



RETURN BIDS TO:

RETOURNER LES SOUMISSIONS À:

Bid Receiving Public Works and Government
Services Canada/Réception des soumissions
Travaux publics et Services gouvernementaux
Canada

Pacific Region

401 - 1230 Government Street

Victoria, B.C.

V8W 3X4

Bid Fax: (250) 363-3344

INVITATION TO TENDER

APPEL D'OFFRES

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

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

**Soumission aux: Travaux Publics et Services
Gouvernementaux Canada**

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

Comments - Commentaires

Vendor/Firm Name and Address

Raison sociale et adresse du
fournisseur/de l'entrepreneur

Issuing Office - Bureau de distribution

Public Works and Government Services Canada -
Pacific Region

401 - 1230 Government Street

Victoria, B. C.

V8W 3X4

Title - Sujet Caisson #1 - Refit	
Solicitation No. - N° de l'invitation EZ108-191128/A	Date 2018-07-31
Client Reference No. - N° de référence du client EZ108-191128	GETS Ref. No. - N° de réf. de SEAG PW-\$XLV-211-7561
File No. - N° de dossier XLV-8-41080 (211)	CCC No./N° CCC - FMS No./N° VME
Solicitation Closes - L'invitation prend fin at - à 02:00 PM on - le 2018-08-10	
Time Zone Fuseau horaire Pacific Daylight Saving Time PDT	
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: Buchan, Torrey	Buyer Id - Id de l'acheteur xlv211
Telephone No. - N° de téléphone (250) 216-2092 ()	FAX No. - N° de FAX () -
Destination - of Goods, Services, and Construction: Destination - des biens, services et construction: Public Works and Government Services Canada See herein	

Instructions: See Herein

Instructions: Voir aux présentes

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

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PART 1 - GENERAL INFORMATION

1-1 Introduction

The bid solicitation is divided into seven parts plus attachments and annexes, as follows:

- Part 1 General Information: provides a general description of the requirement;
- Part 2 Bidder Instructions: provides the instructions, clauses and conditions applicable to the bid solicitation;
- 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: includes the certifications 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 Statement of Work, the Basis of Payment, the Insurance Requirements and any other annexes.

1-2 Summary

1-2.1 The Statement of work is as follows:

To carry out the refit and undocking of the Esquimalt Graving Dock (EGD) Caisson #1 in accordance with the associated Technical Specifications as detailed in the Statement of Work attached as Annex "A"; and to carry out Unscheduled Work authorized by the Contracting Authority.

1-2.2 Work Period

Work must commence and be completed as follows:

Commence: 13 August 2018

(Drydock work period 13 August 2018 to 14 September 2018)

Complete: 21 March 2019.

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

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

1-2.3 Bidder Capabilities

Bidders will be required to supply with their bid:

- a. Details of Bidder capabilities, how they will comply with mandatory requirements and how they will deliver any other requested goods and services.
- b. List of specialized sub-contractors to be engaged in the performance of the work.

1-2.4 Security Requirement

There are security requirements associated with this requirement. For additional information, consult Part 6 - Security, Financial and Other Requirements, and Part 7 - Resulting Contract Clauses. For more information on personnel and organization security screening or security clauses, Bidders should refer to the Contract Security Program of Public Works and Government Services Canada (<http://www.tpsgc-pwgsc.gc.ca/esc-src/introduction-eng.html>) website.

1-2.5 Mandatory Bidders' Conference and Site Visit

There is a mandatory bidders' conference and site visit associated with this requirement. Consult Part 2 – Bidder Instructions.

1-2.6 Sourcing Strategy

The sourcing strategy related to this procurement will be limited to suppliers in the Area of Origin of the vessel (Western Canada), in accordance with the PWGSC Supply Manual Article 3.170.10(b). This procurement is subject to CFTA and is exempt from NAFTA [see Chapter 10, Annex 1001.2b, paragraph 1 (a)] and from the WTO-AGP (see Annex 4).

1-2.7 Integrity Provisions

As per the Integrity Provisions under section 01 of Standard Instructions 2003 bidders must provide a list of all Owners and/or Directors and other associated information as required. Refer to <https://www.tpsgc-pwgsc.gc.ca/ci-if/bulletins/renseignements-information-eng.html> for additional information on the Integrity Provisions.

1-3 Preliminary Notification

Pending the completion of the bid evaluation process, each Bidder will be notified of its preliminary ranking within 2 working days of the solicitation closing date. The notification will be made by e-mail by the Contracting Authority.

1-4 Debriefings

Bidders may request a debriefing on the results of the bid solicitation process. Bidders should make the request to the Contracting Authority within 15 working days of receipt of the results of the bid solicitation process. The debriefing may be in writing, by telephone or in person.

PART 2 - BIDDER INSTRUCTIONS

2-1 Standard Instructions, Clauses and Conditions

All instructions, clauses and conditions identified in the bid solicitation by number, date and title are set out in the *Standard Acquisition Clauses and Conditions Manual* (<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 (2018-05-22) Standard Instructions - Goods or Services - Competitive Requirements, are incorporated by reference into and form part of the bid solicitation.

2-2 Submission of Bids

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

Due to the nature of the bid solicitation, bids transmitted by epost Connect service will not be accepted.

2-3 Enquiries - Bid Solicitation

All enquiries must be submitted in writing to the Contracting Authority no later than three (3) working days before the bid closing date. Enquiries received after that time may not be answered.

Bidders should reference as accurately as possible the numbered item of the bid solicitation to which the enquiry relates. Care should be taken by bidders to explain each question in sufficient detail in order to enable Canada to provide an accurate answer. Technical enquiries that are of a proprietary nature must be clearly marked "proprietary" at each relevant item. Items identified as "proprietary" will be treated as such except where Canada determines that the enquiry is not of a proprietary nature. Canada may edit the 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 - Bid

1. Any resulting contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in British Columbia.
2. Bidder may, at its 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 Mandatory Bidders' Conference

A mandatory bidders' conference will be held at the Esquimalt Graving Dock, Operations Boardroom, 825 Admirals Road, Victoria, BC on August 3, 2018 at 0900 hours Pacific Time.

The scope of the requirement outlined in the bid solicitation will be reviewed during the conference and questions will be answered.

Bidders must communicate with the Contracting Authority no later than 2:00 pm (Pacific Time) on August 1, 2018 to confirm attendance and provide the name(s) of the person(s) who will attend. Conference participants are asked to meet the Contracting Authority at 9:00 am (Pacific Time) in the Operations Center Boardroom at the Esquimalt Graving Dock. If all registered conference participants arrive early, then the bidders' conference may commence before 9:00 am.

Bidders' conference participants must not board the caisson without the consent of the Contracting Authority.

Conference participants will be required to present valid government-issued photo identification in order to be allowed entry into the EGD Main Gate enter and will be required to sign attendance sheets. Conference participants must comply with all regulations, instructions and directives in force on the site.

Any clarifications or changes to the bid solicitation resulting from the bidders' conference will be included as an amendment to the bid solicitation. Bidders who do not attend the mandatory bidder's conference or do not send a representative will not be given an alternative appointment and their bid will be declared non-responsive.

2-6 Mandatory Site Visit

It is mandatory that the Bidder or a representative of the Bidder visit the work site. Arrangements have been made for the site visit to be held at the EGD, 825 Admirals Road, Victoria, BC on August 3, 2018. The site visit will begin at 1000 hours Pacific Time.

