



RETURN BIDS TO:

RETOURNER LES SOUMISSIONS À:

Bid Receiving - PWGSC / Réception des soumissions -
TPSGC

11 Laurier St. / 11, rue Laurier

Place du Portage, Phase III

Core 0B2 / Noyau 0B2

Gatineau

Quebec

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

In-Service Support Marine / Soutien en Service
Maritime

11 Laurier St. / 11, rue Laurier

Place du Portage, Phase III

6C2

Gatineau

Quebec

K1A 0S5

Title - Sujet NETE 3	
Solicitation No. - N° de l'invitation W8482-217850/B	Amendment No. - N° modif. 002
Client Reference No. - N° de référence du client W8482-217850	Date 2020-12-03
GETS Reference No. - N° de référence de SEAG PW-\$ISM-027-27926	
File No. - N° de dossier 027ism.W8482-217850	CCC No./N° CCC - FMS No./N° VME
Solicitation Closes - L'invitation prend fin at - à 02:00 PM Eastern Daylight Saving Time EDT on - le 2021-08-31 Heure Avancée de l'Est HAE	
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: Beaumier, Julie	Buyer Id - Id de l'acheteur 027ism
Telephone No. - N° de téléphone (613) 851-9981 ()	FAX No. - N° de FAX () -
Destination - of Goods, Services, and Construction: Destination - des biens, services et construction:	

Instructions: See Herein

Instructions: Voir aux présentes

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

Solicitation No. - N° de l'invitation
W8482-217850/A
Client Ref. No. - N° de réf. du client
W8482-217850

Amd. No. - N° de la modif.
002
File No. - N° du dossier
027ism.W8482-217850

Buyer ID - Id de l'acheteur
027ism
CCC No./N° CCC - FMS No./N° VME

AMENDMENT 002

This amendment 002 is raised to provide information following the Industry Day and one-on-one sessions held on November 18th and 19th 2020.

A copy of the Industry Day slide deck presentation is attached to this amendment.

The list of Industry Day participants were: BMT Canada Ltd, Calian Ltd, QinetiQ Group Canada Inc., and Weir Canada Inc.

The list of participants at the one-on-one sessions were: BMT Canada Ltd, Calian Ltd, and Weir Canada Inc.

Canada acknowledges that there is a requirement to clarify certain topics as a result of discussion at the one-on one sessions, including:

- Independence Clause, restrictions and conflict of Interest
- Mandatory Criteria
- Transition
- Personnel security clearance
- Capability, skills and knowledge requirement

Canada also acknowledges that there is a requirement to provide additional information on NETE, including SOPs, NETE tasks list and throughput. The NETE 3 Project Team is currently analyzing the information requested and will reply with a suitable information package to Industry early in the new year.

Questions from the Industry:

Q.3 We would like to request a copy of the final Request for Proposal (RFP) for NETE 2?

A.3 A copy of the RFP for NETE 2 can be provided upon request by e-mail to the Contracting Authority.

Q.4 What is the existing contract number?

A.4 Please see the link for information on Buy & Sell on the current contract:

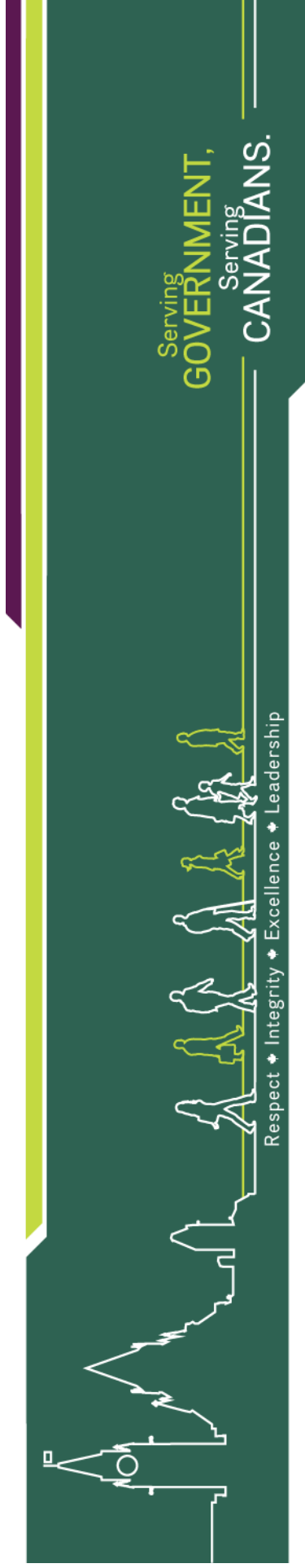
<https://buyandsell.gc.ca/procurement-data/contract-history/W8482-083790-001-ML>

All other terms and conditions remain unchanged.

