



## RETURN BIDS TO:

## RETOURNER LES SOUMISSIONS À:

Bid Receiving - PWGSC / Réception des  
soumissions - TPSGC

11 Laurier St. / 11, rue Laurier

Place du Portage, Phase III

Core 0B2 / Noyau 0B2

Gatineau

Quebec

K1A 0S5

Bid Fax: (819) 997-9776

## REQUEST FOR PROPOSAL

## DEMANDE DE PROPOSITION

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

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

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

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

**Comments - Commentaires**

**Vendor/Firm Name and Address**

**Raison sociale et adresse du**

**fournisseur/de l'entrepreneur**

**Issuing Office - Bureau de distribution**

Marine Emergency Response Division/Division des  
Interventions en cas d'urgence maritime

Place du Portage, Phase III

Tower c

11 Laurier Street, 6C2

11, rue Laurier

Gatineau

Gatineau

K1A0S5

<b>Title - Sujet</b> Disposal of the F/V Atlantic Pursui	
<b>Solicitation No. - N° de l'invitation</b> F6140-220281/A	<b>Date</b> 2022-08-16
<b>Client Reference No. - N° de référence du client</b> 20220281	
<b>GETS Reference No. - N° de référence de SEAG</b> PW-\$MER-002-28779	
<b>File No. - N° de dossier</b> 002mer.F6140-220281	<b>CCC No./N° CCC - FMS No./N° VME</b>
<b>Solicitation Closes - L'invitation prend fin</b> <b>at - à 02:00 PM</b> Eastern Daylight Saving Time EDT <b>on - le 2022-09-19</b> Heure Avancée de l'Est HAE	
<b>F.O.B. - F.A.B.</b> Specified Herein - Précisé dans les présentes <b>Plant-Usine:</b> <input type="checkbox"/> <b>Destination:</b> <input type="checkbox"/> <b>Other-Autre:</b> <input checked="" type="checkbox"/>	
<b>Address Enquiries to: - Adresser toutes questions à:</b> Pilon, Chantal	<b>Buyer Id - Id de l'acheteur</b> 002mer
<b>Telephone No. - N° de téléphone</b> (613) 894-1817 ( )	<b>FAX No. - N° de FAX</b> ( ) -
<b>Destination - of Goods, Services, and Construction:</b> <b>Destination - des biens, services et construction:</b> See herein.	

**Instructions: See Herein**

**Instructions: Voir aux présentes**

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

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## PART 1 - GENERAL INFORMATION

### 1.1 Introduction

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

- Part 1 General Information: provides a general description of the requirement;
- Part 2 Bidder Instructions: provides the instructions, clauses and conditions applicable to the bid solicitation;
- Part 3 Bid Preparation Instructions: provides Bidders with instructions on how to prepare their bid;
- Part 4 Evaluation Procedures and Basis of Selection: indicates how the evaluation will be conducted, the evaluation criteria that must be addressed in the bid, and the basis of selection;
- Part 5 Certifications 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, Bidder's Questions & Canada's responses and other annexes.

### 1.2 Summary

1. The Department of Fisheries and Oceans (Small Craft Harbours) has a requirement to dispose of, through Ship Breaking, the F/V Atlantic Pursuit. The Contractor will be required to prepare the vessel for transportation, transport the vessel to the Approved Site and subsequently break (dismantle and dispose or recycle) the vessel in an efficient and environmentally responsible manner in accordance with the Statement of Work – Annex "A".
2. The Contractor will have until **October 31, 2022** to remove the vessel from the Small Craft Harbours site in Grand Bank Harbour, Newfoundland and Labrador, and until **March 31, 2024** to complete the Work.
3. The Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal applied to this requirement.
4. There is a mandatory bidders' conference and vessel viewing associated with this requirement. See Part 2, article 2.5 for additional information.
5. Bidders must use the CPC 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.

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. The Phased Bid Compliance Process applies to this requirement.

### 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 (virtual meeting).

## PART 2 - BIDDER INSTRUCTIONS

### 2.1 Standard Instructions, Clauses and Conditions

All instructions, clauses and conditions identified in the bid solicitation by number, date and title are set out in the *Standard Acquisition Clauses and Conditions Manual* (<https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual>) issued by Public Works and Government Services Canada.

Bidders who submit a bid agree to be bound by the instructions, clauses and conditions of the bid solicitation and accept the clauses and conditions of the resulting contract.

The **2003** (2022-03-29), Standard Instructions - Goods or Services - Competitive Requirements, are incorporated by reference into and form part of the bid solicitation.

Subsection 5.4 of 2003 Standard Instructions - Goods or Services - Competitive Requirements, is amended as follows:

Delete: 60 days  
Insert: 120 days

### 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 in the bid solicitation.

Bidders must use Canada Post Corporation's (CPC) Connect service to submit their bids. For the National Capital Region (NCR), bidders must register by sending an email to the following address:

[tpsgc.pareceptiondessoumissions-apbidreceiving.pwgsc@tpsgc-pwgsc.gc.ca](mailto:tpsgc.pareceptiondessoumissions-apbidreceiving.pwgsc@tpsgc-pwgsc.gc.ca)

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

### 2.3 Enquiries - Bid Solicitation

All enquiries must be submitted in writing to the Contracting Authority **no later than ten (10)** calendar days before the bid closing date. Enquiries received after that time may not be answered.

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

### 2.4 Applicable Laws

Any resulting contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in the *Province of 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 Mandatory Bidders' Conference/Vessel Viewing

1. A mandatory bidders' conference and vessel viewing will be held at the Bait Depot, Lower Water Street, Grand Bank in Newfoundland and Labrador **August 31, 2022**. Bidders must consult the *Attachment 1* for additional information about the bidder's conference/vessel viewing and instructions to access the vessel.
2. Bidders should provide, in writing, to the Contracting Authority, the name(s) of the person(s) who will be attending and a list of items they wish to table no later than **August 29, 2022**. Bidders will be required to sign an attendance sheet.
3. Bidders who do not attend the mandatory bidder's conference and vessel viewing or do not send a representative will not be given an alternative appointment and their bid will be declared non-responsive.
4. Any clarifications or changes to the bid solicitation resulting from the bidder's conference and vessel viewing will be included as an amendment to the bid solicitation.

### 2.6 Bidders Checklist

Bidders are encouraged to use the Bidder's Checklist found in *Attachment 2* for the preparation of their bid to ensure that all mandatory documentation/information is provided with their bid.

## 2.7 Bid Challenge and Recourse Mechanisms

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

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## Attachment 1 - Bidder's Conference and Vessel Viewing Information and Instructions

*\*\*\*All bidders must be on the official list sent to Public Services and Procurement Canada (PSPC) in order to attend the Bidder Conference and Vessel Viewing\*\*\**

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Date: August 31, 2022

Time: 9:00 (the vessel viewing will be held after the bidder's conference until 16:00)

Location: Bait Depot, Lower Water Street, Grand Bank – Small Craft Harbours site

- The Contracting Authority or another representative of Canada will meet the attendees at 8:30 at the Bait Depot, Lower Water Street, Grand Bank.
  - Start time for the conference is 9:00. The vessel viewing will occur after the bidder's conference once the release document and attendance sheet have been signed by each attendee.
  - If attendees need more time to view the vessel, there will be a possibility to return September 1, 2022 from 9:00 to 16:00.
  - Parking information: Attendees may park in the freight shed area near the Bait Depot.
- 

*The information provided in the SOW with respect to the condition of the vessel is the best information available to CANADA. Bidders are responsible to make their own assessment and ensure the accuracy of such information.*

### Mandatory Bidder's Conference

The bidder's conference will serve to review the Request for Proposal, Statement of Work and all technical information related to the project. Bidders will have the opportunity to ask questions related to the bid package.

### Mandatory Vessel Viewing

Attendees will be allowed to take any tests, samples, measurements, etc. that will aid them in better understanding the scope of work.

**IMPORTANT:** The vessel is not properly ventilated and contain various types of Hazardous Materials/Wastes. Vessel viewing attendees are required to provide their own safety equipment suitable for touring the vessel.

All attendees will receive a safety brief and must sign a release form acknowledging that touring the vessel is done at their own risk in advance of the vessel viewing.

Canada will not be supplying any safety gear. **Hard hat, safety boots and personal air/gas monitors are mandatory**, and it is recommended that attendees bring and wear the following during the vessel viewing:

- Eye protection/goggles;
- Flashlight; and
- Coveralls.



## Attachment 2 - Bidder's Check List

This checklist is added to the bid solicitation to assist bidders in the preparation of their bid. Before submitting their bid, bidders should use this checklist to ensure all mandatory documentation and/or information are provided prior to bid closing. Bidders are not required to provide this check list with their bid.

RFP Ref.	Documentation/information to be provided with the Bid	Incl. with the Bid
General	Cover page of the RFP and all amendments are signed and included with the bid.	<input type="checkbox"/>
Part 2 – 2.4 Applicable Laws	Indicate applicable laws of another province or Canadian territory, if desired.	<input type="checkbox"/>
Part 2 – 2.5 Mandatory Bidder's Conference and Vessel Viewing	Provide names of all person that will attend the bidder's conference/vessel viewing. <b>(on or before August 29, 2022)</b>	<input type="checkbox"/>
Part 3 – 3.2 Section I: Technical Bid	All mandatory information or documentation of the Attachment 3 – Mandatory Technical Evaluation Criteria.	<input type="checkbox"/>
Part 3 – 3.3 Section II: Management Bid	All mandatory information or documentation of the Attachment 4 – Mandatory Management Evaluation Criteria.	<input type="checkbox"/>
Part 3 – 3.5 Section III: Financial Bid – 3.5.1 Pricing Schedule	Pricing Schedule in accordance with article 3.5.1	<input type="checkbox"/>
Part 3 – 3.5 Section III: Financial Bid – 3.5.2 Electronic Payment of Invoices	Indication of which payment method is preferred, if desired.	<input type="checkbox"/>
Part 5 – 5.1.1 Integrity Provisions	Declaration of convicted offences, if applicable.	<input type="checkbox"/>
Part 5 – 5.2.1 Required Documentation	List of names as per the <i>Ineligibility and Suspension Policy, Article 17</i> .	<input type="checkbox"/>
Part 5 – 5.2.2 Fed. Contractors Program for EE – Bid Certification	Attachment 5 filled out.	<input type="checkbox"/>

## PART 3 - BID PREPARATION INSTRUCTIONS

### 3.1 Bid Preparation Instructions

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

Canada requests that the Bidder submits its bid in separately bound sections as follows:

Section I:	Technical Bid
Section II:	Management Bid
Section III:	Financial Bid
Section IV:	Certifications

*Prices must appear in the financial bid only.*

#### 3.1.1 Hard Copy Submission

Delivery of bids in hard copy will not be accepted.

#### 3.1.2 Transmission by Facsimile

Bids transmitted by facsimile will not be accepted.