Bidders must communicate with the Contracting Authority no later than 2:00 pm (Pacific Time) on August 1, 2018 to confirm attendance and provide the name(s) of the person(s) who will attend. Bidders will be required to sign an attendance sheet. Bidders should confirm in their bid that they have attended the site visit. Bidders who do not attend the mandatory site visit or do not send a representative will not be given an alternative appointment and their bid will be declared non-responsive. Any clarifications or changes to the bid solicitation resulting from the site visit will be included as an amendment to the bid solicitation

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 (1 copy)
- Section II: Financial Bid (1 copy)
- Section III: Certifications (1 copy)

Prices must appear in the financial bid only. No prices must be indicated in any other section of the bid.

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>).

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.

3-1.1 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.

3-1.2 Section II: Financial Bid

Bidders must submit their financial bid in accordance with the Financial Bid Presentation Sheet, Annex H, and the detailed Pricing Data Sheet, Appendix 1 to Annex H.

3-1.3 Section III: Certification Requirements

Bidders must submit the certifications required under Part 5.

3-2 Tables of Bid Deliverables

3-2.1 Mandatory Bid Deliverables

Regardless of requirements specified elsewhere in this bid solicitation and its associated Statement of Work, the following are the only mandatory documents that must be submitted with the response at the time of bid closing. The Bidder must be compliant on each item to be considered responsive.

Item	Description	Completed and Attached
Section I Technical Bid		
1	Solicitation document part 1 page 1, completed and signed	
Section II Financial Bid		
1	Annex H <u>Financial Bid Presentation Sheet</u> , completed	
2	Appendix 1 to Annex H <u>Pricing Data Sheet</u> , completed	

3-2.2 Supporting Bid Deliverables

If the following documents which support the bid are not submitted with the bid they may be requested by the Contracting Authority and they must be provided within **48 hours** of the written request:

Item	Description	Completed and Attached	To be forwarded if requested by the CA
Section I Technical Bid			
1	Details of Bidder capabilities, how they will comply with mandatory requirements and how they will deliver any other requested goods and services, as per article 1-2.3 & 3-1.1.		
2	Proof of welding certification, as per article 6-10		
3	Preliminary Work Schedule, as per article 6-13		

Section II Financial Bid			
1	Changes to Applicable Laws (if any) as per article 2-4		
2	NOT USED		
3	Proof of good standing with Worker's Compensation Board as per article 6-6		
4	Subcontractor List (if any) as per article 6-12		
5	Contractor's Representative(s) as per article 7-5.4		
6	Project Management Team Details, as per article E-5		

Section III Certifications			
1	Integrity Provisions – Required Documentation article 5-2.1 - Provide a complete list of names of all individuals who are currently directors of the Bidder.		
2	Annex I - Federal Contractors program for employment equity-Certification		

3-2.3 Supplementary Bid Deliverables

The following information, which supports the bid, may be requested by the Contracting Authority, from the bidder and it must be provided within **5 working days** of the written request:

Item	Description	Completed and Attached	To be forwarded if requested by the CA
Section I Technical Bid			
1	Details of environmental emergency response plans and waste management procedures, as per article 6-7		
2	Details of formal environmental training completed by employees, as per article 6-7		
Section II Financial Bid			
1	Financial Statements and information, as per article 6-2		
2	Either proof of insurance coverage, as required by Annex C, or a letter substantiating that the required insurance coverage will be provided, as per article 6-5		
3	Proof of valid Labour Agreement or similar instrument covering the work period as per article 6-11		

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.
- b. An evaluation team composed of representatives of Canada will evaluate the bids.
- c. Responses to this bid solicitation will first be examined to determine their compliance with mandatory requirements and the tables of deliverables in Article 3-2.
- d. The Bidder's Financial Bid from Annex H will then be examined to ensure that it is compliant and to determine the evaluation price to be used in the basis of selection below. Any bid proposed where the value in line **H-1.1** in Table **H-1**, in Annex H exceeds the budget figure as Identified at H-0.1 of the Annex H will automatically be declared non-responsive.
- e. The Pricing Data Sheet will then be examined to determine the total points achieved by the bidder from pricing optional items.
- f. The price of the bid will then be divided by the total number of points achieved by the bidder to arrive at a price per point.

4-2 Basis of Selection

1. To be declared responsive, a bid must:
 - a. comply with all the requirements of the bid solicitation;
 - b. meet all mandatory evaluation criteria;
 - c. provide pricing for all **Mandatory items in the Pricing Data Sheet (PDS)** as noted in Appendix 1 to Annex "H";
 - d. propose a price total that is less than or equal to the indicated budget.
2. Bids not meeting (a) or (b) or (c) or (d) will be declared non-responsive. Neither the responsive bid that receives the highest number of points nor the one that proposed the lowest price will necessarily be accepted. The responsive bid with the lowest evaluated price per point will be recommended for award of a contract.

PART 5 – CERTIFICATIONS

5-1 General

Bidders must provide the required certifications and additional information to be awarded a contract.

The certifications provided by Bidders to Canada are subject to verification by Canada at all times. Unless specified otherwise, Canada will declare a bid non-responsive, or will declare a contractor in default 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 will render the bid non-responsive or constitute a default under the Contract.

5-1.1 Certifications Required With the Bid

Bidders must submit the following duly completed certifications as part of their bid

5-1.1.1 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>), the Bidder must provide with its bid the required documentation, as applicable, to be given further consideration in the procurement process.

5-2 Certifications Precedent to Contract Award and Additional Information

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.

5-2.1 Integrity Provisions – Required Documentation

In accordance with the section titled Information to be provided when bidding, contracting or entering into a real procurement agreement of the [Ineligibility and Suspension Policy \(http://www.tpsgc-pwgsc.gc.ca/ci-if/politique-policy-eng.html\)](http://www.tpsgc-pwgsc.gc.ca/ci-if/politique-policy-eng.html), the Bidder must provide the required documentation, as applicable, to be given further consideration in the procurement process.

5.2.2 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](https://www.canada.ca/en/employment-social-development/programs/employment-equity/federal-contractor-program.html)" list (<https://www.canada.ca/en/employment-social-development/programs/employment-equity/federal-contractor-program.html>) available from [Employment and Social Development Canada \(ESDC\) - Labour's website](#).

Canada will have the right to declare a bid non-responsive if the Bidder, or any member of the Bidder if the Bidder is a Joint Venture, appears on the "[FCP Limited Eligibility to Bid](#)" list at the time of contract award.

Canada will also have the right to terminate the Contract for default if a Contractor, or any member of the Contractor if the Contractor is a Joint Venture, appears on the "[FCP Limited Eligibility to Bid](#)" list during the period of the Contract.

The Bidder must provide the Contracting Authority with a completed annex [Federal Contractors Program for Employment Equity - Certification](#), before contract award. If the Bidder is a Joint Venture, the Bidder must provide the Contracting Authority with a completed annex [Federal Contractors Program for Employment Equity - Certification](#), for each member of the Joint Venture.

PART 6 - SECURITY, FINANCIAL, AND OTHER REQUIREMENTS

6-1 Security Requirement

At the date of bid closing, the following conditions must be met:

- (a) the Bidder must hold a valid organization security clearance as indicated in Part 7 - Resulting Contract Clauses;
- (b) the Bidder's proposed individuals requiring access to classified or protected information, assets or sensitive work sites must meet the security requirements as indicated in Part 7 - Resulting Contract Clauses.

6-2 Financial Capability

SACC Manual Clause A9033T (2012-07-16) Financial Capability

6-3 NOT USED

6-4 NOT USED

6-5 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 Annex C.

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 non-responsive.

6-6 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 48 hours 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.

