

CITY OF VANCOUVER

INVITATION TO TENDER ("ITT") No. PS06052

SUPPLY OF TEN (10) TRAILER MOUNTED BRUSH CHIPPERS

Tenders are to be addressed to the Office of the City Clerk, and delivered to the Courier Delivery Drop-Off Office, 1st Floor, Vancouver City Hall, 453 West 12th Avenue, Vancouver, British Columbia, Canada, V5Y 1V4 prior to the Closing Time: 11:00:00 A.M. Vancouver Time (as defined in Note 2 below), Wednesday, May 3, 2006 and opened publicly as soon as reasonably possible thereafter.

NOTES:

- 1. Tenders are to be in sealed envelopes or packages marked with the Tenderer's Name, the ITT Title and Number.
- 2. The Closing Time will be conclusively deemed to be the time shown on the clock at the Courier Delivery Drop-Off Office for this purpose.
- 3. DO NOT SUBMIT BY FAX

All queries related to this ITT shall be submitted in writing to the attention of:

Karen Wong, Contracting Specialist,

FAX: 604-873-7057 E-MAIL: purchasing@vancouver.ca

INVITATION TO TENDER NO. PS06052 SUPPLY OF TEN (10) TRAILER MOUNTED BRUSH CHIPPERS TABLE OF CONTENTS

PART A - INSTRUCTIONS TO TENDERERS		Pages 4 - 9
1.0 2.0 3.0 4.0 5.0 6.0 7.0 8.0 9.0 10.0 11.0 12.0	Description of Requirement Pricing Inquiries and Clarifications Conduct of the Contract Submission of Tender Bid and Performance Security Conflict of Interest Evaluation of Tenders Solicitation Acceptance and Rejection of Tenders Award of Contract Quantities	
13.0	Brand Names	
14.0 15.0	Alternates and/or Variations to Specifications Environmental Responsibility	
16.0	Named Sub-contractors	
17.0	Freedom of Information and Protection of Privacy Act	
18.0 19.0	Confidentiality Special Conditions	
PART B - GENERAL CONDITIONS Pages 10 - 19		
1.0	Definitions	
2.0	Notices Sub-contractors	
3.0 4.0	Sub-contractors Independent Contractor	
5.0	Assignment	
6.0	Time of the Essence	
7.0	Laws, Permits and Regulations	
8.0	Workplace Hazardous Materials Information System ("WHMIS")	
9.0	Product Standards	
10.0	Changes in Requirements	
11.0	Delivery	
12.0	Quality of Workmanship and Materials	
13.0	Inspection	
14.0	Warranty	
15.0	Protection of Person and Property	
16.0 17.0	Recitification of Damage and Defects Indemnification	
17.0	Termination	
19.0	Insurance Requirements	
20.0	Character of Workers	
21.0	Failure to Perform	
22.0	Dispute Resolution	
23.0	Payments	
24.0	Taxes	
25.0	Non-resident Withholding Tax	
26.0	No Promotion of Relationship	

PS06052.doc Page 2 April 12, 2006

INVITATION TO TENDER NO. PS06052 SUPPLY OF TEN (10) TRAILER MOUNTED BRUSH CHIPPERS TABLE OF CONTENTS

PART C - SPECIAL CONDITIONS		Pages 20 - 21		
1.0 2.0 3.0 4.0 5.0 6.0	Additional Evaluation Criteria Additional Insurance Requirements Option to Purchase Additional Units Commencement of Warranty Period Required Documentation Plant Production Limitations			
PART D	- REQUIREMENTS	Page 22		
1.0 2.0 3.0	Scope of Contract Requirements Delivery			
PART E - TENDER FORM		Pages PF 1 - 5		
1.0 2.0 3.0 4.0 5.0 6.0	Compliance References Schedule of Price and Quantities Sub-contractors Tenderer's Declaration Acceptance of Tender			
APPENDIX 1 - CERTIFICATE OF INSURANCE (1)				
APPENDIX 2 - DETAILED EQUIPMENT SPECIFICATIONS AND COMPLIANCE MATRIX Item 1 - (8) Item 2 - (8)				

PS06052.doc Page 3 April 12, 2006

NOTE: The definitions set out in Section 1.0 of Part B - General Conditions apply throughout this ITT, including this Part A of this ITT, except where otherwise expressly stipulated or the context otherwise requires.

1.0 Description of Requirement

- 1.1 Tenders are invited for the supply and delivery of ten (10) self contained trailer mounted hydraulic feed drum style brush chipper to be operated in the Arboriculture Division of the Park Board, as set out herein, for the City.
- 1.2 Immediately upon receipt of this ITT, please advise by facsimile or e-mail whether or not you intend to submit a Tender.

2.0 Pricing

2.1 Prices quoted will be (in Canadian currency and exclusive of all taxes), F.O.B. destination to the site(s) named herein, with all freight, unloading at destination, import duties, brokerage, royalties, handling, overhead, profit and all other costs included.

3.0 Inquiries and Clarifications

3.1 It is the responsibility of the Tenderer to thoroughly examine these documents and satisfy itself as to the full requirements of this ITT. Inquiries are to be in written form only, faxed or e-mailed to the contact person shown on the cover page. If required, an addendum will be issued to all Tenderers.

