

VOLUME 1 - ANNEX A

Evaluation Procedures and Basis of Selection

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EVALUATION PROCEDURES AND BASIS OF SELECTION

1. Evaluation Procedures

- (a) Bids will be assessed in accordance with the entire requirement of the bid solicitation including the technical, management, financial, ITB and the VP evaluation criteria. For the purposes of this solicitation, Canada will utilize a two-step evaluation process as more fully described herein.
- (b) An evaluation team composed of representatives of Canada will evaluate the bids.

1.1 Evaluation Overview and Underlying Principles

- (a) Canada is conducting a two-step bid evaluation process for this requirement. Step 1 consists of an evaluation of a Bidder's bid and, if necessary, the release of a Preliminary Evaluation Report to all Bidders. Step 2 consists of an evaluation of the remaining bid sections and, if issued, Bidders responses to the Preliminary Evaluation Report. Only those bids deemed to be responsive at the completion of Step 1 will be evaluated at Step 2.
- (b) **Notwithstanding the limited review which Canada may conduct for certain parts of the solicitation during Step 1, Bidders are and will remain solely responsible for the accuracy and completeness of their bids and 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. BIDDERS ARE AND WILL REMAIN SOLELY RESPONSIBLE FOR ENSURING CONSISTENCY OF THE INFORMATION SUBMITTED IN THEIR BIDS AT ALL TIMES. WITHOUT LIMITING THE FOREGOING, BIDDERS ARE AND WILL REMAIN SOLELY RESPONSIBLE FOR ENSURING THAT ANY INFORMATION PROVIDED IN RESPONSE TO A PRELIMINARY EVALUATION REPORT IS CONSISTENT WITH ANY OTHER INFORMATION ORIGINALLY SUBMITTED IN THEIR BID IN RESPONSE TO OTHER REQUIREMENTS. FAILURE TO DO SO MAY PREJUDICE THE EVALUATION OF PREVIOUSLY SUBMITTED INFORMATION AND/OR RENDER THE BID NON-RESPONSIVE.**
- (c) Notwithstanding that this solicitation divides the bid into two parts (Part A: UWSU Acquisition and In Service Support Bid Section, and Part B: UWSU Value Proposition Proposal Bid Section), Canada may consider information submitted for one part in its evaluation of the other part. It is the Bidder's responsibility to ensure consistency amongst all parts of its bid.
- (d) This two-step bid evaluation process shall 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.

1.2 Bid Evaluation: Step 1

1.2.1 Canada will conduct an initial review of each Section as described below.

- (i) **Proof of Mandatory Site Visit:** The Bidder named on the signed front page of the bid will be crossed referenced with the attendance form used during the mandatory site visit to verify a representative attended.

PART A: UWSU Acquisition and In Service Support Bid Section

- (ii) Section I: Acquisition Technical and Management;
- Section II: In-Service Support Technical and Management; and if applicable
- Section VI: Classified Information

Bidder responses to the following solicitation requirement documents will be reviewed:

- a) Volume 1 Annex D - Bid Evaluation Plan
- b) Volume 1 Annex D Appendix 1 - Compliance Matrix, Mandatory Requirements
- c) Volume 1 Annex D Appendix 2 - Point Rated Requirements Evaluation Worksheet
- d) Volume 1 Annex D Appendix 3 - System Performance Assessment
- e) Volume 1 Annex D Appendix 4 - Engineering Change Impact Assessment
- f) Volume 1 Annex D Appendix 5 – (Removed)
- g) Volume 1 Annex D Appendix 6 - UWSU Test Cases
- h) Volume 1 Annex D Appendix 7 - Major Surface Combatant Engineering Change Impact Analysis Checklist
- i) Volume 1 Annex D Appendix 8 – (Removed)
- j) Volume q Annex D Appendix 9 – Compliance Matrix, Statement of Work (Acquisition)
- k) Volume 1 Annex D Appendix 10 – Compliance Matrix, System Requirements Document
- l) Volume 1 Annex D Appendix 11 - Compliance Matrix, Performance Work Statement (In-service Support)

Review Parameters:

Canada will conduct a full review and evaluation of all mandatory requirements and point-rated requirements in accordance with the procedures of Annex D to:

1. Determine if a Bidder’s submission in respect of mandatory requirements having a pass/fail is considered by Canada to be responsive. A bid will be considered by Canada to be non-responsive if the bid fails to achieve a compliant “Yes” rating on a mandatory pass/fail requirement.
2. Determine the Bidder’s score for all point-rated requirements.
3. Determine if a Bidder’s submission in respect of point-rated requirements having a minimum pass standard is considered by Canada to be responsive. A bid will be considered by Canada to be non-responsive if the bid fails to achieve the mandatory minimum pass standard.

