



RETURN BIDS TO:

RETOURNER LES SOUMISSIONS À:

**Bid Receiving - PWGSC / Réception des soumissions -
TPSGC**

11 Laurier St. / 11, rue Laurier

Place du Portage , Phase III

Core 0B2 / Noyau 0B2

Gatineau

Québec

K1A 0S5

Bid Fax: (819) 997-9776

SOLICITATION AMENDMENT

MODIFICATION DE L'INVITATION

The referenced document is hereby revised; unless otherwise indicated, all other terms and conditions of the Solicitation remain the same.

Ce document est par la présente révisé; sauf indication contraire, les modalités de l'invitation demeurent les mêmes.

Comments - Commentaires

Vendor/Firm Name and Address

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

Issuing Office - Bureau de distribution

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

11 Laurier St. / 11, rue Laurier

6C2, Place du Portage

Gatineau

Québec

K1A 0S5

Title - Sujet Four Steel Barges for CFB Esquimalt	
Solicitation No. - N° de l'invitation W8472-185718/B	Amendment No. - N° modif. 001
Client Reference No. - N° de référence du client W8472-185718	Date 2019-04-09
GETS Reference No. - N° de référence de SEAG PW-\$\$MC-042-27272	
File No. - N° de dossier 042mc.W8472-185718	CCC No./N° CCC - FMS No./N° VME
Solicitation Closes - L'invitation prend fin at - à 02:00 PM on - le 2019-05-21	
Time Zone Fuseau horaire Eastern Daylight Saving Time EDT	
F.O.B. - F.A.B. Plant-Usine: <input type="checkbox"/> Destination: <input checked="" type="checkbox"/> Other-Autre: <input type="checkbox"/>	
Address Enquiries to: - Adresser toutes questions à: Benoit Patrick R.	Buyer Id - Id de l'acheteur 042mc
Telephone No. - N° de téléphone (873) 469-3862 ()	FAX No. - N° de FAX () -
Destination - of Goods, Services, and Construction: Destination - des biens, services et construction: DND CFB Esquimalt VICTORIA BC CANADA	

Instructions: See Herein

Instructions: Voir aux présentes

Delivery Required - Livraison exigée	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

Amendment 001

A9043T (2013-04-25) Reissue of Bid Solicitation

This bid solicitation cancels and supersedes previous bid solicitation number W8472-185718/A dated 2018-06-20 with a closing date of 2018-07-31 at 02:00 PM EST. A debriefing or feedback session will be provided upon request to bidders/offerors/suppliers who bid on the previous solicitation.

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Amd. No. - N° de la modif.
001
File No. - N° du dossier
032mc.W8472-185718eed

Buyer ID - Id de l'acheteur
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PART 1 - GENERAL INFORMATION

1.1 Introduction

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

- Part 1 General Information: provides a general description of the requirement;
- Part 2 Bidder Instructions: provides the instructions, clauses and conditions applicable to the bid solicitation;
- Part 3 Bid Preparation Instructions: provides Bidders with instructions on how to prepare their bid;
- Part 4 Evaluation Procedures and Basis of Selection: indicates how the evaluation will be conducted, the evaluation criteria that must be addressed in the bid, and the basis of selection;
- Part 5 Certifications and Additional Information: includes the certifications and additional information to be provided;
- Part 6 Security, Financial and Other Requirements: includes specific requirements that must be addressed by Bidders; and
- Part 7 Resulting Contract Clauses: includes the clauses and conditions that will apply to any resulting contract.

The Annexes include the Statement of Work, the Bidders Questions and Canada Responses, the Basis of Payment, Mandatory Technical Evaluation Criteria, and any other annexes.

1.2 Summary

- 1.2.1 The Department of National Defence (DND) has a requirement to purchase four (4) new steel barges with complete Technical Data Package (TDP), training and the option to buy spare parts, all in accordance with Annex "A", Statement of Work (SOW).

All four (4) Barges/Vessels must be delivered to the Department of National Defence (DND), afloat, undamaged and upright alongside Fleet Maintenance Facility – Cape Breton (FMF CB), CFB Esquimalt Harbour, Esquimalt, British Columbia, within 18 months from the Contract Award date.

- 1.2.2 The requirement is subject to the provisions of the Canadian Free Trade Agreement (CFTA). The sourcing strategy relating to this procurement is limited to suppliers established in Canada.

1.3 Debriefings

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

1.4 Restriction on Bidding

This is a bid solicitation for construction of ship(s) that are less than 1000 tonnes in lightship displacement. The two shipyards selected by Canada under the National Shipbuilding Strategy for the combat and non-combat vessel work packages are not eligible to bid on it. Accordingly, neither Irving Shipbuilding Inc., Vancouver Shipyards Company Ltd., nor any of their subsidiaries or affiliates nor the person who controls any of them ("subsidiary", "affiliate," "control" and "person" are all as defined in the Canada Business Corporations Act. R.S.C. 1985, c C-44 as amended) is eligible to submit a bid or be awarded a contract for the work of this bid solicitation. By submitting a bid to this bid solicitation, a bidder is certifying that it is in compliance with the above restriction. It is a term of any contract that results from this solicitation that if this certification is untrue, whether made knowingly or unknowingly, Canada shall have the right, pursuant to the default provisions of the resulting contract, to terminate the resulting contract for default.

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

2.1.1 SACC Manual Clauses

B1000T (2014-06-26), Condition of Material – Bid

2.2 Submission of Bids

Bids must be submitted only to Public Services and Procurement Canada (PSPC) 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 or by facsimile will not be accepted.