NETE 3 Industry Day

Agenda and Timeline

Activity	Timing (EST)
Connection and logistics to audio/video conferencing.	09:45 – 10:00
Introductions and Round Table	10:00 – 10:10
NETE 3 Requirement Presentation (DND/PSPC/ISED)	10:10 – 11:30
Industry Feedback & Questions	11:30 – 12:00



Industry Engagement

Naval Engineering Test Establishment (NETE) 3 Support Contract Renewal

Presented to: Industry
Presented by: NETE 3 Project Team
18 November 2020



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NETE 3 Industry Day - Outline

- NETE 3 Project Team
- Objectives
- Industry Engagement Approach
- Context
- NETE 3 Requirements
- Next Steps
- Invitation to Qualify
- Questions to Industry

NETE 3 Project Team

- Department of National Defence (DND)
 - Project Manager – Cdr Erik Tremblay
 - Procurement Authority – Roberto Petrocco
- Public Services and Procurement Canada (PSPC)
 - Contracting Authority – Julie Beaumier
- Innovation Science and Economic Development Canada (ISED)
 - ISED Representative – Juthika Hasan
- Fairness Monitor
 - Ted Pedner – Samson & Associates

Rules of Engagement

- Disclaimer: All documents related to this procurement are draft at this time and are subject to change.
- Questions/Feedback
 - Feel free to ask anytime during the presentation in either Official Language.
 - Contact:
Julie Beaumier
Supply Team Leader
Public Services and Procurement Canada
Julie.Beaumier@tpsgc-pwgsc.gc.ca

Fairness Monitor

- A Fairness Monitor (FM) is an independent third-party, holding a professional designation/accreditation, engaged to observe a Departmental activity, to render an impartial opinion and attest whether decisions taken by the Department are fair, open, and transparent.
- The FM's role is to attest to the fairness, openness and transparency of the monitored activity.
 - Directly informs the Contracting Authority (CA) of any issues/potential fairness deficiencies that arise.
- All solicitation documents are shared with the FM before they are released to Industry.
- All bidder communication is shared with the FM.
- The FM attends all dealing with bidders including industry days, site visits, debriefings, etc.

Objectives

- Engage Industry
- Procurement information sharing by Canada
 - Request for Information (RFI)
 - Industry Day
 - Industry One-on-Ones Sessions
- Request Industry written feedback using the templates provided in Letter of Interest (LOI) by December 11, 2020
- Facilitate a fair, competitive, and successful procurement process

Industry Engagement Approach

Key Steps

- Letter of Interest (LOI) to be published on Buy & Sell for the Request for Information (RFI)
- Industry Day (virtual format)
- One-on-One sessions with individual suppliers
- Invitation to Qualify (ITQ) Closing / Pre-qualification stage
- Mandatory Site Visit to Lasalle, QC Facility (Dependent on COVID-19 Restrictions)
- One-on-One sessions with pre-qualified bidders
- Fairness Monitor to be present throughout
 - Fairness Monitor is engaged and will participate in all aspects of the Industry Consultation, Bidding and Evaluation Process

Context

NETE Mandate

- To provide 4th Line engineering services and field testing in support of naval materiel for the Canadian Armed Forces (CAF).
- Specifically, NETE provides expert Test & Evaluation (T&E) Services and Independent Verification and Validation (IV&V) to the RCN, Director General Maritime Equipment Program Management (DGMEPM) and Major Capital Projects.



