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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

Frigate Life Extension (FELEX) Project / Bureau de  
projet de prolongation de la vie des frégates (BP  
FELEX)

455 Blvd de la Carrière

Gatineau

Quebec

K1A 0K2

<b>Title - Sujet</b> HCCS IN-SERVICE SUPPORT	
<b>Solicitation No. - N° de l'invitation</b> W8482-168150/D	<b>Amendment No. - N° modif.</b> 009
<b>Client Reference No. - N° de référence du client</b> W8482-168150	<b>Date</b> 2019-12-17
<b>GETS Reference No. - N° de référence de SEAG</b> PW-\$\$FX-008-27388	
<b>File No. - N° de dossier</b> 008fx.W8482-168150	<b>CCC No./N° CCC - FMS No./N° VME</b>
<b>Solicitation Closes - L'invitation prend fin</b> <b>at - à 02:00 PM</b> <b>on - le 2020-01-27</b>	<b>Time Zone</b> <b>Fuseau horaire</b> Eastern Standard Time EST
<b>F.O.B. - F.A.B.</b> Specified Herein - Précisé dans les présentes <b>Plant-Usine:</b> <input type="checkbox"/> <b>Destination:</b> <input type="checkbox"/> <b>Other-Autre:</b> <input checked="" type="checkbox"/>	
<b>Address Enquiries to: - Adresser toutes questions à:</b> Fortin, Marie-Andrée	<b>Buyer Id - Id de l'acheteur</b> 008fx
<b>Telephone No. - N° de téléphone</b> (819) 939-3234 ( )	<b>FAX No. - N° de FAX</b> ( ) -
<b>Destination - of Goods, Services, and Construction:</b> <b>Destination - des biens, services et construction:</b>	

Instructions: See Herein

Instructions: Voir aux présentes

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

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**In-Service Support of the *Halifax*-class Combat Systems  
Request for Proposal – Questions and Answers  
Amendment no. 09**

This amendment is being issued to make changes to the HCCS RFP and to answer questions received against this solicitation. As additional questions are still pending resolution, Canada is also extending the RFP closing date to 27 January 2020.

**Part 1 – Amendment to the RFP:**

**1. Part 4 – 4.3 – Technical Evaluation:**

4.3.1 – Mandatory Technical Criteria Evaluation

**M3 – Senior Systems Engineer:**

Delete: In its entirety

Insert:

The Bidder must provide the name and resume of the proposed Senior Systems Engineer. The resume must include:

The Name of the Individual, Academic Qualifications, Years of Experience and a **description of projects worked on (or positions held) and a description of work performed** including period of time (start and end dates – month and year).

The Bidder must demonstrate through specific references to the resume where, when and how the proposed Senior Systems Engineer meets the following criteria (a, b and c):

(a) The Bidder must provide proof that the proposed Senior Systems Engineer is registered to practice as a Professional Engineer in Canada, or provide a commitment, within the Bidder's response, that the proposed Senior Systems Engineer will complete such registration no later than twelve (12) months after contract award (MACA), and must maintain that professional registration current during tenure as Senior Systems Engineer under the Contract.

AND

(b) **seven (7)** years' experience in the last **twelve (12)** years prior to bid closing performing systems engineering\* in the Defence sector.

AND

(c) **Four (4) years' combined experience in the last twelve (12) years prior to bid closing must include experience in 2 or more of the following areas:**

- Naval radar systems integration

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- Naval radar systems design
  - Naval radar systems performance evaluation and testing
  - Naval radar systems requirements analysis
  - Development and/or Implementation of Engineering Changes for Naval radar systems
  - Naval radar post acquisition In-service Support

#### **M4 and M5 – East Coast and West Coast Representatives**

Delete: In its entirety

Insert:

The Bidder must provide the name and resume of the proposed East Coast Representative. The resume must include:

The Name of the Individual, Academic Qualifications, Years of Experience and a **description of projects worked on (or positions held) and a description of work performed** including period of time (start and end dates – month and year).

The Bidder must demonstrate through specific references to the resume where, when and how the proposed East Coast (or West Coast for M5) Representative meets the following criteria (a):

(a) Six (6) years' experience in the last ten (10) years prior to bid closing performing systems engineering or maintenance of Canadian Naval combat systems.\*

Performing maintenance may include the management of; the organizing of; or the actual conduct of maintenance work.