The mandatory minimum pass standards for Volume 1, Annex D Appendix 2 - Point Rated Requirements Evaluation Worksheet Area R1 through R8, and an example of the calculation to be used, are set out in the Table below:

Area	Description	Minimum Pass	Sample calculation
R1	Bidder Experience (Program Requirements & Capability Components)	357 of 510 available points	Points awarded will be indicated in the "Bidders Score" column
R2	Maturity of Proposed Solution (Underwater Data Management System & Underwater Sensor Components)	270 of 450 available points	Points awarded will be indicated in the "Points Awarded" column

R3	Project Management Plan	224 of 320 available points	Points awarded will be indicated in the "Points Awarded" column
R4	Project Master Schedule	224 of 320 available points	Points awarded will be indicated in the "Points Awarded" column
R5	No longer used	No longer used	No longer used
R6	SOW SRD PWS Desirables	No Minimum Pass Standard	Points awarded will be indicated in the "Points Awarded" column
R7	System Performance Assessment	168 of 240 available points	Points awarded will be indicated in the "Points Awarded" column
R8	Description of Engineering Change Impact Assessment	120 of 200 available points	Points awarded will be indicated in the "Points Awarded" column
	Derivation of Level of Effort Estimates	240 of 400 available points	Points awarded will be indicated in the "Points Awarded" column
	Level of Effort for Full-up Install	No Minimum Pass Standard	Points awarded will be indicated in the "Points Awarded" column
	Proportion of Dry-Dock Level of Effort Relative to Full-up Install	No Minimum Pass Standard	Points awarded will be indicated in the "Points Awarded" column
	Level of Effort for Capability Transfer	No Minimum Pass Standard	Points awarded will be indicated in the "Points Awarded" column

4. 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) **only** for the above-noted documents and those documents which must otherwise be submitted with the Acquisition Technical & Management bid section.

(iii) Section III: Financial

Bidder responses to the following solicitation requirement documents will be reviewed:

- a) Volume 2 - UWSU Acquisition Resulting Contract Schedule A, Pricing; and
- b) Volume 3 – UWSU In Service Support Resulting Contract Schedule A, Pricing.

Review Parameters:

A full review of the Financial Bid is not conducted at Step 1. Canada's initial review will be limited to identifying whether required data is missing from the bid or whether GST/HST amounts are not shown separately. 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 must confirm which price applies.

Where a required line item has been left blank, only the missing information may be added to the Financial Bid for Step 2, 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 shall be identified by the Bidder and only these adjustments shall be made. **Any other changes to the Bid shall be considered to be new information and will be disregarded.**

Canada will also 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) **only** for the above-noted documents and those documents which must otherwise be submitted with the Financial Bid.

- (iv) Section IV: Certifications;
Section V: Additional Information: and

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) **only** for the certifications required to be submitted with the bid. The Bidder remains responsible for ensuring that any certifications which are required to be submitted prior to the close of the solicitation period or at any other time, are submitted as required.

PART B: UWSU Value Proposition Proposal Bid Section

For Section I Company Business Plan, Section II ITB Management Plan, Section III Regional Development Plan, Section IV Small and Medium Business Plan, and Section V Transactions Sheets, bidder responses to the following solicitation requirement documents will be reviewed:

- a) Volume 1 Annex F, Industrial and Technological Benefits (ITB) Value proposition Evaluation Plan, Article 2 – MANDATORY REQUIREMENTS;
- b) Volume 1 Annex F, Industrial and Technological Benefits (ITB) Value proposition Evaluation Plan, Article 3 – MINIMUM ASSESSMENT VALUES; and
- c) Volume 1 Annex F, Industrial and Technological Benefits (ITB) Value proposition Evaluation Plan, Article 4 – RATED EVALUATION.

Review Parameters:

Canada will conduct a full review and evaluation of all mandatory requirements and point-rated requirements in accordance with the procedures of Volume 1 Annex E, Industrial and Technological Benefits (ITB) Value Proposition Bidder Instructions to:

1. Determine if a Bidder's submission in respect of mandatory requirements is considered by Canada to be responsive using the "Method to Confirm" criteria in Volume 1 Annex F Article 2. A bid will be

considered by Canada to be non-responsive if the bid fails to satisfy the “Method to Confirm” criteria on a mandatory requirement.

