**Data Item Description**

**Procurement Summary**

**P007**

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| --- | --- |
| **Procurement Summary** | **P007** |

**Purpose**

The Procurement Summary Criteria is intended to record all action items completed by the Supplier during the selection of OOSV Equipment. The Procurement Summary records the procurement process and provides a recommendation to the Owner on the equipment which best fits the requirements of the Project.

**References**

This DID must be read in conjunction with Schedule A (General Conditions) and the corresponding SOW reference.

**Preparation Instructions**

This Data Item shall comply with the general format, content and preparation instructions set out in Part 1 (Introduction) and Part 16 (Procurement) of the SOW.

The Procurement Summary must address the following in sufficient detail so as to allow the Owner to make an informed decision:

1. Reason for Submission
2. Evaluation and Recommendation
3. Sourcing Strategy and Selection
4. Cost
5. Value for Money
6. Contractual and other Considerations

**Attachments**

Attachment A: VSY Procurement Summary (aka Best Value Business Case)

Attachment B: National Shipbuilding Strategy (NSS) Value for Money

**Attachment A: VSY’s Procurement Summary**

**Procurement Summary**

**For the**

**[\*insert name]**

**RFP No.:**

**RESTRICTION ON USE, PUBLICATION, OR   
DISCLOSURE OF PROPRIETARY INFORMATION**

# Purpose

The intent of this Procurement Summary is to recommend [\* insert name] to carry out the design, manufacture, supply, installation and support of the Heating, Ventilation and Air Conditioning (HVAC) system for the Project.

Note: Capital words are as defined in the RFP and the Resulting Subcontract.

# Summary of the Request for Proposal (RFP) Process

## Package Details

RFP No

Package Description:

## General Details

|  |  |
| --- | --- |
| Was the winning supplier chosen by means of a reasonable and successful open competitive tender process for the purpose of obtaining best value and best quality of goods and services? (See Attachment, Evaluation Summary)  If the answer is “No”, provide rationale. | Yes No NA |
| Was more than one compliant bid received?  If the answer is “No”, provide price and sole source justification (if applicable). | Yes No NA |
| How many approved bidders received an invitation to respond to the RFP (i.e. legal entities on VSY’s ‘Approved Supplier Portal’) | Six (6) |
| Was more than one compliant bid received?  If the answer is “No”, provide price justification (if applicable). | Yes No NA |

# Proposal Evaluation

## Evaluation Summary

|  |  |
| --- | --- |
| In the case of the procurement of a SSI with LLI, did the RFP financial evaluation assess both the services (SSI) and the equipment (LLI) costs and formed part of the basis of selection for awarding the contract? | Yes No NA |
| If the answer is “No”, did the SSI select the LLI through a competition to obtain best value?  If the answer is “No”, provide price and sole source justification (if applicable). | Yes No NA |
| In the case of the procurement of an LLI purchased by a SSI, is the requested LLI the same as the one that was evaluated in the RFP?  If the answer is “No”, provide price and sole source justification (if applicable). | Yes No NA |
| Was there life-cycle cost analysis completed as part of the evaluation?  (See Attachment, Life-Cycle Cost Information) | Yes No NA |

## See attachment titled *RFP-1106\_OOSV Proponent Evaluation & Supporting Documentation.*

## Price Analysis

Price analysis is the process of examining and evaluating a proposed price without evaluating its separate cost elements and proposed profit. VSY commonly uses various price analysis techniques and procedures to ensure a fair and reasonable price. A check next to one of the following examples indicates the techniques used:

Comparison of proposed prices received in response to the solicitation. Normally, adequate price competition establishes price reasonableness.

Comparison of previously proposed prices and previous VSY and commercialcontract prices with current proposed prices for the same or similar items, if both the validity of the comparison and the reasonableness of the previous price(s) can be established.

Use of parametric estimating methods/application of rough yardsticks (such as dollars per pound or per horsepower, or other units) to highlight significant inconsistencies that warrant additional pricing inquiry.

Comparison with competitive published price lists, published market prices of commodities, similar indexes, and discount or rebate arrangements.

Comparison of proposed prices with an independent cost estimate.

Comparison of proposed prices with prices obtained through market research for the same or similar items.

Analysis of pricing information provided by the bidder.

