



REQUEST FOR PROPOSAL PS06042

DESIGN, MANUFACTURE, AND DELIVERY OF A POLICE BOAT

Proposals will be received in 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: 3:00:00 P.M. City Hall Clock Time (as defined in Note 2 below), Tuesday, February 13, 2007, and registered at 11:00:00 A.M., Wednesday, February 14, 2007.

NOTES:

1. Proposals are to be in sealed envelopes or packages marked with the Proponent's Name, the RFP Title and Number.
2. The Closing Time will be conclusively deemed to be the time shown on the clock used by the City's Security Office for this purpose.
3. DO NOT SUBMIT BY FAX.

All queries related to this RFP are to be submitted
in writing to the attention of:

Karen Wong, B.Mgt., C.P.P.
Contracting Specialist,

FAX: 604.873.7057 E-MAIL: purchasing@vancouver.ca

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**REQUEST FOR PROPOSAL NO. PS06042
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PART A - INTRODUCTION**

1.0 Introduction

- 1.1 The purpose of this Request for Proposal ("RFP") is to assist the City of Vancouver (the "City") in selecting a Proponent with the capability and experience to efficiently and cost-effectively design, manufacture and deliver a harbour patrol boat ("Police Boat") for the City's Vancouver Police Department's Marine Squad. The requirements stated in this RFP are as envisioned by the City at the time of writing, but may change or be refined in the course of the evaluation and negotiation process.
- 1.2 It is the City's intent to award a Contract to a single Proponent who will perform and carry out the requirements set out herein.

2.0 Overview

The successful RFP Proponent will be required to provide the following services consisting of but not limited to:

- Propose a Police Boat design based on the performance requirements set out in Schedule A - *Requirements*. Proven design of the vessel shall include data such as builder specifications, general arrangement, structural drawings, weight and stability calculations, hull lines and contact information of previous owners of the proven design.
- Construct the vessel in its entirety adhering to all federal and provincial regulations, construction standards for small vessels.
- Inspection during construction will be conducted by the City's marine consultant, BMT Fleet Technology Ltd. (the "Marine Consultant"). A production schedule shall be established by the builder and submitted for approval by the City's Purchasing Department.
- Sea trials will be conducted by the Marine Consultant and will be coordinated between the successful Proponent and Marine Consultant in conjunction with the production schedule.

2.1 Key dates to be noted are:

Event	Dates
Release of RFP	January 15, 2007
Deadline for Response Notification Form	February 6, 2007
Deadline for Enquiries	February 6, 2007
RFP Closing	February 13, 2007
Evaluations	Week of February 19, 2007
Recommendation of successful Proponent to Council	Week of March 12, 2007
Drafting of Contract and Performance Security Documents	To be determined

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Filing of Form 1 (Application for Registry) AND Form 15 (Description of Ship Proposed to be Built) at Ship Registry, Delivery/Registration of Performance Security, Execution of Contract and completion all other Contract closing matters	To be determined
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3.0 Background and Scope

3.1 Description of Marine Squad

The Vancouver Police Department's Marine Squad ("VPD-MS") is a specialized unit that is dedicated to water safety and preservation of life and property along the shores of the City of Vancouver. Responsibilities with neighbouring VPD-MS have grown significantly in the protection of residents, visitors, piers, and bridges, including the security of visiting military ships and other private vessels while in port within the City of Vancouver.

3.2 Marine Squad Patrol Operations

The VPD-MS regularly patrol fifteen (15) pleasure craft marinas, Granville Island boat docks, False Creek which typically has nearly one hundred (100) vessels at temporary anchor, Federal Fisheries floats, and a multitude of shore based installations which cover nearly one hundred miles of shoreline.

Additional areas of responsibility consist of high-profile crime prevention patrols, investigation of criminal matters, enforcement of marine regulations, and high-profile attendance of public events such as "Polar Bear Swim", "Celebration of Lights" fireworks display, Variety Club "Boat for Hope", and the "Parade of Lights" Carol Ships.

Frequent investigations require assistance from the RCMP Dive Team for both search and recovery. The VPD-MS provides vessels as dive platforms, and are usually used as a command center. Safety regulations and policies require a minimum of four (4) members from a dive team as well as four (4) members of the VPD Marine Squad inclusive of all dive gear, underwater communications, and specialized equipment.

3.3 R.G. McBeath - Existing Police Boat

The VPD-MS currently operates the R.G. McBeath as its harbour patrol boat. This vessel was manufactured in 1994, has now been in service for twelve years, and is scheduled for replacement this year.

The R.G. McBeath is 30'6 feet in length, GRT 8.32 tons, and has a registered depth of 3'3 feet. The vessel is equipped with two fuel tanks with a total of 160 gallons and twin drives complete with pilot control shifters. The vessel's engine is a 2 x Volvo DAD 43P-A turbo charged diesel engines.

The vessel's navigation equipment includes: a Furuno model 1731, 24 mile range; a Standard Horizon Chart Plotter 100C with a depth sounder; an Icom M59 radio and an Ericson VHF; a 2 x 3" Richie small vessel compass; a dual trumpet, stainless steel electric and air; URC 100 remote searchlight; and a DBS Solas 6 man canister life raft.

3.4 Scope

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PART A - INTRODUCTION**

The City is seeking a design from a single Proponent for a harbour patrol boat that will meet the growing responsibility of the VPD-MS. The design shall meet or exceed the performance specifications, operational requirements, marine enforcement requirements, and functionality requirements set out in this RFP.

3.5 Marine Consultant

The City of Vancouver has engaged a Consultant, BMT Fleet Technology Ltd., to assist in:

- developing Police Boat performance requirements,
- review, evaluate vessel design and construction submitted by the Proponents,
- inspection during construction and
- participate in successful Proponent's sea trials of the new Police Boat

4.0 Objectives of the RFP

4.1 Prior to issuing this RFP, the City has conducted a pre-qualification process and identified the following four ship-building firms as being qualified to participate in this RFP:

- Amstel Metal Products (2000) Ltd.
- Daigle Welding and Marine Ltd.
- Kamma & Blake Industries Ltd.
- Titan Boats, a division of Titan Inflatables Ltd.

(the "Short-Listed Proponents")

4.2 The objective of this RFP is to receive Proposals in compliance with the requirements set out in this RFP from the Short-Listed Proponents for the design, manufacture and delivery of a new Police Boat for the VPD-MS.

5.0 Insurance/Performance Security

Proponents are requested to review and ensure that they fully understand and have the ability to meet the City's insurance and performance security requirements as outlined in Part C - Special Conditions.

6.0 Requirements

In support of the RFP Objectives as outlined above, the City has identified specific requirements (the "Requirements") within Schedule A - *Requirements*, Part C - *Special Conditions*, and Appendix 3 - Form of Agreement to which the Proponent should offer its solution(s) in the manner and format described in Part B - *Instructions to Proponents* utilizing Part D - *Proposal Form* and the various schedules included within this RFP.

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PART B - INSTRUCTIONS TO PROPONENTS

NOTE: The definitions set out in Attachment A - Legal Terms and Conditions of Part D - *Proposal Form* apply throughout this RFP, including this Part B of this RFP, except where otherwise expressly stipulated or the context otherwise requires.

1.0 Administrative Requirements

- 1.1 Immediately after attending the Short-Listed Proponents' Informational Meeting, or prior to the deadline shown above, the Short-Listed Proponents are to indicate whether or not they be submitting a Proposal prior to the Closing Time by sending the Response Notification Form (Appendix 2). This will ensure that the Short-Listed Proponent receives pertinent information such as any questions and the respective answers, or any amendments or addenda relating to the RFP.
- 1.2 It is the sole responsibility of the Proponent to check the City's website at <http://www.vancouver.ca/bid/bidopp/openbid.htm> regularly for amendments, addenda, and questions and answers related to this RFP.
- 1.3 The Proponent is to submit their Proposal in accordance with instructions identified on the cover page and as provided within this Part B.

2.0 Conduct of RFP - Inquiries and Clarifications

- 2.1 The City's Manager - Materials Management will have conduct of this RFP, and all communications are to be directed only to the contact person named on the cover page of this RFP.
- 2.2 It is the responsibility of the Proponent to thoroughly examine these documents and satisfy itself as to the full requirements of this RFP. Inquiries are to be in written form only, faxed to 604-873-7057 or e-mailed to purchasing@vancouver.ca to the attention of the contact person shown on the cover page before the deadline date. If required, an addendum will be issued to all registered Proponents and posted on the City's website as noted in item 1.2 above.

3.0 Contract Requirements

- 3.1 The successful Proponent will be required to enter into a Contract substantially in the form set out in Appendix 3 – Form of Agreement. Proponents are to carefully review the Form of Agreement and ensure that they can comply with all insurance, security and other terms and conditions set out in it.
- 3.2 Where the head office of the successful Proponent(s) is located within the City of Vancouver and/or where the successful Proponent(s) is required to perform any Work at a site located within the City of Vancouver, the successful Proponent(s) is required to have a valid City of Vancouver business license prior to Contract execution.
- 3.3 If any of the terms set out in this RFP (including the Form of Agreement) are unacceptable to the Proponent, the Proponent should identify such terms and provide suggested alternatives in Schedule C - *Deviations and Variations*. While the City is not obligated to accept any alternative, all suggested alternatives will be considered during the evaluation process, but may or may not be acceptable to the City.

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4.0 Pricing

- 4.1 Prices quoted are to be exclusive of GST and PST.
- 4.2 Prices are to be quoted F.O.B. destination with all freight, unloading at destination, import duties, brokerage, royalties, handling, overhead, profit and all other costs included.
- 4.3 Proponents located in Canada may quote in Canadian Funds and where the product is imported from the USA or from other countries, prices may be quoted in the currency of the country from which they are imported. Proponents located outside Canada may quote prices in the monetary currency of their location or the jurisdiction from which the product is being obtained.

5.0 Consortium Proposals

- 5.1 Consortium or joint venture Proposals will not be considered in this RFP as only the Short-Listed Proponents (and their proposed sub-contractors and material suppliers) are invited to submit Proposals.