2. Determine if a Bidder’s submission in respect of the evaluation of Plans (Company Business Plan, ITB Management Plan, Regional Development Plan, and Small and Medium Business Plan) is considered by Canada to be responsive. A bid will be considered by Canada to be non-responsive if the bid fails to achieve the minimum assessment value in Volume 1 Annex F Article 3.

The Bidder must achieve or exceed a final plans assessment value of thirty-two (32) points out of a possible sixty-four (64) points to be considered responsive.

3. Determine the Bidder’s score for all point-rated requirements in Volume 1 Annex F Article 4.
 4. 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) **only** for the above-noted documents and those documents which must otherwise be submitted with the Technical Bid.
- 1.2.2 After this initial review, if any bid is determined to be non-responsive in accordance with the review parameters noted above, the Contracting Authority will provide each Bidder with a “Preliminary Evaluation Report” (or “Report”) listing only the instances where the bid is non-responsive to the requirements of the bid solicitation (and, for mandatory point-rated requirements, the score for such requirement) and the applicable solicitation references.
 - 1.2.3 Bidders whose bids are considered to be non-responsive will be invited by the Contracting Authority to submit additional or different information to demonstrate to Canada, in accordance with the solicitation, that the bid is compliant with the solicitation requirements. **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 a Bidder’s bid or the solicitation requirement.**
 - 1.2.4 For Bidders whose bids are considered to be responsive, the Report will only identify that they are responsive for the mandatory requirements evaluated; scores will not be provided.
 - 1.2.5 All Bidders are requested to provide written confirmation of receipt of the Report to the Contracting Authority. Bidders who do not confirm receipt will be deemed to have received the Report as of the date issued by Canada.
 - 1.2.6 Only non-responsive Bidders shall submit further information in response to the Report.
 - 1.2.7 Submitted information must be based on the UWSU solution proposed by the Bidder at bid closing. A Bidder responding to a request for information must not modify, alter or substitute any of the proposed hardware or software to correct a non-responsive issue. All submitted information must otherwise comply with the requirements of this solicitation. Failure to comply with these requirements will result in the additional or different information being returned to the Bidder without further consideration.
 - 1.2.8 Information submitted by non-responsive Bidders in response to the Report and accepted by Canada will be deemed to replace, in full, **only** the non-responsive information or response in the Bidder’s original bid as identified in the Report and will be used for the remainder of the bid evaluation process.
 - 1.2.9 **The Bidder’s response to the Report must 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 response, which non-responsive requirement identified in the Report is being responded to.

- 1.2.10 Responses to the Report must be submitted to the Contracting Authority on or before the date and time specified in the Report. Failure to do so will result in the bid being deemed non-responsive and the bid will receive no further consideration.
- 1.2.11 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 Report. **Bidders are and will remain solely responsible for the accuracy and completeness of their bids and 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. BIDDERS ARE AND WILL REMAIN SOLELY RESPONSIBLE FOR ENSURING CONSISTENCY OF THE INFORMATION SUBMITTED IN THEIR BIDS AT ALL TIMES. WITHOUT LIMITING THE FOREGOING, BIDDERS ARE AND WILL REMAIN SOLELY RESPONSIBLE FOR ENSURING THAT ANY INFORMATION PROVIDED IN RESPONSE TO A PRELIMINARY EVALUATION REPORT IS CONSISTENT WITH ANY OTHER INFORMATION ORIGINALLY SUBMITTED IN THEIR BID IN RESPONSE TO OTHER REQUIREMENTS. FAILURE TO DO SO MAY PREJUDICE THE EVALUATION OF PREVIOUSLY SUBMITTED INFORMATION AND/OR RENDER THE BID NON-RESPONSIVE.**
- 1.2.12 For those instances where a Bidder chooses not to submit additional or different information for a requirement identified as non-responsive in the Report, 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 as non-responsive, the Bidder will be deemed to have provided a "No Change" response and the original response for that item will continue to apply.