#### **2. Annex A – Performance Work Statement**

Delete: Last sentence of section 3.12.7 – Risk Assessment - [M] As part of Management Work, the Contractor must implement cost-effective countermeasures.

Insert: Last sentence of section 3.12.7 – Risk Assessment - [M] The Contractor must implement cost-effective countermeasures.

\*\*Please see updated PWS in attachment 24 on Buyandsell.gc.ca

#### **3. Part 7 – Resulting contract clauses - Annex C - Basis and Method of Payment**

2. Emergent Work:

2.7 – Transportation and Freight:

Delete: In its entirety

Insert: Where the Contractor is required to ship parts, rental tools and test equipment in order to complete the Work, the Contractor shall be reimbursed for all transportation or freight charges at cost **plus Material mark-up rate as detailed in Table 3.**

2.9 Warehousing:

Delete: In its entirety

Insert:

Overhead is not to include any cost associated with warehousing facilities such as rent or lease expense, property taxes, and insurance. **These costs will be reimbursed at cost to the Contractor plus Material mark-up rate as detailed in Table 3.** Where a Contractor provides a general purpose warehousing facility, and that facility is used to warehouse items other than HCCS material, the portion of warehouse facility costs chargeable to this contract will be based on the percentage of square feet attributable to HCCS material, or any other method acceptable based on Contract Cost Principles 1031-2. Warehousing costs will be subject to Canada's review and pre-approval prior to issuance of a Task Authorization.

#### **4. Annex I – Insurance Requirement:**

Delete: Clause G5001C (2018-06-21) - Ship Repairers' Liability insurance

Insert: Additional Insurance requirement:

Upon Canada's request, the Contractor may be required to obtain additional insurance coverage prior to performing Emergent Work. A certificate of insurance confirming the coverage required in the Task Authorization must be delivered by the Contractor prior to issuance of a task authorization or as specified by Canada. For example, additional insurance coverage such as the Ship Repairers' Liability Insurance (SACC G5001C), could be required for work performed on a ship.

#### **5. Annex E – Contract Deliverables:**

CDRL:

Delete: In its entirety

Insert: New CDRL included in this amendment

### **Part 2 - Questions and Answers:**

**Q175** - Contract Terms Article 6.4; Annex C paragraph 2.10; and Annex I: The following references are the principle clauses relative to Insurance:

Annex I Ship Repairers' Liability insurance, this type of insurance is required to work onboard or alongside a ship. Per the Contract such work will not occur until an Emergent task is issued. It does not therefore make sense that this insurance be in place 10 days after Contract award but it is recommended that Canada make this a prerequisite to begin ship work. Note that this particular insurance can have a significant price impact.

Annex C 2.10 "Overhead is not to include any cost associated with insurance premiums. These costs will be reimbursed at cost to the Contractor without mark-up."

1. Canada is requested to clarify to what mark-up is this section is referring to as the only identified mark-up is the Material and Subcontractor Mark-ups.
2. Canada is requested to clarify how will the cost (e.g. Ship Repairers' Liability premium) is to be invoiced to Canada? Will Canada issue an Emergent task for insurance?

**A175** – 1. Canada is referring to any mark-up or profit. The insurance requirements identified in Annex I will be reimbursed as a flow through cost.

2. Canada will issue a Task Authorization for the insurance requirement listed in Annex I.

**\*\*Please note:** Canada also removed the Ship Repairers' Liability Insurance clause from Annex I – Insurance Requirements as this insurance coverage may only be required upon Canada's request.

**Q176** - Annex C 2.7 Transportation and Freight: Transportation and Freight costs, from a financial liability and cost of business standpoint, are no different from any other program non-labour costs which a contractor will incur expenses in managing this expense (e.g. banking fees, legal fees, indirect labour, etc.). These activities are generally included in the negotiated G&A in accordance with 1031-2. Canada is requested to clarify how contractors are to recover these expenses if no mark-up is permitted?