6.0 Submission of Proposal

- 6.1 Proponents are to submit five (5) hard copies of their Proposal. Copies are to be in three ring binders with each section tabbed and including all accompanying schedules, appendices or addenda in a sealed envelope or package marked with the Proponent's name, the RFP title and number, prior to the Closing Time set out on the date and to the location shown on the cover page of this RFP.
- 6.2 Only the English language may be used in responding to this RFP.
- 6.3 Proposals received after the Closing Time or in locations other than the address indicated, may or may not be accepted and may or may not be returned. The City may or may not elect to extend the Closing Time.
- 6.4 Amendments to a Proposal are to be submitted in writing in a sealed envelope or package, marked with the Proponent's name and the RFP title and number.
- 6.5 Proposals may be withdrawn at any time before or after the Closing Time and are to be withdrawn by written notice delivered to the attention of the contact person on the cover page and to the office of the Purchasing Department, 2nd Floor, City Hall, and signed by the authorized signatory for the Proponent.
- 6.6 All costs associated with the preparation and submission of the Proposal, including any costs incurred by the Proponent after the Closing Time, will be borne solely by the Proponent.

7.0 Format of Proposal

- 7.1 Unnecessarily elaborate Proposals, beyond that sufficient to present a complete and effective response, are not required and unless specifically requested, the inclusion of corporate brochures and narratives are discouraged.

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PART B - INSTRUCTIONS TO PROPONENTS**

7.2 Proponents are to complete all forms included in this RFP attaching any additional appendices that may be required. Proposals are to be arranged as follows:

Title Page: The title page will show the RFP title and number, Closing Time and Date, Proponent name, address, telephone number and the name and title of the contact person.

Table of Contents: Page numbers are to be indicated.

Executive Summary: A short summary of the key features of the Proposal demonstrating the Proponent's understanding of the scope of the Requirements.

Proposal Form: The Proponent is to complete the Proposal Form and attached Attachment A included in this RFP in accordance with the instructions.

Schedules: The Proponent is to complete and provide the information within the respective schedules included in this RFP. If additional space is required to respond to the requirements as outlined, then additional pages can be attached.

Schedule A - Requirements

(Schedule A should be completed by reproducing Schedule A electronically and then inserting Proponent's response after the relevant text within each section)

Schedule B - Pricing

Schedule C - Deviations and Variations

Schedule D - Sub-Contractors/Suppliers/Bill of Materials

Schedule E - Performance Schedule

Schedule F - Tests and Trials

Schedule G - Warranty

Schedule H - Methodology and Work Program

Alternate Solutions: Proponents may submit alternative solutions and are to clearly identify same as separate additional appendices within their Proposal.

8.0 Bid and Performance Security

8.1 Since no irrevocable offer is required under this RFP, no bid security is required.

8.2 Performance security is required as set out in Part C - *Special Conditions*, Section 1.0 and in Section 36.0 of the Form of Agreement.

9.0 Conflict of Interest/Solicitation

9.1 Proponents are to ensure that any and all conflicts or potential conflicts and any and all collusion, or appearance of collusion is fully and properly disclosed in Section 6.0 of Attachment A of the Proposal Form.

9.2 Failure to disclose this information may result in the rejection of the Proposal, the associated entity's Proposal, and/or the immediate cancellation of any Contract should one be concluded in reliance on the information contained in the submitted Proposal.

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- 9.3 If any director, officer, employee, agent or other representative of a Proponent makes any representation or solicitation offering a personal benefit of any kind, directly or indirectly, to any officer, employee, agent or elected official of the City with respect to the Proposal, whether before or after the submission of the Proposal, the City will automatically disqualify such Proponent.

10.0 Opening of Proposals

- 10.1 The City reserves the right to open all Proposals in a manner and at the time and place determined by the City. Dissemination of Proposal information will be as follows:
- a) Upon opening of the Proposals, the names of each Proponent will be publicly announced.
 - b) Upon completion of Proposal evaluation, the salient features of each Proposal and the recommended Proposal will be summarized and publicly reported on to the City's Council.

11.0 Evaluation of Proposals

- 11.1 Proposals will be evaluated on the basis of the overall best value to the City based on quality, service, price and any other relevant criteria set out herein including, but not limited to:
- a) the Proponent's ability to meet the Requirements as identified in Schedule "A";
 - b) the Proponent's ability to deliver the Requirements when and where required;
 - c) financial terms and performance security/insurance proposed;
 - d) the Proponent'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;
 - e) equipment quality, configuration, age and condition (if applicable);
 - f) environmental responsibility demonstrated by the Proponent;
 - g) quality of submission; and
 - h) any other criteria set out in the RFP or otherwise reasonably considered relevant.
- 11.2 The City may elect to further short list the Short-Listed Proponents in stages as deemed necessary. Further short-listed Short-Listed Proponents will be asked to provide additional information or details for clarification, which may include the Proponent (and any or all Sub-Contractors of the Proponent), attending interviews, making a presentation, supplying samples, performing demonstrations, and/or furnishing additional technical data.
- 11.3 Samples of items, when required, should be submitted within the time specified and must be supplied at no expense to the City. If not destroyed in testing, they will be returned at the Proponent's request and expense.
- 11.4 Prior to approval of a Proposal, the City must be satisfied as to the Proponent's financial stability. The Proponent(s) may be asked to provide annual financial reports or a set of financial statements prepared by an accountant and covering the Proponent's last two (2) fiscal years.
- 11.5 Preference may be given to Proposals offering environmentally beneficial services and business practices.

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12.0 Deviation From Requirements or Conditions

12.1 Any deviation from the Requirements or the conditions specified in this RFP should be clearly stated in the Proponent's Proposal within Schedule C - *Deviations and Variations*. The City will be the sole judge as to what constitutes an acceptable deviation. If no deviations are indicated in the Proponent's Proposal, the City will assume that the Proponent is proposing full compliance with the Requirements and conditions of this RFP.

13.0 Proposal Approval

13.1 Proposal approval is contingent on approval by City Council. Only then may the successful Proponent and City proceed to settle, draft and sign the necessary legal agreement.

13.2 The City will notify the successful Proponent in writing that its Proposal has been approved in principle by City Council and invite the Proponent to proceed to settle, draft and sign the necessary legal agreement.

13.3 The City is not under any obligation to approve any Proposal and may elect to terminate this RFP at any time.

14.0 Quantities - Intentionally Omitted

15.0 Brand Names

15.1 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 material 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 Proponent's responsibility to name such a product in its Proposal. Evidence of equality in the form of samples may be requested.

16.0 Alternates and/or Variations to Product Specifications

16.1 Proponents are to clearly indicate any variances from the City's Requirements, 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.

16.2 If in addition to proposing goods and/or services which meet the Requirements, the Proponent wishes to offer an alternative, the alternative solution is to be submitted separately as an appendix within the Proposal.

17.0 Environmental Responsibility

17.1 The City is committed to preserving the environment. Proponents are to 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 Proponent is to indicate the nature of the hazard in its Proposal.

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- 17.2 The Proponent is to advise the City of any known alternatives or substitutes for such materials that would mitigate or offset the effects of any adverse conditions on the environment.
- 18.0 Freedom of Information and Protection of Privacy Act**
- 18.1 Proponents 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.
- 19.0 Confidentiality**
- 19.1 Proponents should note that upon submitting their Proposal Form, they will be legally bound to certain confidentiality obligations not to disclose any City information without the City's prior written consent.
- 19.2 This RFP is the property of the City. Except for the purpose of submitting a Proposal, copies may not be made or distributed without the prior written approval of the City's Manager of Materials Management.
- 20.0 No Promotion of Relationship**
- 20.1 The Short-Listed Proponents are not permitted to disclose or promote their relationship with the City as short-listed proponents, 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 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 matter whatsoever as a basis to create an association, express or implied, between the Contractor and the IOC, the Olympics or the Olympic Movement.
- 21.0 Special Conditions**
- 21.1 Proponents should note that if the Special Conditions of this RFP (if any) conflict with Parts A and B of this RFP, the Special Conditions are intended to, and will, govern over Parts A and B.
- 22.0 Non-Resident Withholding Tax - Intentionally Omitted**
- 23.0 Legal Terms and Conditions**
- 23.1 No part of Part A - *Introduction*, this Part B - *Instructions to Proponents*, nor Part C - *Special Conditions*, will be legally binding on the City or Proponent. All legal terms and conditions of the process contemplated by this RFP are contained in Part D - *Proposal Form*, including without limitation, Attachment A - *Legal Terms and Conditions* to the Proposal Form.

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PART C - SPECIAL CONDITIONS**

1.0 Performance Security

- 1.1 Concurrently with signing the necessary legal agreement, the successful Proponent will be required to deliver several instruments of performance security so as to protect the City's financial investment in the vessel as each pre-payment is made during construction. The performance security will consist of:
- (a) clean, unconditional, irrevocable demand letter of credit in the amount of
 - (i) \$150,000 for the design and construction phases of the Contract,
 - (ii) reducing to \$25,000 for the first year following acceptance/delivery of Police Boat,such letter of credit to be issued in favour of the City by a Schedule I Canadian chartered bank or Schedule II Canadian chartered bank,
 - (b) first priority ship's mortgage over Police Boat,
 - (c) first priority personal property security interest in and to all components of the Police Boat and all insurance proceeds in same,
 - (d) registration of ship's mortgage in Canada Ship Registry, ahead of all other mortgages of the vessel,
 - (e) filing of Financing Statement in relation to personal property security interest in the British Columbia Personal Property Registry,
 - (f) priority and subordination agreements signed by all other secured creditors of the successful Proponent subordinating their security to that of the City's mortgage and personal property security interest in the Police Boat.
- 1.2 The Letter of Credit must contain an automatic extension clause for the above-noted terms, and may be drawn on by the City to reimburse the City for any losses or damages suffered by the City as the result of the successful Proponent's breach of the Agreement. All performance security including the Letter of Credit, all mortgages and charges, priority and subordination agreements, and filings in public registries, shall first be reviewed and approved as to terms and form by the City's Director of Legal Services.
- 1.3 The Proponent is to submit with its Proposal a letter from its operating lender and any and all other entities who hold or would require security from the Proponent for the advance of money, letters of credit, or the sale of labour, materials or equipment for the building of the Police Boat ("Other Lenders") confirming that they have been advised of the City's Letter of Credit and mortgage/personal property security interest requirements and that should the City enter into a contract to purchase the Police Boat from that Proponent, they would subordinate their claims to those of the City's.
- 1.4 A key part of the evaluation of the Proposals will be the adequacy of performance security proposed by the Proponent and the quality of the letter(s) submitted pursuant to Section 1.3 above.