### 3.2 Section I: Technical Bid

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

The technical bid should 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. To avoid duplication, Bidders may refer to different sections of their bids by identifying the specific paragraph and page number where the subject topic has already been addressed.

Bidders must submit their technical bid in accordance with the *Attachment 3 – Mandatory Technical Evaluation Criteria*.

### 3.3 Section II: Management Bid

In their management bid, Bidders must describe their capability and experience, the project management team and provide client contact(s) in accordance with the following articles.

Bidders must submit their management bid in accordance with the *Attachment 4 – Mandatory Management Evaluation Criteria*.

### 3.4 Section III: Financial Bid

Bidders must submit their financial bid in accordance with the following Pricing Schedule below and the following articles.

*All prices must appear in Canadian dollars.*

#### 3.4.1 Pricing Schedule

Item 1: The firm price include all work subject to this RFP in accordance with the SoW – Annex “A”, and the terms and conditions of the resulting contract. Bidders must provide the following cost breakdown. Additional expense lines may be added as required.

Description	Firm Price
Phase 1 – Preparation and transportation costs	\$ _____
Salary (number of employees _____ and hours _____)	\$ _____
Subcontractors:	
Oil, fuel and bilge water removal	\$ _____
Marine Surveyor	\$ _____
Insurance	\$ _____
Tug and Tug operator	\$ _____
Phase 2 – Removal of all liquids, equipment, machinery and clean-up	\$ _____
Phase 3 – Removal of hazmat and decontamination	\$ _____
Salary (number of employees _____ and hours _____)	\$ _____
Subcontractors:	
Crane operator	\$ _____
Removal of hazmat	\$ _____
Transportation of hazmat	\$ _____
Landfill or recycling facilities	\$ _____
Other	\$ _____
Phase 4 – Ship Breaking	\$ _____
Overhead costs and profits	\$ _____
Applicable taxes	\$ _____
<b>TOTAL</b>	<b>\$ _____ (CDN)</b>

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002mer  
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*The firm price must include all costs including any permits/fees for the transportation of the vessel to the Approved Site.*

### 3.4.2 Electronic Payment of Invoices

If you are willing to accept payment of invoices by Electronic Payment Instruments, complete the following to identify which ones are accepted. If the following 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.

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

- ☐ VISA Acquisition Card
- ☐ MasterCard Acquisition Card
- ☐ Direct Deposit (Domestic and International)
- ☐ Electronic Data Interchange (EDI)
- ☐ Wire Transfer (International Only)
- ☐ Large Value Transfer System (LVTS) (Over \$25M)

### 3.4.3 Exchange Rate Fluctuation

ID	Title – SACC Manual Clause(s)	Eff. date
C3011T	Exchange Rate Fluctuation	2013-11-06

## 3.5 Section IV: Certifications

Bidders must submit the certifications and additional information required under Part 5.

### Attachment 3 – Mandatory Technical Evaluation Criteria

A mandatory requirement is described using the words "shall", "must", "will" "is required" or "is mandatory". A bid that does not meet all mandatory requirements will be found non-responsive without any further consideration.

For the purposes of this RFP,

- “major” is defined as work which required professional engineering to ensure structural integrity of the vessel during and after construction or refit;
- the example of a refit project must be on a ‘Vessel’ that is fitted with the equipment and systems for self-propulsion and is capable of overnight accommodation; and
- “ship breaking” is defined as the process of systematically scrapping the entire infrastructure of an obsolete vessel by dismantling and disposing or recycling all its component parts and hazardous materials;
- “dead ship tow” is defined as the condition under which the main propulsion plant, boilers and auxiliaries are not in operation due to the absence of electrical power; and
- “successful completion of a project” is defined as having completed a project within the timelines and budget of a contract, and without having any environmental accident and injury requiring medical assistance by a medic, nurse or medical doctor.

#### 1. Project Manager

The Bidder must demonstrate the experience of their proposed Project Manager in either:

- Ship Breaking; or
- Ship Construction / Major Ship Refit.

*Canada may request the résumé of the Project Manager. If requested, the Bidder must provide within 48 hours of the request.*

#### 1.1 Project Manager Experience - Ship Breaking

The Bidder must demonstrate that the proposed Project Manager has successfully completed a minimum of one (1) ship breaking project in the last ten (10) years (since July 2012) of a ship with a minimum Lightship Displacement Tonnage (LDT) of 700 MT.

**OR**

## 1.2 Project Manager Experience – Ship Construction / Major Ship Refit

The Bidder must demonstrate that the proposed Project Manager has successfully completed a minimum of two (2) ship construction and/or major ship refit projects in the last ten (10) years (since July 2012) of ships with a minimum Lightship Displacement Tonnage (LDT) of 700 MT.

*If major refit projects are submitted as examples, to qualify for consideration the projects MUST have included major hull and/or structural modification and repair, where structure and ship's systems (e.g. electrical, piping, HVAC, Refrigeration) were modified.*

## 2. Ship Breaking / Shipbuilding / Ship Refit Experience

The Bidder must demonstrate their experience in either:

- Ship Breaking; or
- Shipbuilding / Major Ship Refit

### 2.1 Bidder Experience – Ship Breaking

The Bidder must demonstrate it has successfully completed a minimum of one (1) ship breaking project in the last ten (10) years (July 2012) of a ship with a minimum Lightship Displacement Tonnage (LDT) of 700 MT by providing an example of a ship breaking project which includes the following:

- (a) **Sequencing Plan:** Provide a GANTT chart (in PDF format) or project overview plan that demonstrates all of the following events:
  - i. Date and time of tow departure and arrival (duration of tow);
  - ii. Dates when ship breaking began and was completed;
  - iii. Milestones showing the removal of each significant section and/or deck for the entire vessel; and
  - iv. Completion of all material disposal activities.
- (b) **Use of Subcontractors:** Describe all of the work that was completed by subcontractors (if used) in a table format that shows contractor name, description of the work, and location of the work.
- (c) **Conditions Monitoring Procedures:** Describe the processes that were in place for monitoring the following conditions by providing electronic or PDF copies of the procedures used for addressing and rectifying all of the following identified elements:
  - i. air quality monitoring for air borne particles;
  - ii. ventilation;
  - iii. fire and explosion prevention;
  - iv. flood monitoring and vessel stability; and
  - v. exposure to hazardous materials.

- (d) **Hazardous Materials:** Describe the procedures and control plans used, including how and where the materials were disposed or recycled;
- (e) **Permits and Record Keeping:** Describe the following:
- i. What permits were attained and explain the purpose of the permits; and
  - ii. Describe the record keeping processes that were in place to track all disposed materials.

OR

## 2.2 Bidder Experience – Shipbuilding / Major Ship Refit

The Bidder must demonstrate it has successfully completed a minimum of two (2) ship construction and/or major ship refits project in the last ten (10) years (July 2012) of a ship with a minimum Lightship Displacement Tonnage (LDT) of 700 MT by providing two (2) examples of ship construction/major ship refit projects which includes the following:

- (a) **Sequencing Plan:** Provide a GANTT chart (in PDF format) or project overview plan that demonstrates all of the following events:
- i. Date and time of tow departure and arrival (duration of tow);
  - ii. Dates when refit or construction began and was completed;
  - iii. Key milestones achieved during the refit or construction project where significant progress was demonstrated; and
  - iv. Completion of all material disposal activities.
- (b) **Use of Subcontractors:** Describe all of the work that was completed by subcontractors (if used) in a table format that shows contractor name, description of the work, and location of the work.
- (c) **Conditions Monitoring Procedures:** Describe the processes that were in place for monitoring the following conditions by providing electronic or PDF copies of the procedures used for addressing and rectifying all of the following identified elements:
- i. air quality monitoring for air borne particles;
  - ii. ventilation;
  - iii. fire and explosion prevention;
  - iv. flood monitoring and vessel stability; and
  - v. exposure to hazardous materials.
- (d) **Permits and Record Keeping:** Describe the following:
- i. What permits were attained and explain the purpose of the permits; and
  - ii. Describe the record keeping processes that were in place to track all disposed materials.

### **3. Dead Ship Transfer and Towing Experience**

The Bidder must have the experience and understanding of dead ship towing and must have completed a minimum of one (1) dead ship tow project of a vessel with a Lightship Displacement Tonnage of 700 MT. The project must have been completed in the last ten (10) years (July 2012).

The Bidder must provide the details of the completed tow. At a minimum, the details must include:

- (a) Vessel's Lightship Displacement tonnage (LDT) and vessel particulars (length, beam, draft);
- (b) Type of vessel;
- (c) Description of the Vessel's condition at time of tow;
- (d) Tow distance, route and time of year;
- (e) Subcontractor that completed the tow;
- (f) Details of the towing vessel(s) used to complete the tow; and
- (g) Copy of the Transport Canada or Surveyor approved towing plan.



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## **Attachment 4 – Mandatory Management Evaluation Criteria**

A mandatory requirement is described using the words "shall", "must", "will" "is required" or "is mandatory". A bid that does not meet all mandatory requirements will be found non-responsive without any further consideration.

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### **1. Vessel Recycling Facility**

The Bidder must provide the following information:

- (a) Procurement Business Number (PBN);
- (b) operating name of the shipyard (company);
- (c) legal name of the shipyard if different than the operating name; and
- (d) address of the shipyard where the Work will be completed.

### **2. Contractor's Representative**

The Bidder must provide the name, title and contact information (telephone and email) of its representative.

All matters related to the RFP/Contract will be addressed with the Contractor's representative.

### **3. Management Team**

At a minimum, the Ship Recycling Plan must include the following management team. The Bidder must provide the names of the individual that will occupy each position for the entire period of the Contract.

- (a) Project Manager;
- (b) Finance Manager;
- (c) Quality Control Manager;
- (d) Occupational Health and Safety Manager;
- (e) Environmental Manager.

### **4. Preliminary Project Schedule**

The Bidder must propose its preliminary project schedule in accordance with the Work Period identified in the Contract, in MS Project or equivalent format. The project schedule must include the Bidder's work breakdown structure, the scheduling of main activities and milestone events, and any potential problem areas involved in completing the Work. The main activities must include, at a minimum:

- (a) target date for each milestone part of the Schedule of Milestones of the resulting contract clauses, Part 7;
- (b) preparation prior to transportation of the vessel;
- (c) transportation of the vessel;
- (d) arrival of the vessel at the Approved Site;
- (e) cleaning the vessel;

- (f) removal, transportation and disposal of Hazardous Materials;
- (g) start and end of dismantling of the vessel (must include the dismantling timeline of the vessel structure to indicate the sequence in which major vessel structure and equipment would be removed until completion of the dismantling;
- (h) removal of the vessel from the marine environment; and
- (i) delivery of deliverables.

