



RETURN BIDS TO:

RETOURNER LES SOUMISSIONS À:

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

See herein for bid submission
instructions/

Voir la présente pour les
instructions sur la présentation
d'une soumission

NA
British Columbia

INVITATION TO TENDER

APPEL D'OFFRES

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

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

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

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

Comments - Commentaires

Vendor/Firm Name and Address
Raison sociale et adresse du
fournisseur/de l'entrepreneur

Issuing Office - Bureau de distribution

Public Works and Government Services Canada -
Pacific Region
401 - 1230 Government Street
Victoria, B. C.
V8W 3X4

Title - Sujet Engine Replacements	
Solicitation No. - N° de l'invitation W0103-218861/A	Date 2020-11-16
Client Reference No. - N° de référence du client W0103-218861	GETS Ref. No. - N° de réf. de SEAG PW-\$XLV-588-8096
File No. - N° de dossier XLV-0-43103 (588)	CCC No./N° CCC - FMS No./N° VME
Solicitation Closes - L'invitation prend fin at - à 02:00 PM Pacific Standard Time PST on - le 2020-12-02 Heure Normale du Pacifique HNP	
F.O.B. - F.A.B. Plant-Usine: <input type="checkbox"/> Destination: <input type="checkbox"/> Other-Autre: <input type="checkbox"/>	
Address Enquiries to: - Adresser toutes questions à: Wulff, Gregor F.	Buyer Id - Id de l'acheteur xlV588
Telephone No. - N° de téléphone (250) 217-7138 ()	FAX No. - N° de FAX () -
Destination - of Goods, Services, and Construction: Destination - des biens, services et construction: National Defence Canada See herein	

Instructions: See Herein

Instructions: Voir aux présentes

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

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PART 1 - GENERAL INFORMATION

1.1 Introduction

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

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

The Annexes include the Statement of Work, the Basis of Payment, the Insurance Requirements and any other annexes.

1.2 Summary

1.2.1 The Statement of work is as follows:

- a. The Department of National Defence (DND) requires a Contractor to carry out the removal of 4 (four) Honda outboard engines, (and supporting equipment), and the installation of 4 (four) Mercury 225hp outboard engines, (and supporting equipment including fuel filters), on 2 (two) SAFE 25 Full Cabin boats. Each boat has two engines which are counter rotating. The Work must be conducted in accordance with the associated Technical Specifications detailed in the Statement of Work as attached at Annex A.

For specifications, drawings, test sheets, annexes and appendices, bidders must contact the Contracting Authority identified in Article 7.5.1.

- b. The Contractor must carry out any approved unscheduled work not covered in paragraph a. above.

1.2.2 Term of Contract

Work must be completed as follows:

Complete: 31 January, 2021.

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

1.2.3 Bidder Capabilities

Bidders will be required to supply with their bid:

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

1.2.4 Security Requirement

There is no security requirement applicable to this Contract.

1.2.5 Sourcing Strategy

This procurement is subject to CFTA.

1.2.6 Integrity Provisions

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

1.2.7 ePost Connect

This bid solicitation allows bidders to use the epost Connect service provided by Canada Post Corporation to transmit their bid electronically. Bidders must refer to Part 2 entitled Bidder Instructions, and Part 3 entitled Bid Preparation Instructions, of the bid solicitation, for further information.

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 15 working days of receipt of the results of the bid solicitation process. The debriefing may be in writing, by telephone or in person.

PART 2 - BIDDER INSTRUCTIONS

2.1 Standard Instructions, Clauses and Conditions

All instructions, clauses and conditions identified in the bid solicitation by number, date and title are set out in the *Standard Acquisition Clauses and Conditions Manual* (<https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual>) issued by Public Works and Government Services Canada. Bidders who submit a bid agree to be bound by the instructions, clauses and conditions of the bid solicitation and accept the clauses and conditions of the resulting contract.

The 2003 (2020-05-28) Standard Instructions - Goods or Services - Competitive Requirements, are incorporated by reference into and form part of the bid solicitation.

2.2 Submission of Bids

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

PWGSC Pacific Region Bid Receiving Unit

Only bids submitted using epost Connect service will be accepted. The Bidder must send an email requesting to open an epost Connect conversation to the following address:

TPSGC.RPRReceptiondessaoumissions-PRBidReceiving.PWGSC@tpsgc-pwgsc.gc.ca

Note: Bids will not be accepted if emailed directly to this email address. This email address is to be used to open an epost Connect conversation, as detailed in Standard Instructions 2003, or to send bids through an epost Connect message if the bidder is using its own licensing agreement for epost Connect.

It is the Bidder's responsibility to ensure the request for opening an epost Connect conversation is sent to the email address above at least six days before the solicitation closing date.

Bids transmitted by facsimile or hardcopy to PWGSC will not be accepted.

2.3 Enquiries - Bid Solicitation

All enquiries must be submitted in writing to the Contracting Authority no later than five (5) working days before the bid closing date. Enquiries received after that time may not be answered.

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

2.4 Applicable Laws - Bid

1. Any resulting contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in British Columbia.
2. Bidder may, at its discretion, substitute the applicable laws of a Canadian province or territory of their choice without affecting the validity of their bid, by deleting the name of the Canadian province or territory specified and inserting the name of the Canadian province or territory of their choice. If no change is made, it acknowledges that the applicable laws specified are acceptable to the Bidders.

