REGIONAL DISTRICT OF NANAIMO

CONTRACTOR SERVICES AGREEMENT

THIS AGREEMENT made the _____ day of _____, 20_____.

BETWEEN:

REGIONAL DISTRICT OF NANAIMO
6300 Hammond Bay Road
Nanaimo, BC
V9T 6N2

(hereinafter called the "Regional District")

AND:

(hereinafter called the "Contractor")

NOW THIS AGREEMENT WITNESSETH:

THAT in consideration of the terms, conditions and covenants hereinafter set forth, the Regional District and the Contractor covenant and agree each with the other as follows:

1. Services

The Regional District retains the Contractor to provide the Services described in Schedule "A" (the "Contract Documents") and the Contractor agrees to provide the Services in a diligent manner.

2. Term

The Contractor will provide the Services during the period (hereinafter called the "Term") commencing on <Start Date> and ending on <End Date>, unless sooner terminated as hereinafter provided.

3. Payment

The Regional District will pay to the Contractor as full payment for the Services; the amount set out in Schedule 'B' at the times and in the manner therein set out.

4. Independent Contractor

The Contractor will always be an independent contractor and not the servant, employee, or agent of the Regional District.

5. Assignment and Sub-contracting

The Contractor will not, without the prior written consent of the Regional District, assign or subcontract this Agreement or any portion thereof.

6. Indemnity

The Contractor will indemnify and save harmless the Regional District from all losses, claims, damages, or expenses arising from or due to the negligence of the Contractor in performing the Services or the Contractor's breach of this Agreement.

7. Insurance

a) Prior to the commencement of the Services the Contractor shall provide a certificate of Commercial General Liability (CGL) insurance in the amount of $5,000,000 which shall provide coverage for property damage and third-party personal injury and death. The certificate shall name the Regional District as an additional insured. The certificate of insurance shall contain a clause requiring notification of the Regional District 30 days in advance if the insurance policy is cancelled.

b) Automobile Third Party Liability on all owned or leased vehicles in an amount not less than $5,000,000.

c) Contractor is responsible for any other insurance required to protect their interests.

d) The cost of any insurance and deductibles are the responsibility of the Contractor.

8. WCB Coverage & Prime Contractor Designation

The Contractor must be registered with WorkSafe BC and be in good standing with remittance up to date throughout the agreement and is designated as the Prime Contractor and shall fulfill the Prime Contractor responsibilities as defined in:

a) WorkSafeBC Occupational Health and Safety Regulation, Notice of Project, Section 20.2, and Coordination of multiple employer workplaces, Section 20.3;

b) Workers Compensation Act (BC), Coordination at multiple-employer workplaces, Section 118, Subsections (1) & (2); and

c) General Requirements, Section 3.10 WorkSafe BC.

9. Termination

Notwithstanding any other provision of this Agreement:

If the Contractor fails to comply with any provision of this Agreement, then, and in addition to any other remedy or remedies available to the Regional District, the Regional District may, at its option, terminate this Agreement immediately by giving written notice of termination to the Contractor if there is supporting evidence of the Vendor becoming bankrupt or threatens bankruptcy, provides false declarations, documented significant deficiencies of any substantive requirements or obligations of the work, professional misconduct, violations of health and safety laws, or demonstrated abusive behavior towards the general public or RDN staff. The Regional District will be under no further obligation to the

SAMPLE

Contractor except to pay the Contractor such amount as the Contractor may be entitled to receive, pursuant to Schedule 'B', for services properly performed and provided to the date notice is given to the Contractor less any amounts necessary to compensate the Regional District for damages or costs incurred by the Regional District arising from the Contractor's default.

10. Prior Dealings

All prior negotiations and agreements between the parties relating to the subject matter of this Agreement are superseded by this Agreement. There are no representations, warranties, understandings, or agreements other than those expressly set forth in the Agreement or subsequently agreed to in writing, which writing shall be executed by a duly authorized officer of the party to be bound thereby.

11. Waiver

The failure of either party at any time to require the other party's performance of any obligation under this Agreement shall not affect the right to require performance of that obligation in the future. Any waiver by either party of any such breach or any such provision hereof shall not be construed as a waiver or modification of this provision itself, or a waiver or modification of any other right under this Agreement.