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PART C - SPECIAL CONDITIONS

2.0 Insurance Requirements

- 2.1 The Proponent is advised to refer to Appendix 3 - Form of Agreement, Section 30 for the Insurance Requirements pertaining to this RFP should the proponent be selected as the successful Proponent.
- 2.2 Proponents are to submit with their Proposals a Certificate of Insurance in the form set out in Appendix 1 as evidence of their existing insurance coverage. Appendix 1 should be amended where appropriate to add the types of insurance currently carried by the Proponent which are not currently referred to on the Certificate.
- 2.3 The City prefers Proponents who carry, in their ordinary course of their business,
 - (1) commercial general liability insurance of five million dollars (\$5,000,000.00),
 - (2) all risk builders risk hull and machinery insurance for all vessels and equipment being built or transported by the Proponent for the full replacement value of all vessels in the possession, care or control of the Proponent.
- 2.4 The Proponent is to submit with its Proposal a letter from its insurer or insurance broker confirming that they have been advised of the City's insurance requirements under Section 30 of the Form of Agreement attached to this RFP and that should the City enter into a contract to purchase the Police Boat from that Proponent, the Proponent would qualify for the type of insurance required by Section 30 of the Form of Agreement.
- 2.5 A key part of the evaluation of the Proposals will be the adequacy of the letter(s) submitted pursuant to Section 2.4 above.

3.0 Sub-contractors/Suppliers/Bill of Materials

- 3.1 The Proponent is to name all sub-contractors and suppliers in Schedule D – *Sub-Contractors/Suppliers/Bill of Materials*.
- 3.2 Beside the name of each sub-contractor/supplier, the Proponent is to identify and list all labour, equipment and/or materials that will be supplied by that sub-contractor/supplier for the Police Boat.
- 3.3 For each item that is not manufactured by such sub-contractor/supplier, the Proponent shall indicate the manufacturer's name and address as well as the origin (factory or production facility name, address, province/state, country) of the actual item.

4.0 Tests and Trials

- 4.1 The Proponent is to fully describe and set out the proposed timeline for all tests and trials.
- 4.2 The timeline and delivery dates for the tests should be included in Schedule E - *Delivery Schedule*.

5.0 Performance Schedule

- 5.1 The Proponent is to fully describe in Schedule F - *Performance Schedule* (denoting same in terms of weeks following signing of Contract) the proposed timeline and key

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payment, completion, delivery, testing and acceptance milestones for design, manufacture and delivery of the Police Boat.

5.2 Schedule F should be completed in the form of a Gantt chart.

6.0 Warranty

6.1 In Schedule G - *Warranty*, the Proponent shall describe the warranty period and terms, and extended warranty options, if any. Copies of actual warranty certificates and documents shall be provided so that the City can evaluate actual warranty terms and conditions relating scope of coverage, length of warranty, exclusions and inclusions, parts, labour, response time/service guarantees, travel costs, transportation costs, etc.

6.2 Pricing for warranty and any extended warranty shall be set out in Schedule B - *Pricing*.

6.3 All warranty information in Schedule G will be assumed by the City to be additional to the warranty set out in Section 24 of the Form of Agreement unless otherwise expressly indicated by the Proponent in Schedule C - *Deviations and Variations*.

7.0 Methodology and Work Program

7.1 In Schedule H, the Proponent shall describe its proposed methodology and work program.

7.2 Pricing for everything described in Schedule H is to be included within the pricing set out in Schedule B - *Pricing*.

8.0 Two-Phased Contract Structure

8.1 Proponents are to carefully note the Contract structure set out in Appendix 3 - Form of Agreement.

8.2 The Contract is structured so that the parties will sign and then proceed through the design phase of the Contract. However, in the event that the City and/or Marine Consultant are for any reason not satisfied with the Design Documents and O&M Documents (as those terms are defined in Schedule A - *Requirements*) produced by the successful Proponent during this phase of the Contract, the City has the unfettered right to cancel the Contract without any further liability except to reimburse the successful Proponent for its out-of-pocket costs of producing the Design Documents and O&M Manuals up to a maximum amount as set out in Schedule B - *Pricing* (the "Exit Payment").

8.3 The Contract is also structured so that if the City or Marine Consultant require changes to the Requirements during the design phase which increase the cost to the successful Proponent such that the Contract Price must be increased over the fixed price quote set out in Schedule B - *Pricing* of this RFP, then the successful Proponent will have the right to cancel the Contract but will not be entitled under such circumstances to receive the Exit Payment.

8.4 Once the parties have agreed to proceed to the construction phase both become bound to the construction and payment obligations relating to same and become "locked in".

REQUEST FOR PROPOSAL NO. PS06042
DESIGN, MANUFACTURE, AND DELIVERY OF A POLICE BOAT
PART C - SPECIAL CONDITIONS

9.0 Value Added Services

9.1 Proponents should describe any value added services it is prepared to supply as part of the contract. Unless otherwise stated, it is understood that there are no extra costs for these services.

10.0 No Trade-Ins

10.1 Proponents should not offer a trade-in allowance for the R.G. McBeath.

10.2 The City intends to separately sell R.G. McBeath by public auction or a combination of methods that will result in best value to the City.

**REQUEST FOR PROPOSAL NO. PS06042
 DESIGN, MANUFACTURE, AND DELIVERY OF A POLICE BOAT
 PART D - PROPOSAL FORM**

Proponent's Name: _____
 "Proponent"

Address: _____

Telephone: _____ Fax: _____

Key Contact Person: _____

E-mail: _____ Incorporation Date: _____

Attach additional pages immediately behind this page for Sub-Contractors, if applicable.

To the City of Vancouver Materials Management Department,

The Proponent, having carefully examined and read the RFP, now submits the following Proposal:

1.0 Required Documents

If the documents listed below do not accompany the Proposal at the time of opening, the Proposal may or may not be put aside and given no further consideration.

Description	Required	Received
Letter(s) of Assurance and agreement to subordinate from Other Lenders (as per Part C - Special Conditions, Section 1.3)	Yes	
Letter of Assurance from Proponent's insurer or broker (as per Part C - Special Conditions Section 2.4)	Yes	
Completed and signed Certificate of Existing Insurance (as per Part C - Special Conditions, Section 2.2) in the form set out in Appendix 1	Yes	
Sample Certificates of Warranty for all components warranted by third parties (eg. engines, electronics, etc.)	Yes	

To be Initialled at Proposal Opening:

 Manager, Materials Management or designate

 Witness

REQUEST FOR PROPOSAL NO. PS06042
DESIGN, MANUFACTURE, AND DELIVERY OF A POLICE BOAT
PART D - PROPOSAL FORM

2.0 Compliance

By initialling each item, the Proponent acknowledges it has read and understands the Requirements, has submitted the required addenda, has identified deviations or alternatives, and has provided an explanation of where it does not comply with the Requirements. If additional space is required, detail deviations and/or suggested amendments in Schedule C - Deviations and Variations.

Section Title	Understand, Will Comply	Does Not Comply	Variations, Alternatives or Explanation for Non-Compliance
<u>Part B</u> Instructions to Proponents			
<u>Part C</u> Special Conditions			
<u>Part D</u> Proposal Form			
<u>Proposal Form - Attachment A</u> Legal Terms and Conditions			

3.0 Required Proposal Documents

By initialing each item, the Proponent confirms it has completed and enclosed the Proposal Form and the required Schedules and any required addenda, and has identified any deviations or items of non-compliance providing an explanation of where it does not comply.

Section Title	Submitted	Variations, Alternatives or Explanation for Non-Compliance
<u>The Proposal Form</u>		
<u>Proposal Form, Attachment A, Legal Terms and Conditions</u>		
<u>Schedule A</u> Requirements		
<u>Schedule B</u> Pricing		
<u>Schedule C</u> Deviations and Variations		

REQUEST FOR PROPOSAL NO. PS06042
DESIGN, MANUFACTURE, AND DELIVERY OF A POLICE BOAT
PART D - PROPOSAL FORM

Section Title	Submitted	Variations, Alternatives or Explanation for Non-Compliance
<u>Schedule D</u> Sub-Contractors/Suppliers/ Bill of Materials		
<u>Schedule E</u> Performance Schedule		
<u>Schedule F</u> Tests and Trials		
<u>Schedule G</u> Warranty		
<u>Schedule H</u> Methodology and Work Program		

4.0 Proponent's Declaration and Acknowledgment

4.1 The undersigned Proponent confirms that it has read and agreed to the Legal Terms and Conditions attached as Attachment A and agrees to be bound by the same.

IN WITNESS TO THE ABOVE, the Proponent has executed this Proposal Form and submits same with the attached Schedules:

Authorized Signatory for the Proponent
Date

Name and Title (*please print*)

REQUEST FOR PROPOSAL NO. PS06042
DESIGN, MANUFACTURE, AND DELIVERY OF A POLICE BOAT
PROPOSAL FORM - ATTACHMENT A - LEGAL TERMS AND CONDITIONS

1.0 LEGAL TERMS AND CONDITIONS OF PROPOSAL PROCESS

1.1 Application of These Terms and Conditions

These legal terms and conditions set out the City's and Proponent's/Sub-Contractors' legal rights and obligations only with respect to this RFP and Proposal process. In no event will the legal terms and conditions of this Attachment A apply to the Contract formed between the City and the successful Proponent.

1.2 Definitions

In this Attachment A, the following terms have the following meanings:

- (a) "City" means the City of Vancouver, a municipal corporation continued pursuant to the *Vancouver Charter*, and includes the City's Vancouver Police Board, as represented by its VPD-MS;
- (b) "Contract" means the legal agreement anticipated to be formed between the City and successful Proponent separate from the contract formed by this RFP and this Attachment A - *Legal Terms and Conditions*;
- (c) "Proposal" means the package of documents, consisting of this Proposal Form as well as all Schedules, once completed and submitted to the City by the Proponent, and "proposal" means any proposal submitted by any other proponent, excluding or including the Proponent, depending on the context.
- (d) "Proponent" means the legal entity(ies) who has (have) signed and delivered this Proposal Form, and "proponent" means any proponent responding to the Instructions to Proponents, excluding or including the Proponent, depending on the context.
- (e) "Losses" means in respect of any matter all
 - (i) direct or indirect, as well as
 - (ii) consequential,claims, demands, proceedings, losses, damages, liabilities, deficiencies, costs and expenses (including without limitation all legal and other professional fees and disbursements, interest, penalties and amounts paid in settlement whether from a third person or otherwise).
- (f) "RFP" means the documents issued by the City as Request for Proposal No. PS06042, including all addenda.
- (g) "Sub-Contractors" includes any or all third parties listed in Schedule D of this Proposal Form.

