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

The Annexes include the Statement of Work, Basis of Payment, List of Proposed Subcontractors, Insurance Requirements, the Federal Contractors Program for Employment Equity – Certification, and other Annexes.

1.2 Summary

1. The Requirement is:
 - a) To carry out the docking, inspection, repair, and maintenance and alterations of the Canadian Coast Guard Vessel **CCGS Samuel Risley** in accordance with Annex A – Statement of Work, and any associated technical information.
 - b) To carry out unscheduled work authorized by the Contracting Authority.
2. 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 section 4.21 of the Supply Manual for additional information on the Integrity Provisions.
3. The requirement is exempt from the provisions of the World Trade Organization Agreement on Government Procurement (WTO-AGP), Annex 4 and the North American Free Trade Agreement (NAFTA), Chapter Ten Annex 1001.2b Paragraph 1(a). However, it is subject to the Canada Free Trade Agreement (CFTA). The sourcing strategy relating to this procurement will be limited to suppliers in Eastern Canada, in accordance with Shipbuilding, Refit, Repair and Modernization Policy (2010-08-16).

-
4. There are no security requirements associated with this procurement.
 5. This procurement is not subject to the Controlled Goods Program.
 6. The Federal Contractors Program (FCP) for employment equity applies to this procurement; refer to Part 5 – Certifications and Additional Information, Part 7 - Resulting Contract Clauses and the annex titled Federal Contractors Program for Employment Equity – Certification.
 7. 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 from 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) (<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 (2019-03-04) "Standard Instructions - Goods or Services - Competitive Requirements", are incorporated by reference into and form part of the bid solicitation.

The 2030 (2018-06-21) "General Conditions - Higher Complexity – Goods", are incorporated by reference into and form part of the bid solicitation. The General Conditions 2030 is amended as detailed in Part 7, article 7.2.1.

The 1029 (2018-12-06) "Supplemental General Conditions - Ship Repairs", are incorporated by reference into and form part of the bid solicitation.

The 4007 (2010-08-16) "Canada to Own Intellectual Property Rights in Foreground Information", are incorporated by reference into and form part of the bid solicitation.

2.1.1 Applicable SACC Manual Clauses

The 1031-2 (2012-07-16) "Contract Cost Principles", is incorporated by reference into and form part of the bid solicitation.

The B1000T (2014-06-26) "Condition of Material – Bid", is incorporated by reference into and form part of the bid solicitation.

The B3000T (2006-06-16) "Equivalent Products", is incorporated by reference into and form part of the bid solicitation.

2.2 Submission of Bids

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

Due to the ongoing COVID-19 outbreak, bidders must submit their bids electronically using the Canada Post epost Connect application. This service allows bidders to submit their bids and arrangements electronically to PSPC Bid Receiving Units. For bidders choosing to submit using epost Connect for bids closing at the Bid Receiving Unit in the National Capital Region (NCR) the email address is:

tpsgc.dgareceptiondessoumissions-abbidreceiving.pwgsc@tpsgc-pwgsc.gc.ca

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

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 section 08 of the 2003 "Standard Instructions - Goods or Services - Competitive Requirements", sub-section 2 "epost Connect"; or to send bids through an epost Connect message if the bidder is using its own licensing agreement for epost Connect.

2.3 Enquiries - Bid Solicitation

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

Bidders must reference, as accurately as possible, the numbered item of the bid solicitation to which the enquiry relates. This includes identifying the Document Name (solicitation, or annex & appendix ID), page number, section number, subsection number, and paragraph ID pertaining to the subject of the question.

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. Any clarifications or changes to the bid solicitation resulting from the questions and answers will be included as an amendment to the bid solicitation.

2.4 Applicable Laws

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

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

2.5 Bidders' Conference

Due to Covid-19 pandemic, the Bidders' Conference will be conducted virtually. The bidders' virtual conference will be held on Thursday May 06, 2021, at 13:00 (EST).

The scope of the requirement outlined in the solicitation will be reviewed during the conference and questions will be answered. It is recommended that bidders who intend to submit a bid attend or send representation. It will be assumed that the bidders attending the bidders conference have read the specification included in Annex A, and are prepared for the conference.

Bidders are requested to communicate with the Contracting Authority (CA) before the conference

to confirm attendance. Bidders should provide, in writing to the CA, the name(s) of the person(s) who will be attending, and a list of issues they wish to table no later than May 04, 2021. The Dial-in Number and the Conference ID will be advised to participants on May 05, 2021.

Any clarifications or changes to the solicitation resulting from the Bidder's Conference will be included as an amendment to the solicitation. Bidders who do not attend will not be precluded from submitting a bid.

2.6 Site Visit - Vessel

Due to the Covid-19 pandemic, and the current quarantine requirements, in place for non-essential travel, it is not possible to arrange an in-person site visit/vessel viewings for this solicitation. Therefore, viewing of the vessel will be conducted virtually. The relevant videos of the work sites for the vessel will be uploaded on a secure cloud storage site.

Interested bidders must contact the Contracting Authority, by email, to request the link to the cloud storage site no later than 13:00 (EST) on April 29, 2021. A request for any additional pictures or other visual details on the vessels, must be made no later 13:00 (EST) on May 03, 2021 to the Contracting Authority. Canada will try their best to accommodate these requests.

2.7 Work Period – Marine

Work must commence and be completed as follows:

- Commence: August 04, 2021
- Anticipated Commissioning Start Date: September 29, 2021
- Completed by: October 13, 2021

By submitting a bid, the Bidder certifies that they have sufficient materiel 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

2.8 Additional Instructions to Work Period

The vessel will be unmanned during the work period, from the start date to September 29, 2021 and will be considered to be out of commission. The vessel during that period will be in the care and custody of the Contractor and under its control.

The vessel must be made completely habitable for the ship's crew to return to the vessel on September 29, 2021 to prepare for the vessel's commissioning, and to assist during the commissioning activities; set to work test and trials. For the vessel to be habitable, the ship's galley must be made operational, all crew lodgings must be cleaned and made ready for crew, washrooms and showers must be fully functional, potable water supplied, showers and bathrooms must be operational.

From the time that the crew has returned to the vessel to the end of the work period (October 13 2021), the vessel will be manned, and will be considered in commission. The vessel during this period will be in the care and custody of the Canada and under its control.

For details, please refer to Annex "J" - Vessel Custody and its Appendix-1 and Appendix-2.

2.9 Basis for Canada's Ownership of Intellectual Property

The Canadian Coast Guard has determined that any intellectual property rights arising from the performance of the Work under the resulting contract will belong to Canada, for the following reasons, as set out in the [Policy on Title to Intellectual Property Arising Under Crown Procurement Contracts](#): The Bidder declares in writing that they are not interested in owning the Intellectual Property Rights in Foreground Information.

2.10 Bid Challenge and Recourse Mechanism

- 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, and in accordance with section 08 of the 2003 "Standard Instructions - Goods or Services - Competitive Requirements", sub-section 2 "epost Connect". 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

Bids transmitted by facsimile or hardcopy will not be accepted.

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

Canada requests that bidders follow the format instructions described below in the preparation of the of their bid:

- (a) use 8.5 x 11 inch (216 mm x 279 mm) paper format;
- (b) use a numbering system that corresponds to the bid solicitation.

The following interpretations and considerations apply to Bid preparation:

Signature of Proposal by Bidder

- (a) Canada requires that each Bid be signed by the Bidder or by an authorized representative of the Bidder. Bids must be properly signed and dated when submitted at the bid closing.
- (b) Bidders can sign their Bids by signing the cover page of this solicitation, or by submitting a Bid Proposal letter with their Bid.

Mandatory – Definitions of Words

The mandatory requirements of the solicitation are, unless stated otherwise, signified by the words "must" or "shall", or by the phrase "are to" or "is to" or "is required", or "will".

Each Bidder must comply with every mandatory requirement of this bid solicitation. In the event any Bidder fails to comply with any mandatory requirement of this bid solicitation, its bid shall be deemed to be non-responsive and will not be given any further consideration.

Organization of each Bid Section & Cross-Referencing

Each volume of the Bidder's Proposal should be compiled in such a way, that its content will address each requirement of the Solicitation in full, and to the greatest extent possible on a stand-alone basis so that its contents may be evaluated with minimum of cross-referencing to other sections of the Bid. Evidentiary facts and documents must not be duplicated in Bid Sections I, II,

and III, unless the same proofs, evidences, or descriptions satisfy more than one requirement in multiple Bid Sections.

Proprietary Information

All information regarding the terms and conditions, financial and technical aspects of the Bidder's Proposal, which in its opinion, are of a proprietary or confidential nature must be clearly marked "PROPRIETARY" or "CONFIDENTIAL" at the relevant clause, page or section.

Section I: Technical Bid

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

The technical bid must address clearly and in sufficient depth the points that are subject to the evaluation criteria against which the bid will be evaluated. Simply repeating the statement contained in the bid solicitation is not sufficient. In order to facilitate the evaluation of the bid, Canada requests that Bidders address and present topics in the order of the evaluation criteria under the same headings.

The Bidder must provide all of the deliverables as referenced in Annex « K » Mandatory Deliverables Check lists.

Section II: Financial Bid

Bidders must submit their Financial Bid in accordance with the Financial Bid Presentation Sheet in Annex "H", and the detailed Pricing Data Sheet, Appendix – 1 to Annex "H. The total amount of Applicable Taxes must be shown separately.

Bidders must also include, in their bid, all costs associated with executing and administering the Contract in accordance with all municipal, provincial, and federal governments regulations and those that the public health authorities have instituted to protect against Covid-19, in addition to any other measures implemented by the shipyard/bidder, that are in place or will be required as of the date of bid submission. They include, but are not limited to: Covid-19 specific cleaning (labour & Material), Personal Protective Equipment (PPE), Covid-19 testing/monitoring, additional equipment, extra labour, shift differentials and any additional administration/planning/project management.

The Financial Bid must not be attached to or combined within any other part of the bid, and prices must not appear in any other area of the proposal other than the Financial Bid.

Section III: Certifications

Bidders must submit the certifications and additional information required under Part 5, as well as those required by any other Parts or Annexes of this Solicitation Document.

3.1.1 Unscheduled Work and Evaluation Price

In any vessel refit, repair or docking contract, unscheduled work will arise after the vessel and its equipment is opened up and surveyed.

An anticipated cost for the unscheduled work will be included in the evaluation price. The evaluation price will be calculated by including an estimated amount of additional person-hours multiplied by a firm hourly charge-out labour rate for unscheduled work and will be added to the firm price for the known work.

Bidders are required to enter their own firm charge out rate for unscheduled work in Annex "H" – Financial Bid Evaluation. However, Canada will deem bids non-compliant where bidders have entered a firm hourly charge out rate of less than \$65/hr.

The Evaluation Price will be used for evaluating the bid. There is no minimum or maximum amount of unscheduled work nor is there a guarantee of such unscheduled work.

3.1.2 Electronic Payment of Invoices – Bid

If you are willing to accept payment of invoices by Electronic Payment Instruments, complete Annex "O" Electronic Payment Instruments, to identify which ones are accepted. If Annex "O" Electronic Payment Instruments is not completed, it will be considered as if Electronic Payment Instruments are not being accepted for payment of invoices. Acceptance of Electronic Payment Instruments will not be considered as an evaluation criterion.

PART 4 - EVALUATION PROCEDURES AND BASIS OF SELECTION

4.1 Evaluation Procedures

- a. Bids will be assessed in accordance with the entire requirement of the bid solicitation including the "technical" and "financial" evaluation criteria, and completeness of the submitted mandatory requirements.
- b. Bids must be deemed valid and complete to be considered for evaluation process.
- c. An evaluation team composed of representatives of Canada will evaluate the bids.
- d. The evaluation team reserves the right, but is not obliged, to seek clarification or verify any or all information provided by the Bidder with respect to this bid solicitation.

The Bidder is instructed to address each requirement in sufficient depth to permit a complete analysis and assessment by the Evaluation Team. Bids will be deemed responsive if they are found to meet all of the mandatory requirements.

4.1.1 Evaluation of Mandatory Deliverables

Mandatory deliverables are evaluated on a simple pass (met) / fail (not met) basis. Bids that fail to satisfy the mandatory technical evaluation criteria shall be declared non-responsive and will not receive further consideration. Only bids that, to the satisfaction of Canada, have met the technical evaluation criteria will be subject to financial evaluation.

In order to ensure that Bidders provide all the required information, the Checklist of Mandatory Deliverables, Tables K-1 to K-4, are provided in Annex "K" – Mandatory Deliverables Check List to guide the Bidders in the completion of their Bids.

To be responsive, the completed Tables K-1 and K-2, must be submitted as part of the Bid Package, by the bid closing date.

Canada intends to use the completed Tables K-1 and K-2 to verify the required information and documentation have been submitted and meet the requirements. In order to substantiate their compliance to each criterion, the Bidder must refer to the supporting documents within their Bid, with the exact page number(s) and paragraph number(s) where the required substantiation can be found.

4.1.2 Evaluation of Financial Bids

Bidder's financial submittal, presented in Annex "H", and detailed in the Pricing Data Sheet in Appendix 1 to Annex "H" will be evaluated.

The Bid Price will be evaluated in Canadian dollars, Applicable Taxes excluded, FOB destination, Canadian customs duties and excise taxes included.

4.1.3 Evaluation of Submitted Certifications & Documentations

Certifications and the requested documentation will be evaluated to be relevant and proper. They must include the validity date, signature and contact information of the signatory, and any other relevant information to assess their application.

4.2 Basis of Selection

The bid must comply with the requirements of the bid solicitation, and meet all mandatory requirements specified in this solicitation document to be declared responsive. Should any of the mandatory requirements including certifications, declarations, and proofs be omitted or not submitted within the provided time frame, the Bid will be deemed non-responsive, and will be rejected.

The responsive bid, with the lowest Bid Price, will be recommended for award of the contract.

Bidders should note that all contract awards are subject to Canada's internal approvals process, which includes a requirement to approve funding in the amount of any proposed Contract.

Notwithstanding that a Bidder may have been recommended for award of Contract, issuance of any Contract will be contingent upon internal approval in accordance with Canada's policies. If such approval is not given, no Contract will be awarded.

PART 5 – CERTIFICATIONS AND ADDITIONAL INFORMATION

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

The certifications provided by Bidders to Canada are subject to verification by Canada at all times. Unless specified otherwise, Canada will declare a bid non-responsive, or will declare a contractor in default if any certification made by the Bidder is found to be untrue, whether made knowingly or unknowingly, during the bid evaluation period or during the contract period.

The Contracting Authority has the right to ask for additional information to verify the Bidder's certifications. Failure to comply and to cooperate with any request or requirement imposed by the Contracting Authority will render the bid non-responsive or constitute a default under the Contract.

5.1 Certifications Required with the Bid

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

Compliance with the certifications bidders provide to Canada is subject to verification by Canada during the bid evaluation period (before award of a contract) and after contract award. The Contracting Authority will have the right to ask for additional information to verify bidders' compliance with the certifications before award of a contract.

The bid will be declared non-responsive if any certification made by the Bidder is untrue, whether made knowingly or unknowingly. Failure to comply with the certifications or to comply with the request of the Contracting Authority for additional information will also render the bid non-responsive.

5.1.1 Integrity Provisions - Declaration of Convicted Offences

In accordance with the Integrity Provisions of the Standard Instructions 2003, Section 01 "Integrity Provisions – bid", 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.

If submitting an Integrity Declaration is not applicable, the bidder must provide a statement to that effect as part of their bid.

5.1.2 Required Technical and/or Trade Certifications

5.1.2.1 Welding Certification

It is a requirement of this bid solicitation that the Bidders must provide evidence of certification for the current year for their organization with their bids, and agree to maintain certification, until completion of the project, by the Canadian Welding Bureau (CWB) to Canadian Standard Association (CSA) Standards: W47.1 "Certification of Companies for Fusion Welding of Steel (Division 2); and W47.2: "Certification of Companies for Fusion Welding of Aluminum (Division 1 or 2)".

The Bidder hereby attaches the following applicable information with the bid:

- a. Proof of certification for companies for fusion welding of steel structures to CSA Standard W47.1 (Division 2), and aluminum structures to CSA Standard W47.2 (Division 1 or 2) for the current year;

Note: Proof of Certification for Companies for Fusion Welding of Aluminum is not required with the bid but must be readily available before the commencement of any fabrication work, and upon request from the Technical Authority. The certification shall remain valid for the duration of the contract.

And either:

- b. Proof of employed or sub-contracted inspection personnel currently certified to CSA Standard W178.2 (Division 1 or 2); and
- c. Proof of employed welders currently certified to CSA Standard W47.2 (Division 1 or 2), and W47.1 (Division 2); and
- d. Proof of employed welding supervisors currently certified to CSA Standard W47.1 (Division 1 or 2), W47.2 (Division 2), and W59;

Or:

- e. Proof of capability to obtain, as and when required, personnel currently certified / approved to the standards identified in (b), (c) and (d) above.

The required certifications are mandatory for the Contractor and Contractor's facility. The welding work can be subcontracted to appropriately certified subcontractors. The Bidder must submit, with the bid, proof of its certification and that of its subcontractor by CWB in accordance with the CSA welding standards. If this information is not provided with the bid it will render the bid non-responsive.

5.2 Certifications Precedent to Contract Award and Additional Information

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

5.2.1 Integrity Provisions – Required Documentation

In accordance with the section 17 titled "Information to be provided when bidding, contracting or entering into a real procurement agreement" of the [Ineligibility and Suspension Policy](http://www.tpsgc-pwgsc.gc.ca/ci-if/politique-policy-eng.html) (<http://www.tpsgc-pwgsc.gc.ca/ci-if/politique-policy-eng.html>), the Bidder must provide the required documentation, as applicable, to be given further consideration in the procurement process.

