



**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 0A1
Gatineau, Québec
K1A 0S5 (or K1A0C9 if using FedEx)

**Amendment #13
REQUEST FOR
PROPOSAL**

**Amendment n ° 13
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 W8476-133818/C/B	Date October, 26 2016/le 26 octobre 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 November 8th 2016 at 14 :00 /le 8 novembre 2016	Time Zone / Fuseau horaire Eastern Standard Time (EST) / Heure normale de l'Est
F.O.B. – F.A.B Plant-Usine : <input type="checkbox"/> Destination: <input type="checkbox"/> Other-Autre: <input type="checkbox"/>	
Address Enquiries to: - Adresser toutes questions à: Ryan Gigliotti	
Telephone No. - N° de téléphone NPEANSISES.AOPSJSSISS@tpsgc-pwgsc.gc.ca	FAX No. - N° de FAX
Destination of Goods, Services and Construction: Destinations des biens, services et construction : 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 #13 is being issued to make changes to the Arctic Offshore Patrol Ship (AOPS) and Joint Support Ship (JSS) In-Service Support RFP and to answer questions received against this solicitation.

Part 1 Amendments to the RFP

1. Reference, Part 4 Article 4.7 (g)

Delete in its entirety: To establish a Financial Score, the Financial Bid of each responsive Bidder will be prorated against the lowest priced responsive Financial Bid between the tolerances outlined in section 4.8.7 below and scored in accordance with the following formula

Insert in its entirety: To establish a Financial Score, the Financial Bid of each responsive Bidder will be prorated against the lowest priced responsive Financial Bid between the tolerances outlined in section 4.7 g) ii below and scored in accordance with the following formula

2. Reference: RFP Item 1a, No. 7, Criteria 4, Experience - Performance Measures

Delete in its entirety: Demonstrated experience and example to align performance results to strategic objectives or critical success factors;

Insert in its entirety: Demonstrated experience and example(s) which demonstrate alignment of performance results to strategic objectives or critical success factors.

3. Reference Amendment #12, Answer 166:

Delete in its entirety: A166: Refer to Amendment 11 Q159

Insert in its entirety: A166: Refer to Amendment 11 Q155

4. Reference Amendment #12 A177:

Delete in its Entirety: Confirmed.

Insert in its entirety: The Assessment Criteria for Element 1 – ISS Program Management, which includes the 8 areas of experience, are the only Assessment Criteria that will be used in the evaluation of Bids for this Element.

5. See attached presentations and questions and responses from the FMF Cape Breton, September 12, 2016 and FMF Cape Scott, September 15, 2016 site visits.

6. Reference: Part 2, Section 2.1 Standard Instructions, Clauses and Conditions:

Add: New subpara 2.1 e) as follows:

e) Subsection 17.3 of [2003](#), Standard Instructions - Goods or Services - Competitive Requirements, is amended as follows:

i. **Delete 2003 (17) 3 in its entirety.**

ii. **Insert in its entirety:**

2003(17) 3. The bid must be signed by all the members of the joint venture. For the purposes of administering the bid following the submission of any bid, the joint venture may appoint one member, in writing with the bid, to act on behalf of all members of the joint venture. The Contracting Authority may, at any time, require each member of the joint venture to confirm that the representative has been appointed with full authority to act as its representative for the purposes of the bid solicitation.



2003 (17) 4. If a contract is awarded to a joint venture, all members of the joint venture will be required to sign any resulting contract, and will be jointly and severally or solidarily liable for the performance of any resulting contract. In addition and for the purposes of administering any resulting contract, the joint venture will appoint one member, to act on behalf of all members of the joint venture.

7. Reference RFP Part 7 Article 7.1 Joint Venture Contractor

Delete in its entirety:

- (b) With respect to the relationship among the members of the joint venture Contractor, each member agrees, represents and warrants (as applicable) that:

Insert in its entirety:

- (b) With respect to the relationship among the members of the joint venture Contractor, each member agrees, represents and warrants that:

8. Reference: Attachement 5 to Annex K (Rated Criteria Certificate)

Delete in its entirety: Attachment 5 to Annex K (Rated Criteria Certificate)

Insert in entirety: Revised Attachment 5 to Annex K (Rated Criteria Certificate) attached to this amendment.