*Canada will only allow work to be completed at the location of the vessel necessary to prepare the vessel for transportation.*

## 5. Preliminary Transportation Plan

The Bidder must provide a preliminary Transportation Plan to move the vessel from its location to the Bidder's Approved Site. At a minimum, the preliminary Transportation Plan must include the following:

- (a) Transportation preparation details for moving the vessel from its present location to the Approved Site including the process to move the vessel from its current location to the Bidder's Approved Site;
- (b) Stability considerations during transport;
- (c) Anticipated schedule and route including safe harbor(s);
- (d) Emergency Preparedness Response;
- (e) Oil Pollution Response Plan/Spill Emergency Response Plan;
- (f) Co-ordination with regulatory agencies; and
- (g) Identify all permits required for the voyage (to be included in firm price).

If the vessel will be towed, the following must be included in the Transportation Plan:

- (a) Surveys required for safe-to-tow certification/vessel survey for towing;
- (b) Vessel condition report;
- (c) Towing arrangement;
- (d) Towing limitations;
- (e) Anticipated draft;
- (f) Chart datum to provide evidence that the chosen route maintains necessary keel clearance at the vessel anticipated draft;
- (g) Stability considerations; including certification of a Naval Architect to attest that the vessel is in a stable and safe condition for the tow;
- (h) Contingency plan in case of breakage of the towline; and
- (i) Flood monitoring for the vessel when undertow and response plan.

## 6. Preliminary Vessel Recycling Plan

The Bidder must provide a Preliminary Vessel Recycling Plan that describes its approach and methodology to complete the Work and outline step-by-step proposed methodology for disposing/recycling of the vessel, including:

- (a) Process for the removal and destruction of Hazardous Wastes onboard the ship;
- (b) Specific equipment needed;
- (c) How the structure of the vessel will be dismantled (sequence);
- (d) How vessel stability will be maintained and monitored during cleaning and disposal/recycling activities; and
- (e) Descriptions of materials to be reused, recycled and disposed of.

## 7. Subcontractor(s)

The Bidder must provide a list of all subcontractors it intends to use to complete the Work. For each subcontractor listed, the Bidder must include the following:

- (a) A description of the Work to be performed; and
- (b) The location where the Work will be completed.

## 8. Facilities

The Bidder must provide a complete description and layout of the Approved Site where the ship breaking will be completed. At a minimum, the description and layout must include the following:

- (a) site map;
- (b) Vessel berthing and staging areas including keel clearance capable of accommodating the vessel subject to this RFP at the vessel's anticipated condition and draft;
- (c) Mechanism for removing the vessel from the marine environment (ie. Dry-dock, graving dock, marine railway, etc.);
- (d) Dismantling area(s);
- (e) Material holding area(s);
- (f) Hazardous Materials storage area(s);
- (g) Decontamination area(s);
- (h) First Aid Center; and
- (i) Contractor's project office.

*The Bidder must identify in its bid whether it intends to utilize an along-side area or dry-dock for the ship breaking of the vessel.*

## 9. Environment Management Plan

The Bidder must provide one of the following:

- Environmental Protection Plan (EPP); or
- ISO 14001:2015 Certificate.

### 9.1 Environmental Protection Plan (EPP)

The Bidder must provide an Environmental Protection Plan (EPP) that demonstrates its commitment to avoidance of adverse environmental impacts through implementation of best practices rooted in pollution prevention and the promotion of sound environmental practices.

The Environmental Protection Plan (EPP) must include the following elements:

- (a) Description and /or identification of Site(s) for Hazardous Material disposal;
- (b) Description and /or identification of any other approved disposal sites (i.e. municipal landfill site);
- (c) Description and /or identification of recycling facility including materials to be recycled as part of this project;
- (d) Copy of the asbestos abatement registration certificate;
- (e) Description of the method of vessel cleaning. The description must include transportation from the work site to the disposal site and the method of packaging and bundling;
- (f) Environmental Contingency Plan – this plan must indicate the process of how contaminants are to be contained and how to deal with situations involving petroleum product leaks in water or on the ground, ozone depleting substance leaks, or fire on the vessel or explosion. Tools and materials to be used and available on board or on the site of work for the duration of the Contract must be identified;
- (g) Provide details on the process for cleaning, removal, and disposal of hazardous materials, hydrocarbon impacted areas and miscellaneous items including, but not limited to; tanks, piping, boilers, engines, shafting, gearing, stern tubes, steering gear, hydraulics, bilge, sonar, areas, black and grey water, hazardous materials, asbestos, polychlorinated biphenyls (PCBs), paint, and other hazardous materials. To also include the engineering controls and personal protective equipment to be used to minimize worker exposure to hazardous materials; and
- (h) Vessel flood monitoring and response plan.

**OR**

### 9.2 ISO 14001:2015 Certificate

The Bidder must provide a copy of its current ISO 14001:2015 certificate. The certificate must be valid for the location where the Work will occur and be remain valid for the entire duration of the Contract.

## 10. Quality Assurance

The Bidder must have in place a Quality Management System (QMS) consistent with the procedures required for by the International Organization for Standardization (ISO) 9001:2015.

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Buyer ID - Id de l'acheteur  
002mer  
CCC No./N° CCC - FMS No./N° VME

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The Bidder must provide one of the following:

- Quality Manual/Plan; or
- ISO 9001:2015 Certificate.

#### **10.1 Quality Management System**

The Bidder must provide evidence of the QMS that it has in place at its Approved Site(s). Evidence required is in the form of the complete Quality Manual (or Plan) in PDF format.

**OR**

#### **10.2 ISO 9001:2015 Certificate**

The Bidder must provide a copy of its current ISO 9001:2015 certificate. The certificate must be valid for the location where the Work will occur and be remain valid for the entire duration of the Contract.

## **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, management and financial evaluation criteria;
- (b) An evaluation team composed of representatives of Canada will evaluate the bids; and
- (c) Canada will use the Phased Bid Compliance Process described below.

#### **4.1.1 Phased Bid Compliance Process**

##### **4.1.1.1 General**

(a) Canada is conducting the Phased Bid Compliance Process (PBCP) described below for this requirement.

(b) Notwithstanding any review by Canada at Phase I or II of the PBCP, Bidders are and will remain solely responsible for the accuracy, consistency and completeness of their Bids and Canada does not undertake, by reason of this review, any obligations or responsibility for identifying any or all errors or omissions in Bids or in responses by a Bidder to any communication from Canada.

THE BIDDER ACKNOWLEDGES THAT THE REVIEWS IN PHASE I AND II OF THIS PBCP ARE PRELIMINARY AND DO NOT PRECLUDE A FINDING IN PHASE III THAT THE BID IS NON-RESPONSIVE, EVEN FOR MANDATORY REQUIREMENTS WHICH WERE SUBJECT TO REVIEW IN PHASE I OR II AND NOTWITHSTANDING THAT THE BID HAD BEEN FOUND RESPONSIVE IN SUCH EARLIER PHASE. CANADA MAY DEEM A BID TO BE NON-RESPONSIVE TO A MANDATORY REQUIREMENT AT ANY PHASE.

THE BIDDER ALSO ACKNOWLEDGES THAT ITS RESPONSE TO A NOTICE OR A COMPLIANCE ASSESSMENT REPORT (CAR) (EACH DEFINED BELOW) IN PHASE I OR II MAY NOT BE SUCCESSFUL IN RENDERING ITS BID RESPONSIVE TO THE MANDATORY REQUIREMENTS THAT ARE THE SUBJECT OF THE NOTICE OR CAR, AND MAY RENDER ITS BID NON-RESPONSIVE TO OTHER MANDATORY REQUIREMENTS.

(c) The PBCP does not limit Canada's rights under Standard Acquisition Clauses and Conditions (SACC) 2003 (2020-05-28) Standard Instructions – Goods or Services – Competitive Requirements nor Canada's right to request or accept any information during the solicitation period or after bid solicitation closing in circumstances where the bid solicitation expressly provides for this right.

(d) Canada will send any Notice or CAR by any method Canada chooses, in its absolute discretion. The Bidder must submit its response by the method stipulated in the Notice or CAR. Responses are deemed to be received by Canada at the date and time they are delivered to Canada by the method and at the address specified in the Notice or CAR. An email response permitted by the Notice or CAR is deemed received by Canada on the date and time it is received in Canada's email inbox at Canada's email address specified in the Notice or CAR. A Notice or CAR sent by Canada to the Bidder at any address provided by the Bidder in or pursuant to the Bid is deemed received by the Bidder on the date it is sent by Canada. Canada is not responsible for late receipt by Canada of a response, however caused.

#### 4.1.1.2 Phase I: Financial Bid

(a) After the closing date and time of this bid solicitation, Canada will examine the Bid to determine whether it includes a Financial Bid and whether any Financial Bid includes all information required by the solicitation. Canada's review in Phase I will be limited to identifying whether any information that is required under the bid solicitation to be included in the Financial Bid is missing from the Financial Bid. This review will not assess whether the Financial Bid meets any standard or is responsive to all solicitation requirements.

(b) Canada's review in Phase I will be performed by officials of the Department of Public Works and Government Services.

(c) If Canada determines, in its absolute discretion that there is no Financial Bid or that the Financial Bid is missing all of the information required by the bid solicitation to be included in the Financial Bid, then the Bid will be considered non-responsive and will be given no further consideration.

(d) For Bids other than those described in c), Canada will send a written notice to the Bidder ("Notice") identifying where the Financial Bid is missing information. A Bidder, whose Financial Bid has been found responsive to the requirements that are reviewed at Phase I, will not receive a Notice. Such Bidders must not be entitled to submit any additional information in respect of their Financial Bid.

(e) The Bidders who have been sent a Notice will have the time period specified in the Notice (the "Remedy Period") to remedy the matters identified in the Notice by providing to Canada, in writing, additional information in response to the Notice. Responses received after the end of the Remedy Period will not be considered by Canada, except in circumstances and on terms expressly provided for in the Notice.

(f) In its response to the Notice, the Bidder will be entitled to remedy only that part of its Financial Bid which is identified in the Notice. For instance, where the Notice states that a required line item has been left blank, only the missing information may be added to the Financial Bid, except that, in those instances where the addition of such information will necessarily result in a change to other calculations previously submitted in its Financial Bid, (for example, the calculation to determine a total price), such necessary adjustments will be identified by the Bidder and only these adjustments will be made. All submitted information must comply with the requirements of this solicitation.

(g) Any other changes to the Financial Bid submitted by the Bidder will be considered to be new information and will be disregarded. There will be no change permitted to any other Section of the Bidder's Bid. Information submitted in accordance with the requirements of this solicitation in response to the Notice will replace, in full, only that part of the original Financial Bid as is permitted above, and will be used for the remainder of the bid evaluation process.

(h) Canada will determine whether the Financial Bid is responsive to the requirements reviewed at Phase I, considering such additional information or clarification as may have been provided by the Bidder in accordance with this Section. If the Financial Bid is not found responsive for the requirements reviewed at Phase I to the satisfaction of Canada, then the Bid will be considered non-responsive and will receive no further consideration.