5.2.2 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 website](https://www.canada.ca/en/employment-social-development/programs/employment-equity/federal-contractor-program.html#)
(<https://www.canada.ca/en/employment-social-development/programs/employment-equity/federal-contractor-program.html#>).

Canada will have the right to declare a bid non-responsive if the Bidder, or any member of the Bidder if the Bidder is a Joint Venture, appears on the "FCP Limited Eligibility to Bid list at the time of contract award.

Canada will also have the right to terminate the Contract for default if a Contractor, or any member of the Contractor if the Contractor is a Joint Venture, appears on the "FCP Limited Eligibility to Bid" list during the period of the Contract.

The Bidder must provide the Contracting Authority with a completed annex titled Federal Contractors Program for Employment Equity – Certification (Annex "P"), before contract award. If the Bidder is a Joint Venture, the Bidder must provide the Contracting Authority with a completed annex Federal Contractors Program for Employment Equity - Certification, for each member of the Joint Venture.

5.2.3 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 a certificate or letter from the applicable Workers' Compensation Board confirming the Bidder's good standing account. Failure to comply with the requirement may result in the bid being declared non-responsive.

5.2.4 Valid Labour Agreement

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

Documentary evidence of the agreement or suitable instrument must be provided on or before bid closing date. The Bidder hereby must provide the following documentation as part of its bid:

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

If there are no labour agreement, or unionized labour, the bidder must provide a statement to that effect as part of their bid.

5.2.5 Docking Facility – Certification

Before contract award, the successful Bidder may be required to demonstrate to the satisfaction of Canada that the certified capacity of the docking facility, including any means or conveyance to remove the vessel from the water, is adequate for the anticipated loading in accordance with the related dry docking plans and other documents detailed in the Contract. The successful Bidder will be notified in writing and will be allowed a reasonable period of time to provide detailed keel block load distribution sketches and blocking stability considerations, along with the supporting calculations to show the adequacy of the proposed docking arrangement.

At the time of bid closing the Bidder must provide current and valid certification of the capacity and condition of the docking facility to be used for the Work. The certification must be provided by a recognized consultant or classification society and must have been issued within the past two years.

Although a dry docking facility may have a total capacity greater than the vessel to be docked, the weight distribution of the vessel may cause individual block loading to be exceeded. Also, while the physical dimensions of a dry docking facility may indicate acceptability for docking of a specific vessel, other limitations such as spacing of rails on a marine railway, concrete piers of abutments adjoining the dry dock may, preclude the facility from being considered as a possible dry docking site and render the bid non-responsive.

At the time of bid closing, the Bidder must provide proof that they have sufficient crane capacity to lift tonnage included in Annex "A".

5.2.6 Status and Availability of Resources

SACC Manual Clause A3005T (2010-08-16) "Status and Availability of Resources" applies and forms part of the bid solicitation.

PART 6 - SECURITY, FINANCIAL AND OTHER REQUIREMENTS

6.1 Security Requirement

There are no security requirements associated with this solicitation.

6.2 Controlled Goods Requirement

This bid solicitation does not involve any controlled Goods.

6.3 Financial Capability

SACC Manual Clause A9033T (2012-07-16), "Financial Capability", is incorporated by reference into and form part of the bid solicitation.

6.4 Contract Financial Security

This solicitation does not require Contract Financial Security.

6.5 Vessel Transfer Costs

Vessel Transfer Costs will apply to the evaluation price of this solicitation. The applicable vessel transfer cost must be entered in into Table H1 "Price Evaluation Table".

Please refer to Annex "H" – Financial Bid Presentation, article H.6.

6.6 Preliminary Work Schedule

At the time of bid closing the Bidder must submit to an electronic copy of its preliminary production work schedule. This schedule is to show the commencement and completion dates for the Work in the available work period, including realistic target dates for significant events. This schedule will be reviewed with the successful Bidder at the Contract Kick-off Meeting.

The preliminary work schedule(s) submitted must be produced with a commercially available project management software, either MS Project or equivalent approved by the Technical Authority (TA), that is able to track tasks, predecessors, critical path, milestone markers, and labour loading. The schedule must show the anticipated work break down structure to the system and component level.

The Contractor's preliminary Work schedule must include (as a minimum) target dates for each of the following significant events:

- a) Commencement of Work as defined at Article 7.3.1
- b) Period to be in Dry-Dock
- c) All priced work items listed in Annex H, Appendix 1
- d) FSR Scheduling for Priced Work Items
- e) Completion of Work as defined at Article 7.3.1
- f) Period of Care & Custody
- g) Dock and Sea Trials Period
- h) Resumption of custody by Canada

6.7 Safety Measures for Fueling and Disembarking Fuel

Fueling and disembarking fuel from Canadian government vessels must be conducted under the supervision of a responsible supervisor trained and experienced in these operations.

At bid closing date, the Bidder must provide details of its safety measures for fueling and disembarking fuel together with the name and qualifications of the person in charge of this activity. If this information is not provided with the bid, it will render the bid non-responsive.

6.8 Quality Management Systems

The Bidder must have in place a Quality Management System registered to ISO 9001:2015 (or latest version) or a Quality Management System modeled on ISO 9001:2015 (or latest version) and shall provide at time of bid closing:

- If registered, its valid ISO 9001-2015 (or latest version) certification;
- Example of Quality Control Plan (QCP) as per clause 6.9

Documentation and procedures of bidders may be subject to a Quality System Evaluation (QSE) by the Technical Authority during the bid evaluation period.

6.9 Quality Control Plan

At the time of bid closing, the Bidder must submit to Canada an example of its Quality Control Plan (QCP) as applied on previous projects of the same nature. The Quality Control Plan must be in the same format that will be used after award of contract.

6.10 Inspection and Test Plan

At the time of bid closing the Bidder must submit to Canada an example of an Inspection and Test Plan (ITP) complete with requirement and inspection reports as developed on previous projects of the same nature.

For details, refer to Annex "F" – Quality Assurance / Quality Control / Inspection.

6.11 Health and Safety System

The Bidder must submit with its bid objective evidence that it has a documented health and Safety system fully compliant with all current Federal, Provincial and Municipal regulations. If this information is not provided with the bid it will render the bid non-responsive.

6.12 Fire Protection, Fire Fighting and Training Procedures

The Bidder must submit with its bid objective evidence that it has documented fire protection, firefighting and training procedures compliant with current regulations and their insurance requirements. The fire protection, firefighting and training procedures will, once accepted by Canada, form part of the Contract. Please refer to Part 7, article 7.24. If this information is not provided with the bid it will render the bid non-responsive.

6.13 Environmental Protection – Emergency & Spill Response Plan

The Bidder must submit, with the Bid, details of its environmental emergency response plan, spill response plan, waste management procedures, and formal environmental training undertaken by its employees.

6.14 Hazardous Waste Management

1. The Bidder acknowledges that sufficient information has been provided by Canada with respect to the location and estimated amount of hazardous materials such as asbestos, lead, PCBs, silica or other hazardous materials or toxic substances.
2. The price includes all costs associated with the removal, handling, storage, disposal and/or working in the vicinity of hazardous materials such as asbestos, lead, PCBs, silica and other hazardous materials or toxic substances on board the vessel, including those costs resulting from the need to comply with applicable laws and regulations in relation to the removal, handling, disposal or storage of hazardous materials or toxic substances.
3. The completion date for the Work takes into account the fact that the removal, handling, storage, disposal and/or working in the vicinity of hazardous materials such as asbestos, lead, PCBs, silica and other hazardous materials or toxic substances may be affected by the need to comply with applicable federal, provincial and municipal laws or regulations and that this will not be considered to be an excusable delay.

6.15 List of Proposed Subcontractors

A list of subcontractors, proposed for labor and/or material, must be included with the Bid stating the name and address of each subcontractor, and a description of the work to be performed by specification section and the location, as well as description of the goods (Make and Model No., as the case may be) to be supplied by each.

Refer to Annex "D" List of Proposed Subcontractors.

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 aggregate for the project.

6.16 Deliverables with the Bid or Before or after Contract Award

For details, refer to Annex "K", Tables K1 to K4.

6.17 Insurance Requirements – Proof of Availability before Contract Award

The Bidder must provide, with their bid, 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 "E" – Insurance Requirements. If this letter is not provided with the bid it will render the bid non-responsive.

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.

6.17.1 Proof of Insurance Availability – Minimum Requirements

It is the Bidder's responsibility to make the full content of Annex "E" available to the insurance provider, so that they can provide the proper letter of insurance capability inclusive of all required endorsements.

For the Letter, evidencing Insurance Capability to be responsive, it must as the minimum, include the following:

- 1) Name of the Insurance Provider, and their contact information;
- 2) Name of the Insurer, and their address;
- 3) Name of the Insured (Bidder) and their address;
- 4) The Reference Solicitation Number and Title, for which the insurance will provide coverage, if it results in a Contract;
- 5) Type of Insurance (or "Line of Coverage" such as Commercial General Liability, Ship Repairers' Liability, etc.);
- 6) All required endorsement for each insurance type, as specified in Annex "E" Insurance Requirements, to be listed with their liability limits stipulating the maximum amounts payable for each, under the insurance policy;
- 7) The signature, date, the full name (printed) and title of the Insurance Company or Broker, or their respective representatives issuing the certificate.

6.18 Field Service Representatives Confirmation

1. Canada has a requirement to carry out work that will be performed by or completed in consultation and/or under supervision of Filed Service Representatives (FSR) of various companies while the vessel is in the shipyard. These FSR's include:

Akzo Nobel Coatings Ltd. (Canada): Annex A – Sections 11.0, 15.0, and 16.0

Robert Rouwen
Consultant - Marine Coatings
M 519-502-8366
Email robert.rouwen@akzonobel.com
Akzo Nobel Coatings Ltd. (Canada)
www.international-marine.com

Thordon Bearings Inc.: Annex A – Section 12.0

Thordon Bearings Inc.
Head Office
3225 Mainway, Burlington, ON L7M 1A6
Tel: 905.335.1440

Moventas LTD: Annex A – Section 12.0

Moventas LTD.
1615 Bishop Street North, Cambridge, Ontario, N1R 8C8
Tel: 519 621-6390

SKF Canada Limited: Annex A – Section 12.0

40 Executive Ct, Toronto, Ontario, M1S 4N4
Tel: 416-299-1220
WW.skf.com

Wartsila Canada Inc.: Annex A – Section 12.0

Ian Brouwer
Wartsila Canada Inc.
1771 Savage Rd, Richmond BC, V6V 1R1
Tel: 604-244-8181 / Mobile: 514-970-8077
Email: ian.brouwer@wartsila.com

Liebherr Canada Ltd.: Annex A – Section 17.0

Warren Coombs
Service Supervisor
49 Mews Place, Suite C St. John's, NL, A1B 4N2
Tel: 1 (709) 748-7829 / Mobile: 1 (709) 730-5214
E-mail: warren.coombs@liebherr.com

2. Bidders must include the following written confirmation with their bid at the bid closing:

- a. That the shipyard will provide the FSR's unrestricted access to the vessel while the vessel is in the care and custody of the shipyard
- b. The shipyard will provide shipyard health/safety and security orientation to the FSR's (if required)
- c. The shipyard will provide regular daily (or as frequently as required) productions meetings with FSR's to ensure effective communications and contract project management / coordination for on-time (or earlier) completion
- d. All Shipyard costs for the management of the above items, will form part of the Contractor's Bid
- e. Written confirmation from all the FSR's listed in 6.18.1, that the FSRs agrees to:
 - i. subcontract with the shipyard
 - ii. work with the shipyard for the duration of the Contract.

6.19 Project Management Services

The Bidder is required to provide a Project Management Team experienced and capable of successfully managing the specified work, as defined herein. Project management personnel, services and deliverables must comply with the requirements detailed in the contract.

1. Intent

- a) Job titles used in this section are for clarity within this document only. The Contractor is free to choose job titles that suit its organization.

- b) The Contractor, through its Project Management Team, is responsible to discharge the duties and supply the deliverables required in the Contract and the Specifications.
- c) Project Management encompasses the direction and control of such functions as engineering, planning, purchasing, manufacturing, assembly, overhauls, installations and test and trials.

2. Project Manager

The Contractor must employ an experienced Project Manager (PM). The PM must have experience in managing a project of this nature.

3. Project Management Team

Other than the Project Manager, the Contractor must assign and vary other job descriptions to suit its organization; provided however, that the collective resume of its Project Management team must provide for the effective control of the project elements including but not limited to:

- Project Management
- Quality Assurance
- Planning and Scheduling

4. Tender Deliverable

Names, brief resumes, and list of duties for each of the team members that ensures that each of the project elements listed in Article 3, above, have been addressed.

5. Reports

The following Management Reports and Documentation are to be prepared and maintained by the Contractor and submitted to Canada in accordance with the Contract or upon request by the Contracting Authority.

- Production Work Schedule
- Inspection Test Plan Summary
- Growth Work Summary
- Risk Management Register (Refer to the template in Annex "N")

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 Requirement

The Contractor must:

- a) Carry out the docking, Inspections and certifications, maintenance and alterations of the Canadian Coast Guard Vessel CCGS Samuel Risley in accordance with the associated Technical Specifications detailed in the Statement of Work, Annex "A" – provided as a separate attachment to this Solicitation document.
- b) Carry out any unscheduled work authorized by the Contracting Authority.

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

The 2030 (2018-06-21) "General Conditions - Higher Complexity – Goods", are incorporated by reference into and form part of the Contract. General Conditions 2030 is amended by:

A) Replacing Section (22) "Warranty", by the following:

1. The Contractor, if requested by Canada, must replace or repair at its own expense any finished work, excluding Government Issue incorporated in the Work, which becomes defective or which fails to conform to contract requirements as a result of faulty or inefficient manufacture, material or workmanship.
2. Despite acceptance of the finished work, and without restricting any other term of the Contract or any condition, warranty or provision imposed by law, the Contractor warrants that the following will be free from all defects and will conform with the requirements of the Contract:
 - a) The painting of the underwater portion of the hull for a period of 365 days commencing from the date of undocking, except that the Contractor will only be liable to repair and/or replace to a value to be determined as follows:

Original cost to Canada of the underwater painting work, divided by 365 days and multiplied by the number of days remaining in the warranty period. The resultant sum would represent the "Dollar Credit" due to Canada from the Contractor.
 - b) All other painting work for a period of 365 days commencing from the date of acceptance of the Work;

- c) All other items of work for a period of ninety (90) days commencing from the date of acceptance of the Work, except that:
- i. the warranty on the work related to any system or equipment not immediately placed in continuous use or service will be for a period of ninety (90) days from the date of acceptance of the vessel;
 - ii. for all outstanding defects, deviations, and work items listed on the Acceptance Document at Delivery, the warranty will be ninety (90) days from the subsequent date of acceptance for each item.
3. The Contractor agrees to pass to Canada, and exercise on behalf of Canada, all warranties on the materials supplied or held by the Contractor which exceed the periods indicated above.
4. Refer to Annex "C" and its Appendix "1" for Warranty Defect Claim Procedures and forms.

B) Replacing Section (06) "Subcontracts", by the following:

1. Except as provided in subsection 2, the Contractor must obtain the Contracting Authority's written consent before subcontracting, permitting the subcontracting of any part of the Work, or changing of a subcontractor. A subcontract includes a contract entered into by any subcontractor at any tier to perform any part of the Work.
2. The Contractor is not required to obtain consent for subcontracts specifically authorized in the Contract. The Contractor may also without the consent of the Contracting Authority:
 - a) purchase "off-the-shelf" items and any standard articles and materials that are ordinarily produced by manufacturers in the normal course of business;
 - b) permit its subcontractors at any tier to make purchases or subcontract as permitted in paragraph (a).
3. Upon request by Canada, in advance of the Contractor entering into a subcontract, the Contractor must provide all information requested, and if, without limitation, the proposed subcontractor or subcontract cost is not acceptable to Canada, then the subcontract chosen by the Contractor pursuant to section 2 (a), or 2 (b), above, shall not be considered to have Been consented to by Canada unless and until all Canada's requirements in this respect have been met by the Contractor.
4. In any subcontract other than a subcontract referred to in paragraph 2.(a), the Contractor must, unless the Contracting Authority agrees in writing, ensure that the subcontractor is bound by conditions compatible with and, in the opinion of the Contracting Authority, not less favourable to Canada than the conditions of the Contract, with the exception of requirements under the Federal Contractors Program for employment equity which only apply to the Contractor.
5. Even if Canada consents to a subcontract, the Contractor is responsible for performing the Contract and Canada is not responsible to any subcontractor. The Contractor is responsible for any matters or things done or provided by any subcontractor under the Contract, and for paying any subcontractors for any part of the Work they perform.

7.2.2 Supplemental General Conditions

SACC Manual Clause 1029 (2018-12-06) "Ship Repairs", apply to and form part of the Contract.

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

The 4007 (2010-08-16) "Canada to Own Intellectual Property Rights in Foreground Information", are incorporated by reference into and form part of the Contract.

SACC Manual Clause 4010 (2012-07-16) "Services – Higher Complexity", apply to and form part of the Contract.

SACC Manual Clause A0285C (2007-05-25) "Workers Compensation", apply to and form part of the Contract.

SACC Manual Clause A3015C (2014-06-26) "Certifications - Contract", apply to and form part of the Contract.

SACC Manual Clause B1006C (2014-06-26) "Condition of Material – Contract", apply to and form part of the Contract.

SACC Manual Clause B4059C (2008-05-12) "Government Supplied Technical Documents", apply to and form part of the Contract.