4.0 Conduct of the Contract

4.1 The Manager - Materials Management shall have the conduct of the ITT and the Contract.

5.0 Submission of Tender

- 5.1 The response to this ITT with all accompanying schedules, appendices or addenda submitted by the Tenderer will be received up to the closing time on the date and in the place shown on the title page of this ITT (the "Closing Time"). The Tender shall be submitted on the forms provided in a sealed envelope or package, marked with the Tenderer's name and the ITT title and number.
- 5.2 Tenders received after the Closing Time or in locations other than the address indicated, will not be accepted and will be returned. The City may elect to extend the Closing Time.
- 5.3 The Tenderer shall submit three (3) copies of its Tender on the form provided (Part E Tender Form and Appendix 2) in accordance with the instructions stated herein.
- 5.4 The City's language used in its procurement documents and the responses thereto, shall be English.
- The Tenderer must enter its corporate or legal business name on the final page of the Tender Form. The Tender Form must be signed in the place provided by an officer or employee having authority to bind the Tenderer to the terms and conditions of this ITT.

PS06052.doc Page 4 April 12, 2006

All other pages of the Tender Form must be initialled by the authorized signatory in the spaces provided.

- Amendments to a Tender may be submitted if delivered in writing prior to the Closing Time in a sealed envelope or package, marked with the Tenderer's name and the ITT title and number.
- 5.7 Tenders may be withdrawn by written notice only, provided such notice is received at the office of the City Clerk prior to Closing Time.
- 5.8 All costs associated with the preparation and submission of the Tender, including any costs incurred by the Tenderer after the Closing Time, will be borne solely by the Tenderer.
- 5.9 By submitting a Tender, the Tenderer acknowledges and agrees that the liability of the City in connection with the ITT, the conduct or outcome of the ITT, all related processes, decisions and procedures, and any and all duties and obligations in connection with all of the foregoing, is limited in the aggregate to the maximum of \$1,000 (for any and all claims by the Tenderer combined with any and all claims of all other Tenderers and any and all other claimants in connection with the ITT), and that if payment is made by the City into Court (or into trust, for the benefit of all Tenderers and other such claimants, with a law firm reasonably selected for the purpose) of the said sum of \$1,000, then:
 - a) that will be sufficient to fully release and discharge the City from all further liability; and
 - b) the Tenderer will, upon the request from time to time of the City, execute and deliver a release (in such form as the requesting party may reasonably prescribe).

6.0 Bid and Performance Security

6.1 For Contracts having a value over one hundred thousand dollars (\$100,000), the Tenderer may be required to supply a performance bond in the amount of fifty percent (50%) of the total Contract price and other such sureties that may be set out in Part C - Special Conditions.

7.0 Conflict of Interest

7.1 By submitting a Tender, the Tenderer warrants that neither it nor any of its officers or directors, or any employee with authority to bind the Tenderer, has any financial or personal relationship or affiliation with any elected official or employee of the City or their immediate families which might in any way be seen by the City to create a conflict.

8.0 Evaluation of Tenders

- 8.1 Tenders will be evaluated on the basis of the overall best value to City based on quality, service, price and any other criteria set out herein including, but not limited to:
 - a) the Tenderer's ability to meet the Requirements, qualifications and competencies set out herein;

PS06052.doc Page 5 April 12, 2006

- b) financial offer including but not limited to prices, operating and maintenance costs, warranty, and any life cycle considerations;
- c) the Tenderer's business and technical reputation and capabilities; experience and where applicable, the experience of its personnel; financial stability; track record; and references of current and former customers;
- d) equipment quality, configuration, age and condition; and
- e) any other criteria set out in the ITT or otherwise reasonably considered relevant.
- 8.2 The City may elect to short list some of the Tenderers and require short listed Tenderers to provide additional information or details, including making a presentation, supplying samples, demonstrations, and/or additional technical literature. Samples of items, when required, must be submitted within the time specified and at no expense to the City. If not destroyed in testing, they will be returned at the Tenderer's request and expense.
- 8.3 Prior to Contract award, the Tenderer must demonstrate financial stability. Should the City so request, the Tenderer is required to provide annual financial reports or a set of financial statements prepared by an accountant and covering the last two (2) fiscal years.
- 8.4 The City may, prior to Contract award, negotiate changes to the scope of the Work, the materials, the Specifications or any conditions with any one or more of the Tenderers without having any duty or obligation to advise any other Tenderers or to allow them to vary their prices as a result of changes to the scope of Work, the materials, the Specifications, or any conditions, and the City shall have no liability to any other Tenderer as a result of such negotiations or modifications.
- 8.5 All sub-contractors of the Tenderer will be subject to the same evaluation process. It is the responsibility of the Tenderer to guarantee that all its sub-contractors will comply with all the Requirements and terms and conditions set out herein.
- 8.6 Preference may be given to Tenders offering environmentally beneficial products or services.

9.0 Solicitation

9.1 If any director, officer, employee, agent or other representative of a Tenderer makes any representation or solicitation to any officer, employee, agent or elected official of the City with respect to the Tender, whether before or after the submission of its Tender, the City shall be entitled to reject or not accept such Tender.