(i) Only Bids found responsive to the requirements reviewed in Phase I to the satisfaction of Canada, will receive a Phase II review.

#### 4.1.1.3 Phase II: Technical and Management Bids

(a) Canada's review at Phase II will be limited to a review of the Technical and Management Bids to identify any instances where the Bidder has failed to meet any Eligible Mandatory Criterion. This review will not assess whether the Technical and Management Bids meets any standard or is responsive to all solicitation requirements. Eligible Mandatory Criteria are all mandatory technical and management criteria that are identified in this solicitation as being subject to the PBCP. Mandatory technical and management criteria that are not identified in the solicitation as being subject to the PBCP, will not be evaluated until Phase III.

(b) Canada will send a written notice to the Bidder (Compliance Assessment Report or "CAR") identifying any Eligible Mandatory Criteria that the Bids has failed to meet. A Bidder whose Bids have been found responsive to the requirements that are reviewed at Phase II will receive a CAR that states that its Bids have been found responsive to the requirements reviewed at Phase II. Such Bidder will not be entitled to submit any response to the CAR.

(c) A Bidder will have the period specified in the CAR (the "Remedy Period") to remedy the failure to meet any Eligible Mandatory Criterion identified in the CAR by providing to Canada in writing additional or different information in response to the CAR. Responses received after the end of the Remedy Period will not be considered by Canada, except in circumstances and on terms expressly provided for in the CAR.

(d) The Bidder's response must address only the Eligible Mandatory Criteria listed in the CAR as not having been achieved, and must include only such information as is necessary to achieve such compliance. Any additional information provided by the Bidder which is not necessary to achieve such compliance will not be considered by Canada, except that, in those instances where such a response to the Eligible Mandatory Criteria specified in the CAR will necessarily result in a consequential change to other parts of the Bid, the Bidder will identify such additional changes, provided that its response must not include any change to the Financial Bid.

(e) The Bidder's response to the CAR should identify in each case the Eligible Mandatory Criterion in the CAR to which it is responding, including identifying in the corresponding section of the original Bid, the wording of the proposed change to that section, and the wording and location in the Bid of any other consequential changes that necessarily result from such change. In respect of any such consequential change, the Bidder must include a rationale explaining why such consequential change is a necessary result of the change proposed to meet the Eligible Mandatory Criterion. It is not up to Canada to revise the Bidder's Bids, and failure of the Bidder to do so in accordance with this subparagraph is at the Bidder's own risk. All submitted information must comply with the requirements of this solicitation.

(f) Any changes to the Bids submitted by the Bidder other than as permitted in this solicitation, will be considered to be new information and will be disregarded. Information submitted in accordance with the requirements of this solicitation in response to the CAR will replace, in full, only that part of the original Bid as is permitted in this Section.

(g) Additional or different information submitted during Phase II permitted by this section will be considered as included in the Bid, but will be considered by Canada in the evaluation of the Bid at Phase II only for the purpose of determining whether the Bid meets the Eligible Mandatory Criteria. It will not be used at any Phase of the evaluation to increase any score that the original Bid would achieve without the benefit of such additional or different information. For instance, an Eligible Mandatory Criterion that requires a mandatory minimum number of points to achieve compliance will be assessed at Phase II to determine whether such mandatory minimum score would be achieved with such additional or different information submitted by the Bidder in response to the CAR. If so, the Bid will be considered responsive in respect of such Eligible Mandatory Criterion, and the additional or different information submitted by the



Bidder will bind the Bidder as part of its Bid, but the Bidder's original score, which was less than the mandatory minimum for such Eligible Mandatory Criterion, will not change, and it will be that original score that is used to calculate any score for the Bid.

(h) Canada will determine whether the Bids are responsive for the requirements reviewed at Phase II, considering such additional or different information as may have been provided by the Bidder in accordance with this Section. If the Bids (technical and/or management) are not found responsive for the requirements reviewed at Phase II to the satisfaction of Canada, then the Bids must be considered non-responsive and will receive no further consideration.

(i) Only Bids found responsive to the requirements reviewed in Phase II to the satisfaction of Canada, will receive a Phase III evaluation.

#### **4.1.1.4 Phase III: Final Evaluation of the Bid**

(a) In Phase III, Canada will complete the evaluation of all Bids found responsive to the requirements reviewed at Phase II. Bids will be assessed in accordance with the entire requirement of the bid solicitation including the technical, management and financial evaluation criteria.

(b) A Bid is non-responsive and will receive no further consideration if it does not meet all mandatory evaluation criteria of the solicitation.

## **4.2 Evaluation**

### **4.2.1 Mandatory Technical Criteria**

In order to be compliant, bidder's technical bid must, to the satisfaction of Canada, meet all mandatory requirement and provide all information required in *Attachment 3 – Mandatory Technical Evaluation Criteria*.

*The Phased Bid Compliance Process will apply to all mandatory technical criteria.*

### **4.2.2 Mandatory Management Criteria**

In order to be compliant, bidder's management bid must, to the satisfaction of Canada, meet all mandatory requirement and provide all information required in *Attachment 4 – Mandatory Management Evaluation Criteria*.

*The Phased Bid Compliance Process will apply to all mandatory management criteria.*

### **4.2.3 Financial Criteria**

In order to be compliant, bidder's financial bid must, to the satisfaction of Canada, meet all requirement and provide all information required under *Part 3, Section III - Financial Bid*.

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Buyer ID - Id de l'acheteur  
002mer  
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#### 4.3 Evaluation of Price

ID	Title – SACC Manual Clause(s)	Eff. date
A0220T	Evaluation of Price	2014-06-26

#### 4.4 Basis of Selection

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

## **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 will have the right to ask for additional information to verify the Bidder's certifications. Failure to comply and to cooperate with any request or requirement imposed by the Contracting Authority 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.

#### **5.1.1 Integrity Provisions - Declaration of Convicted Offences**

In accordance with 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 with its bid the required documentation, as applicable, to be given further consideration in the procurement process.

### **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 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 [http://www.esdc.gc.ca/en/jobs/workplace/human\\_rights/employment\\_equity/federal\\_contractor\\_program.page?&\\_ga=1.229006812.1158694905.1413548969#afed](http://www.esdc.gc.ca/en/jobs/workplace/human_rights/employment_equity/federal_contractor_program.page?&_ga=1.229006812.1158694905.1413548969#afed)).

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 *Federal Contractors Program for Employment Equity - Certification - Attachment 5*, before contract award. If the Bidder is a Joint Venture, the Bidder must provide the Contracting Authority a completed *Attachment 5 - Federal Contractors Program for Employment Equity - Certification*, for each member of the Joint Venture.

### 5.2.3 Work Period

Work must commence and be completed as follows:

- (a) work must commence at contract award date;
- (b) the vessel must be removed from Grand Bank Harbour Marina in Newfoundland and Labrador and transported to the Approved Site by **October 31, 2022**;
- (c) all Work must be completed and all deliverables received by **March 31, 2024**.

By submitting a bid, the Bidder certifies that it has sufficient material and human resources allocated or available and that the above work period is adequate to complete the Work.

### 5.2.4 Along-side area/facility Certification

By submitting a bid, the Bidder certifies that for all ship breaking operations to be completed along-side, it will have uninterrupted access to the along-side area/facility for the entire Work Period identified in the Contract.

If requested by the Contracting Authority, the Bidder will have to provide evidence it has the required access for the entire Work Period within 72 hours of the request.

### 5.2.5 Docking Facility Certification

*Only applies if the vessel will be dismantled in a docking facility.*

By submitting a bid, the Bidder certifies that for all ship breaking operations to be completed using dry dock, it will have uninterrupted access to the dry dock for the entire Work Period identified in the Contract.

The Bidder also certifies that all equipment utilized to remove the vessels from the water, including crane(s), dry dock, marine railway, and/or graving dock is certified by a classification society or accredited professional Engineer or Naval Architect. This certification must indicate the maximum weight capacity and be valid for the entire work period, with a schedule to inspect and re-certify."

Bidders may be required to demonstrate to the satisfaction of Canada that the certified capacity of the docking facility, marine railway and graving dock, as applicable, including any means or conveyance to remove the vessels from the water, is adequate for the anticipated loading in accordance with the related dry docking plans and other documents.

The information and documents that may be required are:

- (a) detailed keel block load distribution sketches and blocking stability considerations;
- (b) the supporting calculations to show the adequacy of the proposed docking arrangement;
- (c) valid certification (issued within the past two (2) years) of the capacity and condition of the docking facility to be used for the Work provided by a recognized consultant or classification society.

If required, bidders will have to provide the certification and information and the document within five (5) calendar days after the request by email from the Contracting Authority.

Although a dry docking facility may have a total capacity greater than the vessels to be docked, the weight distribution of the vessels 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.

#### **5.2.6 Facilities – Permits, Licenses and Certifications for Ship Breaking**

By submitting a bid, the Bidder certifies that:

- (a) it has authorization from the landowner, port or other entity granting authorization to use the facility for ship breaking operations at the Approved Site;
- (b) it has all federal, provincial and municipal permits and licenses to complete the Work in accordance with the Contract; and
- (c) it has procedures in place to ensure that their facility is operated and maintained in a manner that complies with all applicable laws and regulations.

If requested by the Contracting Authority, the Bidder will have to provide within five (5) calendar days of the request, an authorization form signed by the landowner, port or other entity granting authorization and a copy of all permits, licenses or certification required for ship breaking activities at the Approved Site.

#### **5.2.7 Facilities – Permits, Licenses and Certifications for Hazardous Materials Handling**

By submitting a bid, the Bidder certifies it is permitted to conduct Hazardous Materials handling, transport, treatment, storage and disposal for each of the Hazardous Material listed in the Statement of Work (SOW).

If requested by the Contracting Authority, the Bidder will have to provide within five (5) calendar days of the request:

- (a) its procedures to ensure that all subcontractors (including those involved in handling, transport, treatment, storage and disposal) hold applicable valid permits, registrations and/or certificates for each hazardous materials listed in the Inventory of Hazardous Materials; and
- (b) copies of all federal/provincial/municipal permits and licensing to conduct handling, transport, treatment, storage and disposal for each hazardous material listed in the Inventory of Hazardous Materials from the Bidder's Approved Site to the hazardous materials disposal site.

### 5.2.8 Facilities – Subcontracted Facilities Letter of Agreement

Where the Bidder will be using subcontractor owned facilities, the Bidder certifies that it has an agreement with the owner indicating that he has agreed to make the facility available to the Bidder during the entire Work Period identified in the Contract for the purpose intended.

If requested by the Contracting Authority, the Bidder will have to provide a lease or other contractual documentation signed by the owner within five (5) calendar days of the request.