7.3 Term of Contract

7.3.1 Work Period - Marine

1) Work must commence and be completed as follows:

- Commence: August 04, 2021
- Anticipated Commissioning Start Date: September 29, 2021
- Completed by: October 13, 2021

2) The Contractor agrees that the above time (the "Work Period") provides an adequate period to perform the subject work and absorb a reasonable amount of unscheduled work. The Contractor certifies that they have sufficient material and human resources allocated or available to complete the subject work and a reasonable amount of unscheduled work within the Work Period.

Canada has the right to delay the arrival of the Vessel at the Contractor's facility subject to the following conditions:

- a) Canada gives 10 calendar days advance notice of a 15 day maximum delay. The Contractor may claim no additional cost when arrival of the vessel at the Contractor's facility is delayed up to a maximum of 15 calendar days beyond the commencement date, above. The Completion Date shall be extended by a period equal to the length of the delay.
- b) Canada does not provide 10 calendar days advance notice of a delay. The Completion Date shall be reasonably adjusted to reflect the impact of the delay on the arrival of the

Vessel and Canada shall pay only the Daily Services Fee referred to in the Basis of Payment for the period of the delay.

7.3.2 Additional Instructions to Work Period

The vessel will be unmanned during the work period, from the start date to September 29, 2021 and will be considered to be out of commission. The vessel during that period will be in the care and custody of the Contractor and under its control.

The vessel must be made completely habitable for the ship's crew to return to the vessel on September 29, 2021 to prepare for the vessel's commissioning, and to assist during the commissioning activities; set to work test and trials. For the vessel to be habitable, the ship's galley must be made operational, all crew lodgings must be cleaned and made ready for crew, washrooms and showers must be fully functional, potable water supplied, showers and bathrooms must be operational.

From the time that the crew has returned to the vessel to the end of the work period (October 13 2021), the vessel will be manned, and will be considered in commission. The vessel during this period will be in the care and custody of the Canada and under its control.

For details, please refer to Annex "J" (Vessel Custody) and its Appendix-1 and Appendix-2.

7.3.3 Time is of the Essence

It is essential that the Work be delivered within or at the time stated in the Contract.

7.4 Authorities

The Procurement, Technical and Inspection Authorities may delegate their authorities and may act through their duly appointed representatives.

7.4.1 Contracting Authority

The Contracting Authority for the Contract is:

Name: Mastaneh Pourmand
Title: Supply Specialist
Organization: Public Works and Government Services Canada, Acquisitions Branch
Directorate: Marine Systems
Address: Place du Portage, Phase III – 6A2-17, 11 Laurier St., Gatineau, QC K1A 0S5
Mobile: 343-543-2874
E-mail: Mastaneh.pourmand@tpsgc-pwgsc.gc.ca

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

7.4.2 Technical Authority

The Technical Authority (TA) for the Contract is: *(will be provided at Contract award)*

Name: _____
Title: _____
Organization: _____
Address: _____
Telephone: _____
Mobile: _____
E-mail: _____

The Technical Authority named above is the representative of the department or agency for whom the Work is being carried out under the Contract and is responsible for all matters concerning the technical content of the Work under the Contract. Technical matters may be discussed with the TA, 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.

7.4.3 Inspection Authority

The Inspection Authority for the Contract is the Canadian Coast Guard. *(TBD at Contract award)*

Name: _____
Title: _____
Organization: _____
Address: _____
Telephone: _____
Mobile: _____
E-mail: _____

The Inspection Authority is the representative of the department or agency for whom the Work is being carried out under the Contract and is responsible for the 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.

7.4.4 Contractor's Representative

The Contractor's representative is: *(TBD at Contract award)*

Name: _____
Title: _____
Organization: _____
Address: _____
Telephone: _____
Mobile: _____
E-mail: _____

7.5 Payment

7.5.1 Basis of Payment – Firm Price

In consideration of the Contractor satisfactorily completing all of its obligations under the Contract, the Contractor will be paid a firm price indicated in the Basis of Payment Annex " B" for the Known Work. Applicable Taxes are extra, if applicable. Payment for unscheduled work shall be in accordance with Annex "B".

No increase in the total liability of Canada or in the price of the Work resulting from any design changes, modifications or interpretations of the Specifications, will be authorized or paid to the Contractor unless such design changes, modifications or interpretations have been authorized in writing, by the Contracting Authority prior to their incorporation in the Work.

The Contract Firm Price must also include all costs associated with executing and administering the Contract in accordance with all municipal, provincial, and federal governments regulations and those that the public health authorities have instituted to protect against Covid-19, in addition to any other measures implemented by the shipyard or ship repair facility, that are in place or will be required during the execution of the Contract. They include, but are not limited to: Covid-19 specific cleaning (labour & Material), Personal Protective Equipment (PPE), Covid-19 testing/monitoring, additional equipment, extra labour, shift differentials and any additional administration/planning/project management.

7.5.2 Terms of Payment - Progress Payment

1. Canada will make progress payments in accordance with the payment provisions of the Contract, no more than once a month, for cost incurred in the performance of the Work, up to 90 percent of the amount claimed and approved by Canada if:
 - (a) an accurate and complete claim for payment using form PWGSC-TPSGC 1111 <http://www.tpsgc-pwgsc.gc.ca/app-acq/forms/documents/1111.pdf>, Claim for Progress Payment, and any other document required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract;
 - (b) the amount claimed is in accordance with the basis of payment;
 - (c) the total amount for all progress payments paid by Canada does not exceed 90 percent of the total amount to be paid under the Contract;
 - (d) all certificates appearing on form PWGSC-TPSGC 1111 have been signed by the respective authorized representatives.
2. The balance of the amount payable will be paid in accordance with the payment provisions of the Contract upon completion and delivery of all work required under the Contract if the Work has been accepted by Canada and a final claim for the payment is submitted.
3. Progress payments are interim payments only. Canada may conduct a government audit and interim time and cost verifications and reserves the rights to make adjustments to the Contract from time to time during the performance of the Work. Any overpayment resulting from progress payments or otherwise must be refunded promptly to Canada.

7.5.3 Basis of payment – Volume of Work

The basis of payment, detailed in the contract, including the rates and prices shall remain in force notwithstanding any variation between the volumes of work upon which those rates are based and the volume of work actually received by the contractor. Further, the contractor may not claim from the Crown any under recovery of fixed overhead expenses as a result of reduced business volume.

7.5.4 Applicable SACC Manual Clauses Related to Payment

SACC Manual Clause C0711C (2008-05-12) "Time Verification", apply to and form part of the Contract.

SACC Manual Clause C6000C (2014-06-26) "Limitation of Price", apply to and form part of the Contract.

SACC Manual Clause H4500C (2010-01-11) "Liens – Section 427 of the Bank Act", apply to and form part of the Contract.

7.5.5 Electronic Payment of Invoices – Contract

The Contractor accepts to be paid using any of the following Electronic Payment Instrument(s):

- a. Visa Acquisition Card;
- b. MasterCard Acquisition Card;
- c. Direct Deposit (Domestic and International);
- d. Electronic Data Interchange (EDI);

7.6 Invoicing Instructions

The Contractor must submit invoices in accordance with the information required in Section 13 of SACC 2030 (2018-06-21) "General Conditions, Higher Complexity, Goods", Article 7.5 (Payment) and this Article 7.6 (Invoicing Instructions).

7.6.1 Invoices

1. Invoices are to be made out to:

- a) Marine Engineering, Canadian Coast Guard
(*Contact information will be provided at Contract award*)

And;

- b) A copy must be sent to the Contracting Authority for verification:

Public Works and Government Services Canada, Direction of Marine Systems
6A2, Place du Portage, Phase III
11 Laurier St., Gatineau, QC, K1A 0S5

To the attention of: Mastaneh Pourmand
E-mail: Mastaneh.pourmand@tpsgc-pwgsc.gc.ca

2. Canada will only make payment upon receipt of a satisfactory invoice duly supported by specified release documents and any other documents called for under the Contract.
3. The Contractor shall not submit an invoice prior to the completion and acceptance of the Work or shipment of the items to which it relates.

7.6.2 Invoicing Instructions - Progress Claim

1. The Contractor must submit a claim for payment using form PWGSC-TPSGC 1111 <http://www.tpsgc-pwgsc.gc.ca/app-acq/forms/documents/1111.pdf>, Claim for Progress Payment.

Each claim must show:

- a) all information required on form PWGSC-TPSGC 1111;
 - b) all applicable information detailed under the section entitled "Invoice Submission" of the general conditions;
2. Applicable Taxes must be calculated on the total amount of the claim before the holdback is applied. At the time the holdback is claimed, there will be no Applicable Taxes payable as it was claimed and payable under the previous claims for progress payments.
 3. The Contractor must prepare and certify one original and two (2) copies of the claim on form PWGSC-TPSGC 1111, and forward it to the Contracting Authority identified under the section entitled "Authorities" of the Contract for appropriate certification after inspection and acceptance of the Work takes place.

The Contracting Authority will then forward the original and two (2) copies of the claim to the Contracting Authority for certification and onward submission to the Payment Office for the remaining certification and payment action.

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

7.6.3 Warranty Holdback

A warranty holdback of 5% of the total contract price as last amended (Applicable Taxes excluded) will be applied to the final claim for payment. This holdback will be payable by Canada upon the expiry of the 90 day warranty period(s) applicable to the Work. Applicable Taxes, as appropriate, is to be calculated and paid on the total amount of the claim before the 5% holdback is applied. At the time that the holdback is released, there will be no Applicable Taxes payable, as it was included in previous payments.

7.7 Certifications

7.7.1 Compliance

Unless specified otherwise, the continuous compliance with the certifications provided by the Contractor in its bid or precedent to contract award, and the ongoing cooperation in providing additional information are conditions of the Contract and failure to comply will constitute the

Contractor in default. Certifications are subject to verification by Canada during the entire period of the Contract.

7.8 Federal Contractors Program for Employment Equity - Default by the Contractor

The **Contractor** understands and agrees that, when an Agreement to Implement Employment Equity (AIEE) exists between the Contractor and Employment and Social Development Canada (ESDC)-Labour, the AIEE must remain valid during the entire period of the Contract. If the AIEE becomes invalid, the name of the Contractor will be added to the "[FCP Limited Eligibility to Bid](#)" list. The imposition of such a sanction by ESDC will constitute the Contractor in default as per the terms of the Contract.

7.9 Applicable Laws

The Contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in TBD at the time of Contract.

7.10 Workers Compensation

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

7.11 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 – including all its amendments;
- (b) The supplemental general conditions 1029 (2018-12-06) "Ship Repairs";
- (c) The general conditions 2030 (2018-06-21) "General Conditions - Higher Complexity – Goods";
- (d) The supplemental general conditions 1031-2 (2012-07-16) "Contract Cost Principles"
- (e) Annex "I" – Bidders Questions and Canada's Answers
- (f) Annex "A" – Statement of Work
- (g) Annex "B" – Basis of Payment
- (h) Annex "C" – Warranty Procedures and Warranty Claim Form
- (i) Annex "D" – Subcontractors List
- (j) Annex "L" – Procedure for Unscheduled Work
- (k) Annex "E" – Insurance Requirements
- (l) Annex "H" – Financial Bid Presentation

- (m) Annex "F" – Quality Assurance/ Quality Control/ Inspection
- (n) Annex "J" – Vessel Custody
- (o) Annex "K" – Mandatory Deliverables Check-List
- (p) Annex "G" – Reporting Requirements
- (q) Annex "M" – The Contractor's bid dated _____, *(insert date of bid)*, as clarified on _____ " *or* ", as amended on _____ " *date(s) of clarification(s) or amendment(s) if applicable.*

7.12 Insurance Requirements

The Contractor must comply with the insurance requirements specified in Annex "E". 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.

7.13 Limitation of Contractor's Liability for Damages to Canada

1. This section applies despite any other provision of the Contract and replaces the section of the general conditions entitled "Liability". Any reference in this section to damages caused by the Contractor also includes damages caused by its employees, as well as its agents, representatives, subcontractors, and any of their employees.

Damage includes any injury to persons (including injury resulting in death) or loss of or damage to property (including real property) caused as a result of or during the performance of the Contract.

2. Whether the claim is based in contract, tort, or another cause of action, the Contractor's liability for all damages suffered by Canada caused by the Contractor's performance of or failure to perform the Contract is limited to \$10 million per incident or occurrence to an annual aggregate of \$20 million for losses or damage caused in any one year of carrying out the Contract, each year starting on the date of coming into force of the Contract or its anniversary. This limitation of the Contractor's liability does not apply to:
 - (a) any infringement of intellectual property rights;
 - (b) any breach of warranty obligations;
 - (c) any liability of Canada to a third party arising from any act or omission of the Contractor in performing the Contract; or any loss for which the policies of insurance specified in the Contract or any other policies of insurance held by the Contractor would provide insurance coverage
3. Each Party agrees that it is fully liable for any damages that it causes to any third party in connection with the Contract, regardless of whether the third party makes its claim against Canada or the Contractor. If Canada is required, as a result of joint and several liability, to pay

a third party in respect of damages caused by the Contractor, the Contractor must reimburse Canada for that amount.

4. The Parties agree that nothing herein is intended to limit any insurable interest of the Contractor nor to limit the amounts otherwise recoverable under any insurance policy. The Parties agree that to the extent that the insurance coverage required to be maintained by the Contractor under this Contract or any additional insurance coverage maintained by the Contractor, whichever is greater, is more than the limitations of liability described in sub-article (2), the limitations provided herein are increased accordingly and the Contractor shall be liable for the higher amount to the full extent of the insurance proceeds recovered.
5. If, at any time, the total cumulative liability of the Contractor for losses or damage suffered by Canada caused by the Contractor's performance of or failure to perform the Contract, excluding liability described under subsection 2(a), (b), (c) and (d) exceeds \$40 million, either Party may terminate the Contract by giving notice in writing to the other Party and neither Party will make any claim against the other for damages, costs, expected profits or any other such loss arising out of the termination. However, no such termination or expiry of the Contract shall reduce or terminate any of the liabilities that have accrued to the effective date of the termination but which liabilities are subject to the limitations as specified in sub-article (1) through (4) above.
6. The date of termination pursuant to this article, shall be the date specified by Canada in its notice to terminate, or, if the Contractor exercises the right to terminate, in a notice to the Contractor from Canada in response to the Contractor's notice to terminate. The date of termination shall be in Canada's discretion to a maximum of 12 months after service of the original notice to terminate served by either Party pursuant to sub-article 5, above.
7. Nothing shall limit Canada's other remedies, including Canada's right to terminate the Contract for default for breach by the Contractor of any of its obligations under this Contract, notwithstanding that the Contractor may have reached any limitation of its liability hereunder.

7.14 Financial Security

This Contract does not require financial security.

7.15 Foreign Nationals (Canadian Contractor)

The Contractor must comply with Canadian immigration requirements applicable to foreign nationals entering Canada to work temporarily in fulfillment of the Contract. If the Contractor wishes to hire a foreign national to work in Canada to fulfill the Contract, the Contractor must immediately contact the nearest Service Canada regional office to enquire about Citizenship and Immigration Canada's requirements to issue a temporary work permit to a foreign national. The Contractor is responsible for all costs incurred as a result of non-compliance with immigration requirements.

7.16 Sub-contracts and Sub-contractor List

The Contracting Authority must be notified, in writing, of any changes to the list of subcontractors, submitted as part of the Bid Package (in Annex "D"), before commencing the work.

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

7.17 Trade Qualifications

The Contractor must use qualified, certificated (if applicable) and competent tradespeople and supervision to ensure a uniform high level of workmanship. The Technical 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.

7.18 Work Schedule and Reports

No later than fourteen (14) Calendar days after contract award, the preliminary work schedule provided with the bid must be revised, detailed and resubmitted in preparation to the contract award meeting.

The work schedule(s) submitted must be produced with a commercially available project management software, either MS Project or equivalent, approved by the TA, that is able to track tasks, predecessors, critical path, milestone markers. The schedule must show the anticipated work break down to the system and component

The Contractor must provide a detailed work schedule showing the commencement and completion dates for the Work in the available work period, including realistic target dates for significant events.

During the work period, the schedule is to be reviewed on an ongoing basis by the Inspection Authority and the Contractor, updated when necessary, and be available in the Contractor's office for review by Canada's authorities, to determine the progress of the Work.

7.19 Project Management Services

The Contractor is required to provide their own Project Management Team experienced and capable of successfully managing the ship repair contract as defined herein. Project management personnel, services and deliverables must comply with the requirements detailed in the contract.

1. Intent

- a) Job titles used in this section are for clarity within this document only. The Contractor is free to choose job titles that suit its organization.
- b) The Contractor, through its Project Management Team, is responsible to discharge the duties and supply the deliverables required in the Contract and the Specifications.

- c) Project Management encompasses the direction and control of such functions as engineering, planning, purchasing, manufacturing, assembly, overhauls, installations and test and trials.

2. Project Manager

The Contractor must employ an experienced Project Manager (PM). The PM must have experience in managing a project of this nature.

3. Project Management Team

Other than the Project Manager, the Contractor must assign and vary other job descriptions to suit its organization; provided however, that the collective resume of its Project Management team must provide for the effective control of the project elements including but not limited to:

- Project Management
- Quality Assurance
- Planning and Scheduling

4. Reports

The following Management Reports and Documentation are to be prepared and maintained by the Contractor and submitted to Canada in accordance with the Contract or upon request by the Contracting Authority.

- Production Work Schedule
- Inspection Test Plan Summary
- Growth Work Summary
- Risk Register

7.20 Environmental Protection

The Contractor and its sub-contractors engaged in the Work on a Crown vessel must carry out the Work in compliance with applicable municipal, provincial and federal environmental laws, regulations and industry standards.