2.5 Bid Challenge and Recourse Mechanisms

- a) Several mechanisms are available to potential suppliers to challenge aspects of the procurement process up to and including contract award.
- (b) Canada encourages suppliers to first bring their concerns to the attention of the Contracting Authority. Canada's [Buy and Sell](#) website, under the heading "[Bid Challenge and Recourse Mechanisms](#)" contains information on potential complaint bodies such as:
- Office of the Procurement Ombudsman (OPO)
 - Canadian International Trade Tribunal (CITT)
- (c) Suppliers should note that there are **strict deadlines** for filing complaints, and the time periods vary depending on the complaint body in question. Suppliers should therefore act quickly when they want to challenge any aspect of the procurement process.

PART 3 - BID PREPARATION INSTRUCTIONS

3.1 Bid Preparation Instructions

The Bidder must submit its bid electronically in accordance with section 08 of the 2003 standard instructions. The epost Connect system has a limit of 1GB per single message posted and a limit of 20GB per conversation.

The bid must be gathered per section and separated as follows:

Section I: Technical Bid
Section II: Financial Bid
Section III: Certifications
Section IV: Additional Information

Bids transmitted by facsimile or hardcopy will not be accepted.

3.1.1 Section I: Technical Bid

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

3.1.2 Section II: Financial Bid

Bidders must submit their financial bid in accordance with Annex E (Financial Bid Presentation Sheet).

3.1.3 Section III: Certification Requirements

Bidders must submit the certifications required under Part 5.

3.1.4 Section IV: Additional Information

Bidders must submit the additional information required under Part 6.

PART 4 - EVALUATION PROCEDURES AND BASIS OF SELECTION

4.1 Evaluation Procedures

- (a) Bids will be assessed in accordance with the entire requirement of the bid solicitation.
- (b) An evaluation team composed of representatives of Canada will evaluate the bids.
- (c) The evaluation team will determine first if there are two or more bids with a valid Canadian Content certification. In that event, the evaluation process will be limited to the bids with the certification; otherwise, all bids will be evaluated. If some of the bids with a valid certification are declared non-responsive, or are withdrawn, and less than two responsive bids with a valid certification remain, the evaluation will continue among those bids with a valid certification. If all bids with a valid certification are subsequently declared non-responsive, or are withdrawn, then all the other bids received will be evaluated.

4.1.1 Technical Evaluation.

All bids must be completed in full and provide all of the information requested in the bid solicitation to enable full and complete evaluation.

4.1.1.1 Mandatory Technical Criteria

1.1.1 The minimum requirements for bid response documents is stated in the Solicitation.

1.1.2 The bid response documents must demonstrate that the bidder fully understands the technical requirements of this SOR and is capable of providing the requested goods and/or services.

Refer to Annex H, Mandatory Evaluation Criteria

4.2 Financial Evaluation

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

4.2.2 Unscheduled Work and Evaluation Price

In any vessel refit, repair or docking contract, unscheduled work may arise after the vessel and its equipment is opened up and surveyed. The anticipated cost of the Work will be included in the evaluation of bids. The overall total cost will be calculated by including an estimated amount of additional person-hours (and/or material) multiplied by a firm hourly charge-out labour rate and is added to the firm price for the Work.

The overall total referred to as the "Evaluation Price" will be used for evaluating the bids. The estimated work will be based on historical experience and there is no minimum or maximum amount of unscheduled work nor is there a guarantee of such work.

4.3 Basis of Selection

A bid must comply with all requirements of the bid solicitation to be declared responsive. The responsive bid with the lowest evaluation price will be recommended for award of a contract.

PART 5 – CERTIFICATIONS

5.1 General

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

The certifications provided by bidders to Canada are subject to verification by Canada at all times. Canada will declare a bid non-responsive, or will declare a contractor in default in carrying out any of its obligations under the Contract, 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 may render the bid non-responsive or constitute a default under the Contract.

5.2 Certifications Required With the Bid

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

5.2.1 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.

5.3 Certifications Precedent to Contract Award and Additional Information

The certifications listed below should be completed and submitted with the bid but may be submitted afterwards. If any of these required certifications is not completed and submitted as requested, the Contracting Authority will inform the Bidder of a time frame within which to provide the information. Failure to comply with the request of the Contracting Authority and to provide the certifications within the time frame specified will render the bid non-responsive.

5.3.1 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.

5.3.2 Federal Contractors Program for Employment Equity - Bid Certification

By submitting a bid, the Bidder certifies that the Bidder, and any of the Bidder's members if the Bidder is a Joint Venture, is not named on the Federal Contractors Program (FCP) for employment equity "FCP Limited Eligibility to Bid" 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.

PART 6 - SECURITY, FINANCIAL, AND OTHER REQUIREMENTS

6.1 Security Requirement

There is no security requirement applicable to this Contract.

6.2 Financial Capability

SACC Manual Clause [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 Annex C.

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

6.4 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 forty-eight (48) hours following a request from the Contracting Authority, a certificate or letter from the applicable Workers' Compensation Board confirming the Bidder's good standing account. Failure to comply with the request may result in the bid being declared non-responsive.

6.5 Valid Labour Agreement

If the Bidder has a labour agreement, or other suitable instrument, in place with its unionized labour or workforce, it must be valid for the proposed period of any resulting contract. Before contract award and within forty-eight (48) hours of written notification by the Contracting Authority the Bidder must provide evidence of that agreement.