Context

NETE Core Services

1. Assessment of equipment/systems/software performance vs requirements
2. Independent verification and validation (IV&V) of Equipment/Systems/Software
3. Assistance to the conduct and development of trials
4. Evaluation of Design Changes
5. Data recording, reduction and analysis
6. Problem investigation & analysis
7. Support to Ranges
8. IV&V of Materiel, Acquisition & Support (MA&S) processes



Context

GOCO Model

- NETE has functioned as a Government-Owned-Contractor-Operated (GOCO) organization since 1953
- DND
 - NETE is a military field unit under ADM(Mat)
 - DND owns all Intellectual Property (IP) and physical assets
 - CO NETE acts as Technical Authority on support contract
 - Long-term, performance-based, guaranteed-throughput contract
- Contractor
 - Maintains & operates facility and provides T&E services
 - Contractually bound to remain independent
 - No bidding on “Buy & Sell Canada” for similar DND work
 - No subcontracting to other contractors that have other DND work
 - All employees sign Non-Disclosure Agreements (NDA)

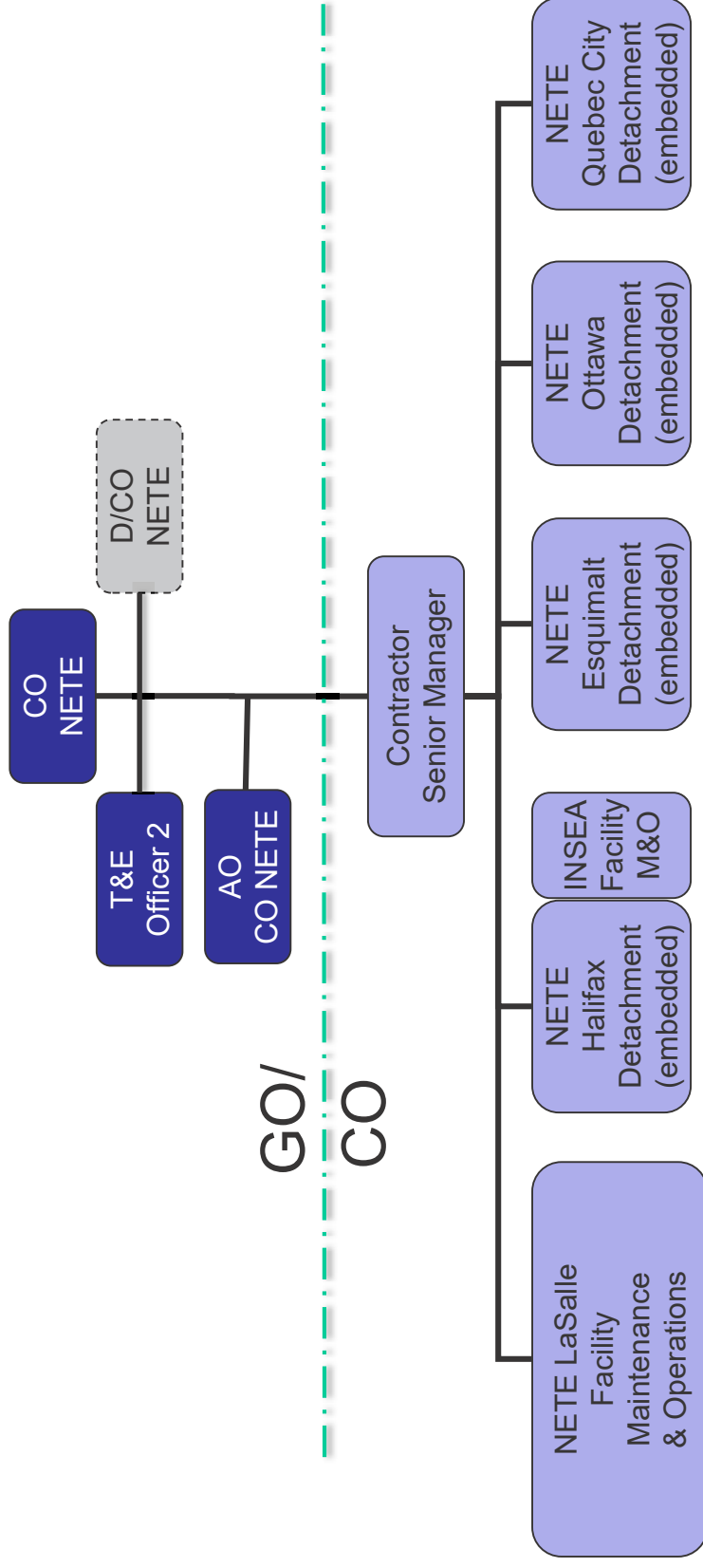
Context

GOCO Model (cont'd)

