to make changes to the Arctic Offshore Patrol Ship (AOPS) and Joint Support Ship (JSS) In-Service Support and to answer guestions received against this solicitation.

Part 1 Amendments to the RFP

 To issue revised Solicitation Document – DID-AJISS-PM-001, DID-AJISS-PM-009 and DID-AJISS-TSM-003. See attached revised solicitation documents.

Summary of changes:

DID-AJISS-PM001

10.2 (h) delete in its entirety: "Confirm Integrated Management System registration;", insert in its entirety: "Confirm Integrated Management System is compliant with ISO 9001, ISO 10005, ISO 14001, and OHSAS 18001;"

DID-AJISS-PM-009

Confirmed that 10.2 (h) was skipped. Previous 10.2 (i) has been re-indexed to 10.2(h) and all subsequent sections have been re-indexed "i" through "j".

DID-AJISS-TSM-003

Confirmed paragraph 10.2.2 was incomplete.

Insert into 10.2.2 after "A De-Classification Plan must have at least the following components:", in its entirety:

- a. Identify classified equipment/components that must be removed and returned to DND prior to ship. entering DWP, including name, location and return point(i.e. crypto);
- b. Identify classified equipment that is to remain onboard that must be protected, preserved and properly secured during the DWP, including the name, location and method of maintaining security; c. Identify, if required, any restricted or classified compartments that will or must remain "out of bounds" for the duration of the DWP and method of securing the compartment; and,
- d. Identify the method which any security infractions will be reported to DND should they occur."

2. Reference Part 4 of the RFP, Article 4.5.1 h)

Delete in its entirety: The market segment for the desired Value Proposition activities is the marine in-service support sector. For a detailed description of the marine in-service support market segment, refer to Annex K, ITB Terms and Conditions, Article 6.4.1.

Insert in its entirety: The market segment for the desired Value Proposition activities is the marine in-service support sector. For a detailed description of the marine in-service support market segment, refer to Annex K, ITB Terms and Conditions, Article 1.1.19

3. Reference Part 4 of the RFP, Article 4.5.2 b) iii):

Delete in its entirety: For a detailed definition of Skills Development, refer to Annex K, ITB Terms and Conditions, Article 1.1.29

Insert in its entirety: For a detailed definition of Skills Development, refer to Annex K, ITB Terms and Conditions, Article 1.1.31.

4. Reference Part 4 of the RFP, Article 4.5.2 c) iii):F





Delete in its entirety: For a detailed definition of Supplier Development, refer to Annex K, ITB Terms and Conditions, Article 1.1.31.

Insert in its entirety: For a detailed definition of Supplier Development, refer to Annex K, ITB Terms and Conditions, Article 1.1.33

5. Reference Part 4 of the RFP, Article 4.5.2 d) ii):

Delete in its entirety: For a detailed definition of Research and Development, refer to Annex K, ITB Terms and Conditions, Article 1.1.26.

Insert in its entirety: For a detailed definition of Research and Development, refer to Annex K, ITB Terms and Conditions, Article 1.1.28.

6. Reference Annex B Article 5.6:

Delete in its entirety: Subcontractor Cost for Emergent Work - For the performance of the work in the Task Authorization by authorized Subcontractors, other than corporate affiliates of the Contractor, the Contractor will be reimbursed its actual costs plus a firm mark-up and profit as identified in Annex B 4, g.

Insert in its entirety: Subcontractor Cost for Emergent Work - For the performance of the work in the Task Authorization by authorized Subcontractors, other than corporate affiliates of the Contractor, the Contractor will be reimbursed its actual costs plus a firm mark-up and profit as identified in Annex B 5.7.

7. Reference Amendment No. 1 A35:

Delete in its entirety: A35. Correct – But, unless the sub-contractor's pricing is included in the Bidder's quoted personnel rates for Management, the Contractor will still have to demonstrate to Canada that Canada will receive "fair and reasonable" pricing for the subcontracted work (see A28 below).