### 5.2.9 Health and Safety

By submitting a bid, the Bidder certifies it has an Occupational Health and Safety (OH&S) Management System in place at its Approved Site and has procedures in place to protect its employee from the following elements:

- (a) gas freeing for burning and welding operations;
- (b) performing burning operations on steel and aluminum covered in layers of paint exceeding 0.5% weight-to-weight of lead;
- (c) asbestos abatement;
- (d) handling PCB laden cabling at a concentration exceeding 50 parts per million by weight of PCBs;
- (e) mold abatement; and
- (f) confined space entry.

If requested by the Contracting Authority, the Bidder will have to provide these procedures within five (5) calendar days of the request.

### 5.2.10 Status and Availability of Resources

ID	Title – SACC Manual Clause(s)	Eff. date
A3005T	Status and Availability of Resources	2010-08-16

### 5.2.11 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.

If requested by the Contracting Authority, the Bidder must provide, within five (5) calendar days following the request, a certificate or letter from the applicable Workers' Compensation Board confirming the Bidder's good standing account.

### 5.2.12 Valid Labour Agreement

Where the Bidder has a labour agreement, or other suitable instrument, in place with its unionized labour, it must be valid for the proposed period of any resulting contract. If requested by the Contracting Authority, documentary evidence of the agreement or suitable instrument must be provided within five (5) calendar days following the request.

### Attachment 5 - 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).

## PART 6 - SECURITY, FINANCIAL AND OTHER REQUIREMENTS

### 6.1 Security Requirements

There are no security requirements associated with this requirement.

### 6.2 Financial Capability

ID	Title – SACC Manual Clause(s)	Eff. date
A9033T	Financial Capability	2012-07-16

### 6.3 Insurance Requirements

The Bidder must provide a letter from an insurance broker or an insurance company licensed to operate in Canada stating that the Bidder, if awarded a contract as a result of the bid solicitation, can be insured in accordance with the Insurance Requirements specified in *Part 7 – Resulting Contract Clauses*.

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.



## 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 perform the Work in accordance with the Statement of Work at Annex "A".

### 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>) issued by Public Works and Government Services Canada.

#### 7.2.1 General Conditions

**2030**, (2022-05-12), General Conditions - Higher Complexity - Goods, apply to and form part of the Contract.

**1031-2**, (2012-07-16), General Conditions – Contract Cost Principles, apply to and form part of the Contract.

#### 7.2.2 Supplemental General Conditions

The Supplemental General Conditions 1028 (2010-08-16) Ship Construction – Firm Price, are incorporated by reference into and form part of the Contract, except that:

- (a) Wherever the term "construction" is used, substitute "disposal/recycling";
- (b) Section 5, 9 and 12 are deleted;
- (c) In section 11, delete "Vessel" and substitute "Work"; and
- (d) Delete the text for section 10 and replace with:

Until the completion of the Contract, the Contractor is responsible for and must pay all expenses of wharfage, transportation/towage, dockage, running lines, electric light, heating water and all other charges, fees, expenses and disbursements for or incidental to the disposal/recycling of the vessel.

If there is a conflict between the provisions of 2030 and this document, this document prevails.

### 7.3 Security Requirements

There are no security requirements associated with this requirement.

### 7.4 Term of Contract

#### 7.4.1 Work Period – Marine

Work must commence and be completed as follows:

- (a) Work must commence at the contract award date;
- (b) The vessel must be transported from the Grand Bank Harbour Marina in Newfoundland and Labrador by **October 31, 2022**;

(c) All Work must be completed and all deliverables received by **March 31, 2024**.

## **7.5 Authorities**

### **7.5.1 Contracting Authority**

The Contracting Authority for the Contract is:

Chantal Pilon, Supply Team Leader  
Public Services and Procurement Canada (PSPC)  
Marine Navigation and Remediation Division (MNRD)  
Place du Portage, Phase III  
11 Laurier Street  
Gatineau, Québec K1A 0S5

Tel: 613-894-1817  
E-mail: chantal.pilon@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.

### **7.5.2 Project Authority** *(will be provided at contract award)*

The Project Authority for the Contract is:

Name:  
Title:  
Address:  
Telephone:  
E-mail address:

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

### **7.5.3 Inspection Authority**

The Project Authority is the Inspection Authority. The Work, processes, procedures and all deliverables are subject to inspection by the Inspection Authority or representative.

### **7.5.4 Contractor's Representative** *(will be provided at contract award)*

Name:  
Title:  
  
Telephone:  
E-mail address:

## 7.6 Payment

### 7.6.1 Basis of Payment *(info will be provided for contract award)*

In consideration of the Contractor satisfactorily completing all of its obligations under the Contract, the Contractor will be paid a firm price of \$ \_\_\_\_\_. Customs duties are included and Applicable Taxes are extra.

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

### 7.6.2 Milestone Payments

1. Canada will make milestone payments in accordance with the Schedule of Milestones detailed in the Contract and the payment provisions of the Contract, 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, 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 total amount for all milestone payments paid by Canada does not exceed 90 percent of the total amount to be paid under the Contract;
- (c) All the 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.

### 7.6.3 Schedule of Milestones *(amounts will be added for contract award)*

The schedule of milestones for which payments will be made in accordance with the Contract is as follows:

Mil. #	Description	Work Completed / Deliverable(s)	%	Amount
1	Review and Acceptance of Contractor's Plans	Ship Recycling Plan, Environmental Protection Plan, Quality Plan, and Project Schedule documents received and accepted by Canada.	5	
2	Transportation Preparation Complete and Transfer of Care and Custody	Transportation Plan accepted and all certifications for transportation in place.	10	

3	Ship Arrival at Contractor Facility	Ship arrival at Contractor facility as witnessed by Canada representative.	5	
4	Hazardous Materials identified, removed, and prepared for transfer	All Hazardous Materials have been identified, have been removed from the identified location onboard, and have been prepared for transfer to the final remediation site in accordance with all laws and regulations.	25	
5	Ship completely remediated of Hazardous Waste (except lead paint)	All Hazardous Wastes (except lead paint) identified have been disposed in accordance with the SOW.	15	
6	Ship completely remediated of all lead paint	All lead paint has been disposed of in accordance with the SoW.  Note: If no lead paint, this milestones can be invoiced with Milestone #5.	10	
7	Completion and acceptance of Work	All work completed and disposal certificates and detail records provided.	30	
			<b>100</b>	

#### 7.6.4 Electronic Payment of Invoices *(info will be added for contract award)*

The Contractor accepts to be paid using \_\_\_\_\_.

#### 7.6.5 SACC Manual Clause

ID	Title – SACC Manual Clause(s)	Eff. date
A9117C	T1204 - Direct Request by Customer Department	2007-11-30
C2000C	Taxes - Foreign-based Contractor	2007-11-30
H4500C	Lien - Section 427 of the Bank Act	2010-01-11

#### 7.6.6 Salvageable Items

It is the Contractor's sole responsibility for determining the value of all salvageable portions of the vessel, including but not limited to: steel, main engine, generator, pumps, valves, pipes, hatches, portholes, furniture, winches, ropes, chains, anchors, cable wiring, etc.

## 7.7 Invoicing Instructions

1. The Contractor must submit a claim for payment using form [PWGSC-TPSGC 1111](#), 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; and
- (c) the description and value of the milestone claimed as detailed in the Contract.

Each claim must be supported by any supporting documentation requested by the Contracting Authority.

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 the claim on form [PWGSC-TPSGC 1111](#), and forward it (electronically via email) to the Project Authority identified under the section entitled "Authorities" of the Contract for appropriate certification after inspection and acceptance of the Work takes place.

4. The Project Authority will then forward the claim to the Contracting Authority for certification and onward submission to the Payment Office for the remaining certification and payment action.

5. The Contractor must not submit claims until all work identified in the claim is completed and the associated deliverables have been delivered and approved by Canada.

## 7.8 Certifications and Additional Information

### 7.8.1 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.

### 7.8.2 Permits, Licenses and Certificates

The Contractor must obtain and maintain valid business licenses and/or permits from Municipal, Provincial, or Federal authority indicating that facilities or sites (including waterside access) used for ship breaking activities are authorized and permitted to operate for this purpose for the entire duration of the project. 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.

### 7.8.3 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 Insurance Requirements

The Contractor must comply with the insurance requirements specified in Articles 7.9.1, 7.9.2, 7.9.3 and 7.9.4 below. The Contractor must maintain the required insurance coverage for the duration of the Contract. Compliance with the insurance requirements does not release the Contractor from or reduce its liability under the Contract.

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

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

The Contractor must, if requested by the Contracting Authority, forward to Canada a certified true copy of all applicable insurance policies.

#### 7.9.1 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 \$2,000,000 per accident or occurrence and in the annual aggregate.

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) n/a
- (o) n/a
- (p) n/a
- (q) Sudden and Accidental Pollution Liability (minimum 120 hours): To protect the Contractor for liabilities arising from damages caused by accidental pollution incidents.
- (r) 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.

### 7.9.2 Marine Liability Insurance

1. The Contractor must obtain protection and indemnity insurance that must include excess collision liability and pollution liability. The insurance must be placed with a member of the International Group of Protection and Indemnity Associations or with a fixed market in an amount of not less than the limits determined by the Marine Liability Act, S.C. 2001, c. 6. Coverage must include crew liability, if it is not covered by Worker's Compensation as detailed in paragraph (2.) below.

2. The Contractor must obtain worker's compensation insurance covering all employees engaged in the Work in accordance with the statutory requirements of the territory or province or state of nationality, domicile, employment, having jurisdiction over such employees. If the Contractor is subject to an additional contravention, as a result of an accident causing injury or death to an employee of the Contractor or subcontractor, or due to unsafe working conditions, then such levy or assessment must be paid by the Contractor at its sole cost.

3. The protection and indemnity insurance policy must include the following:

- (a) Additional insured: Canada is added as an additional insured, but only with respect to liability arising out of the Contractor's performance of the Contract. The interest of Canada 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 **THE DEPARTMENT OF FISHERIES AND OCEANS (Small Craft Harbours)** and *Public Works and Government Services Canada* for any and all loss of or damage to the watercraft 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) Cross liability and separation of insureds: Without increasing the limit of liability, the policy must protect all insured parties to the full extent of coverage provided. Further, the policy must apply to each Insured in the same manner and to the same extent as if a separate policy had been issued to each.
- (e) Litigation rights: Pursuant to subsection 5(d) of the Department of Justice Act, R.S.C. 1985, 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:

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Quebec Regional Office (Ottawa),  
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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.

### **7.9.3 Environmental Impairment Liability Insurance**

1. The Contractor must obtain Contractors Pollution Liability and Contractors Professional 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 \$1,000,000 per accident or occurrence and in the annual aggregate.
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 Contractors Pollution Liability and Contractors Professional 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 Contractor will provide the Contracting Authority thirty (30) days prior 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:

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Quebec Regional Office (Ottawa),  
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284 Wellington Street, Room SAT-6042,  
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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.

