



RETURN BIDS TO:

RETOURNER LES SOUMISSIONS À:

Bid Receiving - PWGSC / Réception des soumissions -
TPSGC

Place du Portage, Phase III

Core 0B2 / Noyau 0B2

11 Laurier St./11, rue Laurier

Gatineau

Québec

K1A 0S5

Bid Fax: (819) 997-9776

**SOLICITATION AMENDMENT
MODIFICATION DE L'INVITATION**

The referenced document is hereby revised; unless otherwise indicated, all other terms and conditions of the Solicitation remain the same.

Ce document est par la présente révisé; sauf indication contraire, les modalités de l'invitation demeurent les mêmes.

Comments - Commentaires

THIS DOCUMENT CONTAINS A SECURITY
REQUIREMENT.

Vendor/Firm Name and Address

Raison sociale et adresse du
fournisseur/de l'entrepreneur

Issuing Office - Bureau de distribution

Shared Systems Division (XL)/Division des systèmes
partagés (XL)

Terrasses de la Chaudière

4th Floor, 10 Wellington Street

4th étage, 10, rue Wellington

Gatineau

Québec

K1A 0S5

Title - Sujet OMS Modernization Project	
Solicitation No. - N° de l'invitation 21120-206246/C	Amendment No. - N° modif. 013
Client Reference No. - N° de référence du client 21120-20-3266246	Date 2022-03-17
GETS Reference No. - N° de référence de SEAG PW-\$\$XL-165-40231	
File No. - N° de dossier 005im.21120-206246	CCC No./N° CCC - FMS No./N° VME
Solicitation Closes - L'invitation prend fin at - à 02:00 PM Eastern Daylight Saving Time EDT on - le 2022-03-31 Heure Avancée de l'Est HAE	
F.O.B. - F.A.B.	
Plant-Usine: <input type="checkbox"/> Destination: <input checked="" type="checkbox"/> Other-Autre: <input type="checkbox"/>	
Address Enquiries to: - Adresser toutes questions à: Conn-Harbinson, Margo	Buyer Id - Id de l'acheteur 005im
Telephone No. - N° de téléphone (613) 858-8108 ()	FAX No. - N° de FAX () -
Destination - of Goods, Services, and Construction: Destination - des biens, services et construction:	

Instructions: See Herein

Instructions: Voir aux présentes

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

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This amendment 013 is raised to Extend the Closing Date of the Bid Solicitation, to modify the solicitation and provide answers to questions received from bidders:

MODIFICATIONS:

The Solicitation Amendment is issued:

- A) To amends the current bid preparation instructions and resulting contract clauses as well as Annex C – Basis of Payment.**
- B) To respond to questions regarding the Bid Solicitation.**

A-1) EXTEND THE CLOSING DATE OF THE BID SOLICITATION:

THE PURPOSE OF THIS AMENDMENT IS TO EXTEND THE CLOSING DATE OF THE BID SOLICITATION FROM 29 MARCH 2022, 2:00 PM EDT, TO 31 MARCH 2022, 2:00 PM EDT. NO FURTHER EXTENSIONS WILL BE GRANTED AT THIS TIME.

A-2) 1) AT PART 3 – BID PREPARATION INSTRUCTIONS, SECTION 3.3, SECTION II: FINANCIAL BID:

- 1) At Paragraph (c), All Costs to be Included, the following Note is to be inserted:

Note: For Table 8 Professional Services, where Price Adjustment is applied for blank prices, for evaluations purposes only, starting at Option Year 1 of the Basis of Payment at Annex C, Canada will use the Contractor's last fixed price from the previous year and will apply a 2% increase to calculate an increment for that option period and every option period there after. The calculation will be used to assess the Total Bid Price in Section 4.5 – Financial Evaluation of the RFP. When the Contract is awarded, the prices for option periods 1 to 15 will remain blank.

- 2) At Part 3 – Bid Preparation Instructions, Section 3.3, Section II: Financial Bid:

Add New Paragraph (d) as follows:

- (d) Variation in Resource Rates by Time Period: For any given resource category, where the financial tables provided by Canada allow for different firm rates to be charged for a resource category during different time periods:
 - (i) the rate bid must not increase by more than 5% from one time period to the next; and
 - (ii) the rate bid for the same resource category during any subsequent time period must not be lower than the rate bid for the time period that includes the first month of the Initial Contract Period.