2.0 GENERAL TERMS AND CONDITIONS OF RFP/PROPOSAL PROCESS

2.1 No Legal Obligation Assumed by City

**REQUEST FOR PROPOSAL NO. PS06042
DESIGN, MANUFACTURE, AND DELIVERY OF A POLICE BOAT
PROPOSAL FORM - ATTACHMENT A - LEGAL TERMS AND CONDITIONS**

Despite any other term of this Proposal Form (except only (where applicable) Section 4.3 - *Limitation*, Section 4.4 - *Dispute Resolution*, Section 5.2 - *Proponent's Submission Confidential*, and Section 5.5 - *Declaration of Confidentiality*, the City assumes no legal duty or obligation in respect of this RFP or this Proposal process unless and until the City enters into a Contract). This RFP and Proposal process is at all times contingent on funds being approved by the Vancouver City Council and a Contract being signed by the City and the successful Proponent.

2.2 Legal Rights and Obligations Suspended

Despite any other term of this Proposal Form (except only (where applicable) Section 5.2 - *Proponent's Submission Confidential*, and Section 5.5 - *Declaration of Confidentiality*), the City and Proponent agree that all of their respective rights and obligations at law and in equity, in contract and in tort, in all matters relating to the RFP and this Proposal process will be absolutely and unconditionally subject to Section 4.0 - *Protection of City Against Lawsuits*, and the following:

(a) No Duty

The City has no legally enforceable duty or obligation to the Proponent unless and until the City signs a Contract.

(b) Proponent's Risk

The Proponent acknowledges that the City is a public body required by law to act in the public interest. Accordingly, in no event does the City owe to the Proponent (as opposed to the public):

- (i) a contract or tort law duty of care, fairness, impartiality or procedural fairness in the RFP or Proposal process; or
- (ii) any contract or tort law duty to preserve the integrity of the RFP or Proposal process,

and the Proponent now waives and releases the City from all such duties and expressly assumes the risk of all Losses arising from participating in the RFP and Proposal process on this basis.

(c) Proponent's Cost

The Proponent now assumes and agrees to bear all costs and expenses incurred by the Proponent in preparing its Proposal and participating in the RFP and Proposal process.

3.0 EVALUATION OF PROPOSALS

3.1 Compliance/Non-Compliance

Any Proposal which contains an error, omission or misstatement, which contains qualifying conditions, which does not fully address all of the requirements or expectations of the RFP or, which otherwise fails to conform to the RFP may or may not be rejected by the City at the City's sole discretion.

REQUEST FOR PROPOSAL NO. PS06042
DESIGN, MANUFACTURE, AND DELIVERY OF A POLICE BOAT
PROPOSAL FORM - ATTACHMENT A - LEGAL TERMS AND CONDITIONS

3.2 Reservation of Complete Control Over Process

The City reserves the right to retain complete control over the RFP and Proposal process at all times except only as otherwise expressly stipulated in any Contract. Accordingly, the City is not legally obligated to review, consider or evaluate the Proposals and need not necessarily review, consider or evaluate the Proposals in accordance with the procedures set out in this RFP and the City reserves the right to continue, interrupt, cease or modify its review, evaluation and negotiation process on any or all Proposals at any time without further explanation or notification to any of the Proponents subject only to the express legal terms and conditions which bind the City, which terms and conditions are expressly limited to those set out in Section 4.3 - *Limitation*, Section 4.4 - *Dispute Resolution*, Section 5.2 - *Proponent's Submission Confidential*, Section 5.5 - *Declaration of Confidentiality*.

3.3 Discussions/Negotiations

The City may, at any time prior to or after signing a Contract, discuss/negotiate changes to the scope of the RFP, or any of the terms or conditions of the RFP with any one or more of the Proponents without having any duty or obligation to advise the Proponent or to allow the Proponent to vary its Proposal as a result of discussions or negotiations with other Proponents or changes to the RFP, and, without limiting the general scope of Section 4.0 - *Protection of City Against Lawsuits*, and by way of example only, the City will have no liability to the Proponent as a result of such discussions, negotiations or changes.

4.0 PROTECTION OF CITY AGAINST LAWSUITS

4.1 Release

Except only and to the extent that the City is in breach of the Contract, Section 5.2 - *Proponent's Submission Confidential*, or Section 5.5 - *Declaration of Confidentiality*, the Proponent now releases the City from all liability for any Losses in respect of:

- (a) any alleged (or judicially imposed) breach by the City of the RFP (it being acknowledged and agreed that to the best of the parties' knowledge, the City has no obligation or duty under the RFP or Proposal process which it could breach (other than wholly unanticipated obligations or duties merely alleged or actually imposed judicially));
- (b) any unintentional tort of the City occurring in the course of conducting this RFP and Proposal process;
- (c) the Proponent preparing and submitting its Proposal;
- (d) the City accepting or rejecting its Proposal or any other submission;
- (e) the manner in which the City:
 - (i) reviews, considers, evaluates or negotiates any Proposal,
 - (ii) deals with or fails to deal with any Proposal or Proposals, or
 - (iii) decides to enter into the Contract or not enter into the Contract;
- (f) the Proponent(s), if any, with whom the City enters the Contract.

**REQUEST FOR PROPOSAL NO. PS06042
DESIGN, MANUFACTURE, AND DELIVERY OF A POLICE BOAT
PROPOSAL FORM - ATTACHMENT A - LEGAL TERMS AND CONDITIONS**

4.2 Indemnity

Except only and to the extent that the City breaches the Contract, Section - 5.2 - *Proponent's Submission Confidential* or Section 5.5 - *Declaration of Confidentiality*, the Proponent now indemnifies and will protect and save the City harmless from and against all Losses, in respect of any claim or threatened claim by the Proponent or any of its Sub-Contractors or agents alleging or pleading

- (a) any alleged (or judicially imposed) breach by the City or its officials or employees of the RFP (it being agreed that, to the best of the parties' knowledge, the City has no obligation or duty under the RFP or Proposal process which it could breach (other than wholly unanticipated obligations or duties merely alleged or actually imposed judicially)),
- (b) any unintentional tort of the City or its officials or employees occurring in the course of conducting this RFP or Proposal process, or
- (c) liability on any other basis related to this RFP or the Proposal process.

4.3 Limitation

In the event that, with respect to anything relating to this RFP or Proposal process (except only and to the extent that the City breaches the Contract, Section 4.3 - *Limitation*, Section 4.4 - *Dispute Resolution*, Section 5.2 - *Proponent's Submission Confidential*, or Section 5.5 - *Declaration of Confidentiality*), the City or its officials, officers, agents or employees are found to have breached any duty or obligation of any kind to the Proponent or its Sub-Contractors or agents whether at law or in equity or in contract or in tort, or are found liable to the Proponent or its Sub-Contractors or agents on any basis or legal principle of any kind, the City's liability is limited to a maximum of \$100, despite any other term or agreement to the contrary.

4.4 Dispute Resolution

Any dispute relating in any manner to this RFP or the Proposal process (except only and to the extent that the City breaches the Contract, Section 4.3 - *Limitation*, Section 4.4 - *Dispute Resolution*, Section 5.2 - *Proponent's Submission Confidential*, or Section 5.5 - *Declaration of Confidentiality*), will be resolved by arbitration in accordance with the *Commercial Arbitration Act* (British Columbia) amended as follows:

- (a) The arbitrator will be selected by the City's Manager - Materials Management.
- (b) This Section 4.0 - *Protection of the City from Lawsuits* will:
 - (i) bind the City, Proponent and the arbitrator; and
 - (ii) survive any and all awards made by the arbitrator.
- (c) The Proponent will bear all costs of the arbitration.

5.0 ACCESS/OWNERSHIP OF PROPOSAL INFORMATION

5.1 Proposal Documents Remain/Proposal Becomes - City's Property

**REQUEST FOR PROPOSAL NO. PS06042
DESIGN, MANUFACTURE, AND DELIVERY OF A POLICE BOAT
PROPOSAL FORM - ATTACHMENT A - LEGAL TERMS AND CONDITIONS**

- (a) All RFP packages and addenda provided to the Proponent by the City remain the property of the City and must be returned to the City upon request.
- (b) The documentation containing the Proposal, once submitted to the City, becomes the property of the City, and the City is under no obligation to return the Proposal.

5.2 Proponent's Submission Confidential

Subject to the applicable provisions of the *Freedom of Information and Protection of Privacy Act* (British Columbia) and the City's full right to publicly disclose any and all aspects of the Proposal in the course of publicly reporting to the Vancouver City Council on the Proposal results or announcing the results of the Proposals to the Proponent, the City will treat all material and information expressly submitted by the Proponent (and the City's evaluation of it) in confidence in substantially the same manner as it treats its own confidential material and information.

The Proponent now irrevocably waives all rights it may have by statute, at law or in equity, to obtain any records produced or kept by the City in evaluating its Proposal (and any other submissions) and now agrees that under no circumstances will it make any application to the City for disclosure of any records pertaining to the receipt, evaluation or selection of its Proposal (or any other submissions) including, without limitation, records relating only to the Proponent.

5.3 All City Data/Information is Confidential

The Proponent will not divulge or disclose to any third parties any information concerning the affairs of the City which may be communicated to the Proponent at any time (whether before or after the closing date and time of this RFP process). Recognizing the need for confidentiality of the City's data, files and other confidential information, the Proponent will not use, exploit or divulge or disclose to third parties any confidential or proprietary information of the City of which the Proponent may gain knowledge in connection with or in the course of discussions or negotiations with the City.

All material and information that has or will come into the Proponent's possession or knowledge in connection with this Proposal process is confidential and may not be disclosed or utilized in any way except in accordance with the Instructions to Proponents and this Proposal Form.