The Contractor must have detailed procedures and processes for identifying, removing, tracking, storing, transporting and disposing of all potential pollutants and hazardous material encountered, to ensure compliance as required above. The contractor must maintain in force their Environmental Protection procedures through the course of the contract.

All waste disposal certificates are to be provided to the Technical Authority, with information copies sent to the Contracting Authority. Furthermore, additional evidence of compliance with municipal, provincial and federal environmental laws and regulations is to be furnished by the Contractor to the Contracting Authority when so requested.

The Contractor must have Environmental Emergency and Spill Response plans and procedures in place. Contractor and subcontractor employees must have received the appropriate training in emergency preparedness and response. Contractor personnel engaging in activities which may

cause environmental impacts or potential non compliance situations, must be competent to do so on the basis of appropriate education, training, or experience.

Failure to comply with any of the above will be, of and by itself, grounds for termination of the contract for default.

7.21 Hazardous Waste Management and Disposal

The Contractor must dispose of any hazardous waste removed or uncovered in the performance of the Work in accordance with the requirements of the Contract and any applicable law.

1. The Contractor acknowledges that sufficient information has been provided by Canada with respect to the location and estimated amount of hazardous materials such as asbestos, lead PCBs, silica or other hazardous materials or toxic substances.
2. The price includes all costs associated with the removal, handling, storage, disposal and/or working in the vicinity of hazardous materials such as asbestos, lead, PCBs, silica and other hazardous materials or toxic substances on board the vessel, including those costs resulting from the need to comply with applicable laws and regulations in relation to the removal, handling, disposal or storage of hazardous materials or toxic substances.
3. The completion date for the Work takes into account the fact that the removal, handling, storage, disposal and/or working in the vicinity of hazardous materials such as asbestos, lead, PCBs, silica and other hazardous materials or toxic substances may be affected by the need to comply with applicable federal, provincial and municipal laws or regulations and that this will not be considered to be an excusable delay.

7.22 Insulation Materials - Asbestos Free

All materials used to insulate or re-insulate any surfaces on board the vessel must meet Transport Canada Marine standards, for commercial marine work, and, for all work, be free from asbestos in any form. The Contractor must ensure that all machinery and equipment located below or adjacent to surfaces to be re-insulated are adequately covered and protected before removing existing insulation.

7.23 Supervision of Fueling and Disembarking Fuel

The Contractor must ensure that fueling and disembarking of fuel from Canadian government vessels are conducted under the supervision of a responsible supervisor trained and experienced in these operations.

All fueling and disembarking of fuel on CCGS Samuel Risley must be done in accordance with the accepted procedures submitted by the Contractor.

7.24 Fire Protection, Fire Fighting and Training

The Contractor must maintain in force their fire protection, fire fighting and training procedures through the course of the Contract.

7.25 Loan of Equipment - Marine

The Contractor may apply for the loan of the Government special tools and test equipment particular to the subject vessel as identified in the Specifications. The provision of other equipment required for the execution of work in the Specifications is the sole responsibility of the Contractor.

Equipment loaned under this provision must be used only for work under this Contract and may be subject to demurrage charges if not returned on the date required by Canada. In addition, equipment loaned under the above provision must be returned in a like condition, subject to normal wear and tear.

A list of Government equipment that the Contractor intends to request must be submitted to the Contracting Authority **within three (3) days** of Contract Award to permit timely supply or for alternate arrangements to be made. The request must state the time frame for which the equipment is required.

7.26 Procedures for Design Change or Additional Work

SACC Manual Clause B5007C (2010-01-11) "Procedures for Design Change or Additional Work" applies and forms part of this Contract.

In addition, please refer to Annex "L".

7.27 Quality Assurance and Control Provisions

All work is subject to Government Quality Assurance (GQA) performed at the Contractor's or subcontractor's facility, and at the installation site, by the Director of Quality Assurance or its designated QAR.

The Contractor must establish and maintain a Quality Management Program (QMP) that specifically addresses the Contract Work; and, **within fourteen (14) calendar days** after the Notice to Proceed (NTP), submit to QAR for approval. The program must contain provisions for inspection and reporting by QAR of all in-process production activities.

The QA/QC program must, among other things, describe the QA and QC organization, identify key personnel by name, provide contact telephone numbers and contain those elements outlined in the Technical Specification.

QA and QC are solely the responsibility of the Contractor. Inspections, reviews and approvals by QAR and Authoritative Agencies in no way relieve the Contractor of its responsibility to assure the quality and control of Contract Work and the material condition and readiness of the vessel for service at Delivery.

7.27.1 Quality Management Systems

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

ISO 9001:2015 – Quality management systems - Requirements, published by the International Organization for Standardization (ISO), latest edition at date of submission of Contractor's bid.

The Contractor's quality management system must address each requirement contained in the standard, however, the Contractor is not required to be registered to ISO 9001.

7.27.2 Quality Control Plan

The Contractor must implement and follow the Quality Control Plan (QCP) prepared according to the latest issue (at contract date) of ISO 10005:2005 Quality management - Guidelines for quality plans, approved by the Inspection and the Technical Authority. The QCP must describe how the Contractor will conform to the specified quality requirements of the Contract, and specify how the required quality activities are to be carried out, including quality assurance of subcontractors.

If the Quality Plan was submitted as part of the bidding process, The Contractor must review the QCP that was submitted as part of the bidding process, and where appropriate, revise the submitted plan to reflect any changes in requirements or planning which may have occurred as a result of pre-contract negotiations. The Contractor must include a traceability matrix from the elements of the specified quality requirements to the corresponding paragraphs in the QCP.

The QCP must be made available to the Inspection and Technical Authority for review and approval **within five (5) working days** after contract award.

The documents referenced in the QCP must be made available when requested by the Inspection Authority.

The Contractor must make appropriate amendments to the QCP throughout the term of the Contract to reflect current and planned quality activities. Amendments to the QCP must be acceptable to the Inspection Authority and the Technical Authority.

7.27.3 Inspection and Test Responsibilities

The Contractor is responsible for the performance of all inspection requirements specified herein and must meet the elements of ISO 9001:2015 (or most recent version at Contract award).

Inspections, Tests and Trials of Equipment, Machinery and Systems must be conducted in accordance with the Specification. The Contractor is responsible for performing, or having performed, all Inspections, Tests and Trials necessary to substantiate that the materiel and services provided conform to the contract requirements.

The Inspection Authority (IA) reserves the right to perform any of the inspections set forth in the statement of work where such inspections are deemed necessary to maintain an effective quality control system to ensure that only acceptable materials are used.

The Contractor must maintain a documented inspection system capable of producing objective evidence that the Work performed and materials conform to contract requirements whether manufactured, processed or procured by the Contractor or from its Sub-Contractors. The Contractor must ensure that essential inspection requirements are determined and satisfied throughout all phases of the Work.

The Contractor is solely responsible for all QC/QA and for properly preparing and presenting all completed Contract Work for acceptance and for giving adequate notice that the Contract Work in question is complete and ready for inspection. Adequate notice is as required by mutual agreement between the Contractor and the Authoritative Agencies.

7.27.4 Inspection and Test Plan

The Contractor must in support of its Quality Control Plan (QCP), implement an approved Inspection and Test Plan (ITP). The ITP must be made available to the Inspection and Technical Authority, **within five (5) working days** after contract award, for review and approval.

The Contractor must provide at no additional cost to Canada, all applicable test data, all Contractor technical data, test pieces and samples as may reasonably be required by the Inspection Authority to verify conformance to contract requirements. The Contractor must forward at his expense such technical data, test data, test pieces and samples to such location as the Inspection Authority may direct.

Refer to Annex "F" for details.

7.27.5 Support Test Equipment and Tools

The contractor must furnish all unique equipment, special or general purpose test equipment and tools required unless agreed to by both parties.

The contractor must maintain the same degree of calibration and fitness of all items, as required by the Original Equipment Manufacturer (OEM) production standards.

7.27.6 Replacement Parts – Inspection and Condition of Material and Equipment

Unless provided otherwise in the Contract, replacement parts and subassemblies provided by the contractor must be of new and equivalent in fit and function to the Original Equipment Manufacturer (OEM) parts. All Contractor-supplied parts and associated labour must be warranted in accordance with the provisions of the contract.

The Contractor is responsible for ensuring that components and materials used are manufactured, examined, and tested in accordance with this specification and any other tests not specified herein that are normally performed during the course of inspection and repair.

Incoming articles must not be used/processed unless inspected or otherwise ascertained to conform to contract requirements.

7.28 Equivalency of Equipment

1. The Contractor guarantees that the equipment to be delivered under the Contract is:
 - a) equivalent in form, fit, function and quality to the existing equipment owned by Canada that was described in the bid solicitation that resulted in the Contract; and

- b) fully compatible, interchangeable and interoperable with the existing equipment owned by Canada.
2. The Contractor also guarantees that any warranties with third parties concerning the existing equipment owned by Canada will not be adversely affected by Canada's use of the equipment delivered under the Contract (for example, by interconnecting the equipment) or by any other services provided by the Contractor under the Contract. If Canada determines in its sole discretion that any such warranty has been adversely affected, at Canada's sole option, the Contractor must:
- a) pay to Canada the amount that Canada must pay to the original supplier (or an authorized reseller of that supplier) to re-certify Canada's existing equipment for warranty purposes and any other amounts paid by Canada to a third party in order to restore the equipment to full warranty status;
 - b) perform all warranty work on Canada's existing equipment in place of the original supplier; or
 - c) pay to Canada the amount that Canada must pay to the original supplier (or an authorized reseller of that supplier) to perform maintenance work on the equipment that otherwise would have been covered by the warranty.
3. The Contractor agrees that, during the Contract Period, if Canada determines that any of the equipment is not equivalent in form, fit, function and quality to the existing equipment owned by Canada or is not fully compatible, interchangeable and interoperable with the existing equipment owned by Canada, the Contractor must immediately and entirely at its own expense take all steps necessary to ensure that the equipment satisfies these requirements (for example, by implementing any additional software or firmware), failing which Canada will have the immediate right to terminate the Contract for default.

The Contractor agrees that, if Canada terminates the Contract for this reason, the Contractor must pay to Canada the costs of re-procuring the equipment from a third party and the difference, if any, in price paid by Canada to the third party.

The Contractor acknowledges that its failure to deliver equivalent equipment that satisfies the above requirements may result in the Contractor (as well as its affiliates and any other entities with whom the Contractor or its principals do not deal at arm's length) being unable to propose equivalent substitutes in response to future PWGSC bid solicitations.

7.29 Stability

The Contractor will be solely responsible for the stability and trim of the ship during the period the vessel is in the Contractor's facility, including docking and undocking.

The Contractor must maintain weight change information pertinent to the vessel's stability during the docking period. The Technical Authority will supply the Contractor with cross curves of stability, hydrostatic curves, tank status, location of center of gravity, and other information relevant to the ship's condition upon handing over of the vessel.

7.30 Vessel Access by Canada

Canada reserves the right to have its personnel carry out limited work on equipment on board the vessel. This work will be carried out at times mutually acceptable to Canada and the Contractor.

7.31 Care, Custody and Control

Refer to Annex "J" and Supplemental General Conditions 1029 (2018-12-06) Ship Repairs Article 09 "Where Vessel Out of Commission".

7.32 Permits, Licenses and Certificates

The Contractor must obtain and maintain all permits, licenses and certificates of approval required for the work to be performed under any applicable federal, provincial or municipal legislation. The Contractor is responsible for any charges imposed by such legislation or regulations. Upon request, the Contractor must provide a copy of any such permit, license or certificate to Canada.

7.33 Export Licenses

Where material is to be imported into Canada, the Contractor is responsible for obtaining all necessary export licenses from the country of origin in sufficient time to enable the export.

7.34 Vessel Unmanned Refits

The vessel will be unmanned during the work period and will be considered to be out of commission. The vessel during that period will be in the care or custody of the Contractor and under its control.

The vessel must be made completely habitable for the ship's crew to return to the vessel on September 29, 2021 to prepare for the vessels commissioning, and to assist during the commissioning activities; set to work test and trials For the vessel to be habitable, the ship's galley must be made operational, all crew lodgings must be cleaned and made ready for crew, washrooms and showers must be fully functional, potable water supplied, showers and bathrooms must be operational.

From the point that the crew has returned to the vessel to the end of the working period (October 13, 2021), the vessel will be manned, and will be considered in commission. The vessel during this period will be in the care and custody of the Canada and under its control.

7.35 Outstanding Work and Acceptance

1. The Inspection Authority and/or the Technical Authority, in conjunction with the Contractor, will prepare a list of outstanding work items at the end of the work period. This list will form the annexes to the formal acceptance document for the vessel. A contract completion meeting will be convened by the Inspection Authority on the work completion date to review and sign off the form PWGSC-TPSGC1205, Acceptance. In addition to any amount held

under the Warranty Holdback Clause, a holdback of twice the estimated value of outstanding work will be held until that work is completed.

2. The Contractor must complete the above form in three (3) copies, which will be distributed by the Inspection Authority as follows:
 - a) original to the Contracting Authority;
 - b) one copy to the Technical Authority;
 - c) one copy to the Contractor.

Refer to Annex "J" for details of Acceptance Procedures and Reports.

7.36 Title to Property - Vessel

If the Contractor is in default in carrying any of its obligations under the Contract, Canada, or its agents, will have the immediate right to enter the shipyard, without first obtaining a court order, to take possession of the vessel and all other property of Canada, including, but not limited to, work-in-process located on the premises, and to perform any further work required to enable the vessel and other such property to be removed from the shipyard.

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.

7.37 Failure to Deliver

Time is of the essence of the Contract. Changes in the Completion date not caused by Canada are Contractor defaults, will prejudice Canada and are at the Contractor's expense. The Completion date will not be extended without consideration being provided by the Contractor acceptable to Canada in the form of adjustment to the price, warranty or services to be provided.

7.38 Dispute Resolution

The parties agree to follow the procedures below for the settlement of any disputes which may arise throughout the life of this Contract prior to seeking redress through court procedures:

Disputes arising from this Contract will in the first instance be resolved by the Contracting Authority and the Contractor's Contract Administrator within 15 working days or such additional time as may be agreed to by both parties.

- a) Failing resolution under (a) above, the Manager of the Ship Refit Division (MD) of the Marine Systems Directorate at PWGSC and the Contractor's Representative Supervisor will attempt to resolve the dispute within an additional fifteen (15) working days.

- b) Failing resolution under (a) or (b) above, the Senior Director of the Marine Systems Directorate at PWGSC, and the Contractor's Senior Management will attempt to resolve the dispute within an additional thirty (30) working days.
- c) Notwithstanding the above procedure, either party may seek a decision through the courts at any time during the dispute.

7.39 Government Supplied Materiel

Government Supplied Materiel (GSM) is the property of the Government of Canada. The Contractor is responsible for maintaining satisfactory records of the disposition of all GSM. The GSM described herein must be used in the replacement, repair and refurbishment of the item(s) contracted. Only the quantity of material stated herein will be supplied by Canada without charge. If GSM does not conform to requirements for incorporation into the Work, the Contractor must make a request for replacement GSM in writing to Canada **within five (5) calendar days** after the receipt of GSM. At Canada's instruction, the Contractor must replace or repair any GSM, at the prices and In Accordance With Contract provisions relating to Unscheduled Work. The Contractor must replace or make good, at its own expense, any GSM which fail to conform to the Contract requirements as a result of faulty or inefficient cutting, manufacture or workmanship by the Contractor.

Upon delivery of any item of GSM to its premises or to any other location specified by the Contractor, the Contractor must forthwith inspect it in accordance with the Quality Assurance program for defects or deficiencies and, in the event such are discovered, must, inform the Contracting Authority. The Contracting Authority and the Contractor must jointly determine corrective measure to be taken by either party or the consequences, if any, to the Contract Delivery Date and the Contract Price. Should the Contractor proceed without guidance from the Contracting Authority, any costs incurred, and loss of GSM shall be at the Contractor's expense.

Any and all loss or damage to GSM while it is in the possession of, or otherwise under the control of, the Contractor is the responsibility of the Contractor. GSFM is "government issue" within the meaning of section 16 of the *Defence Production Act* and the Contractor must maintain it free of all claims, liens, charge and encumbrances. The Contractor must repair or replace at its own expense GSM that is damaged or lost while in the Contractor's care.

While a final GSM accounting is not automatically required for every Contract, Canada reserves the right to request a final accounting at any time within one year of the Contract completion date.

The Contractor must refer to Annex "A" for listed GSM.

7.39.1 Surplus Government Property

SACC Manual Clause L5001C (2008-05-12), "Surplus Government Property" applies to and forms part of the contract

7.40 Scrap and Waste Material

Despite any other provision of the Contract, scrap and waste materials other than accountable material, derived from the Contract, will revert to the Contractor as part of the Contract Price.

7.41 Travel and Living Expenses - National Joint Council Travel Directive

The Contractor will be reimbursed its authorized travel and living expenses reasonably and properly incurred in the performance of the Work, at cost, without any allowance for profit and/or administrative overhead, in accordance with the meal, private vehicle and incidental expenses provided in Appendices B, C and D of the National Joint Council Travel Directive and with the other provisions of the directive referring to "travelers", rather than those referring to "employees".

All travel must have the prior authorization of the Contracting Authority.

All payments are subject to government audit.

7.42 Contract Kick-off Meeting

The Kick-off meeting will be convened and chaired by the Contracting Authority, before the start of the Work, at the Contractor's facility, or it will be held virtually via Webex or MS Teams due to Covid-19 restriction, at a time to be determined.

Within five (5) working days of the receipt of the contract, the Contractor must contact the Contracting Authority to confirm the scheduling and agenda of the Contract Kick-off meeting.