12. Counterparts

This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument. Delivery by electronic transmission in portable document format (PDF) of an executed counterpart of this Agreement is as effective as delivery of an originally executed counterpart of this Agreement.

13. Dispute Resolution

If the parties to this Agreement are unable to agree on the interpretation or application of any provision in the Agreement, or are unable to resolve any other issue relating to this Agreement, the parties agree to the following process in the order it is set out:

a) the party initiating the process will send written notice to the other party (the "Dispute Notice"); and;
b) the parties will promptly, diligently and in good faith, including the senior management of both parties, take all reasonable measures to negotiate an acceptable resolution to the disagreement or dispute.
c) if the dispute is not resolved through collaborative negotiation within 30 Business Days of the dispute arising, the parties must then attempt to resolve the dispute through mediation under the rules of the Mediate BC Society and will be held in Nanaimo, BC., unless otherwise agreed.

14. Governing Law

This Agreement is governed by and is to be interpreted and construed in accordance with, the laws applicable in British Columbia.

15. Delay in Performance

Neither the RDN nor the Service Provider shall be deemed to be in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing party. For purposes of this Agreement, such circumstances include, but are not limited to abnormal weather conditions, flood, earthquake, fire, pandemic, epidemic, war, riot and other civil disturbance, strike,

SAMPLE

lockout, work slowdown and other labour disturbances, sabotage, judicial restraint and inability to procure permits, licenses or authorizations from any local, provincial or federal agency for any of the supplies, materials, accesses or services required to be provided by either the RDN or the Service Provider under this Agreement. If any such circumstances occur, the non-performing party shall, as soon as possible after being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement.

16. Amendment

This Agreement may not be modified or amended except by the written agreement of the parties.

17. Judge of Work and Materials

The REGIONAL DISTRICT shall be the final judge of all work and materials in respect of both quality and quantity and their decisions of all questions in dispute with regard thereto will be final. All materials shall be subject to inspection and test by and shall meet the approval of the REGIONAL DISTRICT.

In case any materials, equipment and supplies are defective in material or quality or otherwise not in conformity with the specifications of the contract, the REGIONAL DISTRICT shall have the right either to reject them or to require their correction. Acceptance or rejection of the materials, equipment, supplies, etc. shall be made as promptly as practicable after delivery, but failure to inspect and accept or reject supplies shall not relieve the contractor from responsibility for such supplies as are not in accordance with the specifications.

18. CSA Seal or Provincial Certificate Approval

All electrical material and equipment, and all manufacturing and assembling procedures and workmanship, shall be in accordance with the requirements of the current edition and revisions of the Canadian Electrical Code Part 1 (CSA Standard C22.1 – 2012) as adopted and amended by the Province of British Columbia (hereinafter referred to as the "Electrical Code"), as amended from time to time.

Only approved materials and equipment shall be used and where specified materials and equipment do not have current approval, as required by the Electrical Code, the Contractor shall offer approved substitutes.

Each completed assembly shall carry the approval seal either of the Inspection Department, and where alterations are required by the Department the Contractor shall make these at his own expense. The Contractor shall pay all fees and costs incurred in obtaining the required approvals.

19. Rectification of Damage and Defects

The Contractor shall rectify any loss or damage for which, in the opinion of the REGIONAL DISTRICT, the Contractor is responsible, at no charge to the REGIONAL DISTRICT and to the satisfaction of the REGIONAL DISTRICT. In the alternative, the REGIONAL DISTRICT may repair the loss or damage and the Contractor shall pay to the REGIONAL DISTRICT the costs of repairing the loss or damage forthwith upon demand from the REGIONAL DISTRICT. Where, in the opinion of the REGIONAL DISTRICT, it is not practical or desirable to repair the loss or damage, the REGIONAL DISTRICT may estimate the cost of the loss or damage and deduct such estimated amount from the amount owing to the Contractor hereunder.

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20. Warranty and Guarantee

The work shall be warranted to be free of defects and shall be guaranteed by the Contractor for a period of one (1) year from the date of acceptance. On receipt of notice from the REGIONAL DISTRICT the Contractor shall promptly make all repairs arising out of defective work or any equipment or materials supplied by him.

The REGIONAL DISTRICT is hereby authorized to make such repairs if, ten (10) days after the giving of such notice to the Contract, the Contractor has failed to make or undertake with due diligence said repairs; provided, however, that in the case of an emergency, where, in the opinion of the REGIONAL DISTRICT delay would cause serious loss or damage, repairs may be made without notice being sent to the Contractor, and all expense in connection therewith shall be charged to the Contractor.