5.4 Disclosure Requires Prior Consent

The Proponent may not divulge any information respecting the Proposal process to any third party without the prior written consent of the City, which consent may be arbitrarily withheld unless it is information which the City has already made public or has been required to disclose pursuant to the *Freedom of Information and Protection of Privacy Act* (British Columbia).

5.5 Declaration of Confidentiality

The Proponent now declares and agrees that, except for the information disclosed by the City in the course of publicly reporting to the Vancouver City Council or any public proposal opening:

REQUEST FOR PROPOSAL NO. PS06042
DESIGN, MANUFACTURE, AND DELIVERY OF A POLICE BOAT
PROPOSAL FORM - ATTACHMENT A - LEGAL TERMS AND CONDITIONS

- (a) the information supplied by the Proponent in response to the RFP is expressly provided in strict confidence;
- (b) any records made of the evaluation of this Proposal and all other submissions will be the property of, and private to, the City and will not be disclosed to the Proponent nor anyone else;
- (c) the disclosure of the information in items (a) and (b) above to anyone outside of the City's staff would reveal the Proponent's trade secrets or proprietary commercial information concerning its private business affairs; and
- (d) the disclosure of the information in items (a) and (b) above, could reasonably be expected to harm the Proponent's competitive position, harm the City's ability to engage in competitive procurement of goods and services, and result in undue financial loss to the Proponent and/or the City.

6.0 DECLARATION - NO CONFLICT OF INTEREST / NO COLLUSION

6.1 Declaration as to Conflict of Interest

The Proponent now confirms and warrants that there is no officer, director, shareholder, partner or employee or other person related to the Proponent's or Sub-Contractor's organizations (a "person having an interest") or any spouse, business associate, friend or relative of a person having an interest who is:

- (a) an elected official or employee of the City; or
- (b) related to or has any business or family relationship with any elected official or employee of the City, such that there would be any conflict of interest or any appearance of conflict of interest in the evaluation or consideration of this Proposal by the City, except as set out below:

[The Proponent is conclusively deemed to have declared "none" unless the Proponent deletes this note and describes any or all relationships which might give rise to a conflict of interest or an appearance of a conflict of interest].

6.2 Declaration as to Collusion

The Proponent now confirms and warrants that

- (a) the Proponent has no affiliation, whether legal or financial, with any other entity which is in the business of providing the same type of goods or services which are the subject of this RFP; and
- (b) the Proponent is not competing within this RFP process with any entity which it is legally or financially associated or affiliated, except as set out below:

[The Proponent is conclusively deemed to have declared "none" unless the Proponent deletes this note and describes any and all affiliations or relationships which might give rise to collusion or an appearance of collusion].

**REQUEST FOR PROPOSAL NO. PS06042
DESIGN, MANUFACTURE, AND DELIVERY OF A POLICE BOAT
PROPOSAL FORM - ATTACHMENT A - LEGAL TERMS AND CONDITIONS**

7.0 NO PROMOTION OF RELATIONSHIP

The Proponent will 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 to perform the Proponent's obligations under the terms of this Attachment A). The Proponent undertakes not to use "City of Vancouver", "VPD", "Vancouver Police Department", "Marine Squad", "VANOC", "Vancouver 2010", "2010 Games", "2010 Winter Olympics", or any official emblem, logo or mascot of any of the above or any reference or means of promotion or publicity, without the express prior written consent of the City. Furthermore, the Proponent undertakes not to disclose or promote its relationship with the City or VPD in any communication or matter whatsoever as a basis to create an association, express or implied, between the Proponent and the City, VPD, IOC, the Olympics or the Olympic Movement.

8.0 SECURITY CHECKS

The Proponent acknowledges that VPD-MS has developed a comprehensive security protocol for anyone providing goods or services to the VPD-MS. The Proponent agrees that as a condition of submitting its Proposal to the VPD-MS:

- (a) the VPD-MS may at any time and from time to time and at any time prior to the award of the Contract, conduct criminal records searches, police history information searches and/or other background checks, investigations and searches (collectively, "Searches") pertaining to: (i) the Proponent; (ii) any principals, directors, managers, employees and agents of the Proponent being proposed, directly or indirectly, as having any involvement with this RFP or the anticipated Contract; (iii) the Sub-Contractor(s); or (iv) any principals, directors, managers, employees and agents of the Sub-Contractor(s) proposed to perform directly or indirectly, any part of the anticipated Contract which involves, or may involve, access to the Police Boat or design or other information (for the purposes of this section, (i) through (iv) are collectively, the "Proponent Personnel");
- (b) the Proponent will cause all Proponent Personnel, as a condition of participating in this RFP, to execute and deliver to the VPD-MS, or on the request of the VPD-MS, a consent document setting out the individual's consent and authorization to conduct any Searches, including without limitation consent to the collection and submission of such personal data and information as may be required to enable the VPD-MS to perform such Searches; and
- (c) without limiting any other term of this Attachment A, the Proponent agrees that each of: (i) the failure of any Proponent Personnel to deliver any consent or authorization required hereunder; and (ii) receipt by the City of notice from the VPD-MS that the outcome of any of the Searches is not satisfactory, may or may not result in the Proponent's Proposal being set aside.

9.0 SURVIVAL/LEGAL EFFECT OF PROPOSAL CONTRACT

All of the terms of this Attachment A to this Proposal Form which by their nature require performance or fulfilment following the conclusion of the Proposal process will survive such process and will remain legally enforceable by and against the Proponent and City.

**REQUEST FOR PROPOSAL NO. PS06042
DESIGN, MANUFACTURE, AND DELIVERY OF A POLICE BOAT
PROPOSAL FORM - ATTACHMENT A - LEGAL TERMS AND CONDITIONS**

As evidence of the Proponent's intent to be legally bound by this Attachment A, the Proponent has executed and delivered this Attachment A as an integral part of this Proposal Form in the manner and space set out above.

**REQUEST FOR PROPOSAL NO. PS06042
DESIGN, MANUFACTURE, AND DELIVERY OF A POLICE BOAT
SCHEDULE A - REQUIREMENTS**

This Schedule identifies the Requirements to which the City is seeking a solution or a response. Proponents are to address, but are not limited in their response to, the respective issue(s). Background information and general instructions need not be included in the response, however all requests for information, questions, specific requirements, tables, etc. should be included and the same numbering sequence used.

1.0 Mandatory Requirements

All of the requirements listed in this Schedule A are mandatory. Failure to comply with or exceed such requirements may or may not result in the Proposal being set aside.

2.0 Introduction/Terminology

The City's Vancouver Police Department- Marine Squad requires a harbour patrol boat to replace the "R.G. McBeath". This Schedule A defines the design, functional performance, and other requirements for the replacement vessel (the "Police Boat").

This specification (along with the Proponent's response to same) will be expressly incorporated into and attached to the Contract anticipated to be signed by the City and the successful Proponent in substantially the form attached as Appendix 3 - Form of Agreement.

For ease of such attachment to the anticipated Contract, this Schedule A refers to the "successful Proponent" as the "Contractor" and utilizes the same defined terms as are set out in Appendix 3 - Form of Agreement.

3.0 General Requirements

3.1 Overall Responsibility

The Contractor shall be responsible for all aspects of the design, construction, testing, and delivery of the Police Boat and shall ensure that the delivered Police Boat meets all of the Requirements.

3.2 General Functional Requirements

The Police Boat is required to patrol Vancouver harbour in order to protect life and property along the shores of the City of Vancouver.

The Police Boat shall be capable of performing the following functions:

- Crime prevention patrols of marinas, docks, and shallow waters adjacent to the shoreline;
- Patrols at public events in the harbour or close to shore;
- Act as a dive platform and command center during joint operations with the RCMP dive team during crime investigations that require underwater search and recovery of evidence. Safety regulations and policies require a minimum of four (4) members from a dive team as well as four (4) members of the VPD Marine Squad inclusive of all dive gear, underwater communications, and specialized equipment and so the Police Boat should be designed to adequately accommodate same;
- Recovery of human remains from the water.

REQUEST FOR PROPOSAL NO. PS06042
DESIGN, MANUFACTURE, AND DELIVERY OF A POLICE BOAT
SCHEDULE A - REQUIREMENTS

3.3 Operational Area

The Police Boat will normally operate in the sheltered waters of English Bay, Vancouver Harbour, Burrard Inlet, False Creek and the Fraser River; however, the Police Boat shall be capable of operating in Georgia and Juan de Fuca Straits.

3.4 Environmental Conditions

The Police Boat shall be designed and constructed so as to properly operate within the following ranges of environmental conditions:

- Ambient Air Temperature: Max. 35°C, Min. -15°C,
- Water Temperature: Max. 20°C, Min. 0°C,
- Humidity: Max. 100%, Min. 40%
- Significant wave heights of up to 2 meters.
- Winds of up to 33 knots.

3.5 Proven Design

The Police Boat shall be a deep vee chined planning monohull with a twin stern drive leg propulsion system. The Police Boat shall be based on an existing proven design with at least 3 years of service. A similar vessel shall be available to the City/Marine Consultant for evaluation, if requested.

References and technical data shall be provided for the design that will be the basis of the new Police Boat design including the following:

- Contact information for the City/Marine Consultant of proven design
- Hull lines,
- Speed trials report,
- Weight and Stability Calculations,
- Structural Scantlings,
- General Arrangement,
- Builder Specifications.

The Contractor will be responsible for ensuring that, during its development of the design of the Police Boat, modifications to the proven design required to customize the Police Boat for this Contract will be kept to a minimum and not adversely affect the Contractor's ability to comply with these Requirements.

The evaluation, testing, approval or acceptance of the similar vessels by the City/Marine Consultant shall in no way constitute or be deemed to constitute a waiver or modification of any of these Requirements and the Contractor remains liable for compliance with these Requirements (as may be refined by the Proposal and Contract) regardless of whether or not the similar vessels of proven design are accepted by the City/Marine Consultant.

3.6 Speed

The Police Boat shall have a top speed of 38 knots in the full load condition, in calm water, at the maximum continuous rated power of the engines. The maximum continuous rated power shall be the manufacturer's standard unlimited rating according to ISO 8665.