At that meeting the contractor shall introduce all its management personnel as per its organization chart, and Canada will introduce authorities. Details of ship's arrival and work commencement will be discussed.

7.43 Progress Review and Technical Meetings

Progress review and technical meetings (PRMT), chaired by the Contracting Authority, will take place at the Contractor's facility, or virtually, as and when required, generally once a month. Interim meetings may also be scheduled. Contractor's attendees at these meetings must, as a minimum, be its Contract (Project) Manager, Production Manager (Superintendent) and Quality Assurance Manager. Progress meetings will generally incorporate Technical meetings to be chaired by the Technical Authority and the Contracting Authority.

During each PRMT the Contractor must provide a status of the overall contracted project, including programmatic, production, test, Integrated Logistics Support, subcontract, risk issues, and progress as it relates to the Schedule, and the associated Work Breakdown Structure. For each PRMT, the Contractor must:

1. Ensure that Contractor data, personnel and facilities are available for each formal meeting in order for the meeting to be conducted in an efficient manner; and
2. Include the following agenda items for discussion and resolution:
 - Contractual Issues;

- Financial Issues;
- Technical Issues;
- Environmental, Health and Safety Issues;
- Previous action items; and
- Any supporting Photographs and/or videos

The draft agenda must be provided by the Contractor with a copy to the Contracting Authority, IA, Technical Authority and the QAR representative approximately three (3) working days prior to each meeting for review by attendees and request for additions. The final agenda must be provided at the meeting by the Contractor.

The Contracting Authority will record the minutes of all contractual aspects of the meetings, and the Technical Authority shall record all the technical aspects of the meetings. All recorded Minutes of Meetings shall include as a minimum discussion items, records of decisions, all action items, risk items, and a record of conclusions reached at the Technical Meetings. The Technical Authority shall submit the recorded technical aspects to the Contracting Authority. The Contracting Authority will distribute a draft of the recorded minutes to the Contractor, Inspection Authority, Technical Authority, and the QAR representative for review and comment prior to issuing the final version. The Minutes must be signed as accepted by the Contractor, Contracting Authority, Inspection Authority, Technical Authority and the QAR representative once comments are incorporated to the satisfaction of the Contracting Authority.

7.44 Representations and Warranties

The Contractor made statements regarding its experience and expertise in its bid that resulted in the award of the Contract. The Contractor represents and warrants that all those statements are true and acknowledges that Canada relied on those statements in awarding the Contract.

The Contractor also represents and warrants that it has, and all its resources and subcontractors that perform the Work have, and at all times during the contract period they will have, the skills, qualifications, expertise and experience necessary to perform and manage the Work in accordance with the Contract, and that the Contractor (and any of its resources or subcontractors) has previously performed similar services for other customers.

7.45 Documentation

All of the Contract Documents are essential parts of the Contract and a requirement occurring in one is binding as though occurring in all. They are intended to be complementary in their description of the Contract Work.

There are no intentional conflicts or omissions in the Contract Documents. In the event of any such conflicts or omissions, the order of precedence shall be as noted in the Contract Form, section on "Priority of Documents".

Clear, complete and current written inspection and test procedures, must be prepared for each inspection operation, including those relating to the assessment of the adequacy of process controls. The Contractor must maintain records of all inspections performed to substantiate conformance to contract requirements.

The Contractor must ensure that all purchased materiel or services conform to contract requirements. When evidence of conformance depends solely on inspection performed by the Sub-Contractor, the Contractor is responsible to ensure that such evidence is satisfactory. Records of such inspection must form part of the required Contractor records.

All sub-contracts and referenced data must be available for review by the Inspection Authority.

7.45.1 Technical, Inspection and Project Management Reports

All technical, inspection, project management and contractual reports must be provided as per the requirements of Annex "A" SOW and Annex "G" Reporting Requirements, as the minimum.

7.45.2 Class Certifications

All Classification Society Certifications, and Material Safety Data Sheets (MSDS) for each equipment, where applicable, must be submitted.

7.45.3 Company and Staff Licenses & Certifications

All related trades' Certifications pertaining to the Contractor, its sub-contractors and trades persons that are submitted as part of the response to the associated bid solicitation, form part of the Contract; and must be valid for duration of the Contract.

7.45.4 Welding Certification - Contract

1. The Contractor must ensure that welding is performed by a welder certified by the Canadian Welding Bureau (CWB) for the following Canadian Standards Association (CSA) standard(s):
 - a) CSA W47.1 - Latest Edition, Certification for Companies for Fusion Welding of Steel (Division Level 1 or 2); and
 - b) W47.2 - Latest Edition, Certification for Companies for Fusion Welding of Aluminum (Division Level 1 or 2)
2. In addition, welding must be done in accordance with the requirements of the applicable drawings and specifications.
3. Before the commencement of any fabrication work, and upon request from the INSPECTION AUTHORITY or Technical Authority, the Contractor must provide approved welding procedures and/or a list of welding personnel they intend to use in the performance of the Work. The list must identify the CWB welding procedure qualifications attained by each of the personnel listed and must be accompanied by a copy of each person's current CWB certification to CSA welding standards.

7.45.5 Maintenance and Operation Manuals

The Contractor must supply the maintenance and operator manual, for any upgraded, changed or replaced equipment or system that is different from the original, in accordance with the requirements of Annex "A" – Statement of Work.

7.45.5 Purchasing Data

The purchasing document must contain a clear description of the materiel or items ordered including (as applicable):

- The type, class, style, grade or other precise identification
- The title or other positive identification and applicable issue of specifications, drawings, process or inspection requirements, or other relevant technical data, as well as technical, operational and maintenance manuals

7.47 Identification Markings

All equipment assemblies or components after overhaul or reconditioning must have the original marking information restored and must have the following information added immediately adjacent to the original identification markings or previous reconditioning markings:

- Re-conditioner's Identification
- Date of Reconditioning
- Date of expiration of Warranty
- Inspector's stamp/number

When identification markings are required, the Contractor must arrange for their design and manufacture. The Contractor must submit drawings for identification markings for approval to the Technical Authority at least **three (3) days** before production.

The markings must be affixed to the deliverable end item(s) before delivery.

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Annex “A”

Statement of Work (SOW)

Annex “A” is provided as a separate attachment to this document.

Annex "B"

Basis of Payment

Annex B will form the Basis of Payment for the resulting Contract; it must not be filled in at the bid submission stage.

B.1 Contract Firm Price

| | | |
|----|---|----|
| A) | <u>Known Work</u> For work as stated in PART 7 - article 7.1, specified in Annex A and detailed in Annex H, Appendix 1 – Pricing Data Sheet for the FIRM PRICE of: | \$ |
| B) | Applicable taxes of line A) only: | \$ |
| C) | Cost of Financial Security | \$ |
| D) | Total firm Price including Applicable Taxes [A+B+C] | \$ |

B.2 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, consumables, and profit, plus net laid-down cost of materials to which will be added a mark-up of 10%, plus applicable taxes, of the total cost of material and labour. The firm hourly charge-out labour rate and the material mark-up will remain firm for the duration of the Contract and any subsequent amendments."

B2.1 Notwithstanding definitions or usage 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 this section B2.2 below, will not be negotiated, but will be compensated for in accordance with B2.2.

B2.2 Allowance for Related Labour Costs such as: Management, all Supervision, Purchasing and Material Handling, Quality Assurance and Reporting, First Aid, Gas Free Certification Inspecting and Reporting, Estimating, and Preparing Unscheduled Work Submissions will be included as Overhead for the purposes of determining the Charge-out Labour Rate entered in line B2 above.

B2.3 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

Charge-out 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 Pro-rated Prices Unscheduled Work

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

B.4 Overtime

The Contractor must not perform any overtime under the Contract unless authorized in advance and in writing by the Contracting Authority. There will be no overtime payment for Known Work. Any request for payment must be accompanied by a copy of the overtime authorization and a report containing the overtime performed pursuant to the written authorization.

For authorized unscheduled work, the Contractor will be paid the authorized overtime hours at the following **charge-out labour rates**:

For Time and one Half **: \$ _____ per hour, or

For Double Time***: \$ _____ per hour

Notes:

1. These rates shall be blended rates for all classes of labour, engineering and foreperson and shall include all overheads, supervision and profit.
2. These rates will remain firm for the duration of the Contract, including all amendments and are subject to audit if considered necessary by Canada.
3. Definitions:
 - * Regular time is defined as an 8 hour work day
 - ** Time and One Half is defined as time in excess of the Regular Time
 - *** Double Time is defined as Sundays and Statutory Holiday

B.5 Daily Service Fee

In the event of a delay in the performance of the Work that lengthens the Work period beyond the date specified in this Contract, and if such delay is recognized and agreed upon by the Contracting Authority as being attributable to Canada, Canada agrees to pay the Contractor the daily services fee, described below, for each day of such delay. This fee shall be the sole liability of Canada to the Contractor for the delay.

The firm daily services fee is:

a) For a Working Day: \$ _____ per day, in CAD

b) For a Non-Working Day: \$ _____ per day, in CAD

The above fees shall include but not be limited to, all aspects of the following costs: Project Management Services, Administrative Support, Production Services, Quality Assurance, Material Support, Planned Maintenance and Ship Services, and all other resources and direct costs needed to maintain the Vessel at the Contractor's facility. These fees are firm and not subject to any additional charges for mark-up or profit.

B.6 Vessel, Refit, Repair or Docking Cost

The following costs must be included in the price:

B6.1 Ship Services: include all costs for ship services such as water, steam, electricity, etc., required for vessel maintenance for the duration of the Contract.

B6.2: Docking and Undocking include:

- a) all costs resulting from dry docking, wharfage, security, shoring, shifting and/or moving of the vessel within the successful Bidder's facility;
- b) the cost of services to tie up the vessel alongside and to cast off.

Unless specified otherwise, the vessel will be delivered by Canada to the successful Bidder's facility alongside a mutually agreed safe transfer point, afloat and upright, and the successful Bidder will do the same when the Work is completed. The cost of services to tie up the vessel alongside and to cast off must be included in the evaluation price.

B6.3: Field Service Representatives/Supervisory Services: include all costs for field service Representatives / supervisory services including manufacturers' representatives, engineers, etc. The Contractor is responsible for the performance of all subcontractors and FSRs.

These services must not be an extra charge except where unscheduled work requiring these services is added to the Contract.

B6.4: Removals: include all costs for removals necessary to carry out the Work and will be the responsibility of the successful Bidder whether or not they are identified in the specifications, except those removals not apparent when viewing the vessel or examining the drawings. The successful Bidder will also be responsible for safe storage of removed items and reinstalling them on completion of the Work. The successful Bidder will be responsible for renewal of components damaged during removal.

B6.5: Sheltering, Staging, Cranage and Transportation: include the cost of all sheltering, staging including handrails, cranage and transportation to carry out the Work as specified.

The Contractor will be responsible for the cost of any necessary modification of these facilities to meet applicable safety regulations.

B.7 Pricing Data Sheets

Parameters from the Pricing Data Sheet, Appendix-1 to Annex "H", will be used at Canada's sole discretion in the determination of unscheduled work price.

Annex "C"

Warranty Procedures and Warranty Claim Form

The following are the procedures that suit the particular requirements for warranty considerations for the vessel on completion of the Work.

C.1 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 a competent Technical Authority qualified to agree or disagree with the warrantor's assertions. Since the INSPECTION AUTHORITY (IA) has the closest and most active involvement of the completed contracted work, this agency may assume this role.

C.2 Procedures

- A. Immediately after it becomes known to the Ship's Staff that an equipment/system is performing below accepted standards or has become defective, the following procedures for investigation and reporting of the potential warranty issue must be followed:
 - (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 the Ship's Staff shall complete the Tombstone Data and section 1 of the Warranty Claim Form, and forward the original to the Contractor for review with a copy to the Contracting Authority. If the Contracting Authority or the TA/IA 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 this 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 is to complete Section 2 and 3 of the Warranty Claim Form, and return it to the Technical Authority or Inspection Authority(as in paragraph E.1.B above); who confirms corrective

action has been completed, and will distribute the form to the Contracting Authority, and the Technical Authority.

- B. In the event that the Contractor disputes the claim as a warranty defect, or agrees to share the responsibility, the Contractor is to complete Part 2 and 3 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.

C.3 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 paragraphs E.2.B and E.2.C, above, PWGSC will take necessary action with the Contractor while the Technical Authority informs its Senior Management of the 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. Accordingly, the cost to remediate the defect, in man-hours and material, will be discussed between the Contracting and Inspection Authority and the Technical Authority to determine the best course of action.

C.4 Alongside Period For Warranty Repairs and Checks

- A. If at all possible, an alongside period for the vessel is to be arranged just before the expiration of the 90 day warranty period. This alongside period is to provide time for warranty repair and check by the contractor.
- B. In respect to the underwater paint, should it become defective during the associated warranty period the contractor is only liable to repair to a value determined as follows:

"Original cost to Canada for painting and preservation of the underwater section of the hull, divided by 365 days and multiplied by the number of days remaining in the 365 days warranty period. The resultant would represent the 'Dollar Credit' due to Canada from the Contractor."


- C. The Underwater paint system, before expiration of the warranty, should be checked by divers. The Technical Authority is to arrange the inspection and ensure that a representative of the Contractor will attend. The Technical Authority will inform the Contracting Authority of any adverse results.

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041MD
CCC No./N° CCC - FMS No./N° VME

Appendix -1 to Annex "C" – Warranty Claim Form

| | | | | | | | | | | |
|---|--|---|--|--|---|--|-------------------------------|---|--|---|
|  | | Travaux publics et Services gouvernementaux Canada | | Public Works and Government Services Canada | | | | | | |
| | | | | | | APPENDIX 1 TO ANNEX E | | | | |
| WARRANTY CLAIM FORM (Refit) | | | | | | | | | | |
| FORMULAIRE DE RÉCLAMATION DE GARANTIE (Radoub) | | | | | | | | | | |
| Vessel Name - Nom du navire | | | | File No. - No. du dossier | | | Contract No. - No. du contrat | | | |
| Customer Department - Ministère client | | | | | | Warranty Claim Serial No. No. de série de réclamation de garantie | | | | |
| | | | | | | | | | | |
| Defect's Impact on Vessel's Operations Conséquence du défaut sur les opérations du navire | | | | | The Defect Must Be Corrected; Le défaut doit être corrigé; | | | | | |
| Vessel out of service Navire hors d'usage | | Vessel Limited Operation Opération réduite du navire | | No immediate consequence Sans conséquence immédiate | | Immediately Immédiatement | | When directed by Canada Tel qu'avisé par le Canada | | To be agreed between Canada and Contractor À être entendue entre le Canada et l'entrepreneur |
| | | | | | | | | | | |
| 1. Description of the Defect - Description du défaut | | | | | | | | | | |
| Note: This section must be filled by Technical Authority (TA) in consort with the Ship's Staff (on site responsible) . On a determination of a valid claim, the TA will forward the claim to the Contractor and CC the Contracting Authority (CA). - Cette section doit être complétée par l'Autorité Technique conjointement avec l'équipage (responsable sur place). Si la réclamation est jugée valable l'AT transmettra la réclamation à l'entrepreneur avec copie à l'Autorité Contractante (AC). | | | | | | | | | | |
| Reference to Contract Article and/or Specification No. Référence à l'article du contrat et/ou devis no. | | | | | | | | | | |
| Description | | | | | | | | | | |
| Prepared by the on site responsible Préparé par le responsable sur place | | | | | Approved by Technical Authority Approuvé par l'Autorité Technique | | | | | |
| Date | | | | | Date | | | | | |

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041MD
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| | |
|---|--|
| 2. Contractor's Investigation and Position - Examen et position de l'entrepreneur | |
| Note: The Contractor must investigate the claim, determine its position, complete this section 2 and return the claim to the TA and cc the CA. - L'entrepreneur doit faire l'examen de la réclamation, déterminer sa position, compléter la présente section 2 et retourner la réclamation l'AT avec copie à l'AC. | |
| Contractor recognizes its total responsibility and will proceed with corrective action(s) L'entrepreneur reconnaît son entière responsabilité et corrigera le défaut | |
| Provide details on action(s) to take place with date and location. Fournir les détails de(s) action(s) qui seront prise ainsi que la date et le lieu. | |
| Contractor recognizes a partial responsibility. L'Entrepreneur reconnaît une responsabilité partielle. | |
| Provide details supporting the above position with proposed sharing. Fournir les détails justifiant la position ci-dessus ainsi que le partage proposé. | |
| Contractor disclaims any responsibility. L'entrepreneur refuse toute responsabilité. | |
| Provide details supporting the above position. Fournir les détails justifiant la position ci-dessus | |
| Contractor's representative Représentant de l'entrepreneur | |
| Date | |

Buyer ID - Id de l'acheteur
041MD
CCC No./N° CCC - FMS No./N° VME

Sollicitation No. - N° de l'invitation
F2599-215007/A
Client Ref. No. - N° de réf. du client
F2599-215007/A

Amd. No. - N° de la modif.
File No. - N° du dossier
041MD. F2599-215007/A

Buyer ID - Id de l'acheteur
041MD
CCC No./N° CCC - FMS No./N° VME

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| 5. Work Acceptance and Warranty Claim Closing - Acceptation des travaux et fermeture de la réclamation de garantie | | | | | |
| | | | | | |
| Valid claim corrected by the Contractor and work accepted by Canada - Réclamation valable corrigée par l'entrepreneur et travaux acceptés par le Canada | | | | | |
| Remarks Remarques | | | | | |
| Contractor's representative - Représentant de l'entrepreneur | | | Inspection Authority - Autorité d'inspection | | |
| Date | | | Date | | |
| | | | | | |
| Valid claim corrected by the Contractor and Canada and work accepted by Canada - Réclamation valable corrigée par l'entrepreneur et le Canada et travaux acceptés par le Canada | | | | | |
| Remarks Remarques | | | | | |
| Contractor's representative - Représentant de l'entrepreneur | | | Inspection Authority - Autorité d'inspection | | |
| Date | | | Date | | |
| Technical Authority- Autorité technique | | | Contracting Authority - Autorité contractante | | |
| Date | | | Date | | |
| | | | | | |
| Valid claim corrected by Canada and work accepted by Canada - Réclamation valable corrigée par le Canada et travaux acceptés par le Canada | | | | | |
| Remarks Remarques | | | | | |
| Inspection Authority - Autorité d'inspection | | | Technical Authority- Autorité technique | | |
| Date | | | Date | | |
| Contracting Authority - Autorité contractante | | | | | |
| Date | | | | | |
| | | | | | |
| Invalid claim - Réclamation non fondée | | | | | |
| Remarks Remarques | | | | | |
| Technical Authority- Autorité technique | | | Contracting Authority - Autorité contractante | | |
| Date | | | Date | | |
| | | | | | |

Annex “D”

List of Proposed Subcontractors

The following is the list of subcontractors for labour and material – stating the name and address of each subcontractor, and a description of the goods and/or services to be supplied. 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 aggregate for the project

| ITEM No. | SYSTEMS REQUIREMENT DOCUMENT ITEM | DESCRIPTION (Goods or Services) | SUBCONTRACTOR | Subcontractor Contact Information (Name, Address, Phone Number, Email) |
|----------|--------------------------------------|------------------------------------|---------------|---|
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Solicitation No. - N° de l'invitation
F2599-215007/A
Client Ref. No. - N° de réf. du client
F2599-215007

Amd. No. - N° de la modif.
File No. - N° du dossier
041MD. F2599-215007

Buyer ID - Id de l'acheteur
041MD
CCC No./N° CCC - FMS No./N° VME

| ITEM No. | SYSTEMS REQUIREMENT DOCUMENT ITEM | DESCRIPTION (Goods or Services) | SUBCONTRACTOR | Subcontractor Contact Information (Name, Address, Phone Number, Email) |
|----------|--------------------------------------|------------------------------------|---------------|---|
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Annex "E"

Insurance Requirements

E.1 Insurance – Specific Requirements

The Contractor must comply with the insurance requirements specified in this Article. 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.