10.0 Acceptance and Rejection of Tenders

- 10.1 Notwithstanding any other provision in the ITT documents, the City has in its sole discretion, the unfettered right to:
 - a) accept any Tender;
 - b) reject any Tender;
 - c) reject all Tenders;
 - d) accept a Tender which is not the lowest Tender;

PS06052.doc Page 6 April 12, 2006

- e) accept a Tender that deviates from the Requirements, Specifications or the conditions specified in this ITT;
- f) reject a Tender even if it is the only Tender received by the City;
- g) accept all or any part of a Tender; and
- h) split the Requirements between one or more Tenderers.
- 10.2 All Tenders shall be irrevocable and remain open for acceptance for at least one hundred and five (105) days after the Closing Time, whether or not another Tender has been accepted.
- Any deviations from the Requirements, Specifications or the conditions specified in this ITT, must be clearly stated in the Tender. The City will be the sole judge as to what constitutes an acceptable Tender deviation. If no deviations are indicated in the Tender, the City will be entitled to interpret that the Tenderer offers to perform in full compliance of the Requirements, Specifications and conditions stated herein.
- The City may waive any non-compliance with the ITT, the Requirements, the Specifications, or any conditions, including the timing of delivery of anything required by this ITT and may elect to retain for consideration Tenders which are non-conforming, which do not contain the content or form required by the ITT or which have not complied with the process for submission set out herein.

11.0 Award of Contract

- 11.1 Award of a Contract is contingent on funds being approved and the contract award being made by City Council, if applicable.
- 11.2 The City will notify the successful Tenderer(s) in writing that it has been awarded the Contract.
- 11.3 The purchase order terms and conditions, excluding the provision titled "The City's Offer", will apply unless otherwise agreed in writing by the City.
- 11.4 The purchase order, the Tender, the ITT and such other documents including all amendments or addenda, shall form the basis for the Contract between the Contractor and the City. In the event of a conflict between any of the Contract Documents, the following documents will take precedence and govern over each other in the following order of priority from highest to lowest:
 - a) subject to Section 12.3, the City's purchase order including the standard purchase order terms and conditions (which may be downloaded from www.city.vancouver.bc.ca/bid/);
 - b) or any mutually agreed to amendments between the Tenderer and the City;
 - c) the Tender; and
 - d) the ITT and any subsequent addenda.
- 11.5 Where the head office of the successful Tenderer is located within the City of Vancouver and/or where the successful Tenderer is required to perform any Work at a site located within the City of Vancouver, the successful Tenderer is required to have a valid City of Vancouver business license prior to Contract execution.

PS06052.doc Page 7 April 12, 2006

11.6 The City is not under any obligation to award a Contract and may elect to terminate this ITT at anytime.

12.0 Quantities

12.1 The quantities stated herein are the City's best estimates of its requirements and should not be relied on. Actual quantities may vary.

13.0 Brand Names

Unless otherwise stated, if and wherever the Specifications state a brand name, make, name of manufacturer, trade name, or vendor catalogue number, it is for the purpose of establishing a grade or quality of goods, material, equipment and/or services only. It is not intended to rule out competition from equal brands or makes. If, however, a product other than that specified is offered, it is the Tenderer's responsibility to name such a product in its Tender. Evidence of equality in the form of samples may be requested.

14.0 Alternates and/or Variations to Specifications

- 14.1 Except where stated otherwise herein, the Specifications describe what is considered necessary to meet the performance requirements of the City and Tenderers should bid in accordance with such Specifications, or if the Tenderer cannot meet the Specifications, the Tenderer may offer an alternative which it believes to be the equivalent.
- 14.2 Tenderers shall clearly indicate any variances from the City's Specifications or conditions no matter how slight. The attachment of descriptive literature from which variations may be gleaned will not be considered as a sufficient statement of variations.
- 14.3 If in addition to bidding on goods, materials, equipment and/or services that meet the Specifications, the Tenderer wishes to offer an alternative, the alternative Tender shall be submitted separately in the same format as the initial Tender.
- 14.4 The City is not obligated to accept any alternatives.
- 14.5 The City will determine what constitutes allowable variations.

15.0 Environmental Responsibility

- 15.1 The City is committed to preserving the environment. Tenderers shall provide environmentally sensitive products or services wherever possible. Where there is a requirement that the Contractor supplies materials, and where such materials may cause adverse effects, the Tenderer shall indicate the nature of the hazard in its Tender.
- 15.2 The Tenderer agrees to advise the City of any known alternatives or substitutes for such materials that would mitigate the effects of any adverse conditions on the environment.

PS06052.doc Page 8 April 12, 2006

16.0 Named Sub-contractors

The Tenderer agrees that the sub-contractors shown in its Tender are the sub-contractors that it proposes to use to carry out the Requirements. The Tenderer agrees to engage the listed sub-contractors and no others in their stead without prior written authorization of the City.

17.0 Freedom of Information and Protection of Privacy Act

17.1 Tenderers should note that the City of Vancouver is subject to the Freedom of Information and Protection of Privacy Act (British Columbia), which imposes significant obligations on the City's contractors to protect all personal information acquired from the City in the course of providing any service to the City.