9. Reference: RFP Part 1, Article 1.2:

Delete in its entirety:

c) 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.

Insert in its entirety:

c) 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. **Material costs are estimated to be 20 - 25% of the value of the Contract, inclusive of the total potential contract value of \$5.2B.** 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.

Part 2 Questions and Answers

Q184, Reference: RFP Part 4, Attachment 2, Article 6.1

In Article 6.1 (Rated Evaluation), the first commitment is to the Defence Sector. It states that the bidder may commit to achieve Direct Transactions above the mandatory requirement of 50%. However, the formula does not take the 50% mandatory requirement into account. Is it Canada's intention to provide points for the full percentage commitment in Direct, or only the commitment over the mandatory 50% Direct?

A184, The commitment to achieve Direct Transactions in the Defence Sector valued at not less than 50% of the Contract Value (including any Contract Options) is a mandatory requirement. Value Proposition Points will be awarded for commitments above the 50% minimum requirement.



Q185, Reference Annex K, Article 9: Significant In-Service Support expertise and knowledge exists overseas and for Canadian's to develop this knowledge it may be appropriate for them to receive training outside of Canada. With regards to CCV, can Canada identify what costs and value would be applicable in this scenario? Would costs associated with the training expense be considered?

A185, Costs incurred in Canada will be considered for calculation of CCV, in accordance with Article 9 of the ITB Terms and Conditions.

Q186, Amendment # 10, Item 7. This refers to the definition of Contract Value, but points to Annex K para 3.1.5.6. Should this not be pointing to para 1.1.7?

A186, Correct, the definition of Contract Value has been amended in Annex K, Article 1.1.7

Q187, RFP, Part 4, Attachment 2, Para 3.1: Can Canada confirm that the page count restriction for the ITB/VP plans does not include transactions?

A187, The combined page count of the Plans must not exceed fifty (50 pages). There is no page count limitations for the identification of transactions.

Q188. Could Canada please confirm that for each of the Technical Experience Elements, the specified assessment criteria represent the complete set of assessment criteria (i.e. any additional items that are added will not influence a bidder's relative ranking in the pair-wise comparison)?

A188. See Part 1, Item 4 of this amendment 012.

Q189, Reference Amendment No. 6, A66: Canada's answer to Q66 b) was to refer to Canada's response to Q66 a). That response to a) was "The Start-up phases commences at contract award and ends with the achievement of the SRVP Milestone, which is to be completed by delivery and acceptance of the 1st ship by Canada". While Canada response to b) was appropriate to its answer a) at that time, it has since replaced this answer at Amendment #6 with "The Start-up phase commences at contract award and ends with the achievement of the SRVP." As SRVP is not attained until two SWPs have been completed on each coast then the original concern expressed in question 66 b) remains; that is "the end of the start-up phase cannot be fully defined, without a clear understanding of the schedule for delivering an AOPS to the west coast.". Could Canada please reconsider its response to Q66 b) and provide an indication of the expected duration of the Start-up phase based on when an AOPS will be delivered to the West coast?

A189, Refer to Amendment #11 Item #4

Q190, Reference Part 6, Article 6.2: Please publish the evaluation criteria that Canada will use to assess the Bidder's compliance to the mandatory criteria referenced in Article 6.2.8.

A190, Refer to Part 6, Article 6.2.1

Q191. Reference Amendment No. 2, A68: With reference to Answer 68, the term "included in the quoted rates for management services" is unclear. Please confirm: (1) Canada does not expect the bidder to include the cost of software commissioning and support services in the overhead component of the rates for the management services; and (2) Canada requires the bidder to estimate a level of effort (LoE) of the software commissioning and support services and use the quoted rates against the LoE for each applicable labour category to calculate the cost of the software commissioning and support services. Also, please confirm the term "software commissioning and support services" refers to common IT used in the office facilities, such as Microsoft Office, corporate systems etc., and does not refer to software used in the IDE.



A191, Canada is retracting its response A68, All cost associated with the procurement, commissioning and support services associated with all common IT Software and Hardware used in the office facilities is to be removed from overhead and is a direct cost. Refer to Amendment #11, A154.