6-7 Environmental Protection

Before contract award and within five (5) working days of written notification by the Contracting Authority, the Bidder must submit details of its environmental emergency response plans, waste management procedures and/or formal environmental training undertaken by its employees. In addition, the Bidder must submit samples of its processes and procedures pertinent to the completion of the Work.

6-8 NOT USED

6-9 NOT USED

6-10 Welding Certification - Bid

1. Welding must be performed by a welder certified by the Canadian Welding Bureau and in accordance with the requirements of the following Canadian Standards Association (CSA) standards:
 - a. CSA W47.1-09, Certification of Companies for Fusion Welding of Steel (Minimum Division Level 2.1); and,
 - b. CSA W47.2-11, Certification of Companies for Fusion Welding of Aluminum (Minimum Division Level 2.1).

2. Before contract award and within 48 hours of the written request by the Contracting Authority, the Bidder must submit evidence demonstrating its (or its subcontractor's) certification to the welding standards. In addition, welding must be done in accordance with the requirements of the applicable drawings and specifications.

6-11 Valid Labour Agreement

If the Bidder has a labour agreement, or other suitable instrument, in place with its unionized labour or workforce, it must be valid for the proposed period of any resulting contract. Before contract award and within *five (5) working days* of written notification by the Contracting Authority the Bidder must provide evidence of that agreement.

6-12 List of Proposed Subcontractors

If the bid includes the use of subcontractors, the Bidder agrees, upon written request from the Contracting Authority, to provide a list of all subcontractors including a description of the things to be purchased, a description of the work to be performed by specification section and the location of the performance of that work. The list should not include the purchase of off-the-shelf items, software and such standard articles and materials as are ordinarily produced by manufacturers in the normal course of business, or the provision of such incidental services as might ordinarily be subcontracted in performing the Work, i.e. subcontract work valued at less than \$5,000.00.

6-13 Project Schedule and Reports

Before contract award and within 48 hours of written notification by the Contracting Authority the Bidder must submit to Canada one (1) copy of its preliminary production work schedule. This schedule is to show the commencement and completion dates for the Work in the available work period, including realistic target dates for significant events. This schedule will be reviewed with the Bidder at the Pre-Refit Meeting.

6-14 NOT USED

6-15 NOT USED

6-16 NOT USED

6-17 NOT USED

6-18 NOT USED

6-19 NOT USED

6-20 Vessel Refit, Repair and Docking - Cost

The following costs must be included in the evaluation price:

6-20.1 Services: include all costs for ship services such as water, steam, electricity, etc., required for vessel maintenance for the duration of the Contract. This price must be firm and is subject to increase only if the period of the Contract is extended with the approval of the Contracting Authority.

6-20.2 Undocking includes:

- a. all costs resulting from undocking and shifting and/or moving of the vessel within the EGD.
- b. the cost of services to tie up the vessel alongside and to cast off.

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Amd. No. - N° de la modif.
File No. - N° du dossier
XLV-8-41080

Buyer ID - Id de l'acheteur
xlV211
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- 6-20.3 Field Service Representatives/Supervisory Services:** include all costs for field service representatives/supervisory services including manufacturers' representatives, engineers, etc. These services must not be an extra charge except where unscheduled work requiring these services is added to the Contract.
- 6-20.4 Removals:** include all costs for removals necessary to carry out the Work and will be the responsibility of the successful Bidder whether or not they are identified in the specifications, except those removals not apparent when viewing the vessel or examining the drawings. The successful Bidder will also be responsible for safe storage of removed items and reinstalling them on completion of the Work. The successful Bidder will be responsible for renewal of components damaged during removal.
- 6-20.5 Sheltering, Staging, Cranage and Transportation:** include the cost of all sheltering, staging including handrails, and transportation to carry out the Work as specified. The successful Bidder will be responsible for the cost of any necessary modification of these facilities to meet applicable safety regulations.

PART 7 - RESULTING CONTRACT CLAUSES

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

7-1 Statement of Work - Contract

- (a) Public Works and Government Services Canada (PWGSC) requires a Contractor to carry out the undocking and refit for the EGD Caisson #1. The Work must be conducted in accordance with the associated Technical Specifications detailed in the Statement of Work and Project Management Services attached as Annexes A and E.
- (b) Carry out any approved unscheduled work not covered in the above paragraph (a).

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>) issued by Public Works and Government Services Canada.

7-2.1 General Conditions

1031-2 (2012-07-16), General Conditions – Contract Cost principles, apply to and form part of the Contract.

2030 (2018-06-21), General Conditions - Higher Complexity - Goods, apply to and form part of the Contract.

Section 22 entitled “Warranty” of General Conditions 2030 incorporated by reference above is hereby deleted in its entirety and replaced with the following:

1. At the discretion of the Minister, the Contractor will replace or make good at its own expense any finished work, excluding Government Issue incorporated therein, which becomes defective or which fails to conform to contract requirements as a result of faulty or inefficient manufacture, material or workmanship.
2. Notwithstanding prior acceptance of the finished work, and without restricting any other term of the Contract or any condition, warranty or provision implied or imposed by law, the Contractor hereby warrants that the following are free from all defects and conform with the requirements of the contract:
 - a. The painting of the underwater portion of the hull for a period of three hundred sixty five (365) days commencing from the date of undocking, except that the Contractor will only be liable to repair and/or replace to a value to be determined as follows:

Original cost to Canada of the underwater painting Work, divided by three hundred sixty five (365) days and multiplied by the number of days remaining in the warranty period. The resultant would represent the "Dollar Credit" due to Canada from the Contractor.

All other painting Work for a period of three hundred sixty five (365) days commencing from the date of acceptance of the Work;
 - b. All parts and materials supplied for the Work for a period of three hundred and sixty five (365) days commencing from the date of acceptance of the Work;
 - c. All other items of Work for a period of ninety (90) days commencing from the date of acceptance of the Work, except that:
 - i. the warranty on the Work related to any system or equipment not immediately placed in continuous use or service must extend for a period of ninety (90) days from the date of acceptance of the vessel;

- ii. for all outstanding defects, deviations, and Work items listed on the Acceptance Document at Delivery, the Warranty will be ninety (90) days from the subsequent date of acceptance for each item.
3. The Contractor agrees to pass to Canada, and exercise on behalf of Canada, all warranties on the Materials and/or labour supplied or held by the Contractor which exceed the periods indicated above.

Section 26 entitled "Liability" of General Conditions 2030 incorporated by reference above is hereby deleted in its entirety and replaced with the following:

1. This section applies despite any other provision of the Contract and replaces the section of the general conditions entitled "Liability". Any reference in this section to damages caused by the Contractor also includes damages caused by its employees, as well as its subcontractors, agents, and representatives, and any of their employees.
2. Whether the claim is based in contract, tort, or another cause of action, the Contractor's liability for all damages suffered by Canada caused by the Contractor's performance of or failure to perform the Contract is limited to \$10 million per incident or occurrence to an annual aggregate of \$20 million for losses or damage caused in any one year of carrying out the Contract, each year starting on the date of coming into force of the Contract or its anniversary. This limitation of the Contractor's liability does not apply to nor include:
 - (a) Any infringement of intellectual property rights;
 - (b) Any breach of warranty obligations;
 - (c) Any liability of Canada to a third party arising from any act or omission of the Contractor in performing the Contract; or
 - (d) Any loss for which the policies of insurance specified in the Contract or any other policies of insurance held by the Contractor would provide insurance coverage.
3. Each Party agrees that it is fully liable for any damages that it causes to any third party in connection with the Contract, regardless of whether the third party makes its claim against Canada or the Contractor. If Canada is required, as a result of joint and several liability, to pay a third party in respect of damages caused by the Contractor, the Contractor must reimburse Canada for that amount.
4. The Parties agree that nothing herein is intended to limit any insurable interest of the Contractor nor to limit the amounts otherwise recoverable under any insurance policy. The Parties agree that to the extent that the insurance coverage required to be maintained by the Contractor under this Contract or any additional insurance coverage maintained by the Contractor, whichever is greater, is more than the limitations of liability described in sub article (2), the limitations provided herein are increased accordingly and the Contractor shall be liable for the higher amount to the full extent of the insurance proceeds recovered.
5. If, at any time, the total cumulative liability of the Contractor for losses or damage suffered by Canada caused by the Contractor's performance of or failure to perform the Contract, excluding liability described under subsection 2(a), (b), (c) and (d) exceeds \$40 million, either Party may terminate the Contract by giving notice in writing to the other Party and neither Party will make any claim against the other for damages, costs, expected profits or any other such loss arising out of the termination. However, no such termination or expiry of the Contract shall reduce or terminate any of the liabilities that have accrued to the effective date of the termination but which liabilities are subject to the limitations as specified in sub-article (1) through (4) above.
6. The date of termination pursuant to this Article, shall be the date specified by Canada in its notice to terminate, or, if the Contractor exercises the right to terminate, in a notice to the Contractor from Canada in response to the Contractor's notice to terminate. The date of

termination shall be in Canada's discretion to a maximum of 12 months after service of the original notice to terminate served by either Party pursuant to sub-article 5, above.

7-2.2 Supplemental General Conditions

1029 (2010-08-16), Ship Repairs, apply to and form part of the Contract.

7-3 Security Requirement

The following security requirements (SRCL and related clauses provided by the Contract Security Program) apply and form part of the Contract.

The Contractor/Offeror must, at all times during the performance of the Contract/Standing Offer, hold a valid Designated Organization Screening (DOS), issued by the Canadian Industrial Security Directorate (CISD), Public Works and Government Services Canada (PWGSC).

The Contractor/Offeror personnel requiring access to PROTECTED information, assets or sensitive work site(s) must EACH hold a valid RELIABILITY STATUS, granted or approved by CISD/PWGSC.

The Contractor/Offeror MUST NOT remove any PROTECTED information or assets from the identified work site(s), and the Contractor/Offeror must ensure that its personnel are made aware of and comply with this restriction.

Subcontracts which contain security requirements are NOT to be awarded without the prior written permission of CISD/PWGSC.

The Contractor/Offeror must comply with the provisions of the:

- a) Security Requirements Check List and security guide (if applicable), attached at Annex J;
- b) Industrial Security Manual (Latest Edition).

7-4 Term of Contract

Work Period- Marine

1. Work must commence and be completed as follows:

Commence: 13 August 2018

(Drydock work period 13 August 2018 to 14 September 2018)

Complete: 21 March 2019.

2. The Contractor certifies that it has sufficient material and human resources allocated or available and that the above work period is adequate to both complete the known work and absorb a reasonable amount of unscheduled work.

7-5 Authorities

7-5.1 Contracting Authority

The Contracting Authority for the Contract is:

Torrey Buchan
Public Works and Government Services Canada
Pacific Region, Acquisitions - Marine
401 - 1230 Government Street
Victoria, BC V8W 3X4
Telephone: 250-216-2092

E-mail: Torrey.Buchan2@pwgsc-tpsgc.gc.ca

The Contracting Authority is responsible for the management of the Contract and any changes to the Contract must be authorized in writing by the Contracting Authority. The Contractor must not perform work in excess of or outside the scope of the Contract based on verbal or written requests or instructions from anybody other than the Contracting Authority.

7-5.2 Technical Authority

The Technical Authority for the Contract is:

Name: TBD
Title: TBD
Organization: TBD
Address: TBD
Telephone: TBD
Facsimile: TBD
E-mail: TBD

The Technical Authority is the representative of the department or agency for whom the Work is being carried out under the Contract and is responsible for all matters concerning the technical content of the Work under the Contract. Technical matters may be discussed with the Technical Authority; however, the Technical Authority has no authority to authorize changes to the scope of the Work. Changes to the scope of the Work can only be made through a contract amendment issued by the Contracting Authority.

7-5.3 Inspection Authority

The Technical Authority is the Inspection Authority. All reports, deliverable items, documents, goods and all services rendered under the Contract are subject to inspection by the Inspection Authority or representative. Should any report, document, good or service not be in accordance with the Requirements at Annex A and to the satisfaction of the Inspection Authority, as submitted, the Inspection Authority will have the right to reject it or require its correction at the sole expense of the Contractor before recommending payment. Any communication with a Contractor regarding the quality of the Work performed pursuant to this Contract shall be undertaken by official correspondence through the Contracting Authority.

The Inspection Authority may designate, and be represented by, an Inspector (TI), Quality Assurance Representative (QAR) or Designated Engineering Authority (DEA).

7-5.4 Contractor's Representative

Name and telephone numbers of the person responsible for production:

Name: _____ Telephone: _____
Facsimile: _____ E-mail: _____

Name and telephone numbers of the person responsible for delivery:

Name: _____ Telephone: _____
Facsimile: _____ E-mail: _____

7-6 Payment

7-6.1 Basis of Payment - Firm Price, Firm Unit Price(s) or Firm Lot Price(s)

In consideration of the Contractor satisfactorily completing all of its obligations under the Contract, the Contractor will be paid a firm price as specified in Annex B. Customs duties are included and Applicable Taxes are extra.

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.

7-6.2 Progress Payments

1. Canada will make progress payments in accordance with the payment provisions of the Contract, for cost incurred in the performance of the Work up to 90 percent of the amount claimed and approved by Canada if:
 - a. an accurate and complete claim for payment using form PWGSC-TPSGC 1111 and any other document required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract.
 - b. the amount claimed is in accordance with the basis of payment;
 - c. the total amount for all progress payments paid by Canada does not exceed 90 percent of the total amount to be paid under the Contract;
 - d. all certificates appearing on form PWGSC-TPSGC 1111 have been signed by the respective authorized representatives.
2. The balance of the amount payable will be paid in accordance with the payment provisions of the Contract upon completion and delivery of all work required under the Contract if the Work has been accepted by Canada and a final claim for the payment is submitted.
3. Progress payments are interim payments only. Canada may conduct a government audit and interim time and cost verifications and reserves the rights to make adjustments to the Contract from time to time during the performance of the Work. Any overpayment resulting from progress payments or otherwise must be refunded promptly to Canada.

7-6.3 SACC Manual Clauses

C0711C (2008-05-12) Time Verification

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

7-6.4 Warranty Holdback

A warranty holdback of 3% of the contract price will be applied to the payment of the final invoice. This holdback will be payable by Canada upon the expiry of a 90 day holdback period. Applicable Taxes will be calculated on the warranty holdback amount and paid at the time that the warranty holdback is released.

7-7 Invoicing Instructions

7-7.1 Progress Payment Claim

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;

Each claim must be supported by an invoice.

2. Applicable Taxes must be calculated on the total amount of the claim before the holdback is applied. At the time the holdback is claimed, there will be no Applicable Taxes payable as it was claimed and payable under the previous claims for progress payments.

3. The Contractor must prepare and certify one original and two (2) copies of the claim on form PWGSC-TPSGC 1111, and forward it to the Technical Authority identified under the section entitled "Authorities" of the Contract for appropriate certification after inspection and acceptance of the Work takes place.