21. Statutes, Bylaws, Regulations and Permits

Unless otherwise noted, the Contractor shall take out all necessary permits and licenses required to permit the Contractor to perform its obligations under the Contract. The Contractor shall give all notices and comply with all REGIONAL DISTRICT regulations, all laws, by-laws, ordinances, rules, and regulations, whether federal, provincial, or municipal, relating to the business it carries on and the services provided pursuant to the Contract, including the Workers' Compensation Act and the Employment Standards Act.

22. Site Inspection

The Contractor shall make site inspections of all appropriate areas to determine their general condition and to ensure the fulfillment of the contract requirements.

23. Use of Premises

The Contractor shall abide by, and shall ensure its employees abide by, all appropriate regulations, including but not limited to regulations relating to fire, safety, parking, traffic control and health. The Contractor will ensure that all of its employees are aware of the applicable regulations.

24. Clean Up

The Contractor shall at all times conduct the work in an orderly and reasonably tidy manner and shall at suitable intervals remove any accumulation of rubbish or refuse materials. At no time shall any person employed by the Contractor or by any of his Subcontractors discard any litter or garbage on or adjacent to the site, except into a suitable container. Upon completion and before final acceptance of the work, the Contractor shall remove all rubbish, surplus, or discarded materials and equipment and shall leave the site in a clean and neat condition.

25. Change Orders

If for any reason it may become desirable during the course of the work to change the alignment, dimensions, or design, or to add to or to omit portions thereof, the REGIONAL DISTRICT reserves the right to issue change orders to give effect to such changes as may, in the opinion of the REGIONAL DISTRICT be necessary or desirable.

The change may or may not result in a change in the amount of the work. If the changes do, in the opinion of the REGIONAL DISTRICT, change the amount of the work, the contract price shall be adjusted as mutually agreed between the Contractor and the REGIONAL DISTRICT.

SAMPLE

The adjustment for the Contract Price shall not exceed the actual cost of the Contractor's work for the change in the Work, plus an allowance for overhead and profit as follows:

.1 For Contractor, for overhead and profit, 10% of the actual cost of the Contractor's work;

.2 For Contractor, for overhead and profit, 10% of the amount for Subcontractor's work, being the actual cost of the Subcontractor's work plus the amount determined as set out in .3 below;

.3 For Subcontractor, for overhead and profit, 10% of the actual cost of the Subcontractor's work."

If a change in the Work results in a net decrease in the Contract Price, the amount of the credit shall be the net cost, without deduction for overhead and profit. When both additions and deletions covering related work or substitutions are involved in a change in the Work, the allowance for overhead and profit shall be calculated on the basis of the net increase, if any, with respect to that change in the Work."

26. CONFIDENTIALITY AND PRIVACY

26.1 Confidentiality

The Contractor will keep strictly confidential any information supplied to, obtained by, or which comes to the knowledge of the Contractor as a result of, relating to or arising out of the performance of the Services and this Contract (the "**Confidential Information**") and will not disclose such Confidential Information.

Notwithstanding the preceding sentence, the Contractor may disclose the Confidential Information:

(a) with the prior written consent of RDN;
(b) in strict confidence to the Contractor's professional advisors;
(c) to Subcontractors who, in each case, need to know the applicable Confidential Information for the purposes of performing the Services; and
(d) as otherwise required by law or permitted by this Contract.

The Contractor will require all Personnel and Subcontractors to enter into an agreement with the Contractor containing provisions in the same form as those found herein.

26.2 Exceptions to Confidentiality Obligations

The obligations of confidentiality will not apply to:

(a) information that is, or subsequently becomes, publicly available other than through a breach of this Contract or through a breach of a confidentiality agreement which another person has entered into concerning the Confidential Information;
(b) information that the Contractor already possessed independently before commencing the Services;
(c) information that is rightfully received from a third party without breach of any obligation of confidentiality by such third party; or

SAMPLE

(d) information which is independently developed without the use of the Confidential Information.