6.6 List of Proposed Sub-contractors

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

PART 7 - RESULTING CONTRACT CLAUSES

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

7.1 Statement of Work - Contract

- a. The Department of National Defence (DND) requires a Contractor to carry out the removal of 4 (four) Honda outboard engines, (and supporting equipment), and the installation of 4 (four) Mercury 225hp outboard engines, (and supporting equipment including fuel filters), on 2 (two) SAFE 25 Full Cabin boats. Each boat has two engines which are counter rotating. The Work must be conducted in accordance with the associated Technical Specifications detailed in the Statement of Work as attached at Annex A. For specifications, drawings, test sheets, annexes and appendices, bidders must contact the Contracting Authority identified in Article 7.5.1.
- b. The Contractor must carry out any approved unscheduled work not covered in paragraph a. above.

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 Works and Government Services Canada.

7.2.1 General Conditions

[2035](#) (2020-05-28), General Conditions - Higher Complexity - Services, apply to and form part of the Contract.

7.2.2 Supplemental General Conditions

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

7.3 Security Requirement

There is no security requirement applicable to this Contract.

7.4 Term of Contract

1. Work Period

Work must commence and be completed as follows:

Complete: 31 January, 2021.

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

7.5 Authorities

7.5.1 Contracting Authority

The Contracting Authority for the Contract is:

Gregor Wulff
Public Works and Government Services Canada
Pacific Region, Acquisitions, Marine
401 - 1230 Government Street
Victoria, BC V8W 3X4
Telephone: 250-217-7138
E-mail: gregor.wulff@pwgsc-tpsgc.gc.ca

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

7.5.2 Technical Authority

The Technical Authority for the Contract is provided upon contract award.

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

7.5.3 Inspection Authority

The Technical Authority is the Inspection Authority.

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.

7.5.4 Contractor's Representative

Name and telephone numbers of the person responsible for production:

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

Name and telephone numbers of the person responsible for delivery:

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

7.6 Payment

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

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

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

7.6.2 Single Payment

SACC manual clause [H1000C](#) (2008-05-12), Single Payment

7.6.3 Warranty Holdback

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

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7.7 Invoicing Instructions

7.7.1 Invoice is to be made out to:

Department of National Defence
Base Logistics Officer
CFB Esquimalt
Stn Forces P.O. Box 17000
Victoria, B.C. V9A 7N2
Canada
W0103

Electronic copy of the invoice is to be sent for verification to:

PAC.MARINE@pwgsc-tpsgc.gc.ca Please note the contract number in the subject line of the email.

7.8 Certifications - Contract

7.8.1 Compliance

The continuous compliance with the certifications provided by the Contractor in its bid and the ongoing cooperation in providing associated information are conditions of the Contract. Certifications are subject to verification by Canada during the entire period of the Contract. If the Contractor does not comply with any certification, fails to provide the associated information, or if it is determined that any certification made by the Contractor in its bid is untrue, whether made knowingly or unknowingly, Canada has the right, pursuant to the default provision of the Contract, to terminate the Contract for default.

7.9 Applicable Laws

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

7.10 Priority of Documents

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

- a. the Articles of Agreement;
- b. the Supplemental General Conditions 1029 (2018-12-06), Ship Repairs;
- c. the General Conditions 2035 (2020-05-28), Higher Complexity - Services;
- d. Annex A, Statement of Work;
- e. Annex B, Basis of Payment;
- f. Annex C, Insurance Requirements;
- g. Annex D, Warranty Procedures and Claim Form;
- h. Annex E, Procedure for Processing Unscheduled Work, and
- i. the Contractor's bid dated _____.

7.11 Defence Contract

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

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

7.12 Insurance - Requirements

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

The Contractor is responsible for deciding if additional insurance coverage is necessary to fulfill its obligation under the Contract and to ensure compliance with any applicable law. Any additional insurance coverage is at the Contractor's expense, and for its own benefit and protection.

The Contractor must forward to the Contracting Authority within ten (10) days after the date of award of the Contract, a Certificate of Insurance evidencing the insurance coverage and confirming that the insurance policy complying with the requirements is in force. For Canadian-based Contractors, coverage must be placed with an Insurer licensed to carry out business in Canada, however, for Foreign-based Contractors, coverage must be placed with an Insurer with an A.M. Best Rating no less than "A-". The Contractor must, if requested by the Contracting Authority, forward to Canada a certified true copy of all applicable insurance policies.

7.13 Trade Qualifications

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

7.14 Sub-contracts and Sub-contractor List

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

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

7.15 ISO 9001:2008 - Quality Management Systems

In the performance of the Work described in the Contract, the Contractor must comply with the requirements of:

ISO 9001:2008 - Quality management systems - Requirements, published by the International Organization for Standardization (ISO), current edition at date of submission of the Contractor's bid with the exclusion of the following requirement:

7.3 Design and development.

It is not the intent of this clause to require that the Contractor be registered to the applicable standard; however, the Contractor's quality management system must address each requirement contained in the standard.

Assistance for Government Quality Assurance (GQA):

The Contractor must provide any assistance required by the Inspection Authority for evaluation, verification, validation, documentation or release of product.