18.0 Confidentiality

- 18.1 Information about the City obtained by Tenderers must not be disclosed unless prior written authorization is obtained from the City.
- 18.2 The Contractor agrees that this obligation of confidentiality will survive the termination of the Contract between the Contractor and the City.

19.0 Special Conditions

19.1 Where Special Conditions are attached herein and there is a conflict, the Special Conditions shall take precedence over the Instructions to Tenderers and General Conditions set out in this ITT.

PS06052.doc Page 9 April 12, 2006

1.0 Definitions

The following words and terms, unless the context otherwise requires, shall have the meanings set out below. Words including the singular number include the plural and vice versa.

- <u>"Act of God"</u> means a cataclysmic phenomenon of nature, including earthquake, flood or cyclone. Rain, snow, wind, high water or any other natural phenomenon, which might reasonably have been anticipated from historical records of the general locality of the City, shall be deemed not to be acts of God:
- "<u>City</u>" means the municipal corporation, generally known as the City of Vancouver, as described under the Vancouver Charter;
- <u>"City's Designated Representatives"</u> means the City's employees or representatives who are authorized in writing to deal with the Contractor on behalf of the City in connection with the goods, materials, equipment and services or to make decisions in connection with the Contract;
- "Closing Time" means the closing date, time, and place as set out on the title page of this ITT;
- <u>"Contract"</u> means the agreement formed between the City and the Contractor as evidenced by the purchase order issued to the Contractor by the City;
- <u>"Contract Documents"</u> means the purchase order, the Contractor's Tender, the ITT and such other documents as listed in the Contract, including all amendments or addenda agreed between the parties;
- <u>"Contractor"</u> means the successful Tenderer individual, partnership, corporation or combination thereof, including joint venturers who or which executes the resulting Contract;
- <u>"Delivery Date"</u> means the date the City requires the Contractor to deliver the goods to the City's Delivery Site;
- <u>"Delivery Site"</u> means 250 West 70th Avenue, Vancouver, B.C., V5X 2X1, unless otherwise stated in this ITT;
- "F.O.B." means all costs of freight, insurance, brokerage, customs duties and all other costs of delivery to the site named as F.O.B. will be borne by the Contractor and that ownership and title to all goods, materials, and equipment are transferred to the City when same are delivered by the Contractor to the City and the risk of loss or damage to the goods, materials and equipment transfers to the City only at such time as same are received and accepted by the City at the site named as "F.O.B." or Delivery Site;
- "GST" means the goods and services tax administered under the Excise Tax Act (Canada) and any successor tax or levy therefore in force from time-to-time;
- <u>"ITT"</u> means this Invitation to Tender including, but not limited to: Part A Instructions to Tenderers; Part B General Conditions; Part C Special Conditions; Part D Requirements; Part E Tender Form; Appendix 1 Certificate of Insurance; Appendix 2 Detailed Equipment Specifications and Compliance Matrix any additional attachments listed in the Table of Contents; and any amendments, addenda, and/or clarifications pertaining to this ITT that may be issued prior to the Closing Date;
- "<u>PST</u>" means British Columbia provincial sales tax and any successor tax or levies therefor in force from time-to-time;

PS06052.doc Page 10 April 12, 2006

- <u>"Requirements"</u> means all of the Specifications, requirements and services set out in Part D and elsewhere in the ITT that describe the general requirements that the goods, materials, equipment and services must meet and the Contractor must provide;
- "Security Clearance" means the security clearance required by the City from time to time for personnel being allowed access to any City owned property/site;
- <u>"Specifications"</u> means that part of the ITT consisting of general requirements and technical descriptions of the goods, materials, equipment, standards and workmanship.
- <u>"Tender"</u> means the Tenderer's offer made on the Tender form set out on Part E of this ITT with all appendices or addenda submitted by the Tenderer in response to the ITT;
- <u>"Tenderer"</u> means the individual, partnership, corporation or combination thereof, including joint venturers, who or which sign the Tender form set out in Part E of this ITT;
- <u>"Work"</u> means all the labour, materials, equipment, supplies, services and other items necessary for the execution, completion and fulfilment of the Requirements;
- "Work Site" means the site where the Work is being performed.
- <u>"WCB OH&S Regulation"</u> means the *Workers Compensation Act* (British Columbia), including without limitation, the Occupational Health & Safety Regulation (BC Regulation 296/97, as amended by BC Regulation 185/99) enacted pursuant to such Act, all as such Act or Regulations are amended or re-enacted from time to time.

2.0 Notices

2.1 Any notice required to be given in regards to the Contract(s) shall be given in writing and served personally or mailed by registered mail addressed to the City, Attention Manager - Materials Management and to the Contractor at the address set forth in its Tender.