E.2 Contract Certificate of Insurance – Minimum Requirements

The Contract certificate of Insurance, must be a true overall representation of the insurance policy. For the Certificates to be acceptable, they must, as the minimum, include the following:

1. Name of the Insurance Provider, and contact information;
2. Name of the Insurer, and their address;
3. Name of the Contractor as the "Insured" and their address;
4. Name of the Certificate Holder, and contact information – as indicated below:

Public Works and Government Services Canada
Place du Portage, Phase III
11 Laurier Street, Gatineau, QC, K1A 0S5
5. The Reference Contract Number and Title for which the insurance provides coverage;
6. Insurance Policy Number;
7. Effective Date (date at which the policy period becomes active), and the Expiry Date of the policy;

Note: The required insurance coverage must be valid and maintained for the duration of the Contract.

8. Type of Insurance (or "Line of Coverage" such as Commercial General Liability, Ship Repairers' Liability, etc.)
9. All required endorsement for each insurance type, as specified in this Annex, to be listed with their liability limits stipulating the maximum amounts payable for each, under the insurance policy
10. The signature, date, the full name (printed) and title of the Insurance Company or Broker, or their respective representatives issuing the certificate.

E.3 Commercial General Liability Insurance

1. The Contractor must obtain Commercial General Liability Insurance, and maintain it in force throughout the duration of the Contract, in an amount usual for a contract of this nature, but for not less than \$10,000,000 per accident or occurrence and in the annual aggregate.

Note: the annual aggregate must be dedicated to this Contract and Contractor.

2. The Commercial General Liability policy must include the following:
 - a. Additional Insured: Canada is added as an additional insured, but only with respect to liability arising out of the Contractor's performance of the Contract. The interest of Canada should read as follows: Canada, as represented by Public Works and Government Services Canada.
 - b. Bodily Injury and Property Damage to third parties arising out of the operations of the Contractor.
 - c. Products and Completed Operations: Coverage for bodily injury or property damage arising out of goods or products manufactured, sold, handled, or distributed by the Contractor and/or arising out of operations that have been completed by the Contractor.
 - d. Personal Injury: While not limited to, the coverage must include Violation of Privacy, Libel and Slander, False Arrest, Detention or Imprisonment and Defamation of Character.
 - e. Cross Liability/Separation of Insureds: Without increasing the limit of liability, the policy must protect all insured parties to the full extent of coverage provided. Further, the policy must apply to each Insured in the same manner and to the same extent as if a separate policy had been issued to each.
 - f. Blanket Contractual Liability: The policy must, on a blanket basis or by specific reference to the Contract, extend to assumed liabilities with respect to contractual provisions.
 - g. Employees and, if applicable, Volunteers must be included as Additional Insured.
 - h. Employers' Liability (or confirmation that all employees are covered by Worker's compensation (WSIB) or similar program)

- i. Broad Form Property Damage including Completed Operations: Expands the Property Damage coverage to include certain losses that would otherwise be excluded by the standard care, custody or control exclusion found in a standard policy.
- j. Notice of Cancellation: The Contractor will provide the Contracting Authority thirty (30) days prior written notice of policy cancellation or any changes to the insurance policy.
- k. If the policy is written on a claims-made basis, coverage must be in place for a period of at least 12 months after the completion or termination of the Contract.
- l. Owners' or Contractors' Protective Liability: Covers the damages that the Contractor becomes legally obligated to pay arising out of the operations of a subcontractor.
- m. Non-Owned Automobile Liability - Coverage for suits against the Contractor resulting from the use of hired or non-owned vehicles.
- n. Amendment to the Watercraft Exclusion to extend to incidental repair operations on board watercraft.

Note: Contractors or sub-contractors whose operations include incidental work on board watercraft should have this endorsement if they do not carry a separate Ship Repairers Liability Insurance policy, e.g., welder; electrician.

- o. Sudden and Accidental Pollution Liability (minimum 120 hours): To protect the Contractor for liabilities arising from damages caused by accidental pollution incidents.
- p. Litigation Rights: Pursuant to subsection 5(d) of the Department of Justice Act, S.C. 1993, c. J-2, s.1, if a suit is instituted for or against Canada which the Insurer would, but for this clause, have the right to pursue or defend on behalf of Canada as an Additional Named Insured under the insurance policy, the Insurer must promptly contact the Attorney General of Canada to agree on the legal strategies by sending a letter, by registered mail or by courier, with an acknowledgement of receipt.

For the province of Quebec, send to:

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

For other provinces and territories, send to:

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

A copy of the letter must be sent to the CA. Canada reserves the right to co-defend any action brought against Canada. All expenses incurred by Canada to co-defend such actions will be at Canada's expense. If Canada decides to co-defend any action brought

against it, and Canada does not agree to a proposed settlement agreed to by the Contractor's insurer and the plaintiff(s) that would result in the settlement or dismissal of the action against Canada, then Canada will be responsible to the Contractor's insurer for any difference between the proposed settlement amount and the amount finally awarded or paid to the plaintiffs (inclusive of costs and interest) on behalf of Canada.

E.4 Ship Repairers' Liability Insurance

1. The Contractor must obtain Ship Repairers' 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 and in the annual aggregate.

Note: the annual aggregate must be dedicated to this Contract and Contractor.

2. The Ship Repairers' Liability insurance must include the following:
 - a. Additional Insured: Canada is added as an additional insured, but only with respect to liability arising out of the Contractor's performance of the Contract. The interest of Canada as additional insured should read as follows: Canada, represented by Public Works and Government Services Canada.
 - b. Waiver of Subrogation Rights: Contractor's Insurer to waive all rights of subrogation against Canada as represented by Canadian Coast Guard (CCG) and Public Works and Government Services Canada for any and all loss of or damage to the vessel, however caused.
 - c. Notice of Cancellation: The Contractor will provide the Contracting Authority thirty (30) days prior written notice of policy cancellation or any changes to the insurance policy.
 - d. 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.
 - e. Cross Liability/Separation of Insureds: Without increasing the limit of liability, the policy must protect all insured parties to the full extent of coverage provided. Further, the policy must apply to each Insured in the same manner and to the same extent as if a separate policy had been issued to each.
 - f. Litigation Rights: Pursuant to subsection 5(d) of the Department of Justice Act, S.C. 1993, c. J-2, s.1, if a suit is instituted for or against Canada which the Insurer would, but for this clause, have the right to pursue or defend on behalf of Canada as an Additional Named Insured under the insurance policy, the Insurer must promptly contact the Attorney General of Canada to agree on the legal strategies by sending a letter, by registered mail or by courier, with an acknowledgement of receipt.

For the province of Quebec, send to:

*Director Business Law Directorate,
Quebec Regional Office (Ottawa),
Department of Justice,*

284 Wellington Street, Room SAT-6042,
Ottawa, Ontario, K1A 0H8

For other provinces and territories, send to:

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

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

E.5 Environmental Impairment Liability Insurance

1. The Contractor must obtain "Contractor's Pollution 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 \$5,000,000 per accident or occurrence and in the annual aggregate.

Note: the annual aggregate must be dedicated to this Contract and Contractor.
2. 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.
3. The "Contractor's Pollution Liability" policy must include the following:
 - a. Additional Insured: Canada is added as an additional insured, but only with respect to liability arising out of the Contractor's performance of the Contract. The interest of Canada as additional insured should read as follows: Canada, represented by Public Works and Government Services Canada.
 - b. Notice of Cancellation: The Insurer and the Contractor or any changes to the insurance policy will endeavor to provide the Contracting Authority thirty (30) days written notice of policy cancellation or any changes to the insurance policy.
 - c. Separation of Insureds: 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.
 - d. 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.
 - e. Incidental Transit Extension: The policy must extend to losses arising from any waste,

products or materials transported, shipped, or delivered via any transportation mode to a location beyond the boundaries of a site at which the Contractor or any entity for which the Contractor is legally liable is performing or has performed the operations described in the contract.

- f. Storage Tank Third-Party Liability - The policy must extend to off-site third party bodily injury and property damage due to releases from storage tanks (above and below ground). Coverage must include corrective action and clean-up due to releases from storage tanks.
- g. Litigation Rights: Pursuant to subsection 5(d) of the Department of Justice Act, S.C. 1993, c. J-2, s.1, if a suit is instituted for or against Canada which the Insurer would, but for this clause, have the right to pursue or defend on behalf of Canada as an Additional Named Insured under the insurance policy, the Insurer must promptly contact the Attorney General of Canada to agree on the legal strategies by sending a letter, by registered mail or by courier, with an acknowledgement of receipt.

For the province of Quebec, send to:

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

For other provinces and territories, send to:

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

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

Annex "F"

Quality Assurance / Quality Control / Inspection

F.1 Quality Control Plan

As per Section 7.27, the Contractor must implement and follow the Quality Control Plan (QCP), prepared in accordance with the latest issue (at contract date) of the *ISO 10005:2018 Quality Management – Guidelines for quality plans*, approved by both the Inspection Authority and the TA.

The QCP must describe how the Contractor will conform to the specified quality requirements of the Contract and specify how the required quality activities are to be carried out, including quality assurance of subcontractors. The Contractor must include a traceability matrix from the elements of the specified quality requirements to the corresponding paragraphs in the QCP. The QCP must be made available to both the Inspection and Technical Authority for review and approval within five (5) calendar days after contract award.

The documents referenced in the QCP must be made available within two (2) working days as and when requested by the IA. The Contractor must make appropriate amendments to the QCP throughout the term of the Contract to reflect current and planned quality activities. Amendments to the QCP must be acceptable to the Inspection Authority and the TA.

F.2 Inspection and Test Plan

The Contractor must prepare an Inspection and Test Plan (ITP) comprising of individual inspection and test plans for each specification item of this project in accordance with the Quality Standard and its QCP. The ITP must be submitted to the Inspection Authority for review and amended by the Contractor to the satisfaction of the IA, when required. Each ITP must contain:

- a) All inspection points identified in the Specification highlighting any mandatory points that must be witnessed by the Inspection Authority and other "hold" points imposed by the Contractor to ensure the quality of the work.
- b) Milestone delivery date for the ITP is given in the Contract; however individual ITPs should be forwarded for review as developed.
- c) Coded identification for clearly demonstrating a systematic approach similar to the following Prefixes for Inspections, Tests and Trials (Contractor's system should be defined in its QCP):
 - prefix "1" is a contractor inspection – i.e.: 1H-10-01, 1H-10-02
 - prefix "2" is a contractor post repair test – i.e.: 2H-10-01; and
 - prefix "3" is a contractor post repair test – i.e.: 3H-10-01
- d) Specification items followed by assigned sequence numbers for inspection processes within each Specification item; and
- e) Cross reference to a verification document number.

F.3 Inspection and Test Plan Criteria

Inspection criteria, procedures and requirements are stated in the specifications, drawings, technical orders and reference standards invoked by the Specification. Test and trial documentation may also be included or referenced in the Specification. An individual ITP is required for each specification item with the following considerations:

1. All ITPs must be prepared by the Contractor in accordance with the above criteria, its quality plan, and must provide the following reference information:
 - a) the ship's name
 - b) equipment/system description and a statement defining the parameter which is being inspected
 - c) a list of applicable documents referenced or specified in the inspection procedure
 - d) the inspection, test or trial requirements specified in the specification
 - e) tools and equipment required to accomplish the inspection
 - f) the environmental conditions under which the inspections are to be conducted and the tolerances on the inspection conditions
 - g) a detailed step by step procedure of how each inspection is to be performed, conformance parameters, accept/reject criteria and recording of results, deficiencies found and description of corrective action(s) required;
 - h) name and signature of the person who prepared the plan, date prepared and amendment level; and
 - i) names and signatures of the persons conducting and witnessing the inspection, test or trial.
2. Contractor Imposed Testing:
 - a) Tests and trials in addition to those given in the specification must be approved by the Inspection Authority.
 - b) Amendment actions for the ITPs must be ongoing throughout the refit and reflect the inspection requirements for unscheduled work. Amendments must be submitted as developed, but not less frequent than once every second week.

F.4 Conduct and Reports of Inspection, Test and Trials

1. To enable the Inspection Authority to certify that the Work has been performed satisfactorily and in accordance with the Contract and specification, the Contractor must schedule, co-ordinate, perform and record all specified tests, trials and demonstrations required. The Contractor must maintain files of completed inspection records consistent with the Quality Standard and its Quality Plan for this project.
2. Tests, trials and demonstrations must be conducted in accordance with a logical, systematic schedule which must ensure that all associated components and equipment are proven functional before sub-systems demonstrations and testing, and that the sub-systems are proven

functional before system demonstration or testing.

3. Where the specification contains a specific performance requirements for any component, equipment, sub-system or system, the Contractor must test each component, equipment, sub-system or system to the satisfaction of the Inspection Authority to prove that the specified performance has been achieved and that the component, equipment, sub-system or system performs per specification.
4. Where the specification does not contain specific performance requirements of any component, equipment, sub-system or system, the Contractor must demonstrate functionality of such a component, equipment, sub-system or system to the satisfaction of the Inspection Authority.
5. Inspections must be conducted in accordance with Annex "A" of this document, and the ITP, as detailed in article F.2 of this Annex, and accepted by the Inspection Authority.
6. The Contractor is, in all respects, responsible for the conduct of all tests and trials in accordance with the requirements of the Contract in its entirety.
7. The Contractor must provide its own staff or subcontractors to conduct inspections, tests and trials – except where Technical Authority or Inspection Authority personnel may be designated in Annex "A"; in which case, the Contractor must ensure presence of its own staff in support of such inspections, tests and trials.
8. As applicable, the Contractor must ensure that the required conditions stated in the ITP prevail at the commencement of, and for the duration of, each inspection, test and trial.
9. The Contractor must ensure that their personnel, required for equipment operation and records taking, are briefed and available at the start and throughout the duration of the inspections, tests and trials. Tradesmen or Field Service Representatives (FSRs), who may be required to apply minor changes or adjustments in the installation, must be available at short notice.
10. The Contractor must co-ordinate each test, trial and demonstration with all interested parties including the Inspection Authority, Contracting and Technical Authority, regulatory authorities, Classification Society, subcontractors etc. The Contractor must provide the Inspection Authority and other Crown Authorities with a notice of maximum of seven (7) calendar days of each scheduled test, trial or demonstration.
11. The Contractor must coordinate the activities of all personnel, taking part in each inspections, tests and trials, and ensure that safe conditions prevail throughout the duration of such inspections, tests and trials.
12. The Contracting Authority and the Inspection/Technical Authority reserve the right to defer starting or continuing with any sea trials for any reasonable cause including but not limited to adverse weather, visibility, equipment failure or degradation, lack of qualified personnel and inadequate compliance with safety standards
13. Unsatisfactory inspection, test and trial results, for which corrective actions cannot be completed during the normal course of the inspection, test or trial, will require the Contractor to establish and record the cause of the unsatisfactory condition to the satisfaction of the Inspection Authority. Canada representatives may assist in identification where appropriate.