2) AT PART 7 – RESULTING CONTRACT CLAUSES

At 7.9 Payment

Add New Paragraph (i) as follows:

(i) Price Adjustment – Professional Services

For the provision of professional services, starting at Option Year 1 and every year thereafter, if Canada exercises its option to extend, the firm per diem rates for each option

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period will be determined at the time of the option to be exercised, based on the following formula:

Firm per diem rates for the previous year	X	(1 + percentage change*) in the Statistics Canada Average weekly earnings by industry, annual report, Table 14-10-0204-01 Professional, Scientific and Technical Services [54,541] labour category between the two calendar years preceding the option period to be determined
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* the percentage change will be rounded to 5 decimals.

Add New Paragraph (j) as follows:

(j) Price Adjustment – Software Licenses and Maintenance and Support Services

Price Adjustment for Subscription Licenses, Perpetual Term Licenses and Maintenance and Support for Perpetual Term Licenses: Prices for the Subscription Licenses, Perpetual Term Licenses and Maintenance and Support for Perpetual Licenses, as detailed in the Contract at Annex C – Basis of Payment, are subject to upward or downward adjustment to reflect inflation starting on Option Year 1. The adjustment will be made every year there after. The adjustment will be equal to lesser of a 3% increase in addition to the Informatics Professional Services Price Index, Annual – Table (18-10-0138-01) (<https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1810013801>) - Software and software licensing for January of that year over the same Index for the previous January, as published by Statistics Canada for the previous year. Each time an adjustment is made, it will be calculated using the then-current prices in the Contract. If in any year the index rate is a negative value, it will be treated as zero for the purposes of this adjustment. The adjustment, according to changes at time of delivery, will allow for:

- a. Changes due to price adjustment, allowing for up to CPI + 3%, in Licensed Software products that are a direct result of increased or decreased current base prices imposed by the applicable changing commodity market conditions;
- b. Imposition of any new or changes to any existing Licensed Software products due to unforeseen costs based on industry changes or external factors;

In the event that CPI + 3% is higher than the Contractor's increase for the applicable option period, indicated in Annex C – Basis of Payment, Canada may consider negotiating a price adjustment.

To request a price adjustment, the Contractor must provide the Contracting Authority a written notice (a minimum of 90 days in advance of exercising the next option period) indicating the increase or decrease in cost of the Licensed Software identified in the Contract, if applicable. This adjustment would be based on the Contractor providing supported and validated evidence such as invoices or factual evidence based on industry changes or external factors, or demonstrate that their fixed rate is lower than CPI + 3%. It is noted that any price adjustment will be reviewed by a PSPC Cost Analyst.

The Contract price will be amended to reflect the actual increase or decrease at time of delivery. The Contractor must not invoice at prices other than those specified in the Contract.

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Price Adjustment for Training and Professional Services: Prices for Training and Professional Services, as detailed in in Annex C – Basis of Payment, are subject to adjustment to reflect inflation starting on Option Year 1 of the Contract. The adjustment will be made every year thereafter. The adjustment will be equal to the increase in the all-items Consumer Price Index (CPI), monthly, not seasonally adjusted (Statistics Canada Table 18-10-0004-01, <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1810000401>) for January of that year over the same Index for the previous January, as published by Statistics Canada for the previous year, but not to exceed 5%. If the CPI increase is more than 5% for any given year, then Canada and the Contractor will negotiate and agree upon a fair and reasonable price adjustment. Each time an adjustment is made, it will be calculated using the then-current prices in the Contract. If in any year the index rate is a negative value, it will be treated as zero for the purposes of this adjustment.

At Original Paragraph (i), change to (k).

3) **AT ANNEX C – BASIS OF PAYMENT**

The following is inserted at the beginning of the Tables:

Note to Bidders: Bidders are to provide firm pricing in all tables. Section 7.9.(j) Price Adjustment – Software Licenses and Maintenance and Support Services applies to tables 4.2, 4.3, 4.4, 4.5, 4.6, 5.1, 5.2, 6.2, 7.1, 7.2 and 7.3.