3.0 Sub-contractors

- 3.1 All sub-contractors are the responsibility of the Contractor.
- 3.2 The Contractor shall be held as fully responsible to the City for the acts and omissions of its sub-contractors and of persons indirectly employed by the Contractor, as for the acts and omissions of persons directly employed by it.
- The Contractor agrees to ensure performance by every sub-contractor with the terms and requirements of the Contract Documents.
- 3.4 The term "sub-contractor" as used in this ITT, includes all suppliers to the Contractor.
- No sub-contractors will be permitted except those expressly named by the Contractor in Section 4.1 of Part E Tender Form or subsequently permitted in writing by the City pursuant to Section 5.1 of the General Conditions.

PS06052.doc Page 11 April 12, 2006

4.0 Independent Contractor

4.1 The Contractor, its sub-contractors, the officers, directors, shareholders, partners, personnel, affiliates and agents of the Contractor and its sub-contractors are not, nor are they to be deemed to be, partners, appointees, employees or agents of the City.

5.0 Assignment

- 5.1 Subject to Sections 3.5 and 5.2, the Contractor will not assign, sublet, subcontract, or let out as task work any part of the Work or any of the Contractor's obligations of the Contract Documents to any third party, and will not assign or otherwise transfer any of the rights of payment under the Contract Documents to any third party, without in each case the prior written consent of the City which consent the City may arbitrarily withhold.
- 5.2 Despite Section 5.1, the Contractor may utilize those sub-contractors expressly named in Section 4.1 of Part E Tender Form but only for the Area of Responsibility set out beside their name, provided always that the Contractor may not substitute or replace those sub-contractors, or permit those sub-contractors to further assign, sub-let, sub-contract, or let out as task work their obligations under the Contract Documents, except in accordance with Section 5.1 above.
- 5.3 If the City should consent to any such assignment, subletting or letting out as task work of all or any part of the Work, the Contractor shall in no way be relieved from its responsibility for the fulfilment of the Work, but shall continue to be responsible for the same in the same manner as if all the Work had been performed by the Contractor.

6.0 Time of the Essence

6.1 For all requests made by the City pursuant to the Contract, time is of the essence. The acceptance of a late performance, with or without objections or reservations by the City, shall not waive the right to claim damages for such breach nor constitute a waiver of the requirement of timely performance of any obligation remaining to be performed.

7.0 Laws, Permits and Regulations

- 7.1 The laws of British Columbia shall govern the Contract.
- 7.2 All provisions of the <u>International Sale of Goods Act</u> are specifically excluded from application of this Contract.
- 7.3 In carrying out its obligations hereunder, the Contractor shall familiarize itself and comply with all applicable laws, bylaws, regulations, ordinances, codes, specifications and requirements of all regulatory authorities, and shall obtain all necessary licenses, permits and registrations as may be required by law.

8.0 Workplace Hazardous Materials Information System ("WHMIS")

8.1 The Contractor shall provide appropriate labels and material safety data sheets for WHMIS regulated products. No product containing asbestos shall be supplied at any time without written authorization from the City.

PS06052.doc Page 12 April 12, 2006

9.0 Product Standards

9.1 All electrical items shall comply with the relevant sections, latest editions, of versions of the Canadian Standards Association (CSA) standard C22.1, Canadian Electrical Code (CEC), Electrical Safety Branch - BC Amendments to CEC Regulations and Bulletins, the City's Electrical Bylaw, and the National Building Code.

10.0 Changes in Requirements

- 10.1 The City, without invalidating the Contract, may make changes to the Contract by altering, adding to or deducting from the Requirements. Subject to mutual agreement, the Contractor shall proceed with the amended Requirements, and the amended Requirements shall be executed under the provisions of the Contract.
- 10.2 The Contractor shall not make any changes from the terms of the Contract unless it shall first have received the written consent of the City, and no claims for additional compensation shall be valid unless the change was so ordered.

11.0 Delivery

Deliveries must be made between 8:00 a.m. and 3:00 p.m. Monday to Friday, excluding statutory holidays, unless other arrangements have been agreed in writing. A material safety data sheet ("MSDS") must accompany all shipments containing products regulated under WHMIS legislation.

12.0 Quality of Workmanship and Materials

- 12.1 The Contractor shall perform the services with the degree of care, skill and diligence normally applied in the performance of services of a similar nature and in accordance with sound current professional practices and conforming to the requirements set out in the ITT.
- Materials, goods and equipment shall be the products of suppliers or manufacturers of established reputation engaged in the supply or manufacture of such materials or equipment.
- Materials are to be applied in accordance with the manufacturer's directions and shall use the techniques and applications best suited for the type of material being used.

13.0 Inspection

- 13.1 All goods, materials, equipment and/or services are subject to inspection and approval upon delivery. The City has the right to refuse acceptance of such goods, materials, equipment and/or services that are not in accordance with the Specifications, Requirements or the Contractor's warranty (expressed or implied).
- 13.2 Acceptance or rejection of the goods, materials, equipment and/or services shall be made as promptly as practical, but failure to inspect and accept or reject the goods, materials, equipment and/or services shall not relieve the Contractor from responsibility for such goods, materials, equipment and/or services that are not in accordance with the Contract.
- 13.3 The City shall be the final judge of all goods, materials, equipment and/or services in respect of both quality and quantity and its decisions of all questions in dispute with

PS06052.doc Page 13 April 12, 2006

- regard thereto will be final. Materials, goods or equipment not accepted will be returned to the Contractor at the Contractor's expense.
- 13.4 The City will not be deemed to have accepted the goods, materials, equipment and/or services by virtue of a partial or full payment for them.