**REQUEST FOR PROPOSAL NO. PS06042
DESIGN, MANUFACTURE, AND DELIVERY OF A POLICE BOAT
SCHEDULE A - REQUIREMENTS**

The Police Boat should have a cruising speed of 35 knots.

The full load condition is defined as full fuel, water, other liquid tanks (holding tank should be empty), 4 adults on board, and carrying all equipment referred to in this Schedule A (including that to be furnished by the City).

3.7 Range

The boat shall have a range of 300 nautical miles at a cruising speed of 35 knots. This range shall be achieved with a 10% fuel reserve margin.

3.8 Seakeeping

The Police Boat is required to operate in up to 2 meter waves therefore it should be designed to have good seakeeping performance and shall have a minimum bottom deadrise at the transom of 15 degrees.

3.9 Crew Complement

During patrol missions the Police Boat will normally have an operating crew of two. For the purposes of safety and stability design criteria the Police Boat shall be designed to safely and legally carry a maximum of twelve adults.

3.10 Noise

The noise levels inside the deckhouse shall be below 80 dB(A) when cruising at 35 knots.

3.11 Basic Design

The boat shall have a forward enclosed deckhouse and an open aft deck that shall be of the self-bailing type. The main navigation station shall be in the deckhouse with good visibility forward, aft and to the side.

A command bridge shall be provided above the deckhouse. A storage/toilet area shall be provided under the foredeck, accessible from the deckhouse.

A walkway shall be provided all around the deck edge to offer easy walking access from the open aft deck to the foredeck. The area in way of the forward deckhouse windows shall not have any unnecessary obstructions.

4.0 Standards

The Police Boat shall be designed, built, transported and delivered in accordance with the most recent edition of *Construction Standards for Small Vessels TP1332* (Non-Pleasure Craft) as issued by Transport Canada, the *Canada Shipping Act*, all regulations enacted pursuant to the *Canada Shipping Act* which apply to the design, construction, or transport and delivery of the Police Boat under the Contract (including without limitation and by way of example only, the *Collision Regulations*, the *Hull Construction Regulations*, the *Life Saving Equipment Regulations*, the *Steering Appliances and Equipment Regulations*, the *Ship Station (Radio) Regulations*, and the *Ship Station (Radio) Technical Regulations*) and also shall be compliant with all other applicable Canadian laws and regulations.

REQUEST FOR PROPOSAL NO. PS06042
DESIGN, MANUFACTURE, AND DELIVERY OF A POLICE BOAT
SCHEDULE A - REQUIREMENTS

For further certainty, all equipment and stowage provided by the Contractor for the Police Boat will be fully compliant with the applicable standards as set out above.

The Contractor shall be responsible for obtaining and paying for any and all certificates required by Canadian laws and regulations, and for posting the same and shall be responsible for all related survey and measurement fees.

The Police Boat shall be designed and built according to sound engineering principles and according to standard proven boat building methods. It is the responsibility of the Contractor to ensure that the Police Boat is "fit for purpose" and that the completed vessel meets all the performance requirements.

5.0 Principal Particulars

The Police Boat shall be at least 10 meters in length overall but no longer than 11 meters. This overall length does not include swim grid, push bar or other appendages beyond the hull.

The Police Boat shall have a maximum draft of 1.25 meters, in the full load condition (as that term is defined in Section 3.5 - *Speed* above.)

The gross registered tonnage shall be less than 15 gross tons as measured by the Contractor's licensed tonnage measurer in accordance with the *Canada Shipping Act* and the *Ship Registration and Tonnage Regulations*.

6.0 Design/O&M Documents

The following design, operating and maintenance documents shall be provided by the Contractor to the City/Marine Consultant in order to review the adequacy of design and post-construction documentation:

- Detailed Vessel Specification,
- General Arrangement Drawing including
 - Tank plan,
 - Machinery arrangement
 - Life-saving and safety equipment arrangement,
- Lines Plan,
- Structural Drawings,
- Welding Schedule,
- Weight Estimate,
- Hydrostatics and Stability Calculations,
- Electrical One-line Diagram,
- Speed/Power Calculations,
- Equipment Makers List,
- Piping Systems, one line diagrams,
- Paint Schedule,

(collectively, the "Design Documents"),

- Scheduled maintenance package including a check-off style preventative maintenance schedule checklist as recommended by the Contractor to ensure full and satisfactory service life.

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- Operating and maintenance manuals including: parts manual, service manual (or secured access to manufacturer's website where the above information is available at all times), operator manual, repair manual, electrical schematics,

(collectively, the "O&M Manuals").

The Design Documents and O&M Manuals shall be reviewed and approved by the City/Marine Consultant before construction of the Police Boat commences. Once the Police Boat is completed these documents shall be updated by the Contractor to as-fitted status and delivered to the City/Marine Consultant for review and approval.

7.0 Hull Construction

7.1 Material

The hull and deckhouse shall be constructed from welded marine grade aluminum. Aluminum plate shall be Type 5086-H116 for the hull and 5052-H116 for the deckhouse. Extrusions shall be Type 6061-T6. The aluminum material composition and mechanical properties shall meet ASTM B 928-04 and Classification Society requirements. Mill certificates for the materials used in the construction of the Police Boat shall be provided to the City/Marine Consultant for review and approval prior to incorporation into the hull or deckhouse.

7.2 Scantlings

Minimum scantlings shall be:

Bottom 5/16" (8 mm)
Sides 1/4" (6.4 mm)
Transom 5/16" (8.0 mm)
Decks 3/16" (4.7 mm)
House 1/8" (3.2 mm)

7.3 Dissimilar Metals

Throughout the Police Boat, metals not compatible with aluminum in a marine environment shall not be used except with the prior written approval of the City/Marine Consultant such approval to be requested and received during design phase of the Contract.

Where the use of dissimilar metals is unavoidable and approved by the City/Marine Consultant, careful consideration shall be given to the actual metal selection to minimize potential cathodic corrosion, and the faying surfaces shall be insulated with a durable material so as to avoid any cathodic corrosion.

7.4 Welding

The Contractor shall be certified according to CSA W47.2 and welding shall only be carried out by certified personnel. The types and size of welds shall be to an appropriate Classification Society standard.

8.0 Outfit

8.1 Interior Linings and Floor Coverings

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The Contractor shall provide good quality marine standard linings including deckhead and floor coverings. Colours shall be approved by the City/Marine Consultant prior to the start of construction.

Materials shall be durable, washable and suitable for marine applications.

8.2 Insulation

Surfaces of the hull and deckhouse including machinery space exposed to outside temperatures shall be fitted with at least 25 mm of Transport Canada approved thermal insulation.

8.3 Furnishings

Contractor shall supply and install the following:

Main Deckhouse:

- Control Console
- Two (2) Helm Seats, swivel with armrests. Pedestal Adjustable up/down and fore/aft.
- Dinette table
- Two (2) dinette settees, each sized for two (2) people with stowage under
- Galley counter with stowage

Lower Cuddy:

- Shelves to stow police equipment. Actual arrangement as directed by City/Marine Consultant.

Command Bridge:

- Control Console
- Three (3) helm seats, swivel with armrests. Pedestal adjustable up/down.

All items on command bridge shall be suitable for direct exposure to weather.

8.4 Anchor

Contractor shall supply and install an anchoring system as follows:

One (1) approx. 10 kg. high holding type anchor with 50' of 5/16" high tensile anchor chain and 300 feet of 5/8" white nylon braid rope.

One (1) anchor windlass of suitable size for the anchor and chain and of type Maxwell RC 800 or equal.

One (1) heavy duty bow roller made of stainless steel and of the self stowing and releasing type.

8.5 Command Bridge

A command bridge on top of the cabin shall be provided for navigation. This shall contain the necessary propulsion and steering controls, instruments and navigation equipment.

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Weather proof covers shall be provided to cover and protect the instrumentation and the seats.

8.6 Swim Grid

A full- size aluminium swim grid shall be fitted to the stern of the hull, full-breadth of the transom and a length of approximately 1 m.

The swim grid shall be fitted with an external rubber fender on both sides and the stern.

Additionally, a removable boarding ladder shall be provided on the swim grid. The design of the boarding ladder is to be such that no obstruction or snag point is created when ladder is not in use.

8.7 Towing and Pushing

A removable tow post shall be provided, complete with effective storage when not in use.

A heavy duty aluminum push bar shall be welded to the bow.

The boat shall be fitted with a D type rubber fender all the way around, the gunwall.

8.8 Guardrails and Handrails

Guardrails shall meet the highest applicable Canadian standard for this type of vessel as set out in Section 4.0 - *Standards* above. At a minimum, the foredeck, bridge and aft deck sides shall be fitted with guardrails.

Handrails shall be supplied and fitted where required for safety and the operation of the Police Boat, as directed by the VPD-MS/Marine Consultant.

8.9 Victim Retrieval System

The Contractor shall install a City-furnished victim retrieval stretcher system. The Contractor will also be responsible to supply and install a mechanical winching device complete with supports and brackets. The City will provide the necessary information on the required system during the design phase of the Contract.

8.10 Access

Contractor shall supply and install the following:

- Large door with window in aft deckhouse bulkhead
- Large hatches over machinery for maintenance and removal
- Door and stairway to space under foredeck
- Hatch in foredeck, sized for escape
- Ladder to command bridge
- Access to interior of all tanks and spaces below deck

8.11 Windows and Wipers

Windows shall be fitted all around deckhouse. Two (2) front windows shall be provided with a centerline mullion. Windows shall slope forward to avoid reflections, and shall be fitted with 2 speed electric wipers and freshwater wash. Capacity of window wash reservoir shall be a

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minimum of 5 litres. All windows shall be safety glass and all forward windows shall be fitted with fresh air ventilation for defogging and defrosting. Mullion between the forward windows shall be the minimum consistent with structural requirements, to maximize vision forward.

8.12 Storage

A customized secure locker and a storage container shall be fitted in the space under the foredeck. The storage container is to be suitable to accommodate a large medical bag, oxygen bottle, tools, and spare parts. The final configuration and design of these storage lockers shall be in consultation with the VPD-MS and Marine Consultant.

A storage box for combustibles shall be located in the cockpit on the starboard side.

A suitable storage arrangement for the victim recovery stretcher shall be located on the aft cabin bulkhead.