AT TABLE 8 – OPTIONAL PROFESSIONAL SERVICES, insert the following

OPTION PERIODS FOR PROFESSIONAL SERVICES:

Per Section 7.9 (i) Price Adjustment – Professional Services: For the provision of professional services beginning at Option Year 1, if Canada exercises its option to extend, the firm per diem rates for each option period will be determined at the time of the option to be exercised, based on the following formula:

Firm per diem rates for the previous year X (1 + percentage change* in the Statistics Canada Average weekly earnings by industry, annual report, Table 14-10-0204-01 Professional, Scientific and Technical Services [54,541] labour category between the two calendar years preceding the option period to be determined)

* the percentage change will be rounded to 5 decimals.

Example: option period one exercised in calendar year 2020:

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	Canada (map)	
	All employees ⁵	
	Including overtime	
North American Industry Classification System (NAICS) ⁴	2018	2019
	Current dollars	
Professional, scientific and technical services	1,385.53 ^A	1,439.18 ^A

$$\frac{(\text{Average weekly earnings in 2019} - \text{Average weekly earnings in 2018})}{\text{Average weekly earnings in 2018}} = \% \text{ increase or } (\% \text{ decrease})$$

$$(\$1,439.18 - \$1,385.53) / \$1,385.53 = 0.0387216 = 3.87216 \%$$

Therefore, in this example, the rates for year five would be multiplied by 1.0387216 to arrive at the option period one Firm Per Diem Rates.

In the event that the calculation of the formula above results in a “% decrease”, the per diem rate for the option period will be determined as follows:

Firm per diem rates for the previous year, multiplied by 1.000000.

Note: in order to ensure the Contractor does not benefit from a greater increase as a result of the calculated per diem not being reduced even though the formula results in a % decrease, the calculated % increase for the next period will be reduced by the % decrease from the previous year.

For example: If the increase for option period one is calculated as -.0152345 and the increase for the following option period two is +.0345614, then the rates in year 6 would be multiplied by 1 + (.0345614 - 0152345) which equals 1.0193269.

For Table 8, the following applies. For evaluation purposes, Canada will apply a 2% increase starting at option year 1 for all bidders.

B) QUESTIONS:

The following questions were received from bidders. To ensure consistency and quality of information provided to Bidders, significant enquiries received and the replies to such enquiries will be provided simultaneously to all Bidders to whom the bid solicitation has been sent.

Q.160: Amendment 006, Q.88 - A.88: Procuring a solution like the Offender Management System requires substantial departmental investment in both the procurement itself and the subsequent product implementation. Options for a 15+ year contract are not unusual for a solution of this type.

New Question - Typically for long term projects a COLA adjustment would apply. Will Canada introduce a COLA clause to address the 23-year fixed price term?

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- A.160: See Modifications Section above. New Articles 7.3 (c) and (d) have been provided as A. 2) in the Modifications Section. Further pricing information is also provided.
- Q.161: With the submission deadline quickly approaching, we have noticed there remain multiple questions that have not been addressed by CSC. We believe the questions to be important and will have material impact on the structure and content of our proposal. We believe other vendors will be similarly impacted.
- Does CSC have a date by which it expects to address outstanding questions?
 - We respectfully request an extension of two weeks following release of the appropriate amendment to allow time for analysis of CSC responses and to revise our proposal documents accordingly. Will CSC agree to this extension request?
- A.161: See Modifications Section A 1) above. An extension has been granted until March 31, 2022 at 14:00 Eastern Time.
- Q.162 In order to increase competition as well as provide additional options for CSC, would the Crown consider projects valued at \$5M or greater, rather than \$10M for M2 a)? A \$10M project value would be prohibitive and limit respondents
- A.162 Canada solicited feedback for M2 as part of the RFI process and based on input from industry, has lowered the dollar value of the project from \$20M to \$10M. The definition of the Bidder has also been expanded for this requirement as identified in the response to Q.150 in Amendment 012. No further amendments to M2 will be made at this time.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.