14.0 Warranty

- 14.1 The Contractor warrants that the goods, materials, equipment and/or services supplied by the Contractor to the City will be in full conformity with the Specifications as well as samples, if any, then this is a sale by sample as well as by description within the meaning of the Sale of Goods Act (BC).
- 14.2 The Contractor further warrants that the goods, materials and/or equipment are of merchantable quality, and fit for the intended use and will perform according to the requirements set out in the ITT.
- 14.3 Equipment and materials shall be new, free and clear of all liens, charges and encumbrances, the latest model, and shall be complete with all necessary accessories for operation. All equipment and materials shall be at the risk of the Contractor until delivered to and accepted by the City.
- 14.4 At a minimum, a one (1) year parts and labour warranty shall be provided on all goods, materials, equipment and/or services provided under the Contract.
- 14.5 The Contractor warrants that its employees have the qualifications, experience, knowledge, skills and abilities necessary for the fulfilment of the Contract.

15.0 Protection of Person and Property

- 15.1 The Contractor shall use due care that no persons are injured, no property damaged or lost, and no rights are infringed in the performance of the Requirements, and the Contractor shall be solely responsible for all loss, damages, costs and expenses in respect of any injury to persons, damage of property, or infringement of the rights of others incurred in the performance of the Requirements or caused in any other manner whatsoever by the Contractor, or its employees.
- 15.2 The Contractor shall effectively warn and protect the public and other personnel from any danger as a result of the Requirements being done.

16.0 Rectification of Damage and Defects

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

PS06052.doc Page 14 April 12, 2006

17.0 Indemnification

- 17.1 The Contractor shall indemnify, hold and save harmless the City from and against all claims, losses, damages, costs, actions and other proceedings made, sustained, brought or prosecuted in a manner based upon, occasioned by or attributable to any injury, including death, property damage, infringement or damage arising from any act or omission of the Contractor, its employees, officers, volunteers, servants, subcontractors, or agents or persons for whom the Contractor has assumed responsibility in the performance or purported performance of the Requirements.
- 17.2 The Contractor shall indemnify the City from and against any and all liability or expenses by way of legal costs or otherwise in respect of any claim which may be made for a lien or charge at law or in equity or to any claim or liability under the Builders Lien Act, or to any attachment for debt, garnishee process or otherwise.
- 17.3 The Contractor shall pay all royalties and license fees and shall save the City harmless from loss on account of suits or claims of infringement of patents in the performance of the Requirements.
- 17.4 The Contractor shall assume the defense of, and indemnify and hold harmless the City and its officers, employees and agents, from and against all claims relating to materials, goods or equipment furnished and to inventions, copyrights, trade marks, or patents and rights thereto used by the Contractor in the execution of the Contract and in subsequent use and/or operation by the City.

18.0 Termination

- 18.1 The City will advise the Contractor by written notice of its intent to terminate the whole or any part of the Contract in any one of the following circumstances:
 - a) if the Contractor fails to make delivery of the goods, materials, equipment and/or services within the time specified, or fails to perform any other provisions, terms or conditions of the Contract within the time specified, or within a reasonable time if no time is specified;
 - b) in the event that the Contractor performs any act or does anything by which the City shall incur any liability whatsoever;
 - c) any failure of the Contractor to meet the safety requirements of the Contract;
 - d) in the event that any creditor of the Contractor causes a writ of execution or similar writ or court order to be served upon the City requiring the City to pay any portion due to the Contractor under the Contract; or
 - e) in the event that the Contractor is adjudged bankrupt or if it makes a general assignment for the benefit of creditors or if it becomes insolvent or if it should take the benefit of any Act that may be in force for bankrupt or insolvent debtors.
- 18.2 Upon termination of the Contract, the City shall have no obligation to the Contractor except for such goods, materials, equipment and/or services as have been supplied up to the date of the termination of the Contract(s).

PS06052.doc Page 15 April 12, 2006

18.3 Upon termination of the Contract(s) in whole or in part, the City may procure similar goods, materials, equipment and/or services and the Contractor shall be liable to the City for any excess costs for such similar goods, materials, equipment and/or services. The Contractor shall not be liable for any excess costs if failure to perform arises by reason of strikes, lockouts, Acts of God or acts of the City. The City will not be liable where Delivery Sites are not available due to strikes, lockouts or Acts of God.