Insert in its entirety: A35. Correct – But, unless the sub-contractor's pricing is included in the Bidder's quoted personnel rates for Management, the Contractor will still have to demonstrate to Canada that Canada will receive "fair and reasonable" pricing for the subcontracted work (see A36 below).

8. Reference Attachment 1 to Part 4, Item 1:

Delete in its entirety: "1) The bid suitably addresses all the assessment criteria with the element" Insert in its entirety: "1) The bid suitably addresses all the Assessment Criteria within the Element"

9. Reference Attachment 1 to Part 4, Item 2:

Delete in its entirety "The bid suitably addresses all the elements in the Assessment Criteria. Insert in its entirety "1) The bid suitably addresses all the Assessment Criteria within the Element"

10. Refernce Attachment 1 to Part 4 – Item 2

Delete in its entirety: For the Evaluation of each Relational Element, the evaluators will be verifying the bid responses as well as the Relationship Management Plan (RMP).

Insert in its entirety: For the Evaluation of each Relational Element, the evaluators will be evaluating the bid responses as well as the Relationship Management Plan (RMP).





11 Reference Table 4 - 1 of Attachment 2 to Part 4

Delete in its entirety: all references to "Section 3.5 - 3.8"

Insert in its entirety: "Section 3.4 – 3.7"

12. Reference Attachment 2 to Part 4

Delete in its entirety: Section 4.5

Insert in its entirety: Risk will be assessed as to whether the Plan responds to the risk areas outlined in Section 3.3 of Attachment 2 to Part 4 and the level of detail provided.

13. Reference Table 4 – 2 of Attachment 2 to Part 4

Delete in its entirety: all references to "Section 3.4"

Insert in its entirety: "Section 3.3"

Part 2 Questions and Answers

Q71: Reference Annex A PWS, para 98, pg. 41

Canada is requested to confirm that the vessel will be available for maintenance activities as per PWS-60, which could then support multiple SWPs per year, as developed through coastal Technical Schedule Management activities.

A71: PWS-60 refers to operational availability to Canada and does not specify availability for maintenance activities.

Q72: Reference: Annex K: As a bidding team can create a Joint Venture (JV) upon award of the Contract, and as a Joint Venture is a separate legal entity, in terms of the use of the word "Contractor" in the ITB terms, does this refer to only the JV entity or members of the original bid team?

A72: On the award of the contract the successful Bidder becomes the Contractor. If the successful Bidder is a Joint Venture at the time of submission of the bid, then the Joint Venture is the Contractor

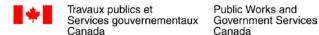
Q73: Reference: Annex K Para 5.2.1 and Amendment #1 Question and Answer # 48

We understand the Contractor is responsible to obtain 100% CCV in terms of direct and indirect transactions. With regards to value proposition criteria # 5.2.1 (in section "5. Rated Elements"; page 55 of the original RFP), however, it is impossible to forecast what % of the Contract Value will be materials and services and, of the materials, what is the % CCV. As an example, there may be a major engine failure that would result in the Contractor having to buy a replacement engine from a foreign OEM with 0% CCV. Conversely, there may not be any major engine failures. It is impossible to predict with any accuracy. Is it Canada's intent for bidders to bid with this uncertainty or would Canada consider having bidders bid their direct % and other VP commitments against what they can forecast and control, e.g. Program Management, Engineering, and LCMM. Would Canada consider excluding emergent work from the definition of Contract Value and therefore that bidders make their VP commitments against the known work, but still have a 100% ITB obligation against all work?

A73: Bidders are expected to make VP commitments based on their experience and expertise related to the Work. Recognizing that not all aspects of the Work are fully known at this stage, bidders are expected to provide estimates based on best industry practices in the form of commitments, which will be contractually binding in the event of contract award.

All definitions remain unchanged.