## Technical Evaluation

|  |  |
| --- | --- |
| Did the technical evaluation indicate that the recommended supplier proposal is technically compliant? | Yes No NA |

## Goods List

|  |  |
| --- | --- |
| The Goods to be awarded on the Subcontract are indicated within the Proposal Attachment, Goods, On Loan Items, SPT, Software Deliveries and Spares. | Yes No NA |

## Goods Equivalent

|  |  |
| --- | --- |
| If the above answer is no; the Goods to be awarded on the Subcontract are equivalent to the Proposal Attachment, Goods, On Loan Items, SPT, Software Deliveries and Spares.  In order for the proposed item to be acceptable it must:   * Be of the same ‘form, fit and function’, and be compatible with the System and the Ship’s systems, to fully meet the performance requirements established herein and fit within the overall space reservation within the design; * be of Good Marine Quality; * possess required Regulatory Body approvals; * possess similar weight, noise and vibration characteristics; * possess similar characteristics with regard to impact on Ship systems such as power, HVAC, cooling water, signal types and other support and interface requirements; and * meet all other relevant requirements set out in the Subcontract. | Yes No NA |

## Subcontract Terms and Conditions

|  |  |
| --- | --- |
| Is the recommended supplier bound by terms and conditions that allows VSY to complete the “Work” of the applicable contract(s) (CE and/or LLI)? | Yes No NA |
| Are there any deviations from the standard contract pack warranty provisions? | Yes No NA |

## Subcontract Pricing Schedule

The prices to be awarded on the Subcontract have been finalized as indicated within the Attachment: Subcontract Pricing Schedule.

This pricing schedule contains all the finalized prices as per the selected options for this package.

## Payment Milestone Schedule

See Attachment, Payment Milestone Schedule.

# Recommendation

Based on the analysis of proposals submitted in accordance with the method and procedure as set out in the RFP, it is recommended that the Project proceeds to award a Subcontract to Bronswerk Marine Inc.

# Attachment:





**Attachment B: National Shipbuilding Strategy (NSS) Value for Money**

AN 002 Value for Money & Avoiding Conflict of Interest Situations when Shipyards Choose Suppliers 17 Dec 13

Excerpts

Government Contracting Policy Objectives

A Government contracting policy objective is to ensure that contracting is conducted in a manner that will facilitate access, and encourage competition. Under NSS, competitive processes managed by the shipyards will be the standard manner in which suppliers will be chosen.

In accordance with PWGSC Standard Acquisition Clauses and Conditions (SACC) manual and general terms and conditions, the Contractor must obtain the Contracting Authority's written consent before subcontracting, except for purchase "off-the-shelf" items and any standard articles and materials that are ordinarily produced by manufacturers in the normal course of business. This will be applied under NSS by requiring the submission of a business case that clearly demonstrates contractual requirements, flow down of contract terms and overall value for money has been met.

A second Government contracting policy objective is to ensure that contracting is conducted in a manner that will stand the test of public scrutiny in matters of prudence and probity, and reflect fairness in the spending of public funds. Under NSS, shipyards and their suppliers must be timely and proactive in identifying to the Crown situations where a real or perceived conflict of interest may arise. This would include situations where their proprietary systems / products are specified or being considered. In these cases the shipyard will be required to clearly demonstrate to the Crown that measures are taken to ensure this policy objective and the contractual requirements for value for money will be achieved through the procurement process.

Government contracting shall be conducted in a manner that will:

1. Stand the test of public scrutiny in matters of prudence and probity, facilitate access, encourage competition, and reflect fairness in the spending of public funds.

2. Ensure the pre-eminence of operational requirements.

3. Support long-term industrial and regional development and other appropriate national objectives, including aboriginal economic development.

Applying Policy to NSPS Supplier Selection

Competitive processes managed by the shipyards will be the standard manner in which suppliers are chosen.

Where circumstances warrant, sole source procurements are acceptable, with sufficient justification provided to Canada in advance of the selection in the form of a Business Case.

Any decisions on suppliers are "without prejudice" to decisions to be made on subsequent / other shipbuilding projects.

Canada reserves the right to specify specific equipment or system solutions based on internally produced justification.

Avoiding Conflict of Interest

Shipyards and their suppliers must identify situations in which their proprietary systems / products are specified or being considered.

Approach

1. That shipyards be required to submit to Canada a Sub-Contractor Selection Business Case for sole source sub-contracts …. (subject to discussions as to the applicability of this limit on a project by project basis) for direct material and / or services to be incorporated in the deliverable item(s) at least 1 month before the anticipated award of such sub-contract. While Canada reserves the right to reject a sole source proposal, it will not provide formal approval of the Business Case.

2. In advance of any procurement activity designers, integrators and sub-contractors engaged by shipyards must document any situation in which they have specified, chosen or are considering the use of equipment or systems in which they have a proprietary interest.

3. That Canada’s officials and shipyard staff be trained in new approaches to problem-solving, issues resolution and negotiation.