The Inspection Authority or designate must have the right of access to any area of the Contractor's or Subcontractor's facilities where any part of the Work is being performed. The Inspection Authority or designate must be afforded unrestricted opportunity to evaluate and verify Contractor conformity with Quality System procedures and to validate product conformity with contract requirements. The Contractor must make available,

for reasonable use by the Inspection Authority or designate, the equipment necessary for all validation purposes. Contractor personnel must be made available for operation of such equipment as required.

When the Inspection Authority or designate determines that GQA is required at a subcontractor's facilities, the Contractor must provide for this in the purchasing document and forward copies to the Inspection Authority or designate, together with relevant technical data as the Inspection Authority or designate may request.

The Contractor must notify the Inspection Authority or designate of non-conforming product received from a subcontractor when the product has been subject to GQA.

7.16 SACC Manual Clauses

A0285C 2007-05-25 Workers Compensation

7.17 Dispute Resolution

- (a) The parties agree to maintain open and honest communication about the Work throughout and after the performance of the contract.
- (b) The parties agree to consult and co-operate with each other in the furtherance of the contract and promptly notify the other party or parties and attempt to resolve problems or differences that may arise.
- (c) If the parties cannot resolve a dispute through consultation and cooperation, the parties agree to consult a neutral third party offering alternative dispute resolution services to attempt to address the dispute.
- (d) Options of alternative dispute resolution services can be found on Canada's Buy and Sell website under the heading "[Dispute Resolution](#)".

7.18 Procedures for Design Change or Additional Work

These procedures must be followed for any design change or additional work.

1. When Canada requests design change or additional work:
 - a. The Technical Authority will provide the Contracting Authority with a description of the design change or additional work in sufficient detail to allow the Contractor to provide the following information:
 - i. any impact of the design change or additional work on the requirement of the Contract;
 - ii. a price breakdown of the cost (increase or decrease) associated with the implementation of the design change or the performance of the additional work using either the form [PWGSC-TPSGC 1686](#), Quotation for Design Change or Additional Work, or the form [PWGSC-TPSGC 1379](#) (PDF 56KB) - ([Help on File Formats](#)) Work Arising or New Work.
 - iii. a schedule to implement the design change or to perform the additional work and the impact on the contract delivery schedule.
 - b. The Contracting Authority will then forward this information to the Contractor.
 - c. The Contractor will return the completed form to the Contracting Authority for evaluation and negotiation. Once agreement has been reached, the form must be signed by all parties in the appropriate signature blocks. This constitutes the written authorization for the Contractor to proceed with the work, and the Contract will be amended accordingly.
2. When the Contractor requests design change or additional work:

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- a. The Contractor must provide the Contracting Authority with a request for design change or additional work in sufficient detail for review by Canada.
 - b. The Contracting Authority will forward the request to the Technical Authority for review.
 - c. If Canada agrees that a design change or additional work is required, then the procedures detailed in paragraph 1 are to be followed.
 - d. The Contracting Authority will inform the Contractor in writing if Canada determines that the design change or additional work is not required.
3. Approval
- The Contractor must not proceed with any design change or additional work without the written authorization of the Contracting Authority. Any work performed without the Contracting Authority's written authorization will be considered outside the scope of the Contract and no payment will be made for such work.

ANNEX A - STATEMENT OF WORK

1.0 SCOPE

1.1 Purpose.

Purpose of this Statement of Work (SOW) is to describe the services required for the removal of 4 (four) Honda outboard engines, (and supporting equipment), and the installation of 4 (four) Mercury 225hp outboard engines, (and supporting equipment including fuel filters), on 2 (two) SAFE 25 Full Cabin boats. Each boat has two engines which are counter rotating.

1.2 Background

The Naval Security Team was provided with 5 SAFE 25 full cabin force protection boats that are approximately 18 years old. The boats were supplied with Honda 225 horsepower outboard engines which now require life cycling. DND has 4 Mercury 225 XXL Four Stroke DTS 4.8" 1.85 engines, which are to be installed on 2 boats. The defender boats are used as a force protection boat, and must be capable of operating in saltwater, in a variety of operating environments. The fuel filters which are fitted between the fuel tanks and the engines also require replacement.

1.3 References

The following references are provided with the Request for Proposal. Where mentioned, the following Standards must be used for the preparation of deliverables to the extent specified in this SOW:

REFERENCE	PROMULGATION	REFERENCE TITLE
SAFE 25 Full Cabin Arrangement	UNKNOWN	25 FULL CABIN GA DRAWINGS
Picture of Defender Boats	2019-05-17	PICTURES OF RCN SAFE 25 FULL CABIN BOATS

1.4 Order of Precedence

In the event of a conflict between the content in this Statement of Work (SOW) and the referenced documents, the content of this SOW takes precedence to inform the Request for Proposal to the Bidder.