#### **7.9.4 Automobile Liability Insurance**

1. The Contractor must obtain Automobile 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 \$2,000,000 per accident or occurrence.
2. The policy must include the following:
  - (a) Third Party Liability - \$2,000,000 Minimum Limit per Accident or Occurrence;
  - (b) Accident Benefits - all jurisdictional statutes;
  - (c) Uninsured Motorist Protection; and
  - (d) 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.

## **7.10 Subcontracting**

Subject to the General Conditions, the Contractor must obtain the Contracting Authority's written consent before subcontracting or permitting the subcontracting of any part of the Work. A subcontract includes a contract entered into by any subcontractor at any tier to perform any part of the Work. Refer to the General Conditions for additional information.

## **7.11 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 the guidelines of the International Maritime Organization (IMO) for the Safe and Environmentally Sound Recycling of Ships.

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.

If required by Canada, all waste disposal certificates are to be provided to the Project 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 response plans and/or 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.

## **7.12 Fire Protection, Fire Fighting and Training**

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

## **7.13 Diving Operations**

The Contractor must conduct all diving work in accordance with the Canada Occupational Health and Safety Regulations.

## **7.14 Vessel Transfer**

All pre-tow/lift ship/transfer certifications including the complete tow plan/lift ship, tow/lift ship risk assessment, Marine Hull Surveyor Report, insurance and liability, tow/lift ship company and tug/lift ship particulars including a copy of all permits/fees must be provided to Canada before Care and Custody of the vessel is transferred to the Contractor. The Care and Custody of the vessel will remain with the Contractor until the Work is complete and accepted by Canada.

The Vessel Transfer Certificate is included in *Annex B*.

*Canada is not nor has ever been the owner of the vessel, and ownership of the vessel at all times remains with the person designated/liable pursuant to Part 2 of the Wrecked, Abandoned or Hazardous Vessels Act.*

## 7.15 Vessel Possession

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 to perform any further work required to enable the vessel to be removed from the shipyard.

## 7.16 SACC Manual Clauses

ID	Title – SACC Manual Clause(s)	Eff. date
A1009C	Work Site Access	2008-05-12
B6100C	Stability	2008-05-12
A0290C	Hazardous Waste – Vessels	2008-05-12
A9055C	Scrap and Waste Material	2010-08-16
A9019C	Hazardous Waste Disposal	2011-05-16
A9068C	Government Site Regulations	2010-01-11
A2000C	Foreign Nationals	2006-06-16

## 7.17 Berthing, Mooring and Docking *(not applicable if vessel is in dry-dock)*

In addition to ensuring the stability of the vessel during the completion of the Work, the Contractor must berth and moor the vessel for the duration of the Contract period. The Contractor must supply all mooring lines and labour required in berthing, mooring and casting off for the vessel.

Canada must have unrestricted access to the vessel at all times.

## 7.18 Meetings, Reports and Project Schedule

### 7.18.1 Kick-off Meeting

Within 72 hours of contract award, the Contractor must contact the Contracting Authority and the Project Authority to set-up a kick-off meeting. The meeting will take place at the Contractor's facility or as instructed by the Contractor Authority.

The kick-off meeting will be chaired by the Contracting Authority. At the meeting, Canada and the Contractor will introduce key personnel. Parties will review the contractual obligations and the preliminary Ship Recycling Plan and other plans provided with the Management Bid. All concerns by Canada must be addressed by the Contractor and the Plans must be updated accordingly.

The Contractor will have five (5) calendar days to provide the final plans to Canada for approval by the Project Authority before work commence.

*Once the Plans are approved by Canada, the Contractor must keep the schedule and the plans updated accordingly. Any change to the schedule or plans must be immediately reported to the Project Authority and the Contracting Authority.*

### **7.18.2 Progress Report**

1. The Contractor must submit a monthly progress report, in electronic format, on the progress of the Work, to both the Project Authority and the Contracting Authority.

2. The progress report must contain two parts:

Part 1: The Contractor must answer the following questions:

- (a) is the project on schedule?
- (b) is the project within budget?
- (c) is the project free of any areas of concern in which the assistance or guidance of Canada may be required?
- (d) is the project free of any health and safety incident?
- (e) is the project free of any environmental incident?

Each negative response must be supported with an explanation. If an incident occurred, the response must include preventive measures to ensure such incident will not occur again.

Part 2: A narrative report, brief, yet sufficiently detailed to enable the Project Authority to evaluate the progress of the Work, containing as a minimum:

- (a) a description of the progress of each task and of the Work as a whole during the period of the report. Sufficient sketches, diagrams, photographs, etc., must be included to describe the progress accomplished. For the breaking phase, the progress must show the sections of the vessel (sequence), the planned start and end date, and the completion rate (%);
- (b) an explanation of any variation from the Ship Recycling Plan;
- (c) a description and quantities of reused, recycled and disposed products and materials.

*Any deviation from the Ship Recycling Plan (including the schedule and other plans) must be reported to the Contracting Authority and the Project Authority immediately as the deviation is known by the Project Manager.*

### **7.18.3 Progress Meeting**

Progress meetings, chaired by the Contracting Authority, will take place at the Contractor's facility or as instructed by the Contracting Authority as and when required, generally once a month after receipt of the progress report. Interim meetings may also be scheduled. Contractor's attendees at these meetings will, as a minimum, be the Project Manager, the Occupational Health & Safety Manager, the Environmental Manager, and the Quality Assurance Manager.

#### 7.18.4 Project Schedule

The Contractor must provide a detailed project schedule in MS Project or equivalent format to the Contracting Authority and the Project Authority five (5) calendar days after award of Contract.

The Project Schedule must include the work breakdown structure, the scheduling of the following main activities and identify all milestones listed in the Schedule of Milestone with a target date for each.

The main activities must include, at a minimum:

- (a) target date for each milestone part of the Schedule of Milestones of the resulting contract clauses, Part 7;
- (b) preparation prior to transportation of the vessel;
- (c) transportation of the vessel;
- (d) arrival of the vessel at the Approved Site;
- (e) cleaning the vessel;
- (f) removal, transportation and disposal of Hazardous Materials;
- (g) start and end of dismantling of the vessel (must include the dismantling timeline of the vessel structure to indicate the sequence in which major vessel structure and equipment would be removed until completion of the dismantling;
- (h) removal of the vessel from the marine environment; and
- (i) delivery of deliverables.

*The schedule must be updated and provided to Canada when a change to the schedule occur.*

#### 7.19 ISO 9001:2015 - 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), current edition at date of submission of Contractor's bid.

The Contractor's quality management system must address each requirement contained in the standard.

#### 7.20 Applicable Laws *(will be added at contract award)*

The Contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in the *Province/Territory of* \_\_\_\_\_.

## 7.21 Priority of Documents

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

- (a) the Articles of Agreement;
- (b) the Supplemental General Conditions 1028 (2010-08-16) Ship Construction - Firm Price, as amended;
- (c) the General Conditions 2030 (2022-05-12) - Higher Complexity - Goods;
- (d) the General Conditions 1031-2 (2012-07-16) - Contract Cost Principles;
- (e) Annex "A", Statement of Work;
- (f) Annex "B", Vessel Transfer Certificate;
- (g) Annex "C", Bidders' Questions and Canada's Responses; and
- (h) the Contractor's bid dated, \_\_\_\_\_.

## 7.22 Dispute Resolution

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

## **Annex A – Statement of Work For the Recycling of the F/V Atlantic Pursuit**

### **1. Requirement**

The Contractor must prepare the F/V Atlantic Pursuit for transfer to the Approved Site, tow the vessel to the Approved Site and subsequently dismantle (dispose/recycle) the vessel in an efficient and environmentally responsible manner in accordance with Canadian Laws, regulations and referenced guidelines and approved Ship Recycling Plan.

### **2. Background**

The FV Atlantic Pursuit was constructed in 1976 at the Neue Jadewerft Dockyard located in Wilhelmshaven, Germany and was purpose built for offshore fishing operations to be used offshore of Newfoundland and Labrador. The vessel was damaged by a rogue wave in 2006 and was eventually sold by Grand Bank Seafoods (Clearwater Seafoods). It has remained moored in Grand Bank Harbour since 2006.

### **3. Particulars of the Vessel**

The particulars of the vessel are:

Year Constructed:	1976
Vessel Type:	Fishing Vessel
Gross Tons:	1,811
Deadweight:	1,855
Length Overall:	61.02 meters
Breadth Extreme:	13.85 meters
Max Draft:	5.24 meters

### **4. Acts, Regulations and Guidelines**

The Work must be completed in accordance with all applicable Canadian Laws such as, but not limited to:

- (a) Canada Occupational Health and Safety Regulations
- (b) Fishing and Recreational Harbours Act and Regulations
- (c) Canadian Environmental Protection Act (CEPA 1999)
- (d) Canadian Environmental Assessment Act (CEAA)
- (e) Canadian Transportation of Dangerous Goods Act/Regulations
- (f) Fisheries Act
- (g) 2001 Canada Shipping Act (CSA)
- (h) All applicable local, municipal, provincial regulations in force where the Work is being conducted
- (i) [2012 Guidelines for Safe and Environmentally Sound Ship Recycling - Resolution MEPC.210 \(63\)](#)

*In case of conflict or discrepancy the more stringent requirement will apply.*



## 5. Definitions

“Approved Site” – An Approved Site is any site or facility, approved by Canada, where the processes occur for cutting up the ship, handling and disposal of the hazardous waste and where the recycled materials are recycled. It includes a shipyard, dock, drydock or other facility where a ship is stripped and disassembled, and facilities or sites for the disposal of hazardous wastes or other wastes which are authorized or permitted to operate for this purpose by a relevant authority of the province where the site or facility is located.

“Competent person” means a person with suitable qualifications, training, and sufficient knowledge, experience and skill, for the performance of the specific work. Specifically, a Competent person may be a trained worker or a managerial employee capable of recognizing and evaluating occupational hazards, risks, and employee exposure to potentially Hazardous Materials or unsafe conditions in a Ship Recycling Facility, and who is capable of specifying the necessary protection and precautions to be taken to eliminate or reduce those hazards, risks, or exposures. The Competent Authority may define appropriate criteria for the designation of such persons and may determine the duties to be assigned to them.

“Controlled waste” is as defined by the laws of the jurisdiction of the waste generator, handling facilities and disposal facilities. Controlled wastes are those wastes to which regulations of the jurisdiction having authority apply.

“Hazardous waste” is defined by the regulations of the government having jurisdiction at the Approved Site as defined above.

“Hazardous material” means any material or substance which is liable to create hazards to human health and/or the environment.

“Recyclable material” is any material that is intended for reuse or recovery for reuse, and includes scrap and waste materials other than accountable material, derived from the Contract.

“Ship Breaking” means the process of systematically scrapping the entire infrastructure of an obsolete vessel by dismantling and disposing or recycling of all its component parts and hazardous materials.