19.0 Insurance Requirements

- 19.1 Without limiting any of its obligations or liabilities under the Contract, the Contractor and its sub-contractors shall obtain and continuously carry during the term of the Contract at their own expense and cost, the following insurance coverages with minimum limits of not less than those shown in the respective items set out below.
- 19.2 All insurance policies shall be in a form and in amounts satisfactory from time-to-time and with insurers acceptable to the City's Director of Risk Management and shall provide the City with sixty (60) days prior written notice of material change, lapse or cancellation. Notice must identify the Contract title, number, policyholder, and scope of work.
- 19.3 The Contractor and each of its sub-contractors shall provide at their own cost any additional insurance which they are required by law to provide or which they consider necessary.
- 19.4 Neither the providing of insurance by the Contractor in accordance with the requirements hereof, nor the insolvency, bankruptcy or the failure of any insurance company to pay any claim accruing shall be held to relieve the Contractor from any other provisions of the Contract Documents with respect to liability of the Contractor or otherwise.
- 19.5 The insurance coverage shall be primary insurance as respects the City. Any insurance or self-insurance maintained by or on behalf of the City, its officers, officials, employees, servants or agents shall be excess of this insurance and shall not contribute with it.
- 19.6 Prior to commencement of this Contract, the Contractor shall provide the City with evidence of all required insurance in the form of the attached Certificate of Insurance. The Certificate of Insurance shall identify the Contract title, number, policyholder and scope of work and shall not contain any disclaimer whatsoever. At all times thereafter, during the term of this Contract, the Contractor shall covenant and agree to comply with all its insurance obligations described herein. Certified copies of all insurance policies shall be made available to the City's Director of Risk Management at any time during the term of the Contract upon request.
- 19.7 The Contractor shall provide in its agreements with its sub-contractors clauses in the same form as those found herein. Upon request, the Contractor shall deposit with the City's Director of Risk Management detailed certificates of insurance for the policies it has obtained from its sub-contractors and a copy of the insurance clauses so provided in the said agreements.
- 19.8 The Contractor shall obtain and maintain in full force and effect during the term of the Contract, insurance not less than that set out below and provide proof of such insurance provided by a company duly registered and authorized to conduct insurance business in the Province of British Columbia.

PS06052.doc Page 16 April 12, 2006

a) Commercial General Liability insurance in sufficient amounts and description to protect the Contractor, its sub-contractors, the City and its respective officers, officials, employees, servants and agents against claims for damages, personal injury including death, bodily injury and property damage which may arise under this Contract.

The limit of commercial general liability insurance shall be not less than five million dollars (\$5,000,000) per occurrence inclusive for personal injury, death, bodily injury or property damage and in the aggregate with respect to products and complete operations. The deductible per occurrence shall not exceed two thousand five hundred dollars (\$2,500) per occurrence.

The policy of insurance shall:

- (i) be on an occurrence form;
- (ii) add the City and its officials, officers, employees and agents as additional insureds;
- (iii) contain a cross-liability or severability of interest clause;
- (iv) extend to cover non-owned automobile, contingent employer's liability, blanket contractual liability, contractor's protective liability, broad form property damage, broad form completed operations and operations of attached machinery.
- b) The Contractor shall ensure that vehicles owned and/or operated by the Contractor in connection with the Contract maintain Third Party Legal Liability Insurance in an amount not less than five million dollars (\$5,000,000) per occurrence.

20.0 Character of Workers

- 20.1 On the written request of the City, the Contractor will remove any employee, subcontractor or agent for any reason including but not limited to the following:
 - a) lack of or failure to obtain any required Security Clearance;
 - b) intoxication;
 - c) use of foul, profane, vulgar or obscene language or gestures;
 - d) solicitation of gratuities or tips from any person for services performed under the Contract:
 - e) wilful, negligent or reckless action in disregard of safety or sanitary requirements or regulations; or
 - f) any action which may constitute a public nuisance or disorderly conduct.
- 20.2 The Contractor will immediately comply with each such request and will then provide the City with all requested documentation verifying that the employee, sub-contractor or agent has been removed from further involvement with this Contract.

21.0 Failure to Perform

21.1 Should the Contractor neglect to execute the Requirements properly or fail to perform any provision of the Contract, the City may, without prejudice to any other right or remedy it may have, make good such deficiencies and may deduct the cost thereof from the payment due to the Contractor.

PS06052.doc Page 17 April 12, 2006

21.2 If the Contractor fails to perform any provision of the Contract due to reasons of strike, lockout or other work stoppages, the City may upon ten (10) days written notice to the Contractor terminate the Contract without prejudice to any other right or remedy the City may have.

22.0 Dispute Resolution

- 22.1 All claims, disputes or issues in dispute between the City and the Contractor shall be decided by mediation or arbitration, if the parties agree, or failing agreement, in a Court of competent jurisdiction within the Province of British Columbia and be governed by the laws of British Columbia.
- 22.2 In the event that the parties agree to arbitration pursuant to the above, the arbitration shall be governed by the rules of the British Columbia International Commercial Arbitration Centre, except that the arbitrator or arbitrators shall be agreed upon by the parties, and failing agreement by the parties, shall be appointed by a court of competent jurisdiction within the Province of British Columbia.
- In the event that the parties agree to arbitration, the arbitration shall take place in the Lower Mainland, British Columbia and be governed by the laws of British Columbia.
- The procedure set out in this section is not meant to preclude or discourage informal resolution of disagreements between the City and the Contractor.

23.0 Payments

- The Contractor shall be paid net 30 days from receipt of invoice and acceptance of the goods, materials, equipment and or services, whichever is the latter.
- The Contractor may be required to accept payment by purchasing card (MasterCard). Preference may be given to a Tenderer who has or is willing to expand their system to provide Level III reporting detail.