2.0 GENERAL REQUIREMENTS

2.1 Scope of Work

The removal of 4 Honda engines, and all Honda specific mounting brackets, control systems, gauges, and hoses. Preparing the boats for install of two (2) Mercury 225 XXL Four Stroke DTS 4.8" 1.85 outboards on 2 (two) boats for a total of 4 (four) engines. Replacing all Honda specific mounting brackets, control systems, gauges, propellers, and hoses with new equipment that will support the new Mercury engines. This includes replacing the existing fuel filters with RACOR fuel filters. In addition, the wiring harness connecting batteries, main circuit board, and power post at the stern of the boat is also to be replaced with wires of a thicker gauge

2.2 Deliverables

2.2.1 The Contractor must supply the following equipment:

Table 1

Item Number	Number Per Boat (Total for project)	Manufacturer	Part Number	Description
1	2 (4)	Mercury	8M0113732	HARNESS-CLEAN PWR
2	1 (2)	Mercury	893378K04	COM MOD KT-SLM/BN
3	1 (2)	Mercury	8M0096751	ERC-DUAL TRIM
4	2 (4)	Mercury	892451T25	HARNESS ASSY
5	2 (4)	Mercury	825191A03	HOSE KIT-RIGGING
6	1 (2)	Mercury	8M0040398	ENERT ECO 16X17RH
7	1 (2)	Mercury	8M0040399	ENERT ECO 16X17LH
8	1 (2)	Mercury	8M0135632	TACH/SPD BLK DUAL
9	1 (2)	Mercury	8590741	BLK BEZEL-TACH
10	1 (2)	Mercury	892822A02	BRACKET KIT
11	2 (4)	Mercury	8M0052849	"TRIM GAUGE, BLK"
12	2 (4)	Mercury	8798711	BLK BEZEL - TRIM
13	2 (4)	Shields	HOS368 - 3/8	3/8" FUEL LINE
14	1 (2)	Shields	HOS355 - 1-1/2	1/12" FUEL FILL HOSE
15	1 (2)	Shields	HOS369 - 5/8	5/8" FUEL VENT HOSE
16	8 (16)	HSC	HSCMAH4	HOSE CLAMPS
17	1 (2)	Moeller	114-03380710	ANTI-SIPHON VALVE 3/8x1/4 NPT
18	2 (4)	RACOR	320R-RAC-01	RACOR FUEL FILTER KIT
19	1(2)	Land 'N' Sea	630-116005	1/0 BLACK TINTED WIRE 50 feet
20	1(2)	Land 'N' Sea	630-116005	1/0 RED TINTED WIRE 50 feet
21	3(6)	Land 'N' Sea	50-63881	5/16" 1/0 TINNED BATTERY LUG
22	6(12)	Land 'N' Sea	50-60531	3/8" 1/0 TINNED BATTERY LUG
23	5(10)	Western Marine	60361	RED HEAT SHRINK
24	4(8)	Seachoice	50-60461	BLACK HEAT SHRINK PER INCH

2.2.2. The Contractor must verify all components needed for installation in accordance with Manufacturer's installation requirements. Any items not listed above, or incorrectly indicated must be reported to the TA in writing. All approved changes will be done through the Additional Work Procedures. Any additional components required for installation of the engines and engine systems will be covered by the Unscheduled Work Procedures.

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There will be no welding required. Brackets are bolted on. The console will likely need modification as the gauges will inevitably not be the same.

2.3 Requirements and Tasks

2.3.1 The Deliverables are hereby described in detail including the description of the required goods, applicable specification/data and the specific delivery location(s) to satisfy need.

DND will be responsible for getting the boats on to the contractor provided trailer. Once boats are on trailer, the contractor is then responsible for the transport of the boat and trailer to their location. The contractor will provide a flatbed truck or trailer to deliver the boat to the installation location and return to the DND address indicated below after work completion acceptance. Dimensions for the boat are attached. Trailer weight of the boat is 8805lbs. DND will provide a crane if required to place the boat on the truck/trailer. The Current trailers which DND uses are as follows:

Capacity: 4086kg (9000lbs);
GVWR: 5039kg (11100lbs);
GAWR All Axles 1680kg (3700lbs);
Name and Model: EZ Loader 5-TIARBS 25 9000 D3X

Address for vessel pickup and return:

Building 10 Commodore Rd
CFB Esquimalt-Dockyard
Esquimalt, BC V9A-5K5

The Contractor must unpack the Mercury 225 XXL Four Stroke DTS 4.8" 1.85 outboards which are provided from DND. DND will supply the manuals for engine operation and installation, at the same time that the supply the boats to the contractor.

Remove 2 Honda engines on from each defender boat.
Remove both Honda engines;
Remove mounting brackets;
Remove fuel hoses;
Remove fuel filters;
Remove control cables for existing throttles and gauges;
Remove existing throttles at the helm position; and
Remove existing engine gauges at the helm position.
Pack the removed Honda engines for transport and deliver to DND

Address for removed Honda engine delivery:

Building 10 Commodore Rd
CFB Esquimalt-Dockyard
Esquimalt, BC V9A-5K5

Install 2 Mercury 225 XXL Four Stroke DTS 4.8" 1.85.
Install new mounting bracket kit Item 9 in table 1;
Install 1 propeller on each engine, items 7 and 8 in table 1;
Install and connect all hoses for each engine, item 5 in table 1;
Install and connect new gauges at the helm position, items 7 and 10;
Install and connect clean power harness, item 1 in table 1; and
Install and connect command module kit, item 2 in table 1.
Connect the engines to the existing steering system
Ensure functionality of steering system.
Replace the current fuel filters.
Install 2 new RACOR fuel filters in the lazarette item 18 in table 1;
Replace the fuel fill hose item 14 in table 1;
Replace the anti-siphon valve item 17 in table 1; and

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Replace the fuel vent hose in item 15 in table 1.

6. Replace and upgrade the wiring harness with thicker wires.

Upgrade the wiring harness from batteries to power posts at stern using items 19 to 24 in table 1; and
Ensure that all battery connections are tight;

7. Set the new equipment to work and verify they are operating within OEM ranges.

Verify that all gauges are operating within guidelines provided by the manufacturer;

Verify that each engine is functional within OEM guidelines by doing an engine run-up at the installation location.
Run-up will consist of boat launch and engine operation for 1 hour to confirm that the engine installation was
successful to be witnessed by the DND Technical Authority.