14. In the case of unsatisfactory inspections, tests or trials, the Contractor must identify the cause and the associated corrective action. The Contractor must notify the Contracting Authority and the Inspection Authority in writing, to obtain approval for the proposed course of action before its undertaking and scheduling a subsequent inspection test or trial. Such notices must be included in the final records passed to the Inspection Authority.
15. The Contractor must undertake rectification of defects and deficiencies in the Contractor's installation or repair work, as soon as practicable. The Contractor is responsible to schedule such repairs at its own risk and cost.
16. The Contractor must reschedule unsatisfactory inspections after the required repairs have been completed.
17. The Contractor on the inspection record, test or trials sheets as applicable must record the results of each inspection. The Contractor must maintain files of completed inspection records consistent with the Quality Standard and its Quality Plan for this project.
18. The Contractor may utilize the PWGSC Standards Tests & Trials Record Sheets which can be customized by the Contractor to suit individual test or trial requirements. These record sheets are available from the Inspection Authority in digital format.
19. The Contractor's QC representative (and the FSR when required) must sign as having witnessed the inspection, test or trial on the inspection record. The Contractor must forward originals of completed inspection records, together with completed test(s) and/or trials sheets to the Inspection Authority as they are completed.
20. Quality Control, Inspection and Test records that substantiate conformance to the specified requirements including records of corrective actions must be retained by the Contractor for three (3) years from the date of completion or termination of the Contract and must be made available to the Inspection Authority upon request.

F.5 Inspection, Tests and Trials Process

5.1 Drawings and Purchase Orders

Upon receipt of two (2) copy of each drawing or purchase order, the designated Inspection Authority will review its content against the provisions of the specification, Annex "A". Where discrepancies are noted, the Inspection Authority will formally advise all concerned, in writing, using a Discrepancy Notice. The resolution of any such discrepancy is a matter for consultation between the Contractor and other Crown Authorities.

NOTE: The Inspection Authority (IA) is NOT responsible for the resolution of discrepancies.

5.2 Inspection

Upon receipt and acceptance of the Contractor's Test and Trials Plans, inspection will consist of a number of Inspection Points supplemented by such other inspections, tests, demonstrations and

trials as may be deemed necessary by the Inspection Authority to permit them to certify that the work has been performed in compliance with the provisions of the specification, Annex "A".

- A. The Contractor is responsible to notify the designated Inspection Authority of when the work will be available for inspection, sufficiently in advance, to permit the Inspection Authority to arrange for the appropriate inspection.
- B. Before carrying out any inspection, the Inspection Authority should review the requirements for the Work and the acceptance and/or rejection standards to be applied. Where more than one standard or requirement is called upon and they are potentially conflicting, the order of precedence in the Contract will identify the priority.
- C. The Inspection Authority will inspect the materials, equipment and work throughout the project against the provisions of the Contract and Annex "A"; where non-conformances are noted, appropriate Inspection Non-Conformance Report (NCR) will be issued.
- D. The Contract requires the implementation of a Quality Assurance/Quality Control (QA/QC) system so the Inspection Authority requires the Contractor to provide a copy of its internal inspection report pertaining to a work item, before conducting the requested inspection. If third party inspections are required by the Contract the reports of these inspections must be submitted before the Work is inspected by the PWGSC Inspection Authority.
- E. Upon inspection, if the Work is determined as unsatisfactory – where it was stated as satisfactory in the QA/QC documentation submitted to the Inspection Authority before inspection, the Inspection Authority will issue an Inspection NCR against the Work and another against the failure of the Contractor's QA/QC system.

Annex "G"

Reporting Requirements

The following Project Reports are required in conjunction, or in addition to those detailed in Annex "A" – Statement of Work:

1. Monthly Invoicing and Work in Progress Report
2. Inspection, Test and Trials Reports and Records
3. Inspection Non-conformance report
4. Corrective Action Reports
5. Contract Issue Reports

G.1 Monthly Invoicing and Work in Progress Report

The Contractor must provide a monthly Invoicing and Expenditure Report, which must contain the information listed below, and be accompanied by all supporting documents (Materials and sub-contractor invoices, schedules of labour hours, description and details of work to be done and work performed, etc.):

- a) The period for which the Work is invoiced
- b) Date of the Report
- c) Contract Number, and the applicable Financial code (if any)
- d) Contractor's Contact information
- e) CCG's Contact information
- f) The following data for each Line Item:
 - 1) Line Item numbers (as identified in the Pricing Data Sheet)
 - 2) Percentage of the completed tasks identified in the subject line-items
 - 3) The cost associated with Field Service Representatives (FSR)s
 - 4) The cost associated with Sub Contracts
 - 5) The cost of Materials
 - 6) The cost associated with Shipyard's Labour and equipment
 - 7) Sub Total
 - 8) Applicable Taxes
 - 9) Total cost (each line item)

G.2 Inspection, Test and Trials Records and Reports

- A) The Contractor must record the results of each inspection, test or trials; and must maintain files of all completed records.

- B) The Contractor must maintain files of completed inspection records consistent with the Quality Standard and its Quality Plan for this project.
- C) The Contractor may utilize the PWGSC Standard Tests and Record Sheets which can be customized by the Contractor to suit individual test or trial requirements. These record sheets are available from the Inspection Authority in digital format.
- D) The Contractor's Quality Control (QC) representative, and the FSR when required, must sign as having witnessed the inspection, test or trial; and forward originals of completed inspection records, together with completed test(s) and/or trials sheets to the Inspection Authority as they are completed.
- E) Quality control, inspection and test records that substantiate conformity to the specified requirements, including records of corrective actions, must be retained by the Contractor for three (3) years from the date of completion or termination of the Contract and must be made available to the QAR and Inspection Authority upon request.

G.3 Inspection Non-Conformance Report

- a. An Inspection Non-Conformance Report will be issued for each non-conformance noted by the Inspection Authority. Each report will be uniquely numbered for reference purposes, describe the non-conformance issue, and will be signed and dated by the Inspection Authority.
- b. When the non-conformance has been corrected by the Contractor and has been re-inspected and accepted by the Inspection Authority, the Inspection Authority will complete the Report by adding an applicable signed and dated notation.
- c. At the end of the project, the content of all Inspection Non-conformance Reports which have not been signed-off by the Inspection Authority will be transferred to the Acceptance documents before the Inspection Authority's certification of such documents.

G.4 Corrective Action Reports

Corrective Action Report that identifies the corrective action to remove cause of unsatisfactory inspections, tests or trials must be submitted to the Contracting Authority and to the Inspection Authority in writing by the Contractor, for approval before undertaking such repairs and scheduling a subsequent inspection test or trial. Such notices must be included in the final records passed to the Contracting Authority and to the Inspection Authority.

G.5 Contract Issues Reports

Contract Issues Reports (CIRs) must be used by the Contractor for the purpose of:

- Alerting the Technical and Contracting Authorities to actual or potential situations of impact to Contract Price and/or the Contract Time;
- Establishing an early dialogue between the Contractor and CCG with regard thereto, submitting reports of conditions found, and requests for clarification or information.

When the Contractor identifies an item or situation (Situation) that may impact the Contract Time or the Contract Price, the Contractor must: (a) verbally report the Situation to Technical Authority within twenty-four (24) hours; and (b) provide a written CIR to Technical Authority within two (2) days from the date of identification of the Situation.

Failure of the Contractor to submit a timely written Contract Issue Report to report Situations known to the Contractor, or which reasonably should have been known to the Contractor, that could or will impact the Contract Price and/or the Contract Time shall constitute a waiver and release by the Contractor of any claim or right to seek additional compensation or performance time or any adjustment of Contract Price or Contract Time on account of, or due to, such Situation.

Crown will not allow preparation charges for CIRs initiated by the Contractor for any reason.

CIRs must be submitted to the Technical Authority in a mutually agreed format, but must include, at a minimum, the information required herein. Each CIR must be entitled "Contract Report", dated, numbered sequentially, and must set forth the following based on the best and most complete information then known or available to the Contractor:

- a) The CIR sequential ID number
- b) The date on which the Situation was identified for reporting
- c) The nature of the Situation prompting the report;
- d) The anticipated direct and consequential effects of the Situation upon the Contract Time or Contract Price, if any;
- e) Identification of the supplies and/or services which are or may be affected;
- f) Identification of the Specification, Drawing, or other Contract Document relative to the Situation;
- g) Details as to the specific physical location of the Situation including specifics about equipment, name, manufacturer, etc.;
- h) The Contractor's recommended resolution for the reported Situation;
- i) The names of the individual preparing the Contract Report and the individual responsible for the performance of the work; and
- j) A realistic "response required" date.

Follow-up status reports of each CIR, identified by the original CR number, must be furnished weekly or as required by the CCG Representative. A final follow-up report must be furnished immediately following resolution of each reported Situation.

The submission of a CIR shall not constitute a substitute for, and does not relieve the Contractor of any obligations to provide notice, protest, or to take any other action as required under any other provisions of the Contract.

Annex "H"

Financial Bid Presentation

H.1 Price Evaluation Table

| | | |
|----|---|--|
| A) | <u>Known Work</u> For work as stated in Part 1 – GENERAL INFORMATION, article 1.2, specified in Annex A – Statements of Work (CCGS Samuel Risley) and detailed in Appendix 1 - Pricing Data Sheet (CCGS Samuel Risley) for a FIRM PRICE of: | \$ |
| B) | <u>Unscheduled Work – Contractor labour cost</u> Estimated labour hours at a firm charge out labour rate including overhead and profit for evaluation purposes only: 2,000 person hours x \$ _____ per hour for a PRICE of: See articles H2.4 and H2.5 below. Any bid submitted with a charge out labour rate less than \$65/hour will be deemed non-compliant. There is no minimum or maximum amount of unscheduled work; nor is there a guarantee of such unscheduled work in the Contract. Overtime for time and one half: Estimated hours for evaluation purposes only: 200 person hours x \$ _____ per hour for a PRICE of: See article H3 below. Overtime for double time: Estimated hours for evaluation purposes only: 200 person hours x \$ _____ per hour for a PRICE of: See article H3 below. | \$ \$ \$ |
| C) | <u>Daily Service Fees</u> For evaluation purpose only as per Annex H, article H4: Ten (10) working days x \$ _____ firm daily service fee Four (4) non-working days x \$ _____ firm daily service fee | \$ \$ |
| D) | <u>Vessel Transfer Cost</u> For evaluation purpose only as per article H6: Proposed shipyard/ship repair facility _____ | \$ |
| E) | <u>Cost of Financial Security</u> Not Applicable | \$ 0.00 |
| F) | <u>EVALUATION PRICE</u> [A + B + C + D + E] for an EVALUATION PRICE (applicable taxes excluded) of: | \$ |

H.2 **Unscheduled Work**

- H2.1 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
- H2.2 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.
- H2.3 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 \$ _____ for the Contractor's firm hourly charge-out labour rate. This rate is to include consumables, overhead and profit. The net laid-down cost of materials which may include a mark-up of ten (10) percent plus applicable taxes. The firm hourly charge-out labour rate and the material mark- up will remain firm for the duration of the Contract including any subsequent amendments.
- H2.4: Notwithstanding definitions or usage elsewhere in the Contract 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.
- H2.5: Allowance for related labour costs such as management, all supervision, purchasing and material handling, quality assurance and reporting, first aid, gas free certification inspecting and reporting and estimating and preparing unscheduled work submissions will be included as overhead for the purposes of determining the charge-out labour rate as entered in section H2.3 above.
- H2.6: The ten (10) percent mark-up rate for material will also apply to subcontracted costs. The mark-up rate includes any allowance for material and subcontract management not allowable in the charge out labour rate. The Contractor will not be entitled to a separate labour component for the purchase and handling of materials or subcontract administration.

H.3 **Overtime**

The Contractor must not perform any overtime under the Contract unless authorized in advance in writing by the Contracting Authority. There will be no overtime payment for Known Work. Any request for payment must be accompanied by a copy of the overtime authorization and a report containing the overtime performed pursuant to the written authorization. Overtime shall not be paid unless authorized in writing by the Contracting Authority. .

For authorized unscheduled work, the Contractor will be paid the authorized overtime hours at the following charge-out labour rates:

For Time and one Half **: \$ _____ per hour, or

For Double Time***: \$ _____ per hour

Notes:

1. These rates shall be blended rates for all classes of labour, engineering and foreperson and shall include all overheads, supervision and profit.
2. These rates will remain firm for the duration of the Contract, including all amendments and are subject to audit if considered necessary by Canada.
3. Definitions:
 - Regular time*: is defined as an 8 hours work day
 - Overtime 1**: is defined as time in excess of the regular time
 - Overtime 2***: is defined as Sundays and Statutory Holidays

H.4 Daily Services Fees

In the event of a delay in the performance of the Work and if such delay is recognized and agreed upon by the Contracting Authority as being attributable to Canada, Canada agrees to pay the Contractor the daily service fee described below for each day the Work is delayed. This fee shall be the sole liability of Canada to the Contractor for the delay.

The firm daily services fees are:

- a) For a Working Day: \$ _____ per day, in CAD
- b) For a Non-Working Day: \$ _____ per day, in CAD

The above fees shall include but not be limited to all aspects of the following costs: project management services, administrative support, production services, quality assurance, material support, planned maintenance and ship services and all other resources and direct costs required to maintain the vessel at the Contractor's facility. These fees are firm and not subject to any additional charges for mark up or profit.

H.5 Vessel, Refit, Repair or Docking – Costs

The following costs must be included in the price:

1. Services: include all costs for ship services such as water, steam, electricity etc., that are required for vessel maintenance for the duration of the Contract.
2. Docking and undocking includes:
 - a) all costs resulting from dry docking, wharfage, security, shoring, shifting and/or moving of the vessel within the successful Bidder's facility;
 - b) the cost of services to tie up the vessel alongside and to cast off.

Unless specified otherwise, the vessel will be delivered by Canada to the successful Bidder's facility alongside a mutually agreed safe transfer point, afloat and upright, and the successful Bidder will do the same when the Work is completed. The cost of services to tie up the vessel alongside and to cast off must be included in the evaluation price.

3. Field services representatives/supervisory services: include of the costs for field service representatives/supervisory services including manufacturers' representatives, engineers, etc. These services must not be an extra charge except where unscheduled work requiring these services is added to the Contract.
4. Removals: include all costs for removals necessary to carry out the Work and will be the responsibility of the successful Bidder whether or not they are identified in the specification, except those removals not apparent when viewing the vessel or examining the drawings. The successful Bidder will also be responsible for safe storage of removed items and reinstalling them on completion of the Work. The successful Bidder will be responsible for renewal of components damaged while in their custody including during removal or reinstallation.
5. Sheltering, staging, cramage and transportation: include the cost of all sheltering, staging including handrails, carnage and transportation to carry out the Work as specified. The successful Bidder will be responsible for the cost of any necessary modification of these facilities in order to meet applicable safety regulations.

H.6 Vessel Transfer Costs

1. The evaluation price must include the cost for transferring the vessel from its home port to the shipyard/ship repair facility where the Work will be performed and the cost of transferring the vessel to its home port following completion of the Work, in accordance with the following:
 - a) The Bidder must provide the location of the shipyard/ship repair facility where it proposes to perform the Work, together with the applicable vessel transfer cost from the list provided under paragraph 2 of this clause that must be entered into H1 "Price Evaluation Table".
 - b) If the list in paragraph 2 of this clause does not provide the shipyard/ship repair location where the Bidder intends to perform the Work, then the Bidder must advise the Contracting Authority, in writing, at least **ten (10) calendar days** before the bid closing date, of its proposed location for performing the Work. The Contracting Authority will confirm to the Bidder, in writing, at least **five (5) calendar days** before the bid closing date, the location of the shipyard/ship repair and the applicable vessel transfer cost.

A bid that specifies a location for executing the Work which is not on the list of paragraph 2 of this clause, and for which a notification in writing has not been received by the Contracting Authority as required above, will be considered non-responsive.

2. List of shipyard/ship repair facilities and applicable vessel transfer costs

Transfer costs in the case of vessels transferred using a government delivery crew include the fuel cost at the vessel's most economical speed of transit and for unmanned refits only, crew transportation costs for the delivery crew based on the location of the vessel's home port and the shipyard/ship repair facility. Crew transportation costs do not include any members of the delivery crew who remain at the shipyard/ship repair facility in order to discharge project responsibilities related to the vessel being transferred.

Transfer costs in the case of vessels transferred unmanned by either commercial towing, railway, highway or other suitable means of transportation must be:

- a) included as part of the Bidder's financial bid in the case where the Bidder is responsible for the transfer; or
- b) identified as the applicable vessel transfer cost, as given in the list below, in the case when Canada is responsible for the transfer.

| Shipyard / Ship Repair Facility | | Applicable Vessel Transfer Cost Unmanned |
|------------------------------------|-------------------|--|
| Company | City, Region | |
| Heddle Marine Service Inc. | Hamilton, ON | \$51,617 |
| Heddle Marine Services Inc. | St-Catherines, ON | \$59,103 |
| Chantiers Davie Canada Inc. | Lévis, QC | \$91,621 |
| Newdock St John's Dockyard Ltd | St. John's, N.L. | \$189,653 |
| Groupe Verreault Navigation Inc. | Les Méchins, QC | \$107,398 |
| Irving Shipyard – Shelburne Marine | Shelburne, N.S. | \$104,750 |
| Irving Shipyard – Halifax Shipyard | Halifax, N.S. | \$154,689 |

Shipyard/Ship Repair Facility - Applicable Vessel Transfer Costs:

Vessel: CCGS Samuel Risley
Home port: Parry Sound, Ontario

Proposed Drydocking Location: _____

Transfer Cost (Unmanned only): _____ in CAD.

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File No. - N° du dossier
041MD. F2599-215007

Buyer ID - Id de l'acheteur
041MD
CCC No./N° CCC - FMS No./N° VME

Appendix -1 to Annex “H” – Pricing Data Sheet

Appendix – 1 to Annex “H” is provided as a separate attachment to this document.

Annex “I”

Bidders Questions and Canada’s Answers

Annex “I” Bidders Questions and Canada’s Answers will be provided as a separate amendment(s) to this Bid Solicitation document, as Questions are raised.