Q74: Reference Part 4 Attachment 2, Article 5.6.5: States that a bidder must identify a specific recipient on the transaction sheet. As all the work scope is not known at this time or may need to be competed, could the bidder not identify a specific Recipient, but commit to certain transactions/work scope being done in Canada with a unnamed Canadian company? Alternatively, is it acceptable to submit a transaction with a recipient, but following contract award change the recipient as long as the value and the CCV is maintained? This would only be done if it is not possible to reach a contractual agreement with the original intended recipient.

A74: For the purposes of evaluation and value proposition scoring, an identified transaction must name a specific recipient. Any changes to transactions following contract award will be subject to Article 15 Transaction Alterations of Annex K, ITB Terms and Conditions

Q75: Reference: Annex K 1.1.7: The limitation of expenditure is often set higher than the actual value of the Work. Can Canada please confirm what our contractual ITB/VP commitments are against - the limitation of expenditure or the actual value of the Work?

A75: Please refer to answer to question 20 of Amendment #1 to the RFP and Article 5 Contract Value Changes of Annex K, ITB Terms and Conditions. The commitments expressed in Article 3 Statement of Obligations of Annex K will be based on the actual contract value at the end of the contract period.

Q76: Reference: Annex K 18.7: Can Canada please confirm what the intent of the last sentence (i.e. "Notwithstanding the foregoing, the Obligation in Article 3.1.1 will remain") of this clause is? It appears that our Obligations, should Canada initiate a change in the Work per the clause, would be reduced accordingly but the last sentence states that the Obligations in Article 3.1.1 would remain (which includes both ITB % and VP commitments). Could Canada also please clarify which Obligations are reduced in such a case?

A76: Irrespective of any potential changes to particular transactions as a result of not being able to source from a Canadian company due to a change in the Work initiated by Canada, the overall ITB obligation of achieving not less than 100% of the contract value will remain in effect, in accordance with Article 3.1.1 of Annex K.

Q77: Reference: Part 4 Attachment 2, 5.6.3: In para 5.6.3 it states: "The Bidder should include a forecast plan for the Transactions due one (1) and three (3) years following the Effective Date of the Contract, respectively. The forecast plan should include such information as, but not be limited to: a list of any Canadian Companies being considered; and/or, the specific capabilities being sought from Canadian suppliers." Can ISED provide more comment / further clarity around this requirement?

A77: The objective of the forecast plan in paragraph 5.6.3. is for the Bidder to provide Canada with information on how it intends on identifying new transactions as per Articles 3.1.4.1. and 3.1.4.2. of the ITB Terms and Conditions in Annex K

Q78: Reference: General ITB/VP Question: If a bidder submits an ITB/VP transaction as part of its proposal with 35 years of value and Canada cancels the AJISS contract (or doesn't extend it) with the Contractor in year 8, is the Contractor still obligated to deliver the remaining 25 years of the transaction? If yes, would the Contractor be required to submit annual reports for 25 years without a contract?

A78: Please refer to Annex K, ITB Terms and Conditions, Article 18.5.

Q79: Reference: Item 1 to Part 4 Item 1A: Given that Canada has consulted widely on the development of the AJISS PWS, including allied navies in the UK, Australia and US; could you confirm if experience obtained in those countries will be rewarded equally in the evaluation to experience obtained in Canada, assuming that relevance to the ISS requirements for AOPS and JSS can be demonstrated?





A79: Item 1A to Part 4 does not indicate that Canadian experience will receive preferential scoring in the evaluation.

Q80: Reference: Chapter 3 and Item 1 to Part 5 Para 3.2.2 b) and Item 1A: The example provided describes how a requirement for 3 years of experience cannot be met by each of 3 joint venture members having 1 year of experience. The actual criteria in the RFP do not however really resemble this and simply ask for the bidder's experience to be provided which will then be rated (as opposed to being determined whether it is met). Could Canada please clarify, using for example the Technical Experience Element 1 – ISS Program Management, if the experience of joint venture member X can be submitted for Assessment Criteria 1, 2 and 3; the experience of member Y for Assessment Criteria 4 and 5 and the experience of member Z for Assessment Criteria 6, 7 and 8 and that this response will not be declared non-responsive?