“Ship Recycling” means the activity of complete or partial dismantling of a ship at a Ship Recycling Facility in order to recover components and materials for reprocessing and re-use, whilst taking care of hazardous and other materials, and includes associated operations such as storage and treatment of components and materials on site, but not their further processing or disposal in separate facilities.

“Ship Recycling Facility” means a defined area that is a site, yard or facility used for the recycling of ships.

“Recycling Company” means the owner of the Ship Recycling Facility or any other organization or person who has assumed the responsibility for operation of the Ship Recycling activity from the owner of the Ship Recycling Facility.

## 6. Conduct of the Work

### A. PREPARATION OF THE VESSEL FOR TRANSPORTATION TO THE APPROVED SITE

#### **A1 - Safety and Security**

It should not be assumed that any of the ladders, guardrails, lifting or towing points remain certified.

#### **A2 - Inventory of Hazardous Materials**

The Contractor must complete an inventory survey of hazardous/polluting wastes onboard the vessel to identify the types of hazardous wastes and other wastes, the quantities and locations. The assessment report must be provided to the Project Authority as an attachment to the Ship Recycling Plan.

*The fire suppression system is still present onboard of the vessel. The Contractor is responsible to have the firefighting system disconnected and disabled by a certified professional to avoid accidental release prior to tow or any work inside the engine room.*

If requested by Canada, the Contractor must submit within 5 calendar days after issuance, all copies of manifests and transportation of dangerous goods sheets, showing the type/description of materials removed from the vessel for disposal. All waste must be accounted for in a database by the Contractor until the vessel has been properly disposed in accordance with the Ship Recycling Plan.

#### **A3 - Fuel/Oil Tanks and Bilges**

The Contractor must empty all fuel/oil tanks and bilges must be pumped dry as much as possible before the voyage.

#### **A4 - Removal of Equipment**

Consumable and loose equipment and items must be removed or secured when removal is not possible.

#### **A5 - Care, Custody and Control**

All pre-tow/lift ship/transfer certifications, including the complete tow plan/lift ship, tow/lift ship risk assessment, hull surveyor report, insurance and third party liability, tow/lift ship company and tug/lift ship particulars including a copy of all permits/fees must be provided to Canada before Care and Custody of the vessel is transferred to the Contractor. The Care and Custody of the vessel will remain with the Contractor until the Work is complete and accepted by Canada.

Canada is not nor has ever been the owner of the vessel, and ownership of the vessel at all times remains with the person designated/liable pursuant to Part 2 of the *Wrecked, Abandoned or Hazardous Vessels Act*.

## B. PREPARATION OF THE VESSEL FOR SHIP BREAKING

### ***B1 - Removal of /cleaning – Liquids, including fuels and oils***

If the removal of all hazardous wastes and materials such as fuel, oil, asbestos, PCBs and TBT paints, were not removed at the preparation of the vessel for transportation, the Contractor must remove them prior to the start of ship breaking activities.

*If required, change of ballast water for the voyage is allowed.*

The Contractor must test the pollutants to determine concentrations prior to removal of the water from the bilge and ballast tanks.

The Contractor must use solvents to dissolve heavyweight sludge so that most oil and sludge can be pumped out of the vessel.

All compartments must be ventilated continuously and tested for oxygen and the presence of toxics, corrosive, irritants prior to manual cleaning.

Prior to cutting, the vessel must be cleared of all residual materials. This may be carried out prior to arrival or at a cleaning station at the facility. Cleaning of i.e. cargo tanks, bunker and fuel tanks, bilge and ballast compartments, sewage tanks, etc. must be performed in order to ensure that the ship is presented for dismantling in a clean and safe condition.

Wastewater and any used solvents from the cleaning station must be contained and properly treated in accordance with applicable disposal regulations. All combustible liquids and materials must be removed to make the vessel safe for hot work. This process will continue during the entire dismantling process (see next section). During removal, actions must include containment; whilst wet - booms must be placed around the ship, when dry - transfer arrangements (pumping/ pipe-work, etc.) should include arrangements for the containment of any leakage.

*Hazardous wastes and other wastes must be stored and disposed of according to applicable Canadian laws and regulations.*

### ***B2 - Removal of Equipment***

All consumable and loose equipment and items that could not be removed prior to the voyage of the vessel must be removed prior to vessel breaking. Reusable components must be removed as they become accessible.

Fixtures, anchors, chains, engine parts, propellers and items on the deck are examples of components that are removed during this step.

### ***B3 - Items to be returned***

There are no items to be returned to Canada.

#### **B4 - Oil and fuel**

Waste handling - Oil and fuel which have been removed from a ship must be stored in a safe tank arrangement, ensuring leakage detection, overfill monitoring and corrosion protection, in addition to a leakage collection arrangement. The monitoring must include record-keeping.

*It should be noted that local/national regulations may require notification to authorities concerning installation and usage for the storage of flammable or combustible liquids. Regulations may also address the issues of fire-protection and financial responsibilities.*

Used oil must not be mixed with other wastes as this may require the entire amount being managed as hazardous waste. Used oil should be stored in dedicated tanks or containers and must be labelled "Used Oil".

The most environmentally friendly and often most economical way of managing used oil is recycling. Oil and oily wastes that are defined as hazardous waste, either by appearing on a relevant hazardous waste list or by having hazardous waste characteristics (ignitable, corrosive, reactive or toxic), must be managed according to governing national hazardous waste regulations.

#### **B5 - Bilge and ballast water**

The vessel must undergo recommended de-ballasting in accordance with IMO Assembly Resolution A.868(20): "Guidelines for the control and management of ships ballast water to minimize the transfer of harmful aquatic organisms and pathogens", unless National regulations apply.

Bilge and ballast water must be collected and disposed of in a water treatment plant where the chemical components can be removed prior to discharge.

#### **B6 - Asbestos**

Asbestos materials may be found on the vessel. The removal of Asbestos materials must be completed in accordance with the Canada Occupational Health and Safety Regulations.

All solid wastes resulting from the asbestos removal process must be collected and contained in adequate storage/disposal facilities.

All Asbestos containing materials must be removed from the vessel before any other activity that may disturb the materials is carried out.

#### **B7 - PCBs**

Wastes containing PCBs at a concentration level of 50 mg/kg or more are considered hazardous waste by the Basel Convention.

All known and suspected PCBs and PCB-containing material must be removed or sampling and chemical analysis of these items must be conducted. If regulated PCB levels are present, the materials must be disposed of according to the criteria set forth in Article 6 of the [Stockholm Convention](#) (Part II – Polychlorinated biphenyls).

PCBs or PCB items to be stored must be placed in proper containers, covered and labelled. Temporary storage facilities for PCB-containing waste must have a floor-covering that prevents penetration of PCBs and a curbing that provides sufficient containment volume in the case of a spill, roof and walls that prevent rainwater from reaching the wastes, and no floor drains or other openings that would allow liquids to flow from the area. Disposal requirements may be dependent upon the nature of the source and its concentration.

Removal and disposal of PCB-containing materials must be carried out only by workers who have been specially trained to do this type of work. Workers removing and disposing of PCBs or PCB-containing materials must use appropriate personal protective clothing or equipment that protects against dermal contact with or inhalation of PCBs.

After removal, all equipment and materials should be transported directly to specific storage or work area if further work (finishing, sorting, overhauling, etc.) has to be carried out to prepare the materials for disposal or re-selling.

**PHYSICAL MEASURES TO BE IMPLEMENTED** - As for the physical measures that can be implemented to remove PCBs, a distinction has to be made between solid and liquid forms. Physical measures are irrelevant when solid forms of PCB is removed, as it does not represent an immediate hazard. However, safe area suitable for storage must be provided. As for liquid forms of PCB, physical measures can play an important role in preserving the surrounding environment. To prevent possible environmental hazards related to the removal of liquid forms of PCBs from ships, the ship-breaking yard should be equipped with adequate impermeable bottom protection such as concrete or asphalt.

### **B8 - Other waste streams**

**RADIATION SOURCES** - Radioactive material may be present on board the ship in liquid level indicators, smoke detectors or emergency signs. These sources generate low-level radioactive waste, but handling and disposal of such waste is usually strictly regulated.

*Ionizing radiation is hazardous to human health and the environment and can cause severe forms of cancer and/ or damage to genetic material endangering future generations. Any release of radioactive material could increase the radiation exposure to the population and must therefore be avoided.*

**TIMBER** - Timber can be found in furniture or walls, and timber may for example contain preservation or paint that could have an adverse effect on the environment. The timber must be treated according to national regulations and must be taken care of by approved waste companies.

**POLYVINYL CHLORIDE (PVC)** - Polyvinyl chloride (PVC) is used in a wide variety of products for different applications and is commonly found in cables, floor coverings and plastic devices of different types. PVC products may contain more than 50% chlorine, and may contain environmentally hazardous additives. A complex mixture of fumes and gases is generated when PVC is burned, depending on the oxygen availability and other fire conditions. This includes carbon monoxide and dioxins. Indeed all open burning may generate toxic gases and should therefore be prohibited, but PVC is of particular concern because of the chlorine content. Also, large quantities of hydrogen chloride gas are generated when PVC is burned. The hydrogen chloride gas combines with water to form hydrochloric acid in the lungs.

**BATTERIES** - Batteries can contain heavy metals such as Pb, Cd and Ni. Lead-acid batteries also contain sulphuric acid, which is corrosive and can cause severe burns. Batteries can be in flashlights, mobile radios and electrical equipment, but the largest volume of batteries (lead-acid batteries) is found in radio applications, intercoms, fire alarms, emergency start equipment and lifeboats. Batteries in working order will most often be sorted and sold for reuse. Lead alone represents a considerable value, and there is therefore reason to believe that batteries are recycled regardless of their condition. If batteries are undamaged, they will not have an environmental effect. However, the improper storage or disposal of batteries can cause a threat to human health and the environment.

**FREON** - Freon is a Du Pont trade name for chlorofluorocarbons (CFC), which are compounds consisting of chlorine, fluorine and carbon. CFCs are non-toxic, non-flammable compounds that are stable in the troposphere, but in the stratosphere, can be broken down by UV light and deplete the ozone layer. CFCs are used as refrigerants, solvents and foam-blowing agents. Shipborne CFCs have been believed to contribute to up to 10% of global emissions. The United States, Canada, and the Scandinavian countries imposed a ban on the use of CFCs in aerosol-spray dispensers in the late 1970s. In 1987, 27 nations signed the Montreal Protocol, which is a global environmental treaty on reducing substances that deplete the ozone layer. Several amendments have followed, and the use of CFCs, some chlorinated solvents and Halons (chemicals used as fire extinguishing agents) should therefore become obsolete within the next decade. These products and restrictions associated with their use are also addressed in MARPOL (Annex VI).