For each question, the Bidders must indicate the Document Name (solicitation, or annex & appendix ID), page number, section number, subsection number, and paragraph ID pertaining to the subject of the question – in order to facilitate receiving the related answers in a timely manner.

Annex “J”

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. An ACCEPTANCE CERTIFICATE – ASSUMPTION OF CUSTODY OF CANADIAN GOVERNMENT SHIPS BY CONTRACTORS (Appendix 1 to this Annex) shall be completed as required and a copy passed to the Inspection Authority.
3. To facilitate this turnover, representatives of the Contractor and Canada shall confirm the vessel condition of the vessel.
4. A vessel condition report shall be appended to the above noted Certificate and shall be accompanied by colour photographs and/or video in either conventional or digital format.
5. When the vessel is to be returned to the care, control and custody of Canada, an ACCEPTANCE CERTIFICATE – RESUMPTION OF CUSTODY OF CANADIAN GOVERNMENT SHIPS BY THE CLIENT DEPARTMENT (Appendix 2 to this Annex) shall be completed and a signed copy passed to Canada for distribution.

Appendix -1 to Annex "J" – Assumption of Custody by Contractor

ASSUMPTION OF CUSTODY OF CANADIAN GOVERNMENT SHIPS BY CONTRACTOR'S

ACCEPTANCE OF CCGS SAMUEL RISLEY.

1. The undersigned, on behalf of the Canadian Coast Guard and of _____ acknowledge to have handed over and receive respectively CCGS Samuel Risley for the purpose of 5-Year Inspection and Certification, and general refit, all in accordance with the terms and conditions of PWGSC Contract Number _____ and such documents which form part of said Contract.
2. It is mutually agreed by all parties that the condition report by compartment or area shall be considered as an addendum to this agreement; and shall 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 agreement but within the agreed ten (10) day period.

SIGNED AT _____ PROVINCE _____ ON THE _____ DAY OF
_____ 2021, AT _____ HOURS.

FOR: _____ (Contractor)

FOR: _____ (Canadian Coast Guard)

WITNESSED BY: _____ (Public Works and Government
Services Canada)

Appendix -2 to Annex "J" – Resumption of Custody by Canada

ACCEPTANCE CERTIFICATE

RESUMPTION OF CUSTODY OF CANADIAN GOVERNMENT SHIPS BY THE CLIENT

DEPARTMENT'S ACCEPTANCE OF CCGS SAMUEL RISLEY.

1. The undersigned, on behalf of _____ and of the Canadian Coast Guard, acknowledge to have handed over and to have received respectively the CCGS Samuel Risley, said vessel having been received by _____ on _____ (date), for the purpose of 5-Year Inspection and Certification, and general refit, in accordance with the terms and conditions of PWGSC Contract Number of _____.
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, shall 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 of the care and protection of said vessel shall revert to Canada.

SIGNED AT _____ PROVINCE _____ ON THE _____ DAY OF _____ 2021, AT _____ HOURS.

FOR: _____ (Contractor)

FOR: _____ (Canadian Coast Guard)

WITNESSED BY: _____ (Public Works and Government Services Canada)

Annex "K"

Mandatory deliverables Check List

Notwithstanding deliverable requirements specified within the bid solicitation and its associated Statement of Work (Annex A), the mandatory deliverables to be submitted are listed in the following Tables.3.

The Bidder must submit, as part of the Bid Package, the completed Annex "K", Table – K1 "Checklist of Mandatory Deliverables at Bid Closing, Table – K2 "Checklist of Mandatory Deliverables with the Bid or Prior to Contract Award", and Table – K3, Required Deliverables Prior to Contract Award (If Requested). The Bidder's submitted check lists will be evaluated against the submitted mandatory requirements as defined herein. The Bidder must be determined compliant, on each item, to be considered responsive.

Notes:

1. Please follow the instruction notes provided for items 12 to 15 of Table K-1, in completing this table.
2. Items 7 and 8 in Table K-1 and item 9 in Table K-2 will not be considered as an evaluation criterion.

Table – K1: Checklist of Mandatory Deliverables at Bid Closing

| Item | Description | Included in: Bid Section / Page No. | Completed & Attached |
|------|--|---|----------------------------|
| 1 | Invitation to Tender document part 1, page 1, completed and signed | | |
| 2 | Separately compiled Technical Bid, Financial Bid, and Certifications as per Part 3, article 3.1 | | |
| 3 | Completed Annex "H" Financial Bid Presentation", clauses H.1 to H.4 and H.6 | | |
| 4 | Completed Pricing Data Sheet, as per Part 3, article 3.1, Section II, and Appendix – 1 to Annex "H" | | |
| 5 | Completed Annex "K", Table – K1, Checklist of Mandatory Deliverables at Bid Closing | | |
| 6 | Completed Annex "K", Table – K2, Checklist of Mandatory Deliverables with the Bid or Prior to Contract Award | | |
| 7 | Completed Annex "O" – electronic payment instructions, as per Part 3 article 3.1.2 | | |
| 8 | Changes to applicable laws as per Part 2 – Bidder Instructions, article 2.4 | | |
| 9 | Integrity Provisions - Declaration of Convicted Offences, or a letter stating its non-applicability as per Part 5 article 5.1.1 The required declaration must be provided, by the Bidder and all its subcontractors known at the time of Bid Closing. | | |
| 10 | Proof of certification for companies for fusion welding of steel structures to CSA Standard W47.1 (Division 2), and aluminum structures to CSA Standard W47.2 (Division 1 or 2) for the current year, as per Part 5, article 5.1.2.1.a | | |

| Item | Description | Included in: Bid Section / Page No. | Completed & Attached |
|------|---|---|----------------------------|
| 11 | Proof of employed or sub-contracted inspection personnel currently certified to the required CSA Standards, by the Bidder or its subcontractor, as per Part 5 articles 5.2.1.2.b. Please indicate attached, or "Not Applicable" if the proof in articles 5.2.1.2.e is provided. | | |
| 12 | Proof of employed welders currently certified to the required CSA Standards, by the Bidder or its subcontractor, as per Part 5 articles 5.2.1.2.c. Please indicate attached, or "Not Applicable" if the proof in articles 5.2.1.2.e is provided. | | |
| 13 | Proof of employed welding supervisors currently certified to the required CSA Standards, by the Bidder or its subcontractor, as per Part 5 articles 5.2.1.2.d. Please indicate attached, or "Not Applicable" if the proof in articles 5.2.1.2.e is provided. | | |
| 14 | Proof of capability to obtain, as and when required, personnel currently certified / approved to the required CSA Standards, by the Bidder or its subcontractor, as per Part 5 articles 5.2.1.2.e. Please indicate attached, or "Not Applicable" if articles 5.2.1.2.b, c and d are provided. | | |
| 15 | Vessel Transfer Cost, as per Part 6, article 6.5 and Annex "H" | | |
| 16 | Preliminary Work Schedule , as per Part 6, article 6.6 | | |
| 17 | Details related to safety measures for fueling and disembarking fuel, as per Part 6, article 6.7 | | |
| 18 | If Registered, the Valid ISO 9001-2008 Certification, as per Part 6, article 6.8 | | |
| 19 | Example of the Bidder's Quality Control Plan, as per Part 6, article 6.9 | | |
| 20 | Example of an Inspection and Test Plan, as per Part 6, article 6.10 | | |
| 21 | A copy of the Bidder's Health and Safety System documentation, as per Part 6, article 6.11 | | |
| 22 | Objective evidence of documented Fire Protection, Fire Fighting and Training Procedure, as per Part 6, article 6.12 | | |
| 23 | Details of the Bidder's environmental emergency response plan, spill response plan, waste management procedures and formal environmental training, as per Part 6, article 6.13 | | |
| 24 | List and qualifications of proposed subcontractors, as per Part 6, article 6.15, and Annex "D" | | |
| 25 | Proof of meeting the Insurance Requirements, as per Part 6, article 6.17 and 6.17.1, and Annex "E" | | |

| Item | Description | Included in: Bid Section / Page No. | Completed & Attached |
|------|--|---|----------------------------|
| 26 | Written confirmation from the Bidder that the services of the listed FSRs will be provided, as per Part 6, article 6.18 | | |
| 27 | Written confirmations from all the listed FSR's that the FSRs agree to subcontract with the shipyard, and work with the shipyard for the duration of the Contract, as per Part 6, article 6.18 | | |
| 28 | Names, brief resumes, and list of duties for each of the Project Management's team members, as per Part 6, article 6.19 | | |

Table – K2: Checklist of Mandatory Deliverables with the Bid or Prior to Contract Award

| Item | Description | Included in: Bid Section / Page No. | Completed & Attached |
|------|---|---|----------------------------|
| 1 | Integrity Provisions, the required documentation, if applicable (must be provided by the Bidder and all its subcontractors who are known at the time of Bid Closing), as per Part 5, articles 5.2.1 | | |
| 2 | Certification for Federal Contractors Program for Employment Equity, as per Part 5, article 5.2.2, and Annex "P" | | |
| 3 | Workers Compensation Certification – Letter of Good Standing, as per as per Part 5, article 5.2.3 | | |
| 4 | Proof of valid labour Agreement and the related documentation, as per Part 5, article 5.2.4 | | |
| 5 | Docking Facility – valid certification of the capacity and condition of the docking facility, as per Part 5, article 5.2.5 | | |
| 6 | Docking Facility – capacity for equipment with vessel side accesses, as per Part 5, article 5.2.5 | | |
| 7 | Docking Facility – proof of sufficient cranes capacity to lift tonnage included in Annex "A", as per Part 5, article 5.2.5 | | |
| 8 | Certification for status and availability of Resources, as per as per Part 5, article 5.2.6 | | |
| 9 | Bidder's declaration, in writing, that they are not interested in owning the Intellectual Property Rights in Foreground Information | | |

Table – K3, Required Deliverables Prior to Contract Award (If Requested)

| Item | Description | Reference in This Solicitation Document | Due by: |
|------|-------------------------------|---|---------------------------------|
| 1 | Proof of Financial Capability | Part 6, article 6.3 | 5 Working days after the notice |

Table – K4, Required Deliverables and Documentation after Contract Award

| Item | Description | Reference in This Solicitation Document | Due by: |
|------|---|---|---|
| 1 | Insurance requirements and certification | Part 7, article 7.12, and Annex E | 10 Working days after Contract Award |
| 2 | Notice of insurance cancellation or changes thereto | Annex E | 30 days prior to effective dates of cancellation or changes |
| 3 | Contract Financial Security | Part 7, article 7.14.2 | 05 working days after contract award |
| 4 | Revised Work Schedule | Part 7, article 7.18 | 10 Calendar days after contract award |
| 5 | Contractor's Quality Management System | Part 7, articles 7.20 | Twenty (20) Calendar days after Contract Award |
| 6 | List of Government specialized loaned equipment that the Contractor intends to request. | Part 7, articles 7.25 | 03 working days after contract award |
| 7 | Quality Management Program (QMP) that specifically addresses the Contract Work to be submitted for approval | Part 7, articles 7.27 | 10 Calendar days after contract award |
| 8 | Contractor's Quality Control Plan | Part 7, articles 7.27.2 | 05 working days after contract award |
| 9 | ITP to be submitted for approval | Part 7, articles 7.27.4 | 05 working days after contract award |
| 10 | Progress Photographs and images, when requested | Part 7, articles 7.43 | With each progress report |
| 11 | Notice of scheduled tests or trials | Annex F, article F.4.10 | 07 calendar days Prior to each event |

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File No. - N° du dossier
041MD. F2599-215007

Buyer ID - Id de l'acheteur
041MD
CCC No./N° CCC - FMS No./N° VME

| Item | Description | Reference in This Solicitation Document | Due by: |
|------|---|---|--|
| 12 | Digital pictures of each area showing the outfit therein in JPG format on a USB Drive | Annex "A" – SOW, G.1.8.1 | Before start of any Work |
| 13 | Test results and Data Book that includes all Certificates, technical and inspection records | Annex "A" – SOW, G.1.13 | Two (2) Working days prior to delivery |
| 14 | Any other documentations, proofs, certifications, test results, drawings, etc. | As stated in the Contract and Annex "A" – SOW | As required |
| 15 | Drawings for identification markings' approval | Part 7, articles 7.47 | Three (3) Working days before production |

Annex “L”

Procedure for Unscheduled Work

L.1 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;
- c. To provide a means of maintaining a record of unscheduled work requirements including serial numbers, dates and accumulated cost. The Contractor shall 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.

L.2 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.

L.3 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 (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. 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, using a Form 1379.
- g. 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.
- h. 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 (d). The Contracting Authority will then sign and authorize the unscheduled work to proceed.
- i. 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.
- j. In the event the negotiation involves a credit, the appropriate PWGSC form will be noted accordingly.
- k. 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
 - A serial number will be allocated and will include Suffix A.

- 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.

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 at the ceiling price or lower, if justified by the audit. A new PWGSC form will then be completed with the finalized costs, signed and issued with the same Serial Number without the suffix "A", and bearing a notation that this form is replacing and canceling the form having the same Serial Number with the suffix "A".

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.

L.4 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).

L.5 PWGSC 1379 Forms to be used

The related Forms to be used will be provided at the Contract kick-off meeting.

Solicitation No. - N° de l'invitation
F2599-215007/A
Client Ref. No. - N° de réf. du client
F2599-215007

Amd. No. - N° de la modif.
File No. - N° du dossier
041MD. F2599-215007

Buyer ID - Id de l'acheteur
041MD
CCC No./N° CCC - FMS No./N° VME

Annex “M”
Contractor’s Bid

Annex “M” will be completed to include the Bid from the selected Bidder as part of the resulting Contract.

Annex « N »

Risk Management Register – Template

| Risk Management Register | | | | | | | | | | | | |
|---------------------------------|--------|---------------|-------------------|------------|--|---|-----------------------|-------------|--------------------|--|--------------------------|-----------------------------|
| Risk Identification | | | | | | Assessment | | | Risk Response Plan | | | |
| Risk No. | Status | Risk Category | Spec Item and No. | Risk Event | Risk Statement (if Any) | Consequences (Technical, Schedule, Cost) | Threat or Opportunity | Risk Matrix | Response Strategy | Response Actions | Responsible to Implement | Interval or Milestone Check |
| 1 | Active | Technical | | Lead Paint | If lead paint is discovered during the work, additional time and extra cost would be incurred. | Contractor OHS and ongoing ship maintenance work could be delayed and cost may be affected. | Threat | Medium | Mitigate | Not known to be an issue on this project. Investigate availability of Regional lead paint records. | Project Officer | monthly |
| 2 | | | | | | | Threat | Medium | | | | |
| 3 | | | | | | | Threat | Medium | | | | |
| 4 | | | | | | | Threat | Medium | | | | |
| 5 | | | | | | | Threat | Medium | | | | |
| Monitoring and Control | | | | | | | | | | | | May 31, 2020 - first entry |
| Status Date and Review Comments | | | | | | | | | | | | |

Annex “O” to PART 3 of the Bid Solicitation

Electronic Payment of Invoices – Bid

Canada requests that Bidders complete option 1 or 2 below:

1. ☐ Electronic Payment Instruments will be accepted for payment of invoices. The following Electronic Payment Instrument(s) are accepted:
 - ☐ VISA Acquisition Card;
 - ☐ MasterCard Acquisition Card;
 - ☐ Direct Deposit (Domestic and International);
 - ☐ Electronic Data Interchange (EDI);

2. ☐ Electronic Payment Instruments will not be accepted for payment of invoices.

The Bidder is not obligated to accept payment by Electronic Payment Instruments.

Acceptance of Electronic Payment Instruments will not be considered as an evaluation criterion.

Annex "P" to PART 5 of the Bid Solicitation

Federal Contractors Program for Employment Equity – Certification

I, the Bidder, by submitting the present information to the Contracting Authority, certify that the information provided is true as of the date indicated below. The certifications provided to Canada are subject to verification at all times. I understand that Canada will declare a bid non-responsive, or will declare a contractor in default, if a certification is found to be untrue, whether during the bid evaluation period or during the contract period. Canada will have the right to ask for additional information to verify the Bidder's certifications. Failure to comply with any request or requirement imposed by Canada may render the bid non-responsive or constitute a default under the Contract.

For further information on the Federal Contractors Program for Employment Equity visit [Employment and Social Development Canada \(ESDC\) – Labour's](#) website.

Date: _____ (YYYY/MM/DD) (If left blank, the date will be deemed to be the bid solicitation closing date.)

Complete both A and B.

A. Check only one of the following:

- ☐ A1. The Bidder certifies having no work force in Canada.
- ☐ A2. The Bidder certifies being a public sector employer.
- ☐ A3. The Bidder certifies being a [federally regulated employer](#) being subject to the [Employment Equity Act](#).
- ☐ A4. The Bidder certifies having a combined work force in Canada of less than 100 permanent full-time and/or permanent part-time employees.
- A5. The Bidder has a combined workforce in Canada of 100 or more employees; and
 - ☐ A5.1. The Bidder certifies already having a valid and current [Agreement to Implement Employment Equity](#) (AIEE) in place with ESDC-Labour.
 - OR**
 - ☐ A5.2. The Bidder certifies having submitted the [Agreement to Implement Employment Equity \(LAB1168\)](#) to ESDC-Labour. As this is a condition to contract award, proceed to completing the form Agreement to Implement Employment Equity (LAB1168), duly signing it, and transmit it to ESDC-Labour.

B. Check only one of the following:

- ☐ B1. The Bidder is not a Joint Venture.
- OR**
- ☐ B2. The Bidder is a Joint venture and each member of the Joint Venture must provide the Contracting Authority with a completed annex Federal Contractors Program for Employment Equity - Certification. (Refer to the Joint Venture section of the Standard Instructions).