A80: Individual criterion cannot be met by utilizing the shared experience of Joint Venture (JV) members. As indicated in the example provided in 3.2.2b; the Bidder which is a JV will be considered nonresponsive if it indicates that each of members X, Y & Z has 1 year of experience in attempting to fulfill a criterion requiring the Bidder to have 3 years of experience. In order to be considered responsive, the experience of either member X, Y or Z alone would need to meet the 3 year experience requirement.

Q81: Reference: Item 1 to Part 4 Item 1A: Please clarify how 'approach to complexity of the AOPS/JSS' will be assessed in relation to ISS Program Management.

A81: Refer to Attachment 1 to Part 4, Item 1A: Technical Experience, paragraph 4 and both associated lists.

Q82: Reference: Item 1 to Part 4 Item 1A: Please clarify how 'approach to complexity of the AOPS/JSS' will be assessed in relation to Engineering Support Services - Engineering Changes.

A82: Refer to Attachment 1 to Part 4, Item 1A: Technical Experience, paragraph 4 and both associated lists.

Q83: Reference: Item 1 to Part 4 Item 1A: Please clarify how 'approach to complexity of the AOPS/JSS' will be assessed in relation to Experience Maintenance Support Services - Docking.

A83: Refer to Attachment 1 to Part 4, Item 1A: Technical Experience, paragraph 4 and both associated lists.

Q84: Reference: Item 1 to Part 4 Item 1A: Please clarify how 'approach to complexity of the AOPS/JSS' will be assessed in relation to Experience Maintenance Support - conducting corrective and preventative maintenance.

A84: Refer to Attachment 1 to Part 4, Item 1A: Technical Experience, paragraph 4 and both associated lists.

Q85: Reference: Item 1 to Part 4 Item 1A: Please clarify how 'approach to complexity of the AOPS/JSS' will be assessed in relation to Experience - material support services.

A85: Refer to Attachment 1 to Part 4, Item 1A: Technical Experience, paragraph 4 and both associated lists.

Q86: Reference: RFP General: Throughout the RFP the term 'the contractor will': Is ``will`` considered to be a mandatory requirement?

A86: Parts 1-6 contain 2 references to the "Contractor will" both of which refer to contractual obligations after contract award. Part 7 - Resulting Contract - contain many references to "Contractor will" all of which are meant to be understood as contractual obligations to be carried out by the Contractor.

Q87: Reference: Part 1: 1.2 d ii: Until it is determined that the Contractor will own spares and material and the contract is amended to reflect this, should bidders assume that spares will be provided as GFM or are bidders to assume that the spares will bought by the AJISS Contractor and be paid for by Canada?





A87: Refer to 3.3.1 b) "For bid evaluation purposes and the preparation of proposals the Bidder should make the following assumptions:

Bidders should assume a Contractor Held Inventory model of supply support".

Q88: Reference: Amendment #1 A35: Could Canada please confirm that if the intent of A35, is to allow named subcontractors to perform work at the rates quoted in the price submission without any further price justification, that this also applies to A11 in the use of the Contractors own personnel to perform core or emergent work?

A88: The prices quoted in the financial bid presentation sheet for the management of the services are considered to be competitive rates which do not require price justification or certification. . Price justification is not required for any work for which the Bidder has provided a quoted rate in the bid. whether the work is provided by a subcontractor or the Bidder's own personnel.

Q89: Reference Part 4 Attachment 1: In Assessment areas where the experience of the Bidders Team is permitted may the experience of several team members be combined to satisfy a single criterion or must it be the experience of a single team member?

A89: Refer to Amendment No. 6, A65.

Q90: Reference: Annex B, Article 5.6. Subcontractor Cost for Emergent Work - For the performance of the work in the Task Authorization by authorized Subcontractors, other than corporate affiliates of the Contractor, the Contractor will be reimbursed its actual costs plus a firm mark-up and profit as identified in Annex B 4, g

In A35 it states that subcontractors named in the bid can perform work at the Bidder's quoted personnel rates for Management. Could Canada please clarify?