**A176** – The use of material mark-up will be allowed for item 2.7 Transportation and Freight, Annex C.

**Q177** - Amendment 2, Answer 71: Canada has stated that for the VP ITB evaluation it will double the Bidders Management Fee 6 year total to determine the 12 year value. In the Bid Instructions 4.3.3.1.2 Management Fee Canada states that it will escalate the Management Fee at 2% per year for the purposes of the financial evaluation. Please confirm that the two evaluations will use different methodologies, or confirm a single methodology to be applied across both evaluations.

**A177** – The financial and ITB/VP evaluations are distinct from one another and focus on different elements of the bid package. For the purpose of the ITB/VP evaluation, bidders will be evaluated on their commitments and identification of transactions proposed.

**Q178** - Amendment 4, Answer 163 – Annex C – 2.9 Warehousing: Canada's response to Q163 and stated that these costs would not attract any mark-up. From a financial liability and cost of business standpoint these items are no different from any other program non-labour costs and a contractor will incur expenses in managing this element (e.g. banking fees, legal fees, indirect labour, etc...) These activities are generally included in the negotiated G&A. Canada is requested to clarify how contractors are to recover these expenses if no mark-up is permitted?

**A178** – The use of material mark-up will be allowed for item 2.9 warehousing, Annex C.

**Q179** – Amendment 2, Answer 71 and Amendment 4, answer 154: Canada has stated that any incentive payment made under the program will be included within the Contract Value for all VP and ITB Commitments. It is understood that any such payment would be an applicable direct transaction, however it is not clear why this would be included in the SMB, R&D and Skills Development and Training commitments since there is no additional work associated with an incentive payment. Canada is requested to remove the incentive payment from the ITB Contract Value for SMB, R&D and Skills Development and Training commitments?

**A179** – The scope of the ITB Policy commitments are covered within the Contract Value definition of the HCCS ISS ITB Terms and Conditions.

**Q180** - PWS 3.5.3; 3.2.2.2.1; 3.2.2.2.2 & CDRL PM-005, 006, 007: PWS Reference 3.5.3 Kick-Off Meeting states that “[M] As part of Management Work, the Contractor must organize a Kick-Off Meeting with Canada no later than 30 calendar days after contract award at a time and location that is mutually convenient to both Canada and the Contractor.”

CDRL PM-005 Annual Operating Plan (PWS Reference 3.2.2.2), CDRL PM-006 AOP Schedule (PWS Reference 3.2.2.2.1), and CDRL PM-007 AOP Work Breakdown Structure (PWS Reference 3.2.2.2.2) are all due 1 MACA for the initial submission.

Given the purpose and agenda for the Kick-Off meeting, and given the fact that the AOP is to define costs for Emergent Work, development and delivery of these three CDRLs within 1 MACA does not seem possible. Request that Canada consider amending this requirement to 3 MACA.

**A180** – Canada has updated the CDRL to read 3 MACA for CDRL PM-005, PM-006 and PM-007.

**Q181** - PWS 3.12.7: This reference states that as part of Management Work, the Contractor must provide a security risk methodology that takes into consideration the criticality analysis, vulnerability assessment and supplier threat analysis. Further, as part of Management Work, the Contractor must develop and update a Security Risk Assessment and Countermeasures Report showing how security risks identified in the security risk assessment for the HCCS EG will be mitigated and the mitigation level to be achieved. The last sentence in PWS 3.12.7 states that “[M] As part of Management Work, the Contractor must implement cost-effective countermeasures.” While it is reasonable to assume that development of the methodology and associated reports is typical of Management Work, the level of effort required to “implement” cannot be estimated at bid time. It is recommended that implementation should be categorized as Emergent Work.

**A181** – Canada agrees that the last Mandatory requirement in section 3.12.7 of the PWS, “the Contractor must implement cost-effective countermeasures”, should be categorized as Emergent Work. The RFP is being amended to reflect this change.

**Q182** - Amendment 8, A171: As originally explained, non-project managers such as M3, M4, and M5 DO NOT work on a project basis and asking for their work experience by project is not reasonable. Again, please confirm that a detailed description of the position held, work performed, and start and end dates (month/year) is acceptable.

**A182** – The RFP is being amended to address the fact that not all non-project managers (such as M3, M4 and M5) work on projects.