The Technical Authority will then forward the original and two (2) copies of the claim to the Contracting Authority for certification and onward submission to the Payment Office for the remaining certification and payment action.

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

7-7.2 Invoice is to be made out to:

TBD

7-8 Certifications - Contract

7-8.1 Compliance

Unless specified otherwise, the continuous compliance with the certifications provided by the Contractor in its bid or precedent to contract award, and the ongoing cooperation in providing associated information are conditions of the Contract and failure to comply will constitute the Contractor in default. Certifications are subject to verification by Canada during the entire period of the Contract.

7-8.2 Federal Contractors Program for Employment Equity - Default by the Contractor

The Contractor understands and agrees that, when an Agreement to Implement Employment Equity (AIEE) exists between the Contractor and Employment and Social Development Canada (ESDC)-Labour, the AIEE must remain valid during the entire period of the Contract. If the AIEE becomes invalid, the name of the Contractor will be added to the "FCP Limited Eligibility to Bid" list. The imposition of such a sanction by ESDC will constitute the Contractor in default as per the terms of the Contract.

7-9 Applicable Laws - Contract

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

7-10 Priority of Documents

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

- a. the Articles of Agreement;
- b. the Supplemental General Conditions 1029 (2010-08-16), Ship Repairs;
- c. the General Conditions 2030 (2018-06-21), Higher Complexity - Goods;
- d. Annex A, Statement of Work;
- e. Annex B, Basis of Payment;
- f. Annex C, Insurance Requirements;
- g. NOT USED;
- h. Annex E, Project Management Services;
- i. Annex F, Warranty Procedures and Claim Form;

- j. Annex G, Procedure for Processing Unscheduled Work;
- k. Annex J, Security Requirements Check List;
- l. the Contractor's bid dated _____.

7-11 Defence Contract

The Contract is a defence contract within the meaning of the Defence Production Act, R.S.C. 1985, c. D-1, and must be governed accordingly.

Title to the Work or to any materials, parts, work-in-process or finished work must belong to Canada free and clear of all claims, liens, attachments, charges or encumbrances. Canada is entitled, at any time, to remove, sell or dispose of the Work or any part of the Work in accordance with section 20 of the Defence Production Act.

7-12 Insurance - Requirements

The Contractor must comply with the insurance requirements specified in Annex C. The Contractor must maintain the required insurance coverage for the duration of the Contract. Compliance with the insurance requirements does not release the Contractor from or reduce its liability under the Contract.

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

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. For Canadian-based Contractors, coverage must be placed with an Insurer licensed to carry out business in Canada, however, for Foreign-based Contractors, coverage must be placed with an Insurer with an A.M. Best Rating no less than "A-". The Contractor must, if requested by the Contracting Authority, forward to Canada a certified true copy of all applicable insurance policies.

7-13 NOT USED

7-14 Procedures for Design Change or Additional Work

SACC Manual Clause B5007C (2010-01-11) Procedures for Design Change or Additional Work.

In addition, refer to Annex G – Procedure for Processing Unscheduled Work.

7-15 NOT USED

7-16 Environmental Protection

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

The Contractor must have detailed procedures and processes for identifying, removing, tracking, storing, transporting and disposing of all potential pollutants and hazardous material encountered, to ensure compliance as required above.

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

The Contractor must have plans and procedures in place for oil spill and other environmental emergency responses. Contractor and subcontractor employees must have received the appropriate training in emergency preparedness and response. Contractor personnel engaging in

activities which may cause environmental impacts or potential noncompliance situations, must be competent to do so on the basis of appropriate education, training, or experience.

7-17 Trade Qualifications

The Contractor must use qualified, certificated (if applicable) and competent tradespeople and supervision to ensure a uniform high level of workmanship. The Inspection 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.

7-18 Welding Certification - Contract

1. The Contractor must ensure that welding is performed by a welder certified by the Canadian Welding Bureau (CWB) in accordance with the requirements of the following Canadian Standards Association (CSA) standards:
 - a. CSA W47.1-09, Certification for Companies for Fusion Welding of Steel (Minimum division level 2.1); and
 - b. CSA W47.2-11, Certification for Companies for Fusion Welding of Aluminum (Minimum division level 2.1).
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 or designate, 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.

7-19 Sub-contracts and Sub-contractor List

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

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

7-20 Project Schedule

The Contractor must provide a preliminary project schedule to the Contracting and Technical Authorities no later than three (3) working days after contract award.

7-21 Meetings

7-21.1 NOT USED

7-21.2 Progress Meetings

Progress meetings, chaired by the Contracting Authority, will take place at the Contractor's facility as and when required, generally once a month. Interim meetings may also be scheduled. Contractor's attendees at these meetings will, as a minimum, be its Contract (Project) Manager, Production Manager (Superintendent) and Quality Assurance Manager. Progress meetings will generally incorporate technical meetings to be chaired by the Technical Authority.

7-21.3 Outstanding Work and Acceptance

The acceptance of vessels must be in accordance with form PWGSC-TPSGC 1205, Acceptance (Refits and Repairs).

The Inspection Authority or designate, in conjunction with the Contractor, will prepare a list of outstanding work items at the end of the work period. This list will form the annexes to the formal acceptance document for the vessel. A contract completion meeting will be convened by the Inspection Authority on the work completion date to review and sign off the Acceptance Document.

In addition to any amount held under the Warranty Holdback Clause, a holdback of twice the estimated value of outstanding work will be held until completion of the Work. Applicable Taxes will be calculated on this outstanding work holdback amount and paid at the time that the outstanding work holdback is released.

7-22 NOT USED

7-23 NOT USED

7-24 NOT USED

7-25 NOT USED

7-26 NOT USED

7-27 NOT USED

7-28 Insulation Materials - Asbestos Free

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

7-29 NOT USED

7-30 NOT USED

7-31 Vessel Unmanned Refits

The caisson will be unmanned during the work period and will be considered to be out-of-commission. The vessel during that period will be in the care or custody of the Contractor and under its control. Please refer to 1029 - Ship Repairs, Supplemental General Conditions Article 09 and Annex C for the Vessel Custody requirements, and associated Acceptance Certificates.

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7-32 SACC Manual Clauses

A0285C	(2007-05-25)	Workers Compensation
A0290C	(2008-05-12)	Hazardous Waste – Vessels
A2000C	(2006-06-16)	Foreign Nationals (Canadian Contractor)
A9047C	(2008-05-12)	Title to Property - Vessel
A9055C	(2010-08-16)	Scrap and Waste Material
A9066C	(2008-05-12)	Vessel - Access by Canada
A9068C	(2010-01-11)	Government Site Regulations
B6100C	(2008-05-12)	Stability

ANNEX A - STATEMENT OF WORK

A-1 Work Site

The caisson is drydocked at the EGD and must be undocked and moved to a location within the EGD Waterlot as specified by the Owner.

A-2 Interpretation

The words "shall" or "must" or "is required" or "mandatory" or "will", where they appear in the Statement of Work and/or referenced specifications, are to be read as obligations of the Contractor in the performance of the Work within the Contract Price.

The word "should" is to be read as a preference or recommendation that is not obligatory.

A-3 The Statement of Work [SOW] is provided in a separate electronic document entitled:

"EZ108-191128 Annex A EGD Caisson 1 Refit SOW Rev4.pdf"

To obtain the SOW the Bidder must make a request in writing to the Contracting Authority identified in Article 7-5.1.