A90: Bidder is to refer to Part 1, #5 herein regarding reference change.

Price justification is not required for any work for which the Bidder has provided a quoted rate in the bid, whether the work is provided by a subcontractor or the Bidder's own personnel. If the subcontractor's rates are not included in the Bidder's quoted personnel rates the Contractor will have to demonstrate to Canada that Canada will receive "fair and reasonable" prices for the subcontracted work

Q91: Reference Part 3, Article 3.5.2: What does "within the emergent work threshold" mean in the last sentence of para 3.5.2?

A91: Emergent work threshold refers to the financial bid presentation sheet specifically the Task Cost Range. If a bidder bids \$0 for any of the 3 ranges and wins the contract they will be paid \$0 mark-up on any emergent task that is within the threshold of that range.

Q92: Reference Part 3, Article 3.5.3: What if individual DND 626s cover more than just Material/subcontracted work? See para 3.5.3, which states that the quoted mark-ups on material/subcontractor costs will be applied to the "entire value of each of the individual task authorisations DND 626's...". Could Canada please clarify how this applies to labour performed at the bidder's quoted rates as allowed for by Amendment 001 answer 56? If the work covered by individual DND 626s includes labour as well as Material/subcontracted work? See para 3.5.3. There seems to be an inconsistency here.

A92: The contractor will be allowed to charge a mark-up on subcontractors and material for emergent work tasks, as emergent work by definition cannot be defined at time of bid and therefore cannot be priced by the Contractor. If the subcontractor that the Contractor proposes to perform the emergent task is named in the original Bid, and has quoted personnel rates for the work to be performed in the bid, then the Contractor is to use those quoted rates for the emergent task.

Q93: Reference Attachment 1 to Part 4 Item 1: This includes the statement: "The Assessment Criterion defined for each element, below, are not ranked or rated individually, but are considered holistically in the pairwise comparison for that element."





Although the word "element" is not used, 3.2.2b appears to state that within an element the individual "Assessment Criterion" must only be addressed by the experience of one member of a joint venture. This seems to be inconsistent with the statement that the Assessment Criterion are not ranked or rated individually. Could Canada please clarify?

A93: The intent of this statement is to inform the bidder the individual or numbered assessment criteria identified for each element are not rated individually but holistically. For example, No. 1, under Element-ISS Program Management, there is a list of 8 areas of experience called for under the assessment criteria. This list of 8 areas of experience will not be given individual points. The response to the 8 areas of experience will be considered and evaluated holistically.

Q94: Reference Part 3, Article 3.2.2b: allows a joint venture bidder to only rely on the experience of one of its members to meet any evaluated criterion. All of the criterion do not have to be "met" but instead are rated. Please confirm that only the experience of a single joint venture member will be rated against a single criterion.

A94: Refer to Amendment No. 6 A64 and A65.

Q95: Reference Part 3, Article 3.2.2 b): 3.2.2b) Allows a joint venture bidder to only rely on the experience of one of its members to meet any evaluated criterion. In Attachment 1 to Part 4 Item 1, Item 1a it states that "A Bidder's Team includes subcontractors in the Bid that have a teaming arrangement to prepare the proposal to this RFP"

Please confirm that where the respondent is the Bidders Team that this can also include the experience of all members of a joint venture in addition to that of subcontractors

A95: Please refer to the definition of a bidder https://buyandsell.gc.ca/policy-and-guidelines/standardacquisition-clauses-and-conditions-manual/1/2003/21#definition-of-bidder

The Bidders team is made up of the bidder and the named subcontractors. The JV is the bidder then yes it would include the members of the JV as well.

Q96: Attachment 1 to Part 4 Item 1a, No 1: Please confirm that "Experience in Marine Engineering, 3D Modeling and TDP Management" is related to management of each of the 3 listed areas.