Separate stowage for lifejackets (PFD's) shall be provided inside the deckhouse, adjacent to the aft entry door.

8.13 Boat Security

Means shall be provided to lock doors, windows and hatches to prevent unauthorized entry to the Police Boat.

8.14 Galley

A galley consisting of a two (2) burner propane stove and stainless steel sink with hot and cold fresh water shall be installed in the cabin. The stove is to be vented to the outside and have an alarm for carbon monoxide and propane. The propane cylinder is to be stored in an approved locker in a safe location outside the boat.

A microwave shall be installed in the galley area and shall be run off the inverter and shore power.

8.15 Mast

A retractable (fold down) mast shall be provided on the command bridge. Mast shall be designed to suit navigation lights, antennas and shall have a yardarm with pulley and lanyard for shapes. Final arrangement shall suit VPD-MS requirements.

8.16 Trim Tabs

The boat shall have hydraulic Trim Tabs with two (2) operating stations, one in the cabin and one on the command bridge.

8.17 Bilge System

The bilge system shall meet or exceed the requirements set out in Section 4.0 - *Standards* above.

Each watertight compartment shall be fitted with a bilge alarm.

8.18 Heating and Ventilation Systems

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The cabin area of the boat shall be heated by a bus heater, heating source from the main engines. The system shall have sufficient capacity to maintain the cabin temperature above 18°C in the minimum ambient conditions set out in Section 3.3 - *Environmental Conditions* above. All spaces in the boat shall be adequately ventilated. In addition, a bilge blower shall be supplied and fitted in the machinery space, and battery boxes shall be adequately vented.

The heating and ventilation system shall be capable of defogging all forward windows within the cabin. The Contractor shall provide specifications of the proposed system.

8.19 Domestic Water System

The freshwater system shall consist of a storage tank (140 litre capacity), pressure set and a hot water heater (25 litre capacity). The hot water heater shall be powered from the 110 VAC supply and one of the main engines.

System shall serve the galley sink. In addition, a hot and cold water shower shall be installed externally on the aft deck.

8.20 Head

The toilet shall be of the marine electric type with macerator pump and holding tank, installed within the cuddy under the foredeck. The holding tank shall have a volume of approximately 90 litres and be capable of discharge to shore and, with a manual override device permitting discharge overboard (in the event of an emergency of the type described in the *Non-Pleasure Craft Sewage Pollution Prevention Regulations*).

8.21 Miscellaneous Items

Contractor shall supply and install (or where applicable provide stowage for) the following:

- One (1) 12 volt electric twin air horn, 110 Db rating at 1 m.
- One (1) radar reflector as required by regulations
- Daytime shapes for "Restricted to Maneuver" as required by regulations
- Cleats, Aluminum, 10" size, total of nine (9)
- Mooring lines, 5/8" nylon, 25 ft. (7.5 m) length, six (6) off
- Portable fenders, approx. 27" x 8" size, Scan or equal, with lines. Six (6) off
- Battery carbon monoxide and propane detector in deckhouse.
- One (1) toilet paper holder
- Four (4) coat hooks

9.0 Safety

9.1 General

The Contractor shall supply and install (or where applicable provide suitable stowage for) all lifesaving and safety equipment for the Police Boat with the exception of the life-raft (see 9.3 below).

9.2 Life-jackets (PFD's)

Contractor shall supply and provide proper stowage for 12 Transport Canada approved PFDs (Personal Floatation Devices) for 12 adults with the weight ranges for each as directed by the VPD-MS.

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9.3 Life-raft

The Contractor will supply and install suitable mounting for and will install one (1) City furnished life-raft and cradle. The City/Marine Consultant will supply the specifications for the cradle during the design phase of the Contract and then deliver the cradle when requested by the Contractor during construction.

9.4 Life-ring

Contractor shall supply and install one (1) life-ring with line and light.

9.5 Fire Detection

Smoke and heat alarms shall be supplied and installed as required by Section 4.0 - *Standards*. Contractor shall note that the cuddy area is not a sleeping space.

9.6 Fire Extinguishing

Arrangements shall be provided to fill the machinery space with a fire extinguishing agent, in accordance with Section 4.0 - *Standards*.

At a minimum, two (2) fire extinguishers shall be supplied and mounted in marine (non corrosive) brackets inside the deckhouse with one (1) being dry chemical and one (1) being CO².

One (1) fire bucket shall also be provided.

10.0 Ship's Service Electrical

10.1 Basic Design

The boat's electrical power sources shall be:

- Two (2) main engine alternators, amperage to suit services.
- Three (3) main 12V battery banks.
- One (1) 30A, 110V shore receptacle.
- One (1) 30A battery charger.
- One (1) 12V DC / 110V AC inverter, 1500 Watt (minimum).

The operating voltages shall be:

- 110V, single phase, 60 cycle for receptacles, microwave oven, hot water heater.
- 12V DC for general lighting, mechanical equipment and electronic equipment.

10.2 System Description

The following description is indicative of the boat's electrical system. The final arrangement and system is the responsibility of the Contractor.

Twelve volt DC power is provided by the two main engine driven alternators. The alternators shall charge the ship's service battery. The ship's service battery, in turn, charges the engine starting batteries.

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At 80% full engine rpm, the engine driven alternators provide power to the ship's service batteries and the 12V DC panel. At reduced engine speeds, the service batteries supply the 12V DC panel. The 12V DC panel supplies electrical power for general lighting, electronic equipment, and the power inverter.

The power inverter shall provide 110V AC power to the receptacles and microwave oven.

10.3 Battery Charger

A single battery charger shall be provided to charge the main engine starting batteries and ship's service batteries. The battery charger shall be sized for its intended purpose.

10.4 Batteries

All batteries shall be mounted in vented acid resistant enclosures.

Three (3) separate battery sets shall be supplied and installed as follows:

- Two (2) Main engine starting batteries, 12V with cross over switch. Sized per engine manufacturers recommendations.
- Ship's service battery, 12V.

All batteries shall be heavy duty, lead acid type, suitable for marine use.

10.5 Shore Power Connection

Available shore power shall be 120V, 30 ampere, single phase, 3 wire, 60 cycle. The shore power connection shall be capable of powering three (3) 110V AC power receptacles, engine block heaters and the battery charger.

A single shore power receptacle shall be provided. One (1) shore power cable of specified length shall be provided with plugs at each end. Plug type shall be specified by City/Marine Consultant if non-standard. A shore power transformer, rated in accordance with the shore power capability, shall be provided and installed by the Contractor on the Police Boat.

10.6 Power Inverter

One (1) 12V DC to 110V AC inverter shall be supplied. Inverter shall be sine wave type, incorporate RFI filtering, and shall be sized to suit the applicable loads on the boat.

10.7 Lighting and Wiring Devices

Adequate illumination shall be provided throughout the Police Boat, including floodlighting of the stern area. Lighting shall include a minimum of five (5) dome lights for the cabin, one (1) dome light for the cuddy, and two (2) lights for the aft deck. Low-level red lighting shall also be provided in the cabin and shall be configured to minimize the loss of night vision by the operators during night patrol duty. The engine compartment shall be fitted with adequate lighting.

All lighting fixtures exposed to the weather shall be impervious to salt water, watertight and fitted with guards if required.

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Power receptacles for 12V DC shall be provided at both the Command Bridge and within the cabin, at both helm stations.

10.8 Navigation Lighting

Builder shall supply and install the following navigation lights, in accordance with the regulations.

- Free Running
- At Anchor
- Restricted to Maneuver
- Towing (Tow less than 200 m)

10.9 Other Lighting

One (1) high power remote spotlight with dual control station shall be installed. Make and model to be RCL 100D ACR 1930 or equal.

Docking lights shall be provided and be recessed into the hull.

10.10 Police Equipment

The City will furnish:

- (a) the police lighting, strobes and sirens, as well as
- (b) the brackets for the removable police radio and computer,

and the Contractor will install same in accordance with VPD-MS requirements which requirements will be communicated to the Contractor during the design approval phase of the Contract.

The Contractor will be responsible for assisting the VPD-MS and Marine Consultant to locate the above police equipment in ergonomically optimal locations and will be responsible for ensuring that all necessary electrical sources, plugs, ventilation are shown in the pre-construction drawings and incorporated into the final design and as-fitted drawings.

11.0 Electronics

11.1 Package

The electronics package (or equal) shall include the following components, to be supplied and installed by the Contractor:

- Radar - C-120 Promo Pack (12.1") with 4 kW Radome
- GPS - 120 NMEA
- Electronic Chart System compatible with the installed radar system
- Depth Sounder - DSM 250
- Depth Sounder, colour with 5" screen, 500 W transducer for Command Bridge. (Raymarine DS 500x)
- Two (2) VHF Radio and antenna (Ray 215)
One on command bridge and one at control station in house
- Intercom System with stations in main cabin and Command Bridge. (Ray 430)

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- Magnetic compass, two (2), for the cabin and command bridge. (Rich B-81)

12.0 Propulsion and Machinery Systems

12.1 Propulsion System

The propulsion machinery plant shall consist of two (2) diesel engines complete with integrated drive leg arrangement, heat exchanger cooling, electric block heaters, analog instrumentation, hydraulic steering and controls for two (2) stations. Diesel engines shall be Volvo or equal. The hull shall be fitted with protective removable log skegs in way of the drive legs that shall be of a proven design.

The engine control system shall be of the electronic type. Two (2) sets of propulsion and steering controls shall be provided, one set at the main operating station and one on the command bridge.

12.2 Diesel Oil Tank

The diesel oil capacity shall be sufficient to meet the range requirement (see Section 3.6 - *Range*) with one (1) diesel oil tank. Tank shall be baffled, have accessible cleanouts and be fitted with deck fill, vent with anti-flame screen and level gauge. Each engine shall have tank suctions and return lines fitted.

Suction from tank shall be fitted with two (2) commercial grade dual fuel filter and fuel/water separators, one per engine, Racor no equal.

Two (2) remote fuel capacity gauges shall be provided, one (1) at each helm position (cabin and command bridge).

13.0 Protection and Coatings

13.1 Coatings

The hull and deckhouse shall be coated with a marine grade epoxy paint system from Interlux or equal. A detailed paint schedule for the Police Boat shall be prepared by the Contractor and submitted to the City/Marine Consultant for review and approval as part of the design phase of the Contract.