- Key Principles
 - Independence
 - Long-term, performance-incentivized, relational type contract
 - Embedded contractors (trusted relationship)
 - Task-based and deliverable-oriented
 - User Pay and Cost Recovery
- Benefits
 - Ability to closely support DND oversight functions
 - Customer focused
 - Effective & efficient
 - Agile and responsive
 - Limited Military / Public Service personnel Full Time Equivalents (FTEs)

Context

NETE Organization



Contract Requirements

CURRENT

- NETE 2 Contract (awarded October 2009, expiry September 2022 with one (1) 2 year option period remaining)
- Total period: 15 yrs.

FUTURE

- NETE 3 Contract duration
 - Total period: 20 yrs.
 - Initial period: 5 years
 - 3 x 5-year options

Task-based contracting vehicle for the provision of Engineering, Testing & Evaluation Services on an “as and when requested basis”.

NETE 3 Requirements

Key Personnel

Management Team	
Site Manager	On-site representative and the principal point of contact.
Quality System Manager	Maintains NETE's ISO 9001 certification through its Quality System.
Facility Manager	Maintains and supports the facility and immovable assets.
Health and Safety/ Hazardous Material / Environmental Specialist(s)	Manages health and safety, hazardous material and environmental programs.
Section Head Managers:	
Marine Systems	Qualified as a Naval Systems Specialist or as a Senior Engineer.
Combat Systems	Qualified as a Naval Systems Specialist or as a Senior Engineer.
Information & Communication Systems	Qualified as a Senior Engineer or a Senior Software Specialist.
Facility Management and Test Support	Qualified as a Senior Engineer.
Labour Categories	
Include but are not limited to:	Engineers, Technicians, Technologists, IT Testers, Network Administrators, Software and IT Security Specialists, Naval System Specialists and Environmental Scientists/Specialists. Key fields of interest include, but are not limited to: marine platform systems, naval combat systems, information & communication systems, operational analysis, modeling and simulation, shock, vibration & environmental testing, data acquisition and analytics.



NETE 3 Requirements

Independence

- Free of actual or perceived conflict of interests
- Cannot be involved in any type of work for which NETE could be called upon to conduct IV&V
- Confidentiality agreements to ensure no unfair advantage in the pursuit of GoC contracts
- Cannot reject legitimate NETE work to avoid actual or potential conflict of interest
- Independence-related clauses and associated Non-Disclosure Agreements (as per Annex C of the LOI)

NETE 3 Requirements

Security

- Access to Controlled Goods
- Access to unclassified military data subject to Technical Data Control Regulations
- Access to PROTECTED and CLASSIFIED information systems
- Access to Restricted Areas
- Access to information up to NATO SECRET and TOP SECRET
- Personnel Security Screening up to TOP SECRET
- Required to receive and store PROTECTED and CLASSIFIED information on Contractor sites or premises
- Safeguard COMSEC information

NETE 3 Requirements

National Security Exception (NSE)

- Work must be performed in Canada
- Timely & uninterrupted delivery of key T&E and IV&V services
- Full control over dissemination of information
- GOCO status exempts NETE from International Trade Agreements
- The NSE is being pursued; outcome to be communicated in due course

Next Steps

Industry One-on-One Sessions

- Scheduled 18-19-20 November 2020
 - 1.5 hour question/answer sessions
 - Pre-Booked
 - Conducted via Microsoft Teams
- Industry Feedback
 - Verbal during one-on-one sessions
 - Written feedback using PSPC template

Next Steps

Overview of the Procurement Timeline

Procurement Activity	Target Date
One-on-One sessions	18-19-20 November 2020
Invitation to Qualify (ITQ)	Summer 2021
Mandatory Site Visit	Fall 2021
One-on-One Industry Meetings (Round 2)	Fall 2021
Draft RFP Release	Winter 2022
Industry Engagement Activity	Winter 2022
Final RFP release	Fall 2022
Bid Evaluation (2 months)	Spring 2023
Contract Award	Winter 2024

Invitation to Qualify (ITQ)

- An ITQ process may be used to pre-qualify responsive suppliers for the upcoming RFP solicitation.
- Only Qualified Respondents will be permitted to bid on the subsequent bid solicitation.
- Objective is to evaluate the managerial and technical capability
 - Ability to meet Independence requirement by Contract award.
- Each response will be reviewed for compliance with the mandatory requirements of the ITQ. Responses that do not comply with each and every mandatory requirement will be considered non-responsive and given no further consideration.