A96: The statement indicates "Experience in Marine Engineering, 3D Modeling and TDP Management". This is not an "and/or" statement. As such, the only way to interpret this statement is to conclude that experience in all 3 listed areas should be included.

Q97: Attachment 1 to Part 4 Item 1b, No 1: It is stated that "The Bidder will be evaluated on their Preliminary Program Management Plan for the AJISS contract in accordance with DID AJISS-PM-001."

Since the DID does not describe how the Plan will be evaluated, should not this requirement be structured consistent with the requirements for other plans, i.e. "The Bidder will be evaluated on their Preliminary Program Management Plan.....The Bidder should produce a Preliminary Program Management Plan in accordance with DID AJISS-PM-001. "?

A97: See Amendment # 4 Part 1 Amendment to the RFP #1.

Q98: Attachment 1 to Part 4 Item 1b, No 1: The scope for the Preliminary Program Management Plan appears to exceed that required by DID AJISS-PM-001. For example the inclusion of "Information and Data Management Plan, Performance Management Plan, Configuration Management Plan, Disposal Plan and Close-out Plan" are not required by the DID which instead requires more summary descriptions of other aspects of Program Management. Each of the plans listed above that are required by the RFP have their own DIDs. Could Canada please clarify their expectations for the proposal?

A98: See Amendment # 4 Part 1 Amendment to the RFP #1.

Q99: Attachment 1 to Part 4, Item 1 1): In the example referred to in 4.3 there are two assessment factors each of which is evaluated using AHP and the scores are then combined using relative





weightings. The RFP also states: "The Assessment Criterion defined for each element, below, are not ranked or rated individually, but are considered holistically in the pairwise comparison for that element ". Will Canada be evaluating each of the two assessment factors using pairwise comparison and then combining the two scores? If so, what is the declared weighting between the two assessment criteria?

A99: No, the two factors are not evaluated individually using AHP. The element is evaluated holistically (encompassing the two factors). The element is compared using AHP to another bid by determining which bidder better satisfies both Assessment Factors overall.

Q100: Reference: PWS 3.5.3: In the process of developing the Value Proposition, a bidder will be committing to a percentage of direct work and several transactions for the conduct of work, including onboard maintenance. During the planning for the Service Delivery Annual Operating Plan, the FMFs may decide to do 2nd level maintenance work as the support model will be a hybrid model, according to the PWS Appendix J. How can the Contractor maintain the commitment for the level of direct work as the amount to be done by DND is not known during the bid phase? In addition, the FMFs may do most of the work that involves Canadian suppliers which could leave the contractor in the position where they have a much higher than expected foreign content in the work, including both labour and material. This will also impact transactions submitted with the proposal, especially for 2nd Level maintenance. Again, the FMF may decide to the work contained within a transaction that we have designated for a SMB or another supplier. Will Canada allow the Direct Work Commitment to be modified, based on the amount of work that the FMFs decide to do? Also, what will happens to the commitment on transactions? These will be based on assumptions on a certain level of work and that we will have to meet the commitment delivery schedule included in Annex K of the contract. Should the FMF do work in transactions it will make it difficult to achieve commitments against this schedule

A100: As per Article 18.7 of Annex K, if a change in the Work is initiated by Canada (i.e. direct work is given to FMFs), and the Contractor can no longer source from a Canadian Company (i.e. transaction with Canadian supplier/SMB can no longer be completed), Canada shall reduce the Obligations (i.e. direct obligation) to the extent the Canadian Content Value associated with the change differs from the Canadian Content Value of the original Work.

Q101: Reference: PWS 3.10: PWS 3.10 requires that the Integrated Management System must be compliant with ISO 9001, ISO 14001 and OHSAS 18001. DID PM-001 asks for "Integrated Management System registration". Is it a requirement that the Contractor be registered to ISO 9001, ISO 14001 and OHSAS 18001, or is it sufficient that the Contract be conducted in accordance with the requirements of ISO 9001, ISO 14001 and OHSAS 18001?