2.3 Enquiries - Bid Solicitation

All enquiries must be submitted in writing to the Contracting Authority no later than seven (7) calendar days before the bid closing date. Enquiries received after that time may not be answered.

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

eliminated and the enquiry can be answered to all Bidders. Enquiries not submitted in a form that can be distributed to all Bidders may not be answered by Canada.

2.4 Applicable Laws

Any resulting contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in Ontario.

Bidders may, at their discretion, substitute the applicable laws of a Canadian province or territory of their choice without affecting the validity of their bid, by deleting the name of the Canadian province or territory specified and inserting the name of the Canadian province or territory of their choice. If no change is made, it acknowledges that the applicable laws specified are acceptable to the Bidders.

2.5 Improvement of Requirement During Solicitation Period

Should bidders consider that the specifications or Statement of Work contained in the bid solicitation could be improved technically or technologically, bidders are invited to make suggestions, in writing, to the Contracting Authority named in the bid solicitation. Bidders must clearly outline the suggested improvement as well as the reason for the suggestion. Suggestions that do not restrict the level of competition nor favour a particular bidder will be given consideration provided they are submitted to the Contracting Authority at least 14 days before the bid closing date. Canada will have the right to accept or reject any or all suggestions.

2.6 Reissue of Bid Solicitation

This bid solicitation cancels and supersedes previous bid solicitation number W8472-185718/A dated 2018-06-20 with a closing of 2018-08-14 at 02:00PM EDT. A debriefing or feedback session will be provided upon request to bidders/offerors/suppliers who bid on the previous solicitation.

PART 3 - BID PREPARATION INSTRUCTIONS

3.1 Bid Preparation Instructions

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

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

Section I: Technical Bid, four hard copies

Section II: Financial Bid, one hard copy

Section III: Certifications, one hard copy

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

(a) use 8.5 x 11 inch (216 mm x 279 mm) paper;

(b) use a numbering system that corresponds to the bid solicitation.

In April 2006, Canada issued a policy directing federal departments and agencies to take the necessary steps to incorporate environmental considerations into the procurement process [Policy on Green Procurement](http://www.tpsgc-pwgsc.gc.ca/ecologisation-greening/achats-procurement/politique-policy-eng.html) (<http://www.tpsgc-pwgsc.gc.ca/ecologisation-greening/achats-procurement/politique-policy-eng.html>). To assist Canada in reaching its objectives, Bidders should:

- 1) use 8.5 x 11 inch (216 mm x 279 mm) paper containing fibre certified as originating from a sustainably-managed forest and containing minimum 30% recycled content; and
- 2) use an environmentally-preferable format including black and white printing instead of colour printing, printing double sided/duplex, using staples or clips instead of cerlox, duotangs or binders.

3.2 Section I: Technical Bid

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

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

Bidders must demonstrate their compliance with all the sections of **Annex "D" Mandatory Technical Evaluation Criteria** by providing substantial information describing completely and in detail how the requirement is met or addressed.

Bidders should provide with their technical bid, a document indicating clearly where the substantial information for each of the sections identified in Annex "D" can be found.

3.3 Section II: Financial Bid

Bidders must submit their financial bid in accordance with the entire article 3.3 Section II Financial Bid and with Part 7, article 7.6 Payment. The total amount of Applicable Taxes must be shown separately.

3.3.1 Firm Prices

Bidders must submit their firm financial bid for each Item listed in accordance with Annex "C" Basis of Payment.

3.3.2 Exchange Rate Fluctuation

The requirement does not offer exchange rate fluctuation risk mitigation. Requests for exchange rate fluctuation risk mitigation will not be considered. All bids including such provision will render the bid non-responsive.

3.4 Section III: Certifications

Bidders must submit the certifications and additional information required under Part 5.

PART 4 - EVALUATION PROCEDURES AND BASIS OF SELECTION

4.1 Evaluation Procedures

- (a) Bids will be assessed in accordance with the entire requirement of the bid solicitation including the "technical", "financial" and "certifications" evaluation criteria.
- (b) An evaluation team composed of representatives of Canada will evaluate the bids.

4.1.1 Technical Evaluation

4.1.1.1 Mandatory Technical Criteria

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

4.1.2 Financial Evaluation

The price of the bid will be evaluated in Canadian dollars, Applicable Taxes excluded, Incoterms 2000 "DDP Delivered Duty Paid" afloat and alongside Fleet Maintenance Facility – Cape Breton (FMF CB), CFB Esquimalt Harbour, British Columbia, customs duties and excise taxes included.

The requested unscheduled work rates and optional spare parts prices will be included in the Basis of Payment, however they will not form part of the bid evaluation.

4.1.2.1 Mandatory Financial Criteria

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

4.2 Basis of Selection

4.2.1 A0031T (2010-08-16) Mandatory Technical Criteria

A bid must comply with the requirements of the bid solicitation and meet all mandatory technical and financial evaluation criteria to be declared responsive. The responsive bid with the lowest evaluated price will be recommended for award of a contract

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

PART 5 – CERTIFICATIONS AND ADDITIONAL INFORMATION

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 Certifications Required with the Bid

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

5.1.1 Integrity Provisions - Declaration of Convicted Offences

In accordance with the Integrity Provisions of the Standard Instructions, all bidders must provide with their bid, if applicable, the Integrity declaration form available on the [Forms for the Integrity Regime](http://www.tpsgc-pwgsc.gc.ca/ci-if/declaration-eng.html) website (<http://www.tpsgc-pwgsc.gc.ca/ci-if/declaration-eng.html>), to be given further consideration in the procurement process.