**Q183** - Amendment 8, A173: Canada’s response to Q173 left open the concept of “Other potential work done in Canada” within the VP ITB section whereas the remainder of the Contract provides only for Management or Emergent Work. Introducing this into the ITB VP opens the door to bidders anticipating and valuing this “Other Potential Work”. In valuing this potential work, a bidder could establish a CCV within that work and further, develop a Transaction Sheet for bid submission for consideration and scoring.

Immediately following the instructions in Section 4.1.1.5 the following is stated, “Points will be awarded for the Identification of Direct and Indirect Transactions, measured in CCV. The identification of Transactions will be rated as follows: The Bidder with the highest total dollar value, measured in CCV, in identified Transactions will receive 10 points. All other Bidders will be prorated down.”

If "Other Potential Work" remains as is, a bidder could submit a Transaction Sheet committing a dollar value for Canadian Content under Other Potential Work. The Transaction Sheet is simply a commitment to achieve a CCV should the work materialize. Under the Terms of the Contract there are no cases where this would arise. Nonetheless, it appears to be allowable within the current instructions. Were a bidder to submit such a Transaction Sheet, their total dollar value could easily outstrip other bidders who would then, via the proration process, be penalized. Can Canada confirm that Transaction Sheets for "Other Potential Work" will not be allowed?

**A183** – Bidders could propose any form of work that would align within the ITB policy guidelines. If a potential bidder chooses to identify a transaction as "Other potential work in Canada", it would be deemed an acceptable transaction provided it meets the ITB eligibility criteria. The transaction would then be evaluated under the Identification of Direct and Indirect Transactions criteria specified in the HCCS ISS Evaluation Plan.

**Q184** - M3, Senior Systems Engineer: The requirement currently reads "8 years' experience in the last 10", will Canada accept 10 years' experience in the last 15, prior to bid closing performing systems engineering in the Defence sector?

**A184** – Considering that the talent pool is small, Canada will accept seven (7) years' experience in the last twelve (12) years prior to bid closing performing systems engineering in the Defence sector. The mandatory requirement for the Senior Systems Engineer is being amended in the RFP to reflect this change.

**Q185** - In consideration of the fact that the HCCS ISS project is fundamentally an integrated logistics contract where materiel management is key to assuring fleet availability and HCCS EG availability, and where a significant number of mandatory PWS requirements relate to materiel management, would Canada consider an allocation of 20 pages for Bidder responses to R10 - HCCS EG Availability, in order that Bidders may provide a fulsome response to this critical requirement?

**A185** – Canada will not accept this request as we have already increased the page limit by 5 pages.

**All other terms and conditions remain the same.**

CDRL Item	DID Number	Title	PWS References	Acceptance or Information	Date - Draft	Date - Final	Date - Subsequent	Frequency	Addressee	Responsible Office
PM-001	PM-001	Project Management Plan	3.2.2.1	Acceptance	3 MACA	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	ASREQ	TA/CA/PA	MSC 5-4
PM-002	PM-002	Start-Up Plan	3.2.2.1.1	Acceptance	1 MACA	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	Once	TA/CA/PA	MSC 5-4
PM-003	PM-003	Steady-State Achievement Report	2.5.1	Acceptance	Upon completion of Start-Up Phase activities	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	Once	TA/CA/PA	MSC 5-4
PM-004	PM-004	Close-Out Plan	3.2.2.1.2	Acceptance	24 MACA	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	ASREQ	TA/CA/PA	MSC 5-4
PM-005	PM-005	Annual Operating Plan	3.2.2.2	Acceptance	3 MACA for first AOP. Future year AOPs no later than 31 October each year.	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	Annually	TA/CA/PA	MSC 5-4
PM-006	PM-006	AOP Schedule	3.2.2.2.1	Acceptance	3 MACA for first AOP Schedule. Future year AOP Schedules no later than 31 October each year.	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	Annually	TA/CA/PA	MSC 5-4