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PART 800 – DOMESTIC SERVICES

ANNEX B - BASIS OF PAYMENT

B-1 Contract Price

B-1.1	Contract Price – Known Work For work as stated in Part 7 Article 1, as specified in Annexes A & H and as detailed on the Pricing Data Sheet,	
	For a FIRM PRICE of:	

Note: The "Total Estimated Cost" or "Revised Estimated Cost" given on Page 1 of the Contract or Contract Amendment includes an estimate of the Applicable Taxes [refer to the General Conditions].

B-2 Unscheduled Work

A. Price Breakdown:

The Contractor must, upon request, provide a price breakdown for all unscheduled work, by specific activities with trades, person-hours, material, subcontracts and services.

B. Pro-rated Prices:

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

C. Payment for Unscheduled Work:

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

Number of hours (to be negotiated) X \$_____, being the Contractor's firm hourly charge-out labour rate which includes overhead and profit, plus net laid-down cost of materials to which will be added a mark-up of 10 percent plus Applicable Taxes.

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

B-2.1 Notwithstanding definitions or usage elsewhere in this document, or in the Contractor's Cost Management System, when negotiating *Hours* for unscheduled work, PWGSC will consider only those hours of labour directly involved in the production of the subject work package. Elements of *Related Labour Costs* identified in B2.2, will not be negotiated, but will be compensated for in accordance with B2.2.

B-2.2 Allowance for *Related Labour Costs* such as: Management, Direct Supervision, Purchasing and Material Handling, Quality Assurance and Reporting, First Aid, Gas Free Inspecting and Reporting, and Estimating will be included as *Overhead* for the purposes of determining the *Charge-out Labour Rate* set out in clause B2.

B-2.3 The 10% mark-up rate for materials will also apply to subcontracted costs. The mark-up rate includes any allowance for material and subcontract management not allowed for in the Chargeout Labour Rate. The Contractor will not be entitled to a separate labour component for the purchase and handling of materials or subcontract administration.

B-3 Overtime

1. The Contractor must not perform any overtime under the Contract unless authorized in advance and in writing by the Contracting Authority. Any request for payment must be accompanied by a copy of the overtime authorization and a report containing the details of the overtime performed pursuant to the written authorization.

Payment for authorized overtime will be calculated as follows:

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a. For the Known Work, the Contractor will be paid the Contract Price plus authorized overtime hours paid at the following premium rates:

For time and one half: \$_____ per hour, or

For double time: \$_____ per hour.

b. For unscheduled work, the Contractor will be paid the authorized overtime hours at the quoted charge-out labour rate, plus the following premium rates:

For time and one half: \$_____ per hour, or

For double time: \$_____ per hour.

2. The above premiums will be calculated by taking the average hourly direct labour rate premiums, plus certified fringe benefit, plus profit of 7.5 percent on labour premium and fringe benefits. These rates will remain firm for the duration of the Contract, including all amendments and are subject to audit if considered necessary by Canada.

B-4 NOT USED

ANNEX C - INSURANCE REQUIREMENTS

C-1 Ship Repairers' Liability Insurance

1. The Contractor must obtain Ship Repairer's Liability Insurance and maintain it in force throughout the duration of the Contract, in an amount usual for a contract of this nature, but for not less than \$10,000,000 per accident or occurrence. **(For annual and maximum liabilities see article 7-2.1 of the Contract.)**
2. The Ship Repairer's Liability insurance must include the following:
 - a. Additional Insured: Canada is added as an additional insured, but only with respect to liability arising out of the Contractor's performance of the Contract. The interest of Canada as additional insured should read as follows: Canada, represented by Fisheries and Oceans Canada/Canadian Coast Guard and 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/Canadian Coast Guard and Public Works and Government Services Canada for any and all loss of or damage to the vessel, however caused.
 - c. Notice of Cancellation: The Insurer will endeavor to provide the Contracting Authority thirty (30) days written notice of cancellation.
 - d. Contractual Liability: The policy must, on a blanket basis or by specific reference to the contract, extend to assumed liabilities with respect to contractual provisions.
 - e. Cross Liability/Separation of Insureds: Without increasing the limit of liability, the policy must protect all insured parties to the full extent of coverage provided. Further, the policy must apply to each Insured in the same manner and to the same extent as if a separate policy had been issued to each.

C-2 Commercial General Liability

1. The Contractor must obtain Commercial General Liability Insurance, and maintain it in force throughout the duration of the Contract, in an amount usual for a contract of this nature, but for not less than \$10,000,000 per accident or occurrence.
2. The Commercial General Liability Insurance policy must include the following:
 - a. Additional Insured: Canada is added as an additional insured, but only with respect to liability arising out of the Contractor's performance of the Contract. The interest of Canada should read as follows: Canada, as represented by Fisheries and Oceans Canada/Canadian Coast Guard and Public Works and Government Services Canada.
 - b. Bodily Injury and Property Damage to third parties arising out of the operations of the Contractor.
 - c. Personal Injury: While not limited to, the coverage must include Violation of Privacy, Libel and Slander, False Arrest, Detention or Imprisonment and Defamation of Character.
 - d. Cross Liability/Separation of Insureds: Without increasing the limit of liability, the policy must protect all insured parties to the full extent of coverage provided. Further, the policy must apply to each Insured in the same manner and to the same extent as if a separate policy had been issued to each.

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- e. Blanket Contractual Liability: The policy must, on a blanket basis or by specific reference to the Contract, extend to assumed liabilities with respect to contractual provisions.
 - f. Employees and, if applicable, Volunteers must be included as Additional Insured.
 - g. Employers' Liability (or confirmation that all employees are covered by Worker's compensation (WSIB) or similar program)
 - h. Notice of Cancellation: The Insurer will endeavor to provide the Contracting Authority thirty (30) days written notice of policy cancellation.
 - i. If the policy is written on a claims-made basis, coverage must be in place for a period of at least 12 months after the completion or termination of the Contract.
 - j. Owners' or Contractors' Protective Liability: Covers the damages that the Contractor becomes legally obligated to pay arising out of the operations of a subcontractor.
 - k. Sudden and Accidental Pollution Liability (minimum 120 hours): To protect the Contractor for liabilities arising from damages caused by accidental pollution

C-3 NOT USED

C-4 Vessel Custody

This work is going to take place with the vessel "out of commission" and therefore in the "care, control and custody" of the Contractor.

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ANNEX D - NOT USED

ANNEX E - PROJECT MANAGEMENT SERVICES

E-1. Contractor's Project Management Services - Intent

- a. Job titles used in this Annex are for clarity within this document only. The Contractor is free to choose job titles that suit their organization.
- b. The Contractor, through their Project Management Team, is responsible to discharge the duties and supply the deliverables required in the Contract and the Specifications.
- c. Project Management is considered to encompass the direction and control of such functions as engineering, planning, purchasing, manufacturing, assembly, overhauls, installations and test and trials.

E-2. Project Manager

- a. The Contractor must supply an experienced Project Manager (PM) dedicated to this project and delegate to him/her full responsibility to manage the project.
- b. The PM must have experience in managing a project of this nature.

E-3. Project Management Team

- a. Other than the Project Manager, the Contractor may assign and vary other job descriptions to suit their organization; provided however that the collective resume of their Project Management Team must provide for effective control of the project elements including but not limited to:
 - i. Project Management
 - ii. Quality Assurance
 - iii. Material Management
 - iv. Planning and Scheduling
 - v. Estimating
 - vi. Safety and Environmental Management
 - vii. Subcontracts Management

E-4. Reports

- a. The following Management Reports and Documentation are to be prepared and maintained by the Contractor and submitted to the Crown in accordance with the Contract or upon request by the Contracting Authority:
 - i. Production Work Schedule

E-5. Bid Deliverables

- a. Names, brief resumes, and a list of duties for each of the team members that ensures that each of the project elements listed in article 3 above have been addressed.