8. Contractor to supply all details for all contractor supplied equipment.

9. The Contractor must provide at point of receipt for acceptance, all source documents with all other
necessary documentation for operation and maintenance of equipment.

2.4 Constraints

Engine installation, verification, mounting, start-up and flash-up and run-up must be completed by a certified OEM
Mercury technician.

Engine break-in will be performed by DND.

Client (DND) Support

DND, will provide the 4 Mercury outboard engines; and

DND will coordinate with the service provider to launch or crane the defender boat onto the contractor supplied
trailer.

5.0 Photos

5.1 RCN Defender Boat



5.2 Engine Mount Starboard (Aft View)



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5.3.Engine Mounts Forward



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5.4. Steering System



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5.5. Engines (Aft View)



5.6. Upper Gauges (Mounted above helm position)



5.7. Helm Position



5.8. Throttles



ANNEX B – BASIS OF PAYMENT

Note to Bidders:

Annex B is provided for sample purposes only and should not be filled in with pricing information. The Bidder must provide their pricing in Annex F, Financial Bid Presentation Sheet and submit the completed Annex F with their financial bid.

B1. Contract Price

a.	Known Work For work as stated in Part 7 Article 1, as specified in Annexes A For a FIRM PRICE of:	\$ _____
b.	Contract Price: For a FIRM PRICE of: Customs duties are included and Applicable Taxes are extra	\$ _____

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

B2. Unscheduled Work

A. Price Breakdown:

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

B. Pro-rated Prices:

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

C. Payment for Unscheduled Work:

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

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

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

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

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

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

B-3 Overtime

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

Payment for authorized overtime will be calculated as follows:

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

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

For double time: \$_____ per hour.

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

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

For double time: \$_____ per hour.

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

ANNEX C - INSURANCE REQUIREMENTS

C1. Commercial General Liability

1. The Contractor must obtain Commercial General Liability Insurance, and maintain it in force throughout the duration of the Contract, in an amount usual for a contract of this nature, but for not less than \$10,000,000 per accident or occurrence. (For annual and maximum liabilities see article 7-2.1 of the Contract.)
2. The Commercial General Liability Insurance policy must include the following:
 - a. Additional Insured: Canada is added as an additional insured, but only with respect to liability arising out of the Contractor's performance of the Contract. The interest of Canada should read as follows: Canada, as represented by The Department of National Defence and Public Works and Government Services Canada.
 - b. Bodily Injury and Property Damage to third parties arising out of the operations of the Contractor.
 - c. Personal Injury: While not limited to, the coverage must include Violation of Privacy, Libel and Slander, False Arrest, Detention or Imprisonment and Defamation of Character.
 - d. Cross Liability/Separation of Insureds: Without increasing the limit of liability, the policy must protect all insured parties to the full extent of coverage provided. Further, the policy must apply to each Insured in the same manner and to the same extent as if a separate policy had been issued to each.
 - e. Blanket Contractual Liability: The policy must, on a blanket basis or by specific reference to the Contract, extend to assumed liabilities with respect to contractual provisions.
 - f. Employees and, if applicable, Volunteers must be included as Additional Insured.
 - g. Employers' Liability (or confirmation that all employees are covered by Worker's compensation (WSIB) or similar program)
 - h. Notice of Cancellation: The Insurer will endeavor to provide the Contracting Authority thirty (30) days written notice of policy cancellation.
 - i. If the policy is written on a claims-made basis, coverage must be in place for a period of at least 12 months after the completion or termination of the Contract.
 - j. Owners' or Contractors' Protective Liability: Covers the damages that the Contractor becomes legally obligated to pay arising out of the operations of a subcontractor.
 - k. Sudden and Accidental Pollution Liability (minimum 120 hours): To protect the Contractor for liabilities arising from damages caused by accidental pollution
3. In addition, if the Contractor decides **NOT** to obtain Ship Repairers' Liability Insurance, (**See Article C1**) then the Commercial General Liability Insurance Policy must also include the following:
 - a. 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.

- b. 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.
- c. Amendment to the Watercraft Exclusion to extend to incidental repair operations on board watercraft.

C2. Vessel Custody

- 1. This work is going to take place with the vessel "out of commission" and therefore in the "care, control and custody" of the Contractor.
- 2. The "CERTIFICATE of CUSTODY - ASSUMPTION OF CUSTODY OF FEDERAL GOVERNMENT SHIPS BY CONTRACTOR" (Appendix 1 to Annex C) must be completed as required and a copy passed to the Inspection Authority.
- 3. To facilitate this turnover, representatives of the Contractor and Canada must confirm the condition of the vessel.
- 4. A vessel condition report must be appended to the above noted certificate and must be accompanied by colour photographs or videos in either conventional or digital format.
- 5. When the vessel is to be returned to the "care, control and custody" of Canada, the "CERTIFICATE of CUSTODY - RESUMPTION OF CUSTODY OF FEDERAL GOVERNMENT SHIPS BY THE CLIENT DEPARTMENT" (Appendix 2 to Annex C) must be completed and a signed copy passed to Canada for distribution.