5.2 Certifications Precedent to Contract Award and Additional Information

The certifications and additional information listed below should be submitted with the bid but may be submitted afterwards. If any of these required certifications or additional information 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 provide the certifications or the additional information listed below 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 Additional Certifications Precedent to Contract Award

5.2.2.1 Workers Compensation Certification – Letter of Good Standing

The Bidder must have an account in good standing with the applicable provincial or territorial Workers' Compensation Board.

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

5.2.2.2 Welding Certification

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 W47.1, Certification of Companies for Fusion Welding of Steel.

5.2.2.3 Status and Availability of Resources

The Bidder certifies that, should it be awarded a contract as a result of the bid solicitation, every individual proposed in its bid will be available to perform the Work as required by Canada's representatives and at the time specified in the bid solicitation or agreed to with Canada's representatives. If for reasons beyond its control, the Bidder is unable to provide the services of an individual named in its bid, the Bidder may propose a substitute that meets the mandatory requirements. The Bidder must advise the Contracting Authority of the reason for the substitution and provide the name, qualifications and experience of the proposed replacement. For the purposes of this clause, only the following reasons will be considered as

beyond the control of the Bidder: death, sickness, maternity and parental leave, retirement, resignation, dismissal for cause or termination of an agreement for default.

If the Bidder has proposed any individual who is not an employee of the Bidder, the Bidder certifies that it has the permission from that individual to propose his/her services in relation to the Work to be performed and to submit his/her résumé to Canada. The Bidder must, upon request from the Contracting Authority, provide a written confirmation, signed by the individual, of the permission given to the Bidder and of his/her availability.

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

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 titled 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.

5.2.2.5 Valid Labour Agreement

Where the Bidder has a labour agreement, or other suitable instrument, in place with its unionized labour, and where such labour agreement or instrument is scheduled to expire during the period of the Contract, the Bidder represents that negotiations and good faith bargaining have commenced at least six (6) months in advance of the labour agreement expiry. The Bidder further represents and warrants that it will take all appropriate actions to ensure a continuous valid labour agreement, with all its workers, for the duration of the Contract.

The Bidder hereby provides the following documentation as part of its bid:

- a) List of all labour unions at Bidder's facilities; and
- b) List the number of labour agreements in force with these unions and provide copies of all labour agreements in force; or
- c) Statement that there are no labour unions at the bidder's facility.

PART 6 - SECURITY, FINANCIAL AND OTHER REQUIREMENTS

6.1 Security Requirements

There is no security requirement applicable to this requirement.

6.2 Financial Capability

A9033T (2012-07-16) Financial Capability

6.3 Insurance Requirements

The Bidder must provide a letter from an insurance broker or an insurance company licensed to operate in Canada stating that the Bidder, if awarded a contract as a result of the bid solicitation, can be insured in accordance with the Insurance Requirements specified in Part 7 – Resulting Contract Clauses, article 7.20 Insurance Requirements.

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

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

The Contractor must deliver to The Department of National Defence (DND) four (4) new steel barges including training, Technical Data Packages (TDP) and all deliverables in accordance with Annex "A" Statement of Work (SOW) and Annex "B" Bidders Questions and Canada Responses.

7.1.1 Option to Purchase Spare Parts

The Contractor grants to Canada the irrevocable option to acquire the goods, services or both described at Annex "C" of the Contract under the same conditions and at the prices and/or rates stated in the Contract. The option may only be exercised by the Contracting Authority and will be evidenced, for administrative purposes only, through a contract amendment.

The Contracting Authority may exercise the option at any time before the expiry of the Contract by sending a written notice to the Contractor.

7.2 Standard Clauses and Conditions

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

7.2.1 General Conditions

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

7.2.2 Supplemental General Conditions

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

7.2.3 Contract Cost Principles

1031-2 (2012-07-16) Contract Cost Principles, apply to and form part of the Contract.

7.3 Security Requirements

7.3.1 There are no security requirements applicable to this Contract.

7.4 Term of Contract

7.4.1 Period of the Contract

The period of the Contract is from Contract Award date to 30 months after Contract Award date inclusive.

7.4.2 Delivery Date

All the deliverables must be received in accordance with Annex "A" SOW and Annex "C" Basis of Payment, no later than 18 months after Contract Award date.

7.4.3 Delivery Point

Delivery of the requirement must be made afloat, alongside Fleet Maintenance Facility (FMF CB), – Cape Breton CFB Esquimalt Harbour, British Columbia.

7.5 Authorities

7.5.1 Contracting Authority

The Contracting Authority for the Contract is:

Name: Patrick R. Benoit
Title: Supply Team Leader
Public Services and Procurement Canada
Acquisitions Branch, Small Vessel Construction Sector
11, rue Laurier, Gatineau (Québec), K1A 0S5 Canada
Telephone : (873) 469-3862
Facsimile : (819) 956-6648
E-mail address: patrick.r.benoit@tpsgc-pwgsc.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.

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Amd. No. - N° de la modif.
001
File No. - N° du dossier
032mc.W8472-185718eed

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

7.5.2 Requisition Authority **to be provided at contract award**

The Requisition Authority (R.A.) for the Contract is:

Name: _____
Title: _____
Organization: _____
Address: _____
Telephone: ____-____-_____
Facsimile: ____-____-_____
E-mail address: _____

The Requisition Authority named above is the representative of the department or agency for whom the Work is being carried out under the Contract and is responsible for all matters concerning the procurement and finance content of the Work under the Contract. Procurement matters may be discussed with the RA, however the RA 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 Technical Authority **to be provided at contract award**

The Technical Authority for the Contract is:

Name: _____
Title: _____
Organization: _____
Address: _____
Telephone: ____-____-_____
Facsimile: ____-____-_____
E-mail address: _____

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

7.5.4 Inspection Authority **to be provided at contract award**

The Inspection Authority for the Contract is:

Name: _____
Title: _____
Organization: _____
Address: _____
Telephone & Fax : ____-____-_____
E-mail address: _____

The Inspection Authority is the representative of the department or agency for whom the Work is being performed under the Contract and is responsible for inspection of the Work and acceptance of the finished work. The Inspection Authority may be represented on-site by a designated inspector and any other Government of Canada inspector who may from time to time be assigned in support of the designated Inspector.