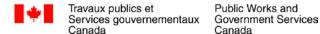
A101: Confirmed. As per PWS 3.10 "The contractor's Integrated Management System must be compliant to: a. ISO 9001 Quality Management Systems - Requirements; b. ISO 10005 Quality Management Systems - Guidelines for Quality Plans; c. ISO 14001 Environmental Management Systems Requirements with Guidance for Use; and d. OHSAS 18001 Occupational Health & Safety."

There is no requirement for registration to the aforementioned standards.

Q102: Reference Part 4, Attachment 1 Item 1a: For Technical Experience, how will Canada evaluate experience examples that are more complex that either the AOPS or JSS, given the statement "Experience descriptions containing examples that approach the complexity of AOPS/JSS will be given the preferred ranking in the pairwise comparison." Will examples deemed to be more complex be penalized?

A102: Refer to Attachment 1 to Part 4, Item 1A, Paragraph 4 and the two associated lists.





Q103: Reference Part 4, Attachment 1 Item 1a: Can Canada advise For Performance Measurement Experience element if the required asset must be a marine platform.

A103: As per the Table of Item 1A, No.7, Experience – Performance Measures: There is no stated requirement that this experience be with a marine platform.

Q104: Reference: Annex K 1.1.28: Can Canada confirm what constitutes a "scientific investigation" in the definition of Research and Development?

A104: Canada recommends the Bidder refer to the Oxford Dictionary.

Q105: **Reference: Amendment 1 A35:** In response to a question regarding approval of subcontracts, the answer to Q35 appears to acknowledge that certain subcontracts are deemed to be approved on acceptance of the proposal. Contrary to the question, there does not appear to be any requirement in the RFP that Canada will be approving any subcontracts at any time. Could Canada please confirm that it is not approving any subcontracts other than it having to be satisfied that any sole-sourced contracts represent "fair and reasonable" pricing?

A105: Canada does not intend to approve individual subcontracts for Core Work, but the Bidder is reminded that the core work will be scoped and costed annually in the Program Annual Operating Plan which is subject to approval and acceptance of Canada. In preparing the PAOP and associated costing, the Contractor is required to produce a resource plan (DID-AJISS-TSM-001) and provide costing information in an open and transparent manner (Annex B 4.4).

In addition, Emergent Work will require the submission of a proposal for Canada's approval and acceptance in accordance with Annex I of the RFP. The proposal must identify subcontractors (Annex I, 1.2 g).

Q106: Reference: Annex B - Basis of Payment 4.7: Please confirm that the Contractor will not lose the Profit Incentive Fee as a result of an excess profit audit.

A106: The Contractor will be paid what is duly owed under the contract. But, in accordance with Annex D, 2035 31, Article 3, as a result of audit, the Contractor must repay any overpayment immediately upon the request of Canada.

Q107: Reference Part 1, Article 1.2.c: Does the estimated value of the contract, referenced at RFP part 1, Section 1.2.c include the value of the irrevocable option to exercise a Contractor ownership inventory model? If it includes the cost of a Contractor ownership inventory model, what is the estimated value allocated to the inventory?

A107: Regardless of which inventory ownership model is employed by Canada, the value of the Contract is as stated at 1.2 c) which states: "The estimated value of the Work for the initial period of the Contract is in the range of: \$650 million to \$800 million. The estimated value of the total potential contract that would include exercise of all possible option years to 35 years from contract award is \$5.2 billion dollars. These values are provided for information purposes only and must not be interpreted as a commitment by Canada to authorize any work up to this value".

In addition, contractor materiel ownership is an available option. Refer to 1.2 d) ii "Contractor ownership of spares and material. If this option is exercised by Canada the Basis and Method of Payment for spares and material will be negotiated between Canada and the Contractor and added to the contract by amendment".

Q108: Reference RFP 1.3: When will Canada be able to confirm the full list of OEMs for AOPS? The list provided in the RFP does not appear to detail all current contracted OEMs.





A108: No change to OEM list at present. AOPS will forward additional names as they become known to the project.