Other chemicals/ substances/ components that may require special handling are for example:

- Antifreeze fluids • Solvents/ thinners • Battery electrolyte • Evaporator dosing and de-scaling acids • Corrosion inhibitor • Compressed gases (acetylene, propane and butane) • Plastics, as covered by MARPOL • Boiler/ water treatment chemicals • Kerosene/ White Spirit • Anti-freeze compounds • Engine additives • Flame retardants • Miscellaneous chemicals, such as alcohols, methylated spirits, epoxy resins, etc.

*The chemicals/substances/components above may have negative effects on the environment.*

After removal, all equipment and materials must be transported directly to specific storage or specific work area if further work (finishing, sorting, overhauling, etc.) has to be carried out to prepare the materials for disposal or re-selling.

### **B9 - Hot Work**

Prior to any "hot work" activities, surface coatings must be assessed and removed (in the cutting line), if found to be toxic or highly flammable. All spaces where torch-cutting is to be conducted, must be clarified as "safe for hot work" prior to start-up. This includes areas within, on or adjacent to spaces that contain or have contained combustible or flammable liquids or gases, as well as accessories connected to spaces that contain or have previously contained fuel.

An area or space is "safe for hot work" after concentrations of flammable vapours or gases in the atmosphere are declared to be less than 10 percent of the lower explosive limit. Further, hollow metal containers must be filled with water or be thoroughly cleaned of flammable substances, vented and tested prior to cutting. Sufficient ventilation (through-flow) is required for each hollow structure for the release of any pressure build-up that might occur during heating.

Before hot work commences, The Contractor must have in place the following preventive measures:

- (a) Physically identify all locations onboard the vessel where there is presence of oil, fuel or bilge and ballast water;
- (b) All oil tanks/compartments must be cleaned;
- (c) All compartments must be tested for the presence of vapours before hot work commences;
- (d) Area must be isolated and "no smoking signs" must be put up; and
- (e) Fire extinguishing equipment must be immediately available.

*All compartments/tanks must be continuously ventilated.*

### **B10 - Paints and coatings**

The Contractor must conduct an evaluation to determine flammability and toxicity of the paint and coating prior to cutting of the vessel.

All flammable paints/coatings must be removed from the area to be cut prior to metal cutting to prevent ignition. If using flammable liquids for chemical stripping, ventilation must be provided so that concentration of vapors is below 10% of lower explosive limit.

Toxic paints or coatings must be removed at a distance of some 10 cm from the area to be cut, and in an isolated area with as much ventilation as possible. If removal is not possible or feasible, cutting can proceed provided that the operator(s) are equipped with respiratory protective equipment such as air-line respirators.

*Flammable paints or coatings must not be burned.*

### **B11 - Methods to remove paints and coatings**

The removal of paints and coatings can be done mechanically, chemically or by abrasive blasting. It is necessary to adopt particular measures to ensure that residues following the removal operation does not enter into the environment e.g. chemical-/ abrasive blasting residues must be collected as well as removed paint-chips.

Three methods are acceptable to remove paints and coatings:

1. Chemical stripping. The application of solvents. Note that solvents are in their own right, usually hazardous and will present a use and disposal challenge.
2. Abrasive blasting. Blasting involves the use of high-pressure equipment and may potentially be dangerous if the condition of the equipment applied is not satisfactory. Periodic checking of pressure equipment/ tools is mandatory. Workers' skin, eyes and hearing are particularly exposed. Abrasive blast material is a hazardous waste if the material includes hazardous coating residues or is made from slags contaminated with arsenic, lead or cadmium. If abrasive blasting is used, the Contractor must

- (a) Create an enclosed chamber with point extraction to avoid dispersion to air
- (b) Install a vacuum system to filter air

- (c) Limit access to the area
- (d) Provide proper PPE

3. Mechanical removal. Power tools or thermal tools may be applied.

Paint removal operations must be done in a dedicated area with impermeable floor.

All solid wastes resulting from the paint removal process must be collected and contained in adequate storage/disposal facilities. If exposed, storm water discharge facilities must be provided to avoid contamination of storm water runoff.

*Thermal removal must not be used on paintwork containing PCB.*

For health reasons, proper ventilation must be ensured at all times. The work must be undertaken by staff designated and trained for paint removal and plate cutting operations. The use of special respiratory equipment is mandatory. Firefighting equipment must be accessible prior to any cutting operations.

*Tributyl tin (TBT) can cause serious environmental impacts. Any leakage to the environment should be avoided. This can be handled efficiently (by operational procedures) at facilities separating the hull from the beach during dismantling.*

## C. SHIP BREAKING

### **C1 - Precaution**

Before vessel breaking activities start, the Contractor must ensure:

- (a) Safe access to all areas, compartments, tanks, etc. ensuring breathable atmospheres, and
- (b) Safe conditions for hot work, including cleaning/venting, removal of toxic or highly flammable paints from areas to be cut, and testing/ monitoring before any hot work is performed.

### **C2 - Recycling**

The Contractor must recycle all possible materials.

- (a) SCRAP METAL – Scrap metal must be sold to a re-melting/re-rolling company or a scrap metal broker. Coated scrap metal that can't be recycled must be managed and disposed of as hazardous waste.

Recyclable metal that is intermixed with non-metallic material can be recovered by the use of shredders and separators. The remaining nonrecoverable non-metallic materials from the shredding process must be disposed of as hazardous waste as they may contain environmentally hazardous substances, such as asbestos or PCBs.

- (b) COPPER - The Contractor must separate any copper from cable insulation by means other than cable-burning.



*Cable burning to recover copper wire is prohibited.*

(c) ANODES - The Contractor must extract and sort all anodes for reuse/resale. Heavily corroded anodes must be disposed of as hazardous waste.

(d) LEAD - Lead (Pb) is toxic and can be found in batteries, paints and in components in motors, generators, piping, cables and others. The Contractor must remove all items containing Lead, manipulate, store and disposed of according to applicable regulations.

*Lead chromate (present in paint pigments) is documented as a carcinogen both to humans and other organisms. It may also damage embryo development and cause infertility. Improper disposal of batteries and paints containing lead can cause a threat to health as well as to the environment.*

(e) MERCURY - Mercury is a toxic heavy metal and can be found on board ships in thermometers, electrical switches, light fittings and luminescent lamps. Mercury must be handled as hazardous waste.

*Mercury is a toxic heavy metal and a persistent, bio-accumulative pollutant that affects the nervous system. Accidental spills of mercury can lead to dangerous mercury exposure.*

### **C3 - Completion of Work**

The Work will be considered completed when the following has occurred:

- (a) All hazardous materials are removed and sent to an approved hazardous waste disposal facility for final disposal. Shipping certification and receipt of arrival must be sent to Canada if requested. Final individual trucking waybill for all hazardous materials must be itemized.
- (b) The vessel hull and structure has been broken up into sections no larger than 15m square sections with all internal equipment removed.
- (c) The Work and all deliverables have been accepted by Canada.

### **7. Site Control and Access**

The Contractor must secure the work site at night time to the extent required to protect against unauthorized entry.

### **8. Monitoring of Work**

The Contractor must immediately contact the Contracting Authority and the Project Authority to report any situation that may impede the Work such as finding of an oil spill, identification of an alleged owner, damage or major breakage, sudden deterioration, safety issues, potential of illegal activity, presence of a squatter, etc.

## 9. Records

The Contractor must maintain a database that tracks all details of reused, recycled and disposed material.

For the hazardous materials, the database must include the following:

- (a) Identify the type of waste;
- (b) Identify the removal process;
- (c) Identify the weight of waste removed from the ship;
- (d) Identify the secure process for transporting the waste from the ship to the next location;
- (e) Identify the location where the waste is to be stored awaiting final disposal;
- (f) Identify the method of secure transport used to transport the waste to a facility certified to dispose of the waste;
- (g) Provide shipping manifest, bill of lading or tracking number for transport of waste to the certified facility;
- (h) Identify the facility disposing of the waste and provide their certification number to dispose of the waste identified;
- (i) Provide shipping manifest, bill of lading or tracking number confirming delivery and acceptance of the waste by the certified disposal facility;
- (j) Track the delta of waste removed from the ship with waste accepted at certified disposal facility.

If requested by Canada, the Contractor must provide a Hazardous Materials Report that include all the information requested above.

The Contractor must ensure that all waste by weight removed from the ship matches the waste by weight accepted at appropriate certified disposal facility at the completion of the Work.

For all reused or recycled materials/equipment, the database must include the following:

- (a) Description of the material/equipment;
- (b) Weight; and
- (c) Composition (waste (landfill) 10%, steel (recycled) 90%).

The Contractor must provide a report of all reused and recycled materials/equipment to the Contracting Authority.

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F6140-220281/A  
Client Ref. No. - N° de réf. du client  
F6140-220281

Amd. No. - N° de la modif.  
File No. - N° du dossier  
002mer.F6140-220281

Buyer ID - Id de l'acheteur  
002mer  
CCC No./N° CCC - FMS No./N° VME

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### Annex B – Vessel Transfer Certificate

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#### FOR THE CARE AND CUSTODY OF THE F/V ATLANTIC PURSUIT

1. In accordance with the terms and conditions of contract for the disposal of the F/V Atlantic Pursuit, all pre-tow/transportation certifications have been provided to Canada prior to the transfer of Care and Custody of the vessel to the Contractor. Canada has been provided with the complete Transportation Plan; Surveyor Reports; Vessel condition report; Insurance and third party liability; transportation arrangement; and all safe-to-tow certifications (if vessel is towed).

2. The undersigned acknowledge the transfer of Care and Custody of the vessel and all associated responsibilities and liabilities from Canada to \_\_\_\_\_ for the purpose of the Work to be carried out by \_\_\_\_\_, including:

- (a) transportation of the vessel to the Approved Site for ship breaking;
- (b) dismantling the vessel; and
- (c) disposing of the vessel for scrap.

3. It is mutually agreed by all parties that the final acceptance of the Work will occur only after \_\_\_\_\_ presents Canada all disposal certificates and other deliverables as per the Contract.

SIGNED AT \_\_\_\_\_ ON THE \_\_\_\_ DAY OF \_\_\_\_\_, 2022 AT \_\_\_\_ HOURS.

FOR THE DEPARTMENT OF FISHERIES AND OCEANS:

Print Name: \_\_\_\_\_ Signature: \_\_\_\_\_

FOR THE CONTRACTOR:

Print Name: \_\_\_\_\_ Signature: \_\_\_\_\_

FOR THE DEPARTMENT OF PUBLIC WORKS AND GOVERNMENT SERVICES CANADA:

Print Name: \_\_\_\_\_ Signature: \_\_\_\_\_

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File No. - N° du dossier  
002mer.F6140-220281

Buyer ID - Id de l'acheteur  
002mer  
CCC No./N° CCC - FMS No./N° VME

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### **Annex C – Bidders' Questions and Canada's Response**

*All questions asked during bid solicitation and the answers from Canada will be posted on Buy&Sell in the form of an amendment prior to bid closing.*

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