1.3 Preliminary Evaluation Report : Step 1

Once a Preliminary Evaluation Report is issued:

- (a) Canada will conduct a final review of the non-responsive requirements listed in the "Preliminary Evaluation Report" provided to each Bidder, taking into account the additional or different information submitted, to determine if these requirements have been met as required in the solicitation. Should one or more of the requirements initially evaluated as non-responsive continue to be evaluated as non-responsive after review of the additional or different information, the bid will be deemed non-responsive and will not be given any further consideration. The bid will also be evaluated as non-responsive if the additional or different information submitted renders non-responsive any other mandatory requirements, including point rated criteria having a minimum pass standard.
- (b) Bids that have demonstrated responsiveness at the conclusion of the final review of all mandatory requirements, including minimum assessment values or point rated criteria having a minimum pass standard, will continue to be evaluated at Step 2. For point rated criteria having a minimum pass standard, if the additional or different information provided by a Bidder renders the criteria responsive, those criteria will be deemed responsive; however, **the original score received will not be changed and shall remain the final score for the bid.**

1.4 Financial Bid Evaluation: Step 2

Canada will conduct a full review and evaluation of the Financial Bids for those Bidders whose bids have demonstrated responsiveness at the conclusion of the final review of all mandatory requirements, including minimum assessment values and point rated criteria having a minimum pass standard.

2. Basis of Selection

2.1 Conclusion of Step 1 and Step 2

To be declared responsive at the conclusion of Step 1 and Step 2 a bid must:

- a) comply with all the requirements of the bid solicitation;
- b) meet all mandatory criteria;
- c) achieve the minimum assessment values and minimum pass standard for mandatory and point rated criteria having a minimum pass standard;
- d) meet all Industrial Technological Benefits requirements; and
- e) meet all Value Proposition requirements.

Bids not meeting all of the foregoing requirements will be declared non-responsive, and receive no further consideration.

2.2 Combined Rating for Best Value

- a) Best Value is defined as the optimal combination of price, technical merit, quality, and the balance of overall benefits to Canada as set out in the bid solicitation evaluation criteria.

For each responsive bid, the best value calculation will be determined as follows:

$$\frac{\text{Lowest Compliant Bid Price (Acquisition + In Service Support)}}{\text{Bidders Total Evaluated Bid Price (Acquisition + In Service Support)}} \quad \times 48$$

+

$$\frac{\text{Bidders Technical Point Rated Score}}{\text{Maximum Score Available for Bid}} \quad \times 32$$

+

$$\frac{\text{Value Proposition Point Rated Score}}{\text{Maximum Score Available for Bid}} \quad \times 20$$

= Bidders Total Weighted Score

- b) When a calculation includes a decimal answer, calculations will be rounded to the nearest hundredth value.

Example:

(i) 7.254 to the nearest hundredth = 7.25

(ii) 7.255 to the nearest hundredth = 7.26

- c) Following the completion of the evaluations in Step 1 and Step 2, the compliant Bidder with the highest overall Total Weighted Score (Best Value) will be recommended for the award of both contracts (UWSU Acquisition contract, and the UWSU In Service Support contract).
- d) Refer to Volume 1 Annex A Appendix 1 for the price evaluation procedure that will be used to determine each Bidders Total Evaluated Bid Price (Acquisition + In Service Support).

2.3 Evaluation Examples

Two (2) bids were received in response to a competitive solicitation. The following bids were evaluated:

Bidder A

Bidder A was deemed non responsive since they did not meet the point rated minimum pass standard for Project Management, achieving only 23 points out of a possible 61 points for this area. Bidder A submitted missing information under the 2 step process (Preliminary Evaluation Report) which satisfied the bid evaluation team, resulting in a responsive bid. While the missing documents proved compliance with the requirement, the Bidder retains the original bid price and non-responsive point rated score, therefore the overall total evaluated score was 590 points out of a possible 1000 points. Bidder A achieved a total Value proposition score of 70 out of a possible 100 points. Bidder A's total bid price is \$600,000.00 and is the lowest of the two (2) responsive bids received.

$$\frac{\$600,000.00}{\$600,000.00} \times 48 + \frac{590}{1000} \times 32 + \frac{70}{100} \times 20 = \mathbf{80.88}$$

Bidder B

Bidder B submitted a responsive bid and achieved a total technical score of 850 points out of a possible 1000 points. Bidder B achieved a total Value proposition score of 80 out of a possible 100 points. Bidder B's total bid price is \$800,000.00

$$\frac{\$600,000.00}{\$800,000.00} \times 48 + \frac{850}{1000} \times 32 + \frac{80}{100} \times 20 = \mathbf{79.20}$$

Therefore, Bidder A's bid represents best value for Canada and will be recommended for the award of both the UWSU Acquisition contract, and UWSU In Service Support contract.