**APPENDIX 1 TO ANNEX C: CERTIFICATE OF CUSTODY ASSUMPTION OF CUSTODY OF
CANADIAN GOVERNMENT SHIPS BY CONTRACTOR**

ACCEPTANCE OF:

1. The undersigned, on behalf of The Department of National Defence and of (vendor)_____ acknowledge to have handed over and received respectively _____ for the purpose of refit, all in accordance with the terms and conditions of PWGSC Contract Serial Number W0103-218861/001/XLV and such documents which form part of the said contract.
2. It is mutually agreed by all parties that the condition report by compartment or area must be considered as an addendum to this Contract; and must be a valid document in the taking over of the vessel by the Contractor, even if the inspection and signing occur after the signing of the Contract but within the agreed ten (10) day period.
3. It is further agreed by all parties that the liabilities and responsibilities of _____ as defined in Article 9 of PWGSC 1029 Supplemental General Conditions for Ship Repairs, for a vessel out of commission, will commence as at..... hours on (date).

SIGNED AT.....
ON THE DAY OF..... 20.....
AT HOURS.

FOR:
THE DEPARTMENT OF NATIONAL DEFENCE

FOR:
CONTRACTOR

WITNESSED BY:
PUBLIC WORKS AND GOVERNMENT SERVICES CANADA

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**APPENDIX 2 TO ANNEX C CERTIFICATE OF CUSTODY RESUMPTION OF CUSTODY OF
CANADIAN GOVERNMENT SHIPS BY THE CLIENT DEPARTMENT**

ACCEPTANCE OF:

1. The undersigned, on behalf of (vendor)_____ and of The Department of National Defence acknowledge to have handed over and to have received respectively the Name of Vessel _____ said vessel having been received _____ on _____, for the purpose of refit in accordance with the terms and conditions of PWGSC Contract Serial Number W0103-218861/001/XLV.
2. It is mutually agreed by all parties that the liabilities and responsibilities of _____, as defined in Article 9 of PWGSC 1029 Supplemental General Conditions for Ship Repairs, for a vessel out of commission, will automatically cease as at _____ hours on _____ (date).
3. That effective from _____ hours on the _____ (date). Article 8 of PWGSC 1029 for a vessel "in commission" Shall apply, and that responsibility for the care and protection of the said vessel will revert to Canada.

SIGNED AT.....

ON THE DAY OF..... 20.....

AT HOURS.

FOR:
THE DEPARTMENT OF NATIONAL DEFENCE

FOR:
CONTRACTOR

WITNESSED BY:
PUBLIC WORKS AND GOVERNMENT SERVICES CANADA

ANNEX D - WARRANTY PROCEDURES AND CLAIM FORM

D1. Warranty Procedures

1. Scope

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

2. Definition

- a. There are a number of definitions of "warranty" most of which are intended to describe its force and effect in law. One such definition is offered as follows:

"A warranty is an agreement whereby the vendor's or manufacturer's responsibility for performance of its product is extended for a specific period of time beyond the date at which the title to the product passes to the buyer."

3. Warranty Conditions

- a. General Conditions 2035 (2020-05-28), General Conditions - Higher Complexity - Services are augmented by clauses incorporated into the subject Contract.
- b. The warranty periods may be stated in more than one part:
 - i. 90 days commencing from the day the PWGSC 1205 Acceptance Document is signed for workmanship provided by the contractor for the refit work specified;
 - ii. 365 days from the date of acceptance for the specified areas of painting;
 - iii. 365 days commencing from the day the PWGSC 1205 Acceptance Document is signed for parts and material provided by the contractor for the refit work specified;
 - iv. Any other specific warranty periods that may be required in the contract or offered by the Contractor.
- c. The foregoing does not cover the disposition of other deficiencies that will be directly related to Technical Authority problem areas of the following nature:
 - i. items becoming unserviceable that were not included in the refit specification;
 - ii. refit specifications or other related documentation requiring amendments or corrections to increase viability; and
 - iii. work performed that is directly related to the Technical Authority.

4. Reporting Failures with Warranty Potential

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

5. Procedures

- a. Immediately it becomes known to the Ship's Staff that an equipment/system is performing below accepted standards or has become defective, the procedures for the investigation and reporting are as follows:

- i. The vessel advises the Technical Authority when a defect, which is considered to be directly associated with the refit work, has occurred.
- ii. On review of the Specification and the Acceptance Document, the Technical Authority in consort with Ship's Staff is to complete the Tombstone Data and section 1 of the Warranty Claim Form Appendix 1 to Annex F and forward the original to the Contractor for review with a copy to the PWGSC Contracting Authority. If the PWGSC Contracting or Inspection Authority is unable to support warranty action, the Defect Claim Form will be returned to the originator with a brief justification. (It is to be noted that in the latter instance PWGSC will inform the Contractor of its decision and no further action will be required of the Contractor.

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

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

6. Liability

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

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XLV-0-43103

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Accordingly, the cost to remediate the defect, in man-hours and material, will be discussed between the Contracting/Inspection Authorities and the Technical Authority to determine the best course of action.