PM-007	PM-007	Work Breakdown Structure	3.2.2.2.2	Acceptance	3 MACA for first WBS. Future year WBSS no later than 31 October each year.	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	Annually	TA/CA/PA	MSC 5-4
PM-008	PM-008	Technical Progress Report	3.2.2.2.3	Information	Monthly	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	Monthly	TA/CA/PA	MSC 5-4
PM-009	PM-009	Relationship Management Plan	3.4	Acceptance	3 MACA	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	ASREQ.	TA/CA/PA	MSC 5-4
PM-010	PM-010	Communications Plan	3.4	Acceptance	3 MACA	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	ASREQ.	TA/CA/PA	MSC 5-4
PM-011	PM-011	Meeting Agenda	3.5.1	Acceptance	No later than 5 working days prior to a scheduled meeting	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	ASREQ.	TA/CA/PA	PSPC
PM-012	PM-012	Meeting Minutes	3.5.1	Acceptance	No later than 10 working days after a meeting	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	ASREQ.	TA/CA/PA	PSPC
PM-013	PM-013	Action Item Log	3.5.2	Information	No later than 10 working days after a meeting	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	ASREQ.	TA/CA/PA	MSC 5-4

PM-014	PM-014	Risk Management Plan	3.7	Acceptance	3 MACA	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	ASREQ	TA/CA/PA	MSC 5-4
PM-015	PM-015	Surge Response Status Report	3.8	Information	ASGEN	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	ASREQ	TA	MSC 5-4
PM-016	PM-016	Performance Management Plan	3.9.2	Acceptance	3 MACA	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	ASREQ	TA/CA/PA	MSC 5-4
PM-017	PM-017	Performance Assessment Report	3.9.3	Acceptance	31 Jan each year after Contract Award	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	Annually	TA/CA/PA	MSC 5-4
PM-018	PM-018	Security Risk Assessment and Countermeasures Report	3.12.7	Information	12 MACA	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	ASREQ	TA	MSC 5-4
PM-019	PM-019	Quality Plan	3.13.1	Acceptance	1 MACA	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	ASREQ	TA	MSC 5-4
PM-020	PM-020	Subcontractor Supplier List	3.14.2	Acceptance	6 MACA	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	ASREQ	TA/CA/PA	PSPC

PM-021	PM-021	Intellectual Property Report	3.16.2	Information	ASGEN	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	ASREQ	TA/CA/PA	MSC 5-4
LM-001	LM-001	Configuration Management Plan	5.1.1	Acceptance	6 MACA	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	ASREQ	TA	MSC 5-4
LM-002	LM-002	Configuration Status Report	5.1.4	Information	ASGEN	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	ASREQ	TA	MSC 5-4
LM-003	LM-003	Configuration Audit Plan	5.1.5	Acceptance	ASGEN	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	ASREQ	TA	MSC 5-4
LM-004	LM-004	Configuration Audit Report	5.1.5	Information	ASGEN	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	ASREQ	TA	MSC 5-4
LM-005	LM-005	Obsolescence Management Plan	5.3	Acceptance	6 MACA	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	ASREQ	TA	MSC 5-4
LM-006	LM-006	Obsolescence Report	5.3	Information	ASGEN	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	ASREQ	TA	MSC 5-4

LM-007	LM-007	Technical Data Management Plan	5.4.1	Acceptance	6 MACA	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	ASREQ	TA	MSC 5-4
LM-008	LM-008	Maintenance Program Review Report	5.7.1	Acceptance	ASGEN	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	Annually	TA	MSC 5-4
LM-009	LM-009	Maintenance Support Plan	5.7.1.2	Acceptance	6 MACA	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	ASREQ	TA	MSC 5-4
SE-001	SE-001	System Engineering Management Plan	5.6.1	Acceptance	6 MACA	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	ASREQ	TA	MSC 5-4
SE-002	SE-002	Engineering Change Proposal	5.6.2.2	Acceptance	ASGEN	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	ASREQ	TA	MSC 5-4
SE-003	SE-003	Engineering Change Specification	5.6.2.3	Acceptance	ASGEN	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	ASREQ	TA	MSC 5-4
SE-004	SE-004	Installation Guidance Package	5.6.2.3	Acceptance	ASGEN	Within 20 working days of receipt of TA comments on draft or negotiated with TA for longer period of days	R/ASR	ASREQ	TA	MSC 5-4

[illegible]