



AMENDMENT NO. 014

This amendment is raised to answer Bidders' questions.

QUESTIONS AND ANSWERS:

Question 135:

Reference – 4.3 Financial Evaluation and 4.4 Basis of Selection:

For both of the Workstreams (1 and 2), the Crown has assigned variable point weighting of the resource categories used for Method A financial evaluation. By assigning variable point weighting to the resource categories, this creates a scenario where Bidders are forced to both raise and drop rates above/below the market value in order to end up with the optimal financial score. For instance, because the Crown has structured the Financial Evaluation to include variable point weighting for different resource categories (25 points for some roles all the way up to 75 points for others), the Billing Rates for the roles that ESDC thinks it will use the most (the highly weighted categories) will be the lowest and may not in any way be representative of rates that would be required to attract viable candidates. In essence, roles that are more heavily weighted will be more heavily discounted, simply because the math of the evaluation formula makes it necessary to do that to try to win. Alternatively, by leaving some roles with lower point allocations, it leaves open the door for vendors to hike rates notably above market rates while having a lesser impact on their financial score. More importantly, that means that gradually candidates that should have been placed in a lower paying role (because of the role definition) will migrate to categories with higher paying potential. In the end, resources that should cost market rate or just below will end up costing more than market rate. This could result in notable turnover in the lower paying categories and the client overpaying in the lower weighted categories. The challenge of resource category weighting resulting in poor resource quality and high resource turnover is seen over and over in supply arrangements that have similar financial parameters. As a result, and in an effort to see ESDC be able to secure viable candidates for this project who will serve the duration of their task authorizations we suggest allocating a standard weighting to all of the resource categories.

We would like to request that, for the financial evaluation, to set the point allocations so that all resource categories are weighted equally, e.g. 50 points for the initial contract term and each option period thereafter. This avoids scenarios where, because of high point allocations, rates have to be "tanked" simply for vendors to stay competitive on score.

Answer 135:

Canada will not modify the variable point weighting. Vendors are expected to propose market value rates that will attract skilled resources during the contract period. It should be noted that if a contractor is not able to provide resources during the contract period at the rates quoted in its bid then provisions to terminate the contract will be considered.

ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.