24.0 Taxes

- 24.1 Unless otherwise provided herein, the Contractor shall pay all sales or excise taxes in force during the term of the Contract, provided that any increase or decrease in such taxes shall increase or decrease the amount due under the Contract.
- 24.2 Invoices shall show the appropriate amounts for GST and PST.

25.0 Non-resident Withholding Tax

25.1 Regulation 105(1) of the Canadian Income Tax Act requires that payments to non-residents for any work performed in Canada are subject to a Non-resident Withholding Tax of 15%. Exemption from this withholding tax is available in some circumstances, but the Contractor must apply directly to the Canada Customs and Revenue Agency (CCRA) at least 30 days before commencing the Work.

PS06052.doc Page 18 April 12, 2006

26.0 No Promotion of Relationship

26.1 The Contractor must not disclose or promote its relationship with the City, including by means of any verbal declarations or announcements and by means of any sales, marketing or other literature, letters, client lists, press releases, brochures or other written materials without the express prior written consent of the City (except as may be necessary for the Contractor to perform the Contractor's obligations under the terms of the Contract). The Contractor undertakes not to use "VANOC", "Vancouver 2010", the official emblem, logo or mascot of the 2010 Games or any reference or means of promotion or publicity, without the express prior written consent of the City. Furthermore, the Contractor undertakes not to disclose or promote its relationship with the City in any communication or manner whatsoever as a basis to create an association, express or implied, between the Contractor and the IOC, the Olympics or the Olympic Movement.

PS06052.doc Page 19 April 12, 2006

1.0 Additional Evaluation Criteria

- 1.1 In addition to the evaluation criteria set out in Part A of this ITT, the following criteria, which are not in any order of importance, will be taken into consideration during the City's evaluation of the Tender:
 - Availability of parts;
 - Training;
 - Machine reliability;
 - Ability to meet delivery date;
 - Demonstration:
 - Ease of operations.

2.0 Additional Insurance Requirements

- 2.1 In addition to the insurance requirements set out in the General Conditions, the Contractor shall provide the following insurance in accordance with the terms set out in the General Conditions:
 - a) Insurance covering all risks of physical loss or damage to the equipment and all components thereof in an amount of not less than the full Contract price and which shall include a waiver of subrogation against all unissued parts and a deductible of no more than five thousand dollars (\$5,000) for each and every claim and which insurance shall terminate on safe delivery to and acceptance by the City of the equipment at the site.

3.0 Option to Purchase Additional Units

3.1 The City shall have the right to purchase one (1) additional identical trailer mounted brush chipper over the next twelve (12) months at the price set out in the Tender.

4.0 Commencement of Warranty Period

- 4.1 The warranty period shall commence at the time the City puts the equipment (the "Unit") into service, or three months after acceptance of the Unit, whichever is sooner.
- 4.2 The City will notify the Contractor the date that the Unit goes into service.
- The warranty should be made out to the City of Vancouver, 250 West 70th Avenue, Vancouver, BC, V5X 2X1.

5.0 Required Documentation

- 5.1 The following documentation shall accompany each Unit at time of delivery. Failure to include all or some of the listed documents will delay the City's acceptance of the Unit:
 - a) Copy of the City's invoice;

- b) British Columbia Motor Vehicle Branch form APV/9T transfer tax form/statement of vehicle origin or equivalent document from originating jurisdiction;
- c) Customs documentation, if applicable;
- d) Owner service policy and warranty;
- e) Warranty documents for installed accessories; and
- f) Line sheet for each type of vehicle.
- 5.2 The City of Vancouver address shown on the documentation should read the same as the Delivery Site address set out on the purchase order and in Part D Requirements.

6.0 Plant Production Limitations

- 6.1 If any Unit ordered under the Contract cannot be manufactured because of plant production limitations, the City reserves the right to purchase the current replacement model at a revised price.
- 6.2 The revised price shall be based on a percentage adjustment based on (i) the published manufacturer's retail/list prices at the time of the Tender and (ii) the first published manufacturer's retail/list prices for the next model year.
- 6.3 The Contractor shall notify the Manager of Materials Management in writing if such a production situation occurs, and shall submit with the letter of notification, comparative manufacturer's retail lists supporting the proposed revision(s).

PS06052.doc Page 21 April 12, 2006

INVITATION TO TENDER NO. PS06052 SUPPLY OF TEN (10) TRAILER MOUNTED BRUSH CHIPPERS PART D - REQUIREMENTS

1.0 Scope of Contract

1.1 The City of Vancouver requires ten (10) self contained trailer mounted hydraulic feed drum style brush chippers. Eight (8) - fourteen (14") inch units and two (2) - eighteen (18") inch units.

2.0 Requirements

2.1 Detailed specifications are set out in Appendix 2. Tenders shall clearly indicate any deviations from the equipment specifications set out therein.

3.0 Delivery

3.1 Units shall be delivered to the Delivery Site at:

City of Vancouver, Manitoba Yards 250 West 70th Ave. Vancouver, B.C. V5X 2X1

Attention: Gerry Papove

PS06052.doc Page 22 April 12, 2006