Solicitation No. - N° de l'invitation
W8472-185718/B
Client Ref. No. - N° de réf. du client
W8472-185718

Amd. No. - N° de la modif.
001
File No. - N° du dossier
032mc.W8472-185718eed

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

7.5.5 Contractor's Representative

Contractor's Project Manager to be inserted at contract award

Name: _____
Telephone: ____ - ____ - ____
E-mail address: _____

The Contractor shall, by written notice to the Contracting Authority, designate the person or persons who may act on behalf of and with the authority of the Contractor under this Contract. The Contractor's designated person or persons shall have the right to delegate their authority and to act through their duly appointed representative. To be effective, such delegation shall be in writing specifying the nature and extent of the authority given, the name of the representative, with a copy delivered to Canada through the Contracting Authority, it being understood that a person to whom responsibilities have been delegated cannot further delegate such responsibilities.

7.6 Payment

7.6.1 Basis of Payment

In consideration of the Contractor satisfactorily completing all of its obligations under the Contract, the Contractor will be paid the firm prices as specified in Annex "C" for a cost of \$ _____ TBD _____. Customs duties are included and Applicable Taxes are extra.

7.6.1.1 Milestone Payments

Canada will make milestone payments in accordance with the Schedule of Milestones detailed in Article 7.6.5.1 Schedule of Milestones, if:

- a. an accurate and complete claim for payment using **PWGSC-TPSGC 1111**, Claim for Progress Payment, and any other document required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract;
- b. all the certificates appearing on form **PWGSC-TPSGC 1111** have been signed by the respective authorized representatives;
- c. all work associated with the milestone and as applicable any deliverable required has been completed and accepted by Canada.

7.6.2 Limitation of Price

Canada will not pay the Contractor for any design changes, modifications or interpretations of the Work, unless they have been approved, in writing, by the Contracting Authority before their incorporation into the Work.

7.6.3 Payment for Fuels, Oils and Lubricants

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

7.6.4 Field Engineering and Supervisory Services

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

7.6.5 Milestone Payments

Canada will make milestone payments in accordance with the Schedule of Milestones detailed in the

Contract and the payment provisions of the Contract if:

- (a) an accurate and complete claim for payment using **PWGSC-TPSGC 1111**, Claim for Progress Payment, and any other document required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract;
- (b) all the certificates appearing on form **PWGSC-TPSGC 1111** have been signed by the respective authorized representatives;
- (c) all work associated with the milestone and as applicable any deliverable required has been completed and accepted by Canada.

7.6.5.1 Schedule of Milestones

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

Milestone No.	Description of deliverable(s)	% of contract value per barge	Firm CDN\$ Amount per barge
A	Hull materials delivered to Contractor and *sustained construction commenced	30%	\$
B	Provisional Acceptance of completed barge at Contractor's site	40%	\$
C	Barge delivered to destination, all technical manuals and TDP delivered and accepted by Canada	25%	\$
D	Familiarization and Maintenance training along with all related manuals provided	3%	\$
E	End of 12 month warranty period – Final acceptance	2%	\$
Total per barge.		100%	\$
Number of barges			4
Grand Total for all four barges			\$

DEFINITIONS:

The following definitions apply to the Requirement of the Contract:

***Sustained Construction means:** The commencement of work to the hull structure.

The milestones A, B, C, D and E shown above must be included and identified in all production schedules.

The payment for **Milestone B** will be payable by Canada upon Provisional Acceptance by Canada at the Contractor's site, minus the holdback for double the total estimated value of any outstanding work items.

The payment for the delivery, **Milestone C** will be payable by Canada upon delivery of the barge, all manuals and Technical Data Package (TDP) and Acceptance by Canada, minus the holdback for double the total estimated value of any outstanding work items.

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

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

7.7 Invoicing Instructions

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

Each claim must show:

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

2. The Goods and Services Tax or Harmonized Sales Tax (GST/HST), as applicable, must be calculated on the total amount of the claim before the holdback is applied. At the time the holdback is claimed, there will be no GST/HST payable as it was claimed and payable under the previous claims for progress payments.

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

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

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

7.8 Certifications and Additional Information

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 additional 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 Welding Certification

1. The Contractor must ensure that welding is performed by a welder certified by the Canadian Welding Bureau (CWB) in accordance with the CSA requirements of the following standards:

CSA W47.1, Certification of Companies for Fusion Welding of Steel.

2. In addition, welding must be done in accordance with the requirements of the applicable drawings and specifications.

3. Before the commencement of any fabrication work, and upon request from the Inspection Authority, the Contractor must provide approved welding procedures and/or a list of welding personnel he intends to use in the performance of the Work. The list must identify the CWB welding procedure qualifications attained by each of the personnel listed and must be accompanied by a copy of each person's current CWB welding certification.

7.8.3 Workers Compensation

The Contractor must maintain its account in good standing with the applicable provincial or territorial Workers' Compensation Board for the duration of the Contract.

7.8.4 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.