All painting shall be carried out strictly in accordance with the manufacturer's standard procedures. All painted surfaces shall be prepared according these standards and paint shall not be applied when the ambient conditions are damp or below recommended temperatures.

The colours for the Police Boat will be navy blue and white. The detailed color scheme and arrangement of decals shall be developed by the City/Marine Consultant. The City/Marine Consultant will provide input and shall approve the final colour scheme and decal arrangement.

The boat name, port of registry and other markings shall be painted in contrasting colours. The Police Boat shall have a boot topping line painted at the waterline.

The underwater hull shall be painted with an eco-friendly anti-fouling paint. The anti-fouling paint shall not contain tbt and shall be recommended by the manufacturer for aluminum hulls.

Exterior decks shall have a non-skid finish to City/Marine Consultant's requirements.

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13.2 Cathodic Protection

The hull and underwater appendages shall be provided with passive cathodic protection in the form of bolt-on anodes, sufficient for 24 months protection.

14.0 Tests and Trials

The Contractor shall undertake a full program of tests and trials to prove the boat's compliance with these Requirements, before delivery to the City/Marine Consultant.

The Contractor shall supply all fuel and oil required for these tests. Any defects found during the trials shall be corrected and re-tested by the Contractor. The City will not be liable to accept the Police Boat until the Contractor has successfully completed the dock and sea trials to the satisfaction of the City/Marine Consultant.

14.1 Dock Trials

Dock trials shall be completed prior to sea trials in order to verify the correct performance of all machinery, electrical systems, and anything else reasonably capable of being tested. Fresh water shall be used for all hydrostatic and hose testing. The Contractor shall submit a dock trials program to the City/Marine Consultant prior to the dock trials. The City/Marine Consultant will review the program and will indicate the dock trials that require the presence of the Marine Consultant/VPD-MS. The Contractor shall complete the documentation of dock trials prior to commencing sea trials. Dock trials shall include, but not be limited to, the following:

- Main engines and all their ancillary equipment and systems
- Electrical generating equipment, batteries and distribution system
- Electrical systems throughout the Police Boat
- Pumping systems
- Electronics, communications and navigation equipment
- Propulsion controls and steering equipment
- Domestic and sanitary systems
- Heating, Ventilation and Demisting Systems
- Hydrostatic tests of tanks and systems
- Hose testing of doors, windows and hatches
- Stretcher retrieval system
- Stability tests as per Section 4.0 - *Standards* above

14.2 Sea Trials

The Contractor shall submit to the City/Marine Consultant a proposed sea trials program for review and approval not later than one week prior to the sea trials. The Contractor shall carry out the trials in accordance with the program approved by the City/Marine Consultant, and shall provide equipment, fuel and personnel to complete the program to the City/Marine Consultant's satisfaction. The Marine Consultant and at least one member of the VPD-MS shall be on board during the sea trials. The minimum sea trials shall consist of the following:

- Police Boat speed over measured mile at 100% MCR in full load condition, four runs (two in each direction)
- Slow Speed Manoeuvring - ahead, astern, and turning
- Steering trials with turning circles, at full speed and cruising speed
- Reversing and emergency stop

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- Endurance trials, 35 knots for 4 hours
- Electronic and navigation equipment tests
- Anchor windlass trial
- Noise measurement
- Magnetic compass deviation

A sea trial report shall be prepared by the Contractor and submitted to the City/Marine Consultant within one week of the sea trials.

15.0 Spares

The Contractor shall provide adequate spare parts for all mechanical equipment. The following is a list of the items to be included:

- Two (2) drive units
- Two (2) sets drive belts
- Two (2) raw water pump impellers
- Two (2) engine air filters
- Two (2) engine oil filters
- Two (2) sets of fuel filters
- One (1) set of propellers complete with hardware

Contractor should set out any recommended additions to the above list in its Proposal.

16.0 Delivery

All hull compartments, tanks, bilges, decks and spaces throughout the Police Boat shall be thoroughly cleaned of all dunnage and dirt, and all painted surfaces shall be cleaned and touched up as required at time of delivery of the Police Boat.

At time of delivery, engines shall have new oil filters and lubrication oil (Max. one (1) hour running time after oil and filter change) and fire extinguisher date tags shall be good for 50 weeks after delivery.

The Police Boat shall be delivered afloat, and in upright, fully compliant condition, at the VPD-MS office of 209 West Waterfront Road, and ready for service in every respect. All equipment shall be in place and properly secured, fuel and water tanks full, and all systems charged and in operating order.

At time of delivery, the Contractor shall also deliver three (3) copies of the as-fitted Design Documents and O&M Documents (as defined in Section 6.0 - *Design Documents*):

Delivery shall be FOB Destination, freight prepaid to: 209 West Waterfront Road, Vancouver, BC, V6A 4E4.

17.0 Warranty

The Contractor will warrant the Police Boat on the terms set out in Section 24.0 - *Warranty* of the Form of Agreement as supplemented by the warranties set out in Schedule "H" of the Contractor's Proposal.

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18.0 Training

The Contractor will provide a full training session on the operation of the Police Boat (including without limitation all electronics and routine maintenance procedures) for a minimum of one full day between the times of 07:00 to 18:00 for a minimum of two (2) VPD-MS constables at a mutually agreed upon date.

19.0 Coordination with Marine Consultant

The City now appoints the Marine Consultant as its authorized agent for the administration of those aspects of the Contract which specifically reference the Marine Consultant all as further set out in these Requirements as well as Section 4.0 of the Contract (See Section 4.0 of Appendix 3 - Form of Agreement).

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SCHEDULE B - PRICING**

1.0 Vendor Instructions

- 1.1 Prices are to be quoted F.O.B Destination, including freight, unloading at destination, import duties, brokerage, royalties, handling, overhead, profit and all other costs included.
- 1.2 Goods and Services Tax and Provincial Sales Taxes are to be excluded.
- 1.3 Proponents located in Canada may quote in Canadian Funds and where the product is imported from the USA or from other countries, prices may be quoted in the currency of the country from which they are imported. Proponents located outside Canada may quote prices in the monetary currency of their location or the jurisdiction from which the product is being obtained.
- 1.4 The Proponent having reviewed all terms, conditions and Requirements set out in this RFP and all Schedules and Appendices, proposes to supply the Police Boat for the Contract Price set out below. The Contract Price is to be broken down to allow for analysis as further set out below.

2.0 Contract Price Table

- 2.1 Proponent is to state its proposed Contract Price associated with the design, manufacture and delivery of the Police Boat by using, adapting and completing the table set out below.

Contract Price		
Description	Hours/Units	Fees/Prices
Labour (Break out by each category and type of labour, listing hourly rates, and hours)		
Materials (Describe Each Component of Materials, and where more than one unit of such component or such component is priced in units, set out unit price, and total price based on estimated units required.)		
All Other Items (Describe all other costs such as design costs, Letter of Credit, Ship Registry fees, etc.)		
Totals		

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3.0 Fixed Price Contract

- 3.1 The intent of this RFP is to seek fixed price proposals from Proponents based on their understanding of the Requirements as at the time of submitting their Proposals.
- 3.2 As per Section 4.0 of Appendix 3 – Form of Agreement if at the conclusion of the Design Phase of the Contract the Contractor determines it cannot construct and deliver the Police Boat for the quoted Contract Price (and the City does not agree to any proposed adjustment in the Contract Price) then the Contract may be cancelled by the Contractor without liability.

4.0 Payment Terms

- 4.1 Proponents are to carefully review Appendix 3 - Form of Agreement and the payment terms set out in Appendix 3. It will be assumed that such payment terms are agreed to and built into the pricing set out in this Schedule B unless specifically noted otherwise by the Proponent in Schedule C – *Deviations and Variations*.
- 4.2 Proponents are to insert here their proposed amount of the “Exit Payment” referred to in Section 4.3 of Appendix 3 – Form of Agreement.

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SCHEDULE C - DEVIATIONS AND VARIATIONS**

Further to Part 'D', Section 2 - Compliance, Proponents are to use this Schedule C to detail any deviations and/or variations from the terms and conditions set out in this RFP and if applicable, detail proposed amendments.

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 SCHEDULE D - SUB-CONTRACTORS/SUPPLIERS/BILL OF MATERIALS**

The Sub-Contractors shown below are the Sub-Contractors that the Proponent proposes to use to carry out the Requirements. The City expects that the Proponent will engage the listed Sub-Contractors and no others in their stead, without prior written authorization of the City.

Corporate Name, Address of Sub-Contractor or Supplier	Contact Name and Telephone Number	Manufacturer's Name, Address, Contact Name and Number (if different from Sub-Contractor or Supplier of that item)	Detailed Description of Labour, Equipment and/or Materials

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SCHEDULE E - TEST AND TRIALS**

The Proponent is to fully describe all tests and trials in this Schedule, and include sample dock trial and sea trial reports with this Schedule (attach as appendices).

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SCHEDULE F - PERFORMANCE SCHEDULE**

The Proponent is to fully describe in Schedule F - *Performance Schedule* (denoting same in terms of weeks following signing of Contract) the proposed timeline and key payment, completion, delivery, testing and acceptance milestones for design, manufacture and delivery of the Police Boat. This Schedule should be completed in the form of a Gantt chart.

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SCHEDULE G - WARRANTY

In completing this Schedule the Proponent shall:

- a) describe the warranty period and terms, and extended warranty options, if any;
- b) provide copies of actual warranty certificates and documents so that the City can evaluate actual warranty terms and conditions relating scope of coverage, length of warranty, exclusions and inclusions, parts, labour, response time/service guarantees, travel costs, transportation costs, etc;
- c) include pricing for warranty and any extended warranty shall be set out in Schedule B - *Pricing*;

All warranty information set out in this Schedule G will be assumed by the City to be additional to the warranty set out in Section 24 of the Form of Agreement unless otherwise expressly indicated by the Proponent in Schedule C - *Deviations and Variations*.

REQUEST FOR PROPOSAL NO. PS06042
DESIGN, MANUFACTURE, AND DELIVERY OF A POLICE BOAT
SCHEDULE H - METHODOLOGY AND WORK PROGRAM

In completing this Schedule H, the Proponent shall:

- a. Provide a detailed plan of approach and description, including details of the