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APPENDIX 1 TO ANNEX D



Public Works and
Government Services Canada

Travaux publics et Services
gouvernementaux Canada

**Warranty Claim
Réclamation De Garantie**

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

Contact Information – Informations de contact

Name – Nom	Tel. No. - N ° Tél
Signature – Signature	Date

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

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

Contractor's Name and Signature :

Name – Nom

Signature – Signature

Date

Client's Name and Signature :

Name – Nom

Signature – Signature

Date

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

Contracting Authority's Name and Signature :

Name – Nom

Signature – Signature

Date

5. Additional Information – Renseignements supplémentaires

ANNEX E - PROCEDURE FOR UNSCHEDULED WORK

E1. Purpose

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

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

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

E2. Definitions

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

E3. Procedures

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

for the work to proceed. If required, the Technical Authority will then define the unscheduled work requirement in accordance with sub paragraph 3(c).

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

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

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

E4. Amendment to Contract or Formal Agreement

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

ANNEX F - FINANCIAL BID PRESENTATION SHEET

F1. Evaluation of Price

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

a.	Known Work For work as stated in Part 1 article 1.2, specified in Annex A for a FIRM PRICE of:	\$ _____
b.	Unscheduled Work <i>Labour Cost:</i> Estimated labour hours at a firm <i>Charge-out Labour Rate</i> , including overhead and profit: 50 person hours X \$_____ per hour for a PRICE of: See articles F2.1 and F2.2 below.	\$ _____
c.	EVALUATION PRICE Applicable Taxes Excluded, [a + b]: For an EVALUATION PRICE of :	\$ _____

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

F2. Unscheduled Work

A. Price Breakdown:

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

B. Pro-rated Prices:

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

C. Payment for Unscheduled Work:

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

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

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

F-2.1

Notwithstanding definitions or useage elsewhere in this document, or in the Contractor's Cost Management System, when negotiating *Hours* for unscheduled work, PWGSC will consider only those hours of labour directly involved in the production of the subject work package. Elements of *Related Labour Costs* identified in F2.2, will not be negotiated, but will be compensated for in accordance with F2.2.

F-2.2 Allowance for *Related Labour Costs* such as: Management, Direct Supervision, Purchasing and Material Handling, Quality Assurance and Reporting, First Aid, Gas Free Inspecting and Reporting, and Estimating will be included as *Overhead* for the purposes of determining the *Charge-out Labour Rate* set out in clause F2.

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

F-3 Overtime

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

Payment for authorized overtime will be calculated as follows:

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

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

For double time: \$ _____ per hour.

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

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

For double time: \$ _____ per hour.

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

ANNEX G - BID PACKAGE CHECKLIST

G1.1 Mandatory Tender Deliverable Check List

Notwithstanding deliverable requirements specified anywhere else within this bid solicitation and its associated Requirement (Annex A), mandatory deliverables that must be submitted with the Bidder's tender to be deemed responsive, are summarized below.

The following are mandatory and the Bidder's submission will be evaluated against the requirement as defined herein. The Bidder must be determined to be compliant on each item to be considered responsive.

No	Reference to Solicitation	Description	Condition	Document provided	Reference to Bid (Section, Page no., etc.)
1	Cover Page	Solicitation document part 1 page 1, completed and signed	Mandatory with the bid	<input type="checkbox"/>	
2	Article 3.1.1	Details of Bidder capabilities, how they will comply with mandatory requirements and how they will deliver any other requested goods and services.	Mandatory with the bid	<input type="checkbox"/>	
3	Article 5.1.2.1	Integrity Provisions – Declaration of Convicted Offences (if applicable)	Mandatory with the bid	<input type="checkbox"/>	
4	Annex F	Financial Bid Presentation Sheet, completed	Mandatory with the bid	<input type="checkbox"/>	
5	Annex A Article 2.4	OEM Mercury Factory Certification for Mechanic(s) proposed to do the work	Mandatory with the bid	<input type="checkbox"/>	

G1.2 Supporting Deliverable Requirements

If the following information which supports the bid is not submitted with the Bid; it may be requested by the Contracting Authority, and it must be provided within 48 hours of the written request:

No	Reference to Solicitation	Description	Condition	Document provided	Reference to Bid (Section, Page no., etc.)
1	Article 2.4	Changes to Applicable Laws (if any)	48 hrs of written request	<input type="checkbox"/>	
2	Article 6.2	Financial Statements and information	48 hrs of written request	<input type="checkbox"/>	
3	Article 6.3	Either proof of insurance coverage, as required by Annex C, or a letter substantiating that the required insurance coverage will be provided	48 hrs of written request	<input type="checkbox"/>	
4	Article 6.4	Proof of good standing with Worker's Compensation Board	48 hrs of written request	<input type="checkbox"/>	
5	Article 6.5	Proof of valid Labour Agreement or similar instrument covering the work period	48 hrs of written request	<input type="checkbox"/>	
6	Article 6.6	Subcontractor List (if any)	48 hrs of written request	<input type="checkbox"/>	
7	Article 7.5.4 And Article G1.3	Contractor's Representative(s)	48 hrs of written request	<input type="checkbox"/>	
8	Articles 5.3.1	Provide a complete list of names of all individuals who are currently directors of the Bidder.	48 hrs of written request	<input type="checkbox"/>	

G1.3 Contractor's Representative

Name and telephone numbers of the person responsible for production:

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

Name and telephone numbers of the person responsible for delivery:

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

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ANNEX H – MANDATORY EVALUATION CRITERIA

Spec #	Item Description	Pass/Fail	Bid Ref #	Comments
Annex A Article 2.4	The Bidder must provide proof of OEM certification of the proposed mechanics for installation of Mercury engines to satisfy the engine's warranty			