7.8.5 Trade Qualifications

The Contractor must use qualified, certified (where applicable) and competent tradespeople and supervision to ensure a uniform high level of workmanship. The Contracting Authority may request to view and record details of the certification and/or qualifications held by the Contractor's tradespeople. This request should not be unduly exercised but only to ensure qualified tradespeople are on the job.

7.9 Applicable Laws

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

7.10 Priority of Documents

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

- (a) The Articles of Agreement;
- (b) The general conditions 2030 (2018-06-21), General Conditions - Higher Complexity - Goods;
- (c) The supplemental general conditions 1028 (2010-08-16), Ship Construction – Firm Price;
- (d) Annex "A", Statement of Work;
- (e) Annex "C", Basis of Payment;
- (f) Annex "B", Bidders Questions and Canada's responses; and
- (g) the Contractor's bid dated _____, as clarified on _____ " **or** ", as amended on _____ " **and insert date(s) of clarification(s) or amendment(s)**).

7.11 Defence Contract

A9006C (2012-07-16) Defence Contract

7.12 Project Kick Off Meeting, Critical Design Review Meeting and Additional Meetings

7.12.1 Project Kick Off Meeting

Within ten **(15) business days** of contract award, the Contractor must convene and coordinate a kick-off meeting in accordance with CDRL-PM-05 and DID-PM-05 at the Contractor's facilities, by videoconference or teleconference or elsewhere, as agreed between the Contractor and Canada. Cost of holding such pre-production meeting must be included in the price of the bid. Please note that the travel and living expenses for Government Personnel will be arranged and paid for by Canada.

7.12.2 Critical Design Review Meeting

The Contractor must convene, coordinate and co-chair a Critical Design Review Meeting for the purpose of reviewing the design deliverables identified as Critical Design Documents, IAW with Annex "A" SOW, CDRL-EN-01 and DID-EN-01.

The intent of the Critical Design Review Meeting is for the Contractor to demonstrate to Canada that all barge design, documentation, and class approvals, are complete and that the design is in compliance with the technical and contractual requirements of the SOW. If compliance is proven by the Contractor then the acceptance of the critical design package by Canada will mark the beginning of the barge construction. Following acceptance, any further changes to the design or the technical documents must be tracked, any affected documents or drawings updated and re-submitted to Canada by the Contractor. This meeting must be identified in the Master Schedule.

7.12.3 Provisional Acceptance Review Meeting

The Contractor must convene and coordinate one or more Acceptance Review Meeting(s) for the purpose of reviewing the design deliverables identified in the Technical Data Package (TDP) IAW Annex "A" SOW, CDRL-EN-02 and DID-EN-02 for review of the results of inspections and tests required to verify compliance with the constructed barge(s). This meeting must be identified in the master schedule.

7.12.4 Progress Review Meetings

The Contractor must convene and co-chair with the Contracting Authority (or its delegate) Progress Review Meetings (PRMs) at least monthly or a mutually agreed between Canada and the Contractor in accordance with the SOW. Interim technical meetings may also be scheduled/chaired by the Technical or Inspection Authority on an as required basis, generally via tele-conference.

Progress review meeting shall encompass total project status as of the review date. The Contractor, at a minimum, must report on the following:

1. Progress to date;
2. Variation from planned progress and the corrective action to be taken during the next reporting period;
3. A general explanation of foreseeable problems and proposed solutions, including an assessment of their impact on the contract in terms of schedule, technical performance and risk. The proposed solution should include the effort involved and the consequences to the schedule (Risk Register);
4. Proposed changes to the schedule;
5. Progress on action items, problems or special issues;
6. Deliverables submitted prior to PRM;
7. Milestones (technical and financial);
8. Status of any change notifications and requests;
9. Any changes to the PMP; and
10. Other business as mutually agreed to by CANADA and the Contractor.

7.13 Quality Assurance Plan

No later than ten **(10) business days** after the effective date of the Contract, the Contractor must submit for acceptance by the Department of National Defence (DND) a Quality Assurance Plan (As part of the Project Management Plan) IAW Annex "A" SOW, CDRL-PM-01 and DID –PM-01, prepared according to the latest issue (at contract date) of *ISO 10005:2005 "Quality management systems - Guidelines for quality plans"*.

The Quality Assurance Plan must describe how the Contractor will conform to the specified quality requirements of the Contract and specify how the required quality activities are to be carried out, including

quality assurance of subcontractors. The Contractor must include a traceability matrix from the elements of the specified quality requirements to the corresponding paragraphs in the Quality Assurance Plan.

The documents referenced in the Quality Assurance Plan must be made available when requested by Public Services and Procurement Canada or DND.

If the Quality Assurance Plan was submitted as part of the bidding process, the Contractor must review and, where appropriate, revise the submitted plan to reflect any changes in requirements or planning which may have occurred as a result of pre-contract negotiations.

Upon acceptance of the Quality Assurance Plan by DND, the Contractor must implement the Quality Assurance Plan. The Contractor must make appropriate amendments to the Quality Assurance Plan throughout the term of the contract to reflect current and planned quality activities. Amendments to the Quality Assurance Plan must be acceptable to DND.

7.14 Project Management Plan

The Contractor must provide an updated detailed Project Management Plan IAW Annex "A" SOW, CDRL-PM-01 and DID-PM-01 in MS Project format or equivalent to the Contracting Authority and the Technical Authority ten **(10) business days** after award of Contract.

7.15 Progress Status Reports

The Contractor must provide a detailed Progress Status Report in accordance with Annex "A" and SOW, CDRL-PM-04, DID-PM-04.