26.3 Collection or Use of Confidential Information

Except with the prior written consent of the RDN, the Contractor will not collect or use, and will ensure that its professional advisors and Subcontractors do not collect or use, the Confidential Information for any purpose other than complying with the terms of this Contract or performing the Services. Without limiting the generality of the foregoing, except with the prior written consent of RDN, the Contractor will not collect or use, and will ensure that its professional advisors and Subcontractors do not collect or use, the Confidential Information to advance the commercial or other interests of the Contractor or any Subcontractor or any entity affiliated with the Contractor or any Subcontractor.

26.4 Privacy

The Contractor acknowledges that the RDN is subject to the *Freedom of Information and Protection of Privacy Act*, R.S.B.C. 1996, c. 165, as amended ("**FOIPPA**"), and accordingly, any documents, information and data submitted to RDN by the Contractor under this Contract, as well as any resultant studies, documents, information, and date received by the RDN may be disclosed under FOIPPA. The Contractor will not do or omit to do anything that causes the RDN to be not in compliance with FOIPPA.

26.5 Publicity

The Contractor will not issue any press release or speak to the media about this Contract or the subject matter of this Contract without the prior written consent of the RDN, which consent may be unreasonably withheld. The Contractor will refer all media inquiries relating to the Services or the Contract to the RDN.

27. Competency and Qualifications

The Contractor will employ properly licensed, trained, and unimpaired workers throughout the duration of the contract.

28. Utility Location

It is the responsibility of the Contractor to locate any utilities in the vicinity of any construction, exploration, or investigation if required.

29. Builder's Lien

The Contractor shall, at its own expense, cause any and all builders liens and other liens for labour, services or materials alleged to have been furnished with respect to the lands comprising the work site or the work which may be registered against or otherwise affect the lands or the work, except liens properly filed by the Contractor on its own behalf, to be paid, satisfied, released or vacated forthwith after the REGIONAL DISTRICT has sent written notice of any claim for any such lien. In the event of a bona fide

SAMPLE

dispute regarding the validity or correctness of any claim for such lien, the Contractor shall be entitled to defend against a claim for such lien in any proceedings brought in respect therefor after first paying into court the amount claimed plus any interest payable, or providing sufficient security therefor and such cost as the court may direct and registering all such documents as may be necessary to cancel such lien, or providing such other reasonable security in respect of such claims as the REGIONAL DISTRICT may in writing approve. Upon receiving satisfactory security for any costs and an indemnity in writing from the Contractor, the REGIONAL DISTRICT may authorize the Contractor to apply to the court in the name of the REGIONAL DISTRICT to have any lien removed upon payment into court or deposit in court of satisfactory security therefor.

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SIGNATURES

IN WITNESS WHEREOF the parties hereto have executed this Agreement as follows:

For the Regional District of Nanaimo:

_____
Signature

_____
Printed Name

For the Contractor:

_____
Signature

_____
Printed Name

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SCHEDULE "A"

SCOPE OF WORK

“Contract Documents” consist of the following documents which copies are attached to this Agreement:

(1) This duly executed Agreement

(2) The duly executed Tender Form

(3) All Addenda

(4) Drawings

(5) Written Specifications

(6) The Tender Documents

(7) Other relevant documents.

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SCHEDULE "B"

CONTRACT PRICE

The Contract Price shall be the sum in Canadian Dollars of the following:

(a) Up to the Tender Price of $_____ and;

(b) Payments made on account of change orders, as may be required by the Contract Documents.

The Contract Price shall be the entire compensation owing to the Contractor by the REGIONAL DISTRICT for the Work and shall cover and include all supervision, labour, materials, Contractor's Plant and Equipment, overhead, profit, financing costs and all other costs and expenses whatsoever incurred in performing the Contract including GST.

The Contractor will be solely responsible for invoicing the REGIONAL DISTRICT ensuring to include the REGIONAL DISTRICT's Purchase Order number on all invoices to assure timely payment.
All invoices are subject to prior review and approval by the REGIONAL DISTRICT and approved invoices will be paid on a net 30 days' basis from date of receipt unless otherwise agreed to in writing.

If the REGIONAL DISTRICT does not approve of the services or part of them which are the subject of the invoice, the REGIONAL DISTRICT shall advise the Contractor in writing of the reasons for non-approval and the Contractor shall remedy at no additional cost to the REGIONAL DISTRICT before the REGIONAL DISTRICT shall be obliged to pay the invoice or any part of it, as the case may be.

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