

**ADDENDUM**

Project No.	Project Title:
Division/Region:	Client:
Community:	Date of Issue:
Contractor:	Consultant:

TO ALL BIDDERS

1. General:

- 1.1 This addendum shall be read in conjunction with the Drawings and Specification prepared for the above.
- 1.2 Where inconsistent with the above, this addendum shall govern. This addendum forms an integral part of the Contract Documents and shall be included therein.
- 1.3 No consideration shall be allowed for increase to the CONTRACT PRICE (extras) due to failure of the Contractor or Sub-contractor not being familiar with this addendum.
- 1.4 The Tenderer will insert in the Tender Form the numbers of the addenda received by him during the tendering period and taken into account by him in preparing his tender.

SCOPE OF THE ADDENDUM

NUNAVUMMI NANGMINIQAQTUNIK IKAJUUTI (NNI POLICY)
FIRST COMPREHENSIVE REVIEW

The First Comprehensive Review of the NNI Policy was completed in the fall of 2003. Cabinet has approved the report and the recommendations of the NNI Review Committee.

The changes affecting this tender are outlined herein and take effect on April 1st, 2004.

1. INSTRUCTIONS TO TENDERERS**.1 Reference: Clause 4 – Inuit, Nunavut and Local Incentives and Appendices “B-1” and “B-2”**

Instruction: Tenderers are hereby reminded of the requirements to maximize the use of Nunavut, Inuit and/or Local subcontractors and suppliers available to the fullest extent practical on this project. Further to clause 4, and pursuant to the 2003 First Comprehensive Review of the NNI Policy, the GN hereby requires Tenderers to invite Nunavut, Inuit and/or Local companies to bid on subcontracts.

2. APPENDIX J - NUNAVUMMI NANGMINIQAQTUNIK IKAJUUTI (NNI POLICY)**.1 Reference: Section 7.0 – Policy Objectives**

Instruction: Insert the following paragraph at the end of Section 7.1: “These objectives are not listed in order of importance and should not be interpreted as such.”

.2 Reference: Section 11.0 – Evaluation Process and Bid Adjustment**.1 Instruction: Sub-section 11.1 (b) is hereby revised as follows:**

all Tenders meeting the requirements of 11.1.a and the cost criteria of relevant Proposals shall then be adjusted based upon the Nunavut Business status, Inuit Firm status, and Local status of the proponent, general contractor, subcontractors, and suppliers;

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.2 **Instruction:** Sub-section 11.1. (b) (i) is hereby revised as follows:

the adjustment for the labour component shall be based on estimates of payroll expenditures made by the general contractor, subcontractors and suppliers, for Nunavut, Inuit, and Local payroll expenditures that form part of the bid; but no bid adjustment shall be given for estimates of Inuit payroll expenditures over and above the minimum required.

For greater clarity and certainty, the interpretation of 11.1. (b) (i) above means that no bid adjustment will be given for Inuit Labour, over and above the minimum requirement set out in Appendix “K”.

For Example: On a total payroll estimate of \$350,000 where the Inuit payroll estimate is \$200,000 and the minimum Inuit payroll requirement is 45%, the bidder shall only receive bid adjustments on the first \$157,500 of Inuit payroll (45%), even though the estimated Inuit payroll is approximately 67%.

.3 **Instruction:** **For all Tenders closing** on or after April 1, 2004:

Sub-section 11.1. (c) – Bid Adjustment Values:

- i. the bid adjustment values shall be as follows:
 - (i) Nunavut firm status, an adjustment of 7%;
 - (ii) Inuit firm status, an adjustment of 7%;
 - (iii) Local status, an adjustment of 7%.

.3 **Reference:** **Section 12.0 - Bonuses and Penalties**

Instruction: Replace sub-section 12.3 with the following language:

Where applicable, in the area of employment, a bonus or penalty shall be calculated as follows:

- (a) a bonus shall be calculated as 1% of the total labour content of the contract for each 1% of the amount by which employment exceeds the mandatory requirement; or
- (b) a penalty shall be calculated as 2% of the total labour content of the contract for each 1% of the amount by which employment does not meet the mandatory requirement.

For greater clarity and certainty, s.12.3 (a) means a Bonus of 1% of the Total Payroll when the Contractor exceeds the minimum Inuit Labour requirement, and s.12.3 (b) means a Penalty of 2% of the Total Payroll when the Contractor fails to meet the minimum Inuit Labour requirement.

Example 1: Where the minimum requirement for Inuit Labour is 45%, and the Contractor, at Final Completion of the Work, has actually spent 67% of his payroll dollars on Inuit Labour, the Inuit Labour Bonus is calculated as follows:

Total Payroll x Percent Exceeded* or \$350,000 x 22% = \$77,000.

*Percent Exceeded = Percent Achieved - Percent Required

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Example 2: Where the minimum requirement for Inuit Labour is 45%, and the Contractor, at Final Completion of the Work, has actually spent 37% of his payroll dollars on Inuit Labour, the Inuit Labour Penalty is calculated as follows:

Total Payroll x Percent Not Met* or \$350,000 x 8% x 2 = \$56,000.

*Percent Not Met = Percent Required - Percent Achieved

.4 Reference: Section 18.0 – Appeals

Instruction: Replace Section 18 of the NNI Policy with the new Section 18 (4 pages attached). An Appeals Board has now been established.

3. GENERAL CONDITIONS

.1 Reference: Clause 4 – Subcontracting by Contractor

Instruction: Add the following sentence to GC4.3: The Contractor shall invite Nunavut, Inuit and/or Local companies to bid on subcontracts where the Contractor is not already using Nunavut, Inuit and/or Local companies as subcontractors.

END OF ADDENDUM

Project Officer	Date
Project Manager	Date
Other	Date