7.16 Technical Data Package

The Contractor must develop and deliver to the Technical Authority for acceptance a Technical Data Package IAW Annex "A" SOW, CDRL-EN-02 and DID-EN-02. All drawings, reports, Data Books, Operating Instruction Books, Maintenance Manuals and Spare Parts Lists (including part numbers and ordering instructions).

7.17 SACC Manual Clauses

B9028C – Access to Facilities and Equipment (2007-05-25)

B9035C – Progress Meetings (2008-05-12)

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

D2000C – Marking (2007-11-30)

D2001C – Labelling (2007-11-30)

D2025C – Wood Packaging Materials (2017-08-17)

D5510C – Quality assurance authority (Department of National Defence):
Canadian-based contractor (2017-08-17)

D5540C – ISO 9001:2008 Quality Management Systems – Requirements (Quality Assurance Code Q) (2010-08-16)

D5606C – Release documents (Department of National Defence): Canadian-based contractor (2017-11-28)

D6010C – Palletization (2007-11-30)

D9002C – Incomplete Assemblies (2007-11-30)

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

B1006C – Condition of Material – Contract (2014-06-26)

7.18 Procedures for Design Change/Deviations

The Contractor must follow these procedures for any proposed design change/deviation to contract specifications.

The Contractor must complete Part 1 of the Design Change/Deviation form DND 672 and forward one copy to the Technical Authority and one (1) copy to the Contracting Authority.

The Contractor will be authorized to proceed upon receipt of the design change/deviation form signed by the Contracting Authority. A contract amendment will be issued to incorporate the design change/deviation in the Contract.

7.19 Inspection and Acceptance

D5328C (2014-06-26) Inspection and Acceptance

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 of the Statement of Work 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.

7.20 Insurance Requirements

1. The Contractor must comply with the insurance requirements specified below. The Contractor must maintain the required insurance coverage for the duration of the Contract. Compliance with the insurance requirements does not release the Contractor from or reduce its liability under the Contract.
2. The Contractor is responsible for deciding if additional insurance coverage is necessary to fulfill its obligation under the Contract and to ensure compliance with any applicable law. Any additional insurance coverage is at the Contractor's expense, and for its own benefit and protection.
3. The Contractor must forward to the Contracting Authority within ten **(10) business days** after the date of award of the Contract, a Certificate of Insurance evidencing the insurance coverage and confirming that the insurance policy complying with the requirements is in force. Coverage must be placed with an Insurer licensed to carry out business in Canada. The Contractor must, if requested by the Contracting Authority, forward to Canada a certified true copy of all applicable insurance policies.

(A)General Commercial Insurance

1. The Contractor must obtain Commercial General Liability Insurance, and maintain it in force throughout the duration of the Contract, in an amount usual for a contract of this nature, but for not less than \$2,000,000 per accident or occurrence and in the annual aggregate.
2. The Commercial General Liability policy must include the following:

- (a) Additional Insured: Canada is added as an additional insured, but only with respect to liability arising out of the Contractor's performance of the Contract. The interest of Canada should read as follows: Canada, as represented by Public Services and Procurement Canada.
- (b) Bodily Injury and Property Damage to third parties arising out of the operations of the Contractor.
- (c) Products and Completed Operations: Coverage for bodily injury or property damage arising out of goods or products manufactured, sold, handled, or distributed by the Contractor and/or arising out of operations that have been completed by the Contractor.
- (d) Personal Injury: While not limited to, the coverage must include Violation of Privacy, Libel and Slander, False Arrest, Detention or Imprisonment and Defamation of Character.
- (e) Cross Liability/Separation of Insureds: Without increasing the limit of liability, the policy must protect all insured parties to the full extent of coverage provided. Further, the policy must apply to each Insured in the same manner and to the same extent as if a separate policy had been issued to each.
- (f) Blanket Contractual Liability: The policy must, on a blanket basis or by specific reference to the Contract, extend to assumed liabilities with respect to contractual provisions.
- (g) Employees and, if applicable, Volunteers must be included as Additional Insured.
- (h) Employers' Liability (or confirmation that all employees are covered by Worker's compensation (WSIB) or similar program).
- (i) Broad Form Property Damage including Completed Operations: Expands the Property Damage coverage to include certain losses that would otherwise be excluded by the standard care, custody or control exclusion found in a standard policy.
- (j) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty days written notice of policy cancellation.
- (k) If the policy is written on a claims-made basis, coverage must be in place for a period of at least 12 months after the completion or termination of the Contract.
- (l) Owners' or Contractors' Protective Liability: Covers the damages that the Contractor becomes legally obligated to pay arising out of the operations of a subcontractor.
- (m) Non-Owned Automobile Liability - Coverage for suits against the Contractor resulting from the use of hired or non-owned vehicles.
- (n), (o), (p), (q) not used.
- (r) Litigation Rights: Pursuant to subsection 5(d) of the Department of Justice Act, S.C. 1993, c. J-2, s.1, if a suit is instituted for or against Canada which the Insurer would, but for this clause, have the right to pursue or defend on behalf of Canada as an Additional Named Insured under the insurance policy, the Insurer must promptly contact the Attorney General of Canada to agree on the legal strategies by sending a letter, by registered mail or by courier, with an acknowledgement of receipt.