ITQ Cont'd

- If the Respondent is a joint venture, the experience must be the experience of any one member of the joint venture. The experience cannot be pooled from more than one member to meet the mandatory requirement.

Questions to Industry

- GoC Request For Information
 - Does Industry have any feedback on any of the LOI Topics & Questions posed by :
 - PSPC / DND – Annex D
 - ISED – Annex E

Annex D

Question 1, Independence Clause

The independence of NETE, and thus its service provider, is an essential aspect of its operations since the results of tests and evaluations may be used by the Naval Design Authority to accept or reject equipment, systems, and software for service in CAF. Annex C presents the Independence clause which details Restrictions on Bidding and what is deemed to constitute Conflict of Interest given NETE's mandate.

- Based on this restriction, would your Company still be able to potentially bid on this requirement? If not, why?

Note: that a Conflict of Interest might arise from work completed either by your own company or a Related Party (as defined in Annex C – Independence Clause).

Annex D

Question 2, Security Requirement

Some of the work conducted under the future Contract will require the Contractor to have access to, use, and store and/or generate information with a Classification of up to Top Secret. To do this the Contractor will require both organization security clearance (Facility Security Clearance) and security clearance for all personnel who have contact with classified information.

- Do you, as the Contractor, anticipate any difficulties in either your organization or your personnel obtaining and/or maintaining these clearances?
- If you do not already have the required level of security clearances, would you be willing to have PSPC initiate the process to obtain these clearance during the RFP process and in advance of RFP closing (i.e. before Canada is aware of who the successful Bidder is)?

Annex D

Question 3, Performance Incentives Measures

Based on what you currently know about NETE, do you have suggestions on a fair, comprehensive and yet simple framework to measure service-provider performance, using recognized metrics and effective performance incentives? If so, please provide details.

Annex D

Question 4, Network

NETE is currently using NETELAN, which is a government-owned but contractor-operated and maintained network used to perform all NETE task administration, including the generation, review and filing of technical deliverables. These functions are supported by a home-grown custom-built application called Cost/Schedule Performance Measurement System (C/SPMS). What role would you foresee NETELAN playing in your solution? I.e.: would you a) use it as it is now; b) merge or interface it with your own Enterprise Resource Planning (ERP) or c) replace it completely by your own ERP. If A or B, would you prefer it remained a government-owned item or would you consider acquiring it?

Annex D

Question 5, Letter of Interest Documentation

Do you have any concerns with any other aspects of the information contained in this Letter of Interest (LOI) and associated documentation? If so, please provide comments.

Annex E

Question 6: Economic Leveraging Policies

Question 1:

What Work would you estimate not occurring in Canada, and in what areas? What would this non-Canadian work represent as a percentage of total work undertaken under this requirement?

Question 2:

For the purposes of economic leveraging, are there other indirect Industrial and Technological Benefit opportunities in the areas of Research and Development, Supplier Development, Skills Development and Training, and Exports that could be leveraged in Canada to offset any non-Canadian work?

Questions?



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Acronym List

ADM(Mat)	Assistant Deputy Minister (Materiel)	IV&V	Independent Verification and Validation
CA	Contracting Authority	LOI	Letter of Interest
CAF	Canadian Armed Forces	NSC	National Security Exception
CO NETE	Commanding Officer, Naval Engineering Test Establishment	NDA	Non-Disclosure Agreement
DGMEPM	Director General Maritime Equipment Program Management	NETE	Naval Engineering Test Establishment
DND	Department of National Defence	PSPC	Public Services and Procurement Canada
FM	Fairness Monitor	RCN	Royal Canadian Navy
FTEs	Full Time Equivalents	RFI	Request for Information
GOC	Government of Canada	RFP	Request for Proposal
GOCO	Government Owned-Contractor Operated	T&E	Test and Evaluation
IP	Intellectual Property		
ISED	Innovation, Science and Economic Development Canada		
ITQ	Invitation to Qualify		