ANNEX F - WARRANTY PROCEDURES AND CLAIM FORM

F-1 Warranty Procedures

1. Scope

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

2. Definition

- a. There are a number of definitions of "warranty" most of which are intended to describe its force and effect in law. One such definition is offered as follows:
"A warranty is an agreement whereby the vendor's or manufacturer's responsibility for performance of its product is extended for a specific period of time beyond the date at which the title to the product passes to the buyer."

3. Warranty Conditions

- a. General Conditions 2030 (2016-04-04), General Conditions - Higher Complexity - Goods are augmented by clauses incorporated into the subject Contract.
- b. The warranty periods may be stated in more than one part:
 - i. 90 days commencing from the day the PWGSC 1205 Acceptance Document is signed for workmanship provided by the contractor for the refit work specified;
 - ii. 365 days from the date of acceptance for the specified areas of painting;
 - iii. 365 days commencing from the day the PWGSC 1205 Acceptance Document is signed for parts and material provided by the contractor for the refit work specified;
 - iv. Any other specific warranty periods that may be required in the contract or offered by the Contractor.
- c. The foregoing does not cover the disposition of other deficiencies that will be directly related to Technical Authority problem areas of the following nature:
 - i. items becoming unserviceable that were not included in the refit specification;
 - ii. refit specifications or other related documentation requiring amendments or corrections to increase viability; and
 - iii. work performed that is directly related to the Technical Authority.

4. Reporting Failures With Warranty Potential

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

5. Procedures

- a. Immediately it becomes known to the Ship's Staff that an equipment/system is performing below accepted standards or has become defective, the procedures for the investigation and reporting are as follows:
 - i. The vessel advises the Technical Authority when a defect, which is considered to be directly associated with the refit work, has occurred.
 - ii. On review of the Specification and the Acceptance Document, the Technical Authority in consort with Ship's Staff is to complete the Tombstone Data and section 1 of the Warranty Claim Form Appendix 1 to Annex F and forward the original to the Contractor for review with a copy to the PWGSC contracting Authority. If the PWGSC Contracting or Inspection Authority is unable to support warranty action, the Defect

Claim Form will be returned to the originator with a brief justification. (It is to be noted that in the latter instance PWGSC will inform the Contractor of its decision and no further action will be required of the Contractor.)

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

- iii. Assuming the Contractor accepts full responsibility for repair, the Contractor completes Section 2 and 3 of the Warranty Claim Form, returns it to the Inspection Authority who confirms corrective action has been completed, and who then distributes the form to the Technical Authority and the PWGSC Contracting Authority.
- b. In the event that the Contractor disputes the claim as a warranty defect, or agrees to share, the contractor is to complete Part 2 of the Warranty Claim Form with the appropriate information and forward it to the Contracting Authority who will distribute copies as necessary.
- c. When a warranty defect claim is disputed by the Contractor, the Technical Authority may arrange to correct the defect by in-house resources or by contracting the work out. All associated costs must be tracked and recorded as a possible charge against the contractor by PWGSC action. Material costs and manhours expended in correcting the defect are to be recorded and entered in Section 5 of the warranty defect claim by the Technical Authority who will forward the warranty defect claim to the PWGSC Contracting Authority for action. Defective parts of equipment are to be retained pending settlement of claim.
- d. Defective equipment associated with potential warranty should not normally be dismantled until the contractor's representative has had the opportunity to observe the defect. The necessary work is to be undertaken through normal repair methods and costs must be segregated as a possible charge against a contractor by PWGSC action.

6. Liability

- a. Agreement between the Contracting Authority, Inspection Authority, Technical Authority and the Contractor will result in one of the following conditions:
 - i. The contractor accepts full responsibility for costs to repair or overhaul under the warranty provisions of the contract;
 - ii. The Technical Authority accepts full responsibility for repair and overhaul of item concerned; or
 - iii. The Contractor and the Technical Authority agree to share responsibility for the costs to repair or overhaul the unserviceable item, in such cases the PWGSC Contracting Authority will negotiate the best possible sharing arrangement.
- b. In the event of a disagreement as in paragraph 5c, PWGSC will take necessary action with the contractor while the Technical Authority informs its Senior Management including pertinent data and recommendations.
- c. The total cost of processing warranty claims must include accommodation and travel costs of the contractor's employees as well as equipment/system down time and operational constraints. Accordingly, the cost to remediate the defect, in manhours and material, will be discussed between the Contracting/Inspection Authorities and the Technical Authority to determine the best course of action.

7. Underwater Paint

- a. In respect to the underwater paint, should it become defective during the associated warranty period the contractor is only liable to repair to a value determined as follows:
"Original cost to Canada for painting and preservation of the underwater section of the hull, divided by three hundred sixty five (365) days and multiplied by the number of days remaining in the period. The resultant would represent the 'Dollar Credit' due to Canada from the Contractor."
- b. The Underwater paint system, before expiration of the warranty, should be checked by divers. The Technical Authority, is to arrange the inspection and inform the Contracting Authority of any adverse results.

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APPENDIX 1 TO ANNEX F



Public Works and
Government
Services Canada

Travaux publics et Services
gouvernementaux Canada

**Warranty Claim
Réclamation De Garantie**

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

1. Description of Complaint – Description de plainte

Contact Information – Informations de contact

Name – Nom

Tel. No. - N ° Tél

Signature – Signature

Date

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

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

Contractor's Name and Signature – Nom et signature de l'entrepreneur
Action - Date de modalité de reprise

Date of Corrective

Client Name and Signature - Nom et signature de client
Date

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

Signature – Signature

Date

5. Additional Information – Renseignements supplémentaires

Canada

PWGSC-TPSGC

ANNEX G - PROCEDURE FOR UNSCHEDULED WORK

G1. Purpose

The unscheduled work procedure has been instituted for the following purposes:

- a. To establish a uniform method of dealing with requests for unscheduled work;
- b. To obtain the necessary Technical Authority approval and Contracting Authority authorization before unscheduled work commences;

To provide a means of maintaining a record of unscheduled work requirements including serial numbers, dates and accumulated cost. The Contractor must have a cost accounting system that is capable of assigning job numbers for each unscheduled work requirement so that each requirement can be audited individually.

G2. Definitions

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

G3. Procedures

- a. The procedure involves the electronic form PWGSC 1379 for refit and repair and will be the only form for authorizing all unscheduled work.
- b. Emergency measures required to prevent loss or damage to the Vessel which would occur if this procedure were followed, shall be taken by the Contractor on its own authority. The responsibility for the cost of such measures shall be determined in accordance with the terms and conditions of the Contract.
- c. The Technical Authority will initiate a work estimate request by defining the unscheduled work requirement. It will attach drawings, sketches, additional specifications, other clarifying details as appropriate, and allocate their serial number for the request.
- d. Notwithstanding the foregoing, the Contractor may propose to the Technical Authority in writing either by letter or some type of Defect Advice Form (A Contractor owned form) that certain unscheduled work should be carried out.
- e. The Technical Authority will either reject or accept such proposal and advise the Contractor and Contracting Authority. Acceptance of the proposal is not to be construed as authorization for the work to proceed. If required, the Technical Authority will then define the unscheduled work requirement in accordance with sub paragraph 3(c).

-
- f. The Contractor will electronically submit its proposal to the Contracting Authority together with all price support and any qualifications, remarks or other information as requested.
 - g. The price support shall demonstrate the relationship between the scope of work, the Contractor's estimated costs and its selling price. It is a breakdown of the Contractor's unit rates, estimates of person hours by trade, estimate of material cost per item for both the Contractor and all of its subcontractors including quotations, estimates and any related schedule impact and an evaluation of the Contractor's time required to perform the unscheduled work.
 - h. The Contractor shall provide copies of purchase orders and paid invoices for subcontracts and/or material, including stocked items. The Contractor shall provide a minimum of two quotations for subcontracts or material. If other than the lowest or sole source is being recommended for quality and/or delivery considerations, this shall be noted. Upon request by the Contractor, the Contracting Authority shall be permitted to meet with any proposed subcontractor or material supplier for discussion of the price, and always with the Contractor's representative present.
 - i. After discussion between the Contracting Authority and the Contractor and if no negotiation is required, the Contracting Authority will seek confirmation from the Technical Authority to proceed with the work by signing the form noted above in sub paragraph 3(d). The Contracting Authority will then sign and authorize the unscheduled work to proceed.
 - j. In the event that the Technical Authority does not wish to proceed with the work, the Contracting Authority will cancel the proposed unscheduled work in writing.
 - k. In the event the negotiation involves a credit, the appropriate PWGSC form will be noted accordingly.
 - l. In the event that the Technical Authority requires unscheduled work of an urgent nature or an impasse has occurred in negotiations the commencement of unscheduled work should not be unduly delayed and should be processed as follows:
 - The Contractor will complete PWGSC 1379 form indicating the estimated cost and provide it to the Contracting Authority.
 - If the Technical Authority wishes to proceed, both the Technical Authority and the Contracting Authority will sign the completed PWGSC form. It will be understood and accepted that this cost will be a ceiling price cost and therefore only subject to downward adjustment.
 - A serial number will be allocated and will include Suffix A.

The work will proceed with the understanding that following an audit of the Contractor's actual costs for completing the described work, the cost will be finalized no higher than the ceiling price and less as applicable and justified. A new PWGSC form will be completed with the finalized cost and duly signed and issued with the same serial number but without suffix A. This form is replacing the original and will be the final approved form.

NOTE: PWGSC forms bearing serial numbers with a suffix A shall not be included in any contract amendments and therefore no payment shall be made until final resolution of the prices and subsequent incorporation into the contract have been completed.

G4. Amendment to Contract or Formal Agreement

The contract will be amended from time to time in accordance with the contract terms in order to incorporate costs that have been authorized on the proper PWGSC form(s).

ANNEX H - FINANCIAL BID PRESENTATION SHEET

H-0 Proposed Work Period Location: Esquimalt Graving Dock

H-0.1 Established Budget for the Known Work: \$ 900,000.00

H-1 Evaluation of Price

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

H-1.1	Known Work	
	For work as stated in Part 1 article 1.2, specified in Annex A and detailed in the attached Pricing Data Sheet Annex H, Appendix 1	\$ _____
	for a FIRM EVALUATION PRICE of:	
	Must not exceed established budget of \$900,000.00	

H-2 Unscheduled Work

Unscheduled work arising, as authorized by the Minister, will be calculated in the following manner:

“Number of hours (to be negotiated) X _____ your firm hourly *Charge-out Labour Rate* which includes *Overhead* and profit, plus net laid-down cost of materials to which will be added a 10% mark-up, plus Applicable Taxes. The firm hourly *Charge-out Labour Rate* and the material mark-up will remain firm for the duration of the Contract and any subsequent amendments.”

H-2.1 Notwithstanding definitions or useage elsewhere in this document, or in the Bidder’s Cost Management System, when negotiating *Hours* for unscheduled work, PWGSC will consider only those hours of labour directly involved in the production of the subject work package.

Elements of *Related Labour Costs* identified in H2.2 will not be negotiated, but will be compensated for in accordance with H2.2. It is therefore incumbent upon the Bidder to enter values in the above table which will result in fair compensation, regardless of the structure of their Cost Management System.

H-2.2 Allowance for *Related Labour Costs* such as: Management, Direct Supervision, Purchasing and Material Handling, Quality Assurance and Reporting, First Aid, Gas Free Inspecting and Reporting, and Estimating will be included as *Overhead* for the purposes of determining the *Charge-out Labour Rate* entered in Table H1 line H1b. above. The evaluation in Table H1 line H1b above is for evaluation purposes only and does no guarantee any unscheduled work.

H-2.3 The 10% mark-up rate for materials will also apply to subcontracted costs. The mark-up rate includes any allowance for material and subcontract management not allowed for in the Chargeout Labour Rate. A separate labour component for the purchase and handling of materials or subcontract administration is not allowable.

H-3 Overtime

1. The Contractor must not perform any overtime under the Contract unless authorized in advance and in writing by the Contracting Authority. Any request for payment must be accompanied by a copy of the overtime authorization and a report containing the details of the overtime performed pursuant to the written authorization.

Payment for authorized overtime will be calculated as follows:

- a. For known work, the Contractor will be paid the Contract Price plus authorized overtime hours paid at the following premium rates:

For time and one half: \$_____ per hour, or

For double time: \$_____ per hour.

- b. For unscheduled work, the Contractor will be paid the authorized overtime hours at the quoted charge-out labour rate, plus the following premium rates:

For time and one half: \$_____ per hour, or

For double time: \$_____ per hour.

2. The above premiums will be calculated by taking the average hourly direct labour rate premiums, plus certified fringe benefit, plus profit of 7.5 percent on labour premium and fringe benefits. These rates will remain firm for the duration of the Contract, including all amendments and are subject to audit if considered necessary by Canada.

H-4 NOT USED

H-5 NOT USED

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APPENDIX 1 TO ANNEX H - PRICING DATA SHEET

The Pricing Data Sheet [PDS] is provided in a separate electronic document entitled:

“EZ108-191128 Appendix 1 to Annex H Caisson #1 PDS - Rev 1.xlsx”

To obtain the PDS, the Bidder must make a request in writing to the Contracting Authority identified in Article 7-5.1.

ANNEX I - FEDERAL CONTRACTORS PROGRAM FOR EMPLOYMENT EQUITY – CERTIFICATION

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

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

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

Complete both A and B.

A. Check only one of the following:

- A1. The Bidder certifies having no work force in Canada.
- A2. The Bidder certifies being a public sector employer.
- A3. The Bidder certifies being a **federally regulated employer** being subject to the *Employment Equity Act*.
- A4. The Bidder certifies having a combined work force in Canada of less than 100 permanent full-time and/or permanent part-time employees.

A5. The Bidder has a combined workforce in Canada of 100 or more employees; and

- A5.1. The Bidder certifies already having a valid and current **Agreement to Implement Employment Equity** (AIEE) in place with ESDC-Labour.
- OR**
- A5.2. The Bidder certifies having submitted the **Agreement to Implement Employment Equity (LAB1168)** to ESDC-Labour. As this is a condition to contract award, proceed to completing the form Agreement to Implement Employment Equity (LAB1168), duly signing it, and transmit it to ESDC-Labour.

B. Check only one of the following:

- B1. The Bidder is not a Joint Venture.

OR

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

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ANNEX J – SECURITY REQUIREMENTS CHECKLIST

To obtain a copy of the Security Requirements Checklist, the Bidder must make a request in writing to the Contracting Authority identified in Article 7-5.1.