For the province of Quebec, send to:
Director Business Law Directorate,
Quebec Regional Office (Ottawa),
Department of Justice,
284 Wellington Street, Room SAT-6042,
Ottawa, Ontario, K1A 0H8

For other provinces and territories, send to:
Senior General Counsel,
Civil Litigation Section,
Department of Justice
234 Wellington Street, East Tower
Ottawa, Ontario K1A 0H8

A copy of the letter must be sent to the Contracting Authority. Canada reserves the right to co-defend any action brought against Canada. All expenses incurred by Canada to co-defend such actions will be at Canada's expense. If Canada decides to co-defend any action brought against it, and Canada does not agree to a proposed settlement agreed to by the Contractor's insurer and the plaintiff(s) that would result in the settlement or dismissal of the action against Canada, then Canada will be responsible to the Contractor's insurer for any difference between the proposed settlement amount and the amount finally awarded or paid to the plaintiffs (inclusive of costs and interest) on behalf of Canada.

(B)Marine Liability Insurance

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

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

3. The Protection and Indemnity insurance policy must include the following:

(a) Additional Insured: Canada is added as an additional insured, but only with respect to liability arising out of the Contractor's performance of the Contract. The interest of Canada as additional insured should read as follows: Canada, represented by Public Services and Procurement Canada.

(b) Waiver of Subrogation Rights: Contractor's Insurer to waive all rights of subrogation against Canada as represented by Department of National Defence and Public Services and Procurement Canada for any and all loss of or damage to the watercraft however caused.

(c) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of cancellation.

(d) Cross Liability/Separation of Insureds: Without increasing the limit of liability, the policy must protect all insured parties to the full extent of coverage provided. Further, the policy must apply to each Insured in the same manner and to the same extent as if a separate policy had been issued to each.

(e) Litigation Rights: Pursuant to subsection 5(d) of the Department of Justice Act, S.C. 1993, c. J-2, s.1, if a suit is instituted for or against Canada which the Insurer would, but for this clause, have the right to pursue or defend on behalf of Canada as an Additional Named Insured under the insurance policy, the Insurer must promptly contact the Attorney General of Canada to agree on the legal strategies by sending a letter, by registered mail or by courier, with an acknowledgement of receipt.

Solicitation No. - N° de l'invitation
W8472-185718/B
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W8472-185718

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001
File No. - N° du dossier
032mc.W8472-185718eed

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

For the province of Quebec, send to:

Director Business Law Directorate,
Quebec Regional Office (Ottawa),
Department of Justice,
284 Wellington Street, Room SAT-6042,
Ottawa, Ontario, K1A 0H8

For other provinces and territories, send to:

Senior General Counsel,
Civil Litigation Section,
Department of Justice
234 Wellington Street, East Tower
Ottawa, Ontario K1A 0H8

4. A copy of the letter must be sent to the Contracting Authority. Canada reserves the right to co-defend any action brought against Canada. All expenses incurred by Canada to co-defend such actions will be at Canada's expense. If Canada decides to co-defend any action brought against it, and Canada does not agree to a proposed settlement agreed to by the Contractor's insurer and the plaintiff(s) that would result in the settlement or dismissal of the action against Canada, then Canada will be responsible to the Contractor's insurer for any difference between the proposed settlement amount and the amount finally awarded or paid to the plaintiffs (inclusive of costs and interest) on behalf of Canada.

7.21 Packaging Requirement using Specification D-LM-008-036/SF-000

The Contractor must prepare optional spare parts for delivery in accordance with the latest issue of the Canadian Forces Packaging Specification *D-LM-008-036/SF-000*, DND Minimum Requirements for Manufacturer's Standard Pack.

7.22 Provisional Acceptance, Acceptance and Delivery Schedule

Provisional Acceptance means, successful Provisional Acceptance at the Contractor's facility, that is, complete in all respects ready for shipping with all respective tests and trials and demonstrations and certifications successfully completed to the satisfaction of the Inspection Authority (IA), Contracting Authority (CA) and Technical Authority (TA) and in accordance with the Contract.

Upon completion of all tests and trials specified in Annex "A", the Contractor shall submit a certificate of Provisional Acceptance in a format specified by Canada, to be signed by the authorized representative of the Contractor, the Inspection Authority and the Contracting Authority. In addition, the Inspection Authority will prepare a final list of all outstanding Work items (including non-conformance reports) for review at the Provisional Acceptance Conference and attached to the Provisional Acceptance certificate as an appendix. The list of outstanding Work shall be reviewed to determine if the Vessel is fully operational for their intended service to the satisfaction of Canada. Upon receipt of a signed copy of the Provisional Acceptance certificate by the Contracting Authority, the Contractor shall proceed with delivery of the boat to the specified location for Acceptance by Canada.

1. Canada's provisional acceptance for delivery of the vessel(s) must occur with the execution of a certificate in accordance with form **PWGSC 1105** upon satisfactory completion of the vessel(s), delivery to destination and all trials. The execution of the certificates must in no way relieve the Contractor of any obligations under the Contract.

2. It is understood and agreed that where the work has been substantially completed and the parties have agreed upon the terms and conditions for the Contractor to make good any deficiencies, the certificate referred to above may be executed with a statement attached concerning the rectification of the deficiencies by the Contractor.

3. Canada's final acceptance must occur upon completion of the 12 month warranty period and settlement of all accounts between the parties in relation to the Contract.

After successful Provisional Acceptance at the Contractor's shipyard, the Contractor shall deliver for Acceptance by Canada:

Four (4) Barges/Vessels to the Department of National Defence (DND), afloat, undamaged and upright alongside Fleet Maintenance Facility – Cape Breton (FMF CB), CFB Esquimalt Harbour, Esquimalt, British Columbia, within 18 months from the Contract Award date.

7.22.1 Each outstanding Work item on the Acceptance list referred above shall have a price determined in accordance with the following: the higher of twice the cost for the outstanding Work to be completed by the Contractor, or twice the cost for the outstanding Work to be completed as quoted by a third party, and that amount shall be deducted from any payment otherwise due.

7.22.2 It is understood and agreed that where the Work has been substantially completed and the parties have agreed upon the terms and conditions for the Contractor to make good all deficiencies, the certificate may be executed with a statement attached concerning the making good of the deficiencies.

7.22.3 Acceptance of the vessels by the Minister shall occur with a written execution of a certificate in accordance with form PWGSC-TPSGC 1105, with evidence satisfactory to Canada that the Vessels has successfully completed all Tests and Trials and Demonstrations and Certification. The execution of the Certificate shall in no way relieve the Contractor of its obligations under the Contract.

7.23 Release documents and acceptance of ships

D5651C (2017-08-17) Release documents and acceptance of ships

7.24 Release Documents - Distribution

The Contractor must prepare the release documents in a current electronic format and distribute them as follows:

- a. One (1) copy mailed to consignee marked: "Attention: Receipts Officer";
- b. Two (2) copies with shipment (in a waterproof envelope) to the consignee;
- c. One (1) copy to the Contracting Authority;
- d. One (1) copy to:

*National Defence Headquarters
Mgen George R. Pearkes Building
101 Colonel By Drive
Ottawa, ON K1A 0K2
Attention: D Mar P 2-3-2-2*

- e. One (1) copy to the Quality Assurance Representative;
- f. One (1) copy to the Contractor; and

7.25 Shipping Instructions - Delivery at Destination

Goods must be consigned to the destination specified in the Contract and delivered:

Incoterms 2000 "DDP Delivered Duty Paid" afloat and alongside Fleet Maintenance Facility – Cape Breton (FMF CB), CFB Esquimalt Harbour, Esquimalt, British Columbia.

7.26 Tests and Trials

7.26.1 Launching of the Vessels

The Contractor shall be responsible for the safe and satisfactory launching of the Vessels at a time and in a manner agreed upon between the Contractor and Canada. If at any time prior to Acceptance of the Vessel there is reason to believe the underwater portion of the Vessel has been seriously impaired, the Contractor shall place the Vessel in dry-dock and adequately inspect, repair, clean, and paint the damaged areas at its own expense and to the satisfaction of Canada. On completion of the Work, the Contractor shall be responsible for the safe and satisfactory returning the Vessel afloat, alongside and upright at the Contractor's facility.

7.26.2 Tests, Trials and Demonstrations

- (a) All tests, trials and demonstrations must be performed in accordance with Annex "A", SOW.
- (b) The Contractor shall in all respects be responsible for the conduct of all Tests and Trials and Demonstrations in accordance with the requirements of this Contract.
- (c) The Contractor must keep written records of all tests, trials, and demonstrations conducted as required by the QA System.
- (d) Canada reserves the right to defer starting or, continuing with any Sea Trials for any reasonable cause including but not limited to adverse weather visibility, equipment failure or degradation, lack of qualified personnel and inadequate safety standards.
- (e) The Contractor shall dry-dock the Vessel on successful completion of Acceptance Trials for underwater inspection and final approval by the Inspection Authority and Technical Authority prior to acceptance of each boat. On completion of the Work, the Contractor shall be responsible for the safe and satisfactory returning the boat to afloat, alongside and upright at the Contractor's facility.

7.27 Failure to Deliver

Time is of the essence for this Contract. Failure to deliver by the date(s) specified in the Contract will prejudice Canada.

Delivery is an essential part of this contract. Except for excusable delays notified in accordance with Section 11 of 2030 General Conditions - Higher Complexity - Goods, failure to deliver by the date(s) specified in this Contract will prejudice the Government of Canada and will, at the Government of Canada's discretion, entail either:

- a. Contract Termination in accordance with 2030 General Conditions Sections 10 (Time of the Essence) and 31 (Default by the Contractor); or
- b. Consideration for Contract Amendment. Delivery date(s) will not be extended without consideration being provided by the Contractor in the form of adjustment to the price, warranty, quantity and / or service to be provided.

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ANNEX “A”

STATEMENT OF WORK

(see attached document)

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ANNEX “B”

BIDDERS QUESTIONS AND CANADA RESPONSES

To be completed as required during the bid solicitation and inserted here

ANNEX "C"

BASIS OF PAYMENT

1. Bidders must indicate for each of the following Items, their Firm Unit Bid prices, excluding taxes.

Table 1

Item	Description	Unit Price CAN\$ (a)	Quantity (b)	Total Price (a)x(b)
1	Barge built in accordance with Annex A, SOW and Annex B, Questions & Answers	\$	4	\$
2	Delivery of Barge Incoterms 2000 DDP, afloat and alongside to Fleet Maintenance Facility – Cape Breton (FMF CB), CFB Esquimalt Harbour, Esquimalt, British Columbia	\$	4	\$
3	Training session in accordance with Annex A, SOW and Annex B, Questions & Answers	\$	1	\$
Grand Total Price (Sum items 1, 2 & 3)				\$

The following Unscheduled Work Rates and Spare Parts List will be included in the Basis of Payment, however they will not form part of the bid evaluation.

2. Unscheduled Work Rates and Optional Spare Parts Price List:

Bidders must provide the following requested rates:

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

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

B. Overtime:

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

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

Double Time Rate: \$. /person/hour

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

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4. Recommended Spare Parts Price List

All firm prices for the recommended spare parts must be Delivered Duty Paid (DDP) Incoterms 2000 to CFB Esquimalt Harbour, Esquimalt, British Columbia.

Table 2 – Spare Parts Price List

Item	Spare Part Description	Part Number	Unit Price CAN\$	Recommended Quantity
			\$	

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ANNEX “D”

MANDATORY TECHNICAL EVALUATION CRITERIA

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