Q192, Reference: PWS Appendix G - Could Canada please provide higher resolution images or AutoCAD format drawings (.dwg) of the AOPS general arrangement drawings included in the Concept of Use (Annex A of PWS Appendix G Figure A-2 through Figure A-10)?

A192, Canada cannot provide the requested drawings.

Q193, Reference RFP, Part 7, Annex H: Please confirm that only Ship Repairer Liability is required and that Hull & Machinery insurance is not required for the vessel. Annex H requires the Contractor to maintain All Risk Property Insurance to cover the full replacement value of Government Property while that property is in the Contractor's care, custody or control. Does Canada intend "Government Property" as used in Annex H, "All Risk Property Insurance", paragraph 1 to include an AOPS or JSS while that vessel is under the care, custody and control of the Contractor?

A193, Refer to RFP Part 7, Article 7.22, Article 7.24 regarding Limitation of Liability, and Article 7.18 regarding Priority of Documents.

Canada's requirement for insurance is specified in Article 7.22, which points to Annex H. In accordance with Article 7.22.2, any insurance that the Contractor elects to carry over and above that specified in Annex H will be at the Contractor's own expense.

The Contractor's liability is limited in accordance with Article 7.24.

The order of precedence for interpretation of the resulting contract is in Article 7.18 wherein it is identified that the Articles take precedence over the annexes.

Q194, Amendment #12, Answer 166 makes reference to Answer 159 in Amendment #11, however Amendment #11 ends at Question #158, and Amendment #12 begins at Question #164. Please advise if a question was overlooked, or if the question numbering and/or references should be amended.

A194, Refer to Part 1 #3 herein, the numbering ending at 158 and beginning at 164 was a typing error and those Q&A numbers will be not used in this Q&A process to ensure the subsequent references to questions already answered will not be affected.

Q195, RFP Article 7.14: Canada would like bidders to submit transactions with suppliers as part of the Value Proposition / ITB proposal. However, Canada also has a requirement, per 7.14 of the RFP, for the Contractor to competitively select Subcontractors once under contract. If a bidder names a Subcontractor on a VP/ITB transaction, does this release the bidder from competitively tendering the high level scope of work on the transaction sheet that it intends to give the Subcontractor once the bidder is under Contract? If not, how/why should bidders provide VP/ITB transactions as part of its proposal? Please explain the rationale.

A195, For the Value Proposition Proposal, the submission of transactions is not a mandatory requirement. A bidder naming a subcontractor on a transaction for VP/ITB, does not release the bidder from the competitive selection of subcontractors as described in Part 7, Article 7.14.

Q196 Annex K, Article 3.1.3: Intended Operation of Note for Regional Commitments.

1. There is no guidance on how the CCV of the Transactions identified in the Proposal will be determined. A Bidder is allowed to identify Transactions that cover any period in the possible 35 years of the Contract. Is only the CCV projected in the first 8 years to be considered for this purpose? If so, how will that be determined?



2. What if Transactions cannot be identified to match the Bidder's desired or planned regional distribution in its Regional Development Plan? Take an extreme case. What if the Bidder identifies only one Transaction worth \$1 billion in CCV over the 35 years with all the work to be in one region? Following the formula in the note, and presuming the Contract Value at award is \$600 million, the achievement commitment for that region becomes 167%, all other regions are 0% and these figures will not change over the life of the Contract. Over time, presume that Canada exercises all of its extension options and the Contract Value grows to the expected \$5.2 billion. The achievement commitment in that region now becomes \$8.67 billion. This cannot be the intended result.

3. We submit that there is essentially zero probability that any regional distribution derived from selected identified Transactions at the start of the Contract will be a valid basis for the regional achievement commitments on the total Contract over the possible full 35-year term. Therefore it makes no sense to apply the formula in the note and it makes better sense to allow the Bidder to use regional achievement commitments based on its Regional Development Plan.

4. The formula in the note refers to identified Transactions. The "Rated Elements" part of Attachment 2 describes how identified or proposed Transactions are treated and it seems clear that only Transactions the ITB Authority accepts become Commitments under the scheme described. The formula in the note would create achievement commitments from identified Transactions whether or not they are accepted.

Why would different parts of the RFP process treat these differently?

We respectfully suggest that the Note following 3.1.3 in Annex be deleted and the regional achievement commitments be dictated only by the terms in 3.6 of Attachment 2 to Part 4 of the RFP.

A196, CCV is to be calculated in accordance with Annex K, Article 9 and identified on all proposed Transactions over the entire potential Contract period.

2. The following example is for illustration and clarification purposes only.

Bidder identifies one Transaction in Northern Ontario with a CCV of \$1B as part of its \$5B bid price. Therefore, under Article 3.1.3.3 a 20% (\$1B/\$5B) commitment would be stipulated for Northern Ontario. If the eventual contract value is \$4B, then the regional commitment for Northern Ontario would be \$800K (20% of \$4B).

3. The Note below Article 3.1.3 remains unchanged.

Q197. The use of the singular term "Contractor" in Article 7.24.4 (rather than the plural term "Bidder") suggests that the Article was not drafted with multiple parties in mind, nor intended to indirectly reference the global insurance policies unconnected with AJISS (nor determine liability under the AJISS contract by reference to such policies, nor allow the corporate background of a Bidder to influence the liability held by it). Instead, we believe the Article is intended to ensure that, where the entity servicing Canada causes loss and has insurance applicable to AJISS that will respond, Canada should not be prevented from claiming while the entity delivering AJISS is itself reimbursed. Please therefore confirm that the only relevant policies of insurance for Article 7.24.4 (and the potential increase in the limitations of liability described in sub-article (2) of Article 7.24.4) will be the policies of insurance held by the Joint Venture company that are directly applicable to the AJISS activity (and that the insurance policies of the JV's member are not taken into account).

A197. By RFP Amendment 11 the Contract was amended to include the Joint Venture Contractor clause which provides that the Contractor is to confirm the name of the joint venture and to list all the joint venture members named in the Contractor's original bid. Just as the joint venture Bidder is made up of members, the joint venture Contractor is also made up of members and the membership is the same. It is for this reason that the above referenced clause requires the Contractor to confirm the name of all the joint venture members named in the original bid. Subsection (d) of the clause also provides that "All the members are jointly and severally or solidarily liable for the performance of the entire Contract."



Therefore, references in the Contract, to obligations of the “Contractor”, in the case of a joint venture, should be understood to mean obligations, jointly and severally or solidarily of all members of the joint venture Contractor.

In Article 7.24.4 the insurable interest described therein is the insurable interest of the members of the joint venture Contractor. The insurance coverage described therein is similarly the insurance coverage required to be maintained by the members of the joint venture Contractor and the reference to “any additional insurance” is a reference to “any additional insurance” coverage maintained by the members of the joint venture Contractor.

While a joint venture company may be a member of a joint venture bidder and contractor, it is not, in and of itself, the joint venture.

Therefore Canada will not confirm that the only relevant policies of insurance, for purposes of Article 7.24.4 are those policies held by a joint venture company.

Q198, RFP Item 1a, No. 1, Criteria 3, ISS Program Management Experience: Could Canada please clarify what they are seeking to evaluate with regard to Criteria 3, "Activities Management and Reporting."

A198, Canada is seeking to evaluate the bidder’s experience in managing and reporting program level ISS activities and work as described in their ISS project(s).

Q199, Can you please confirm that a response to Mandatory Criteria 1, Table of Contents, Acronyms, and etc. can be included at the start of Section 1, outside of the page limits for the Experience, Plans, and Scenarios?

A199, There is no page limitation to the response to M1. Therefore, there is no restriction to what the bidder chooses to provide.

Q200, Will Canada publish its estimated dollar value of the spares, both within the first 8 years as well as over the life of the contract?

A200, See Part 1 Item 9 of this amendment 013.

Q201, Will Canada, upon exercising the option for spares to be purchased by the Contractor, consider relieving the Contractor from the associated ITB/VP Obligations set out in Annex K, Section 3-Statement of Obligations?

A201, Refer to Article 18.7 of Annex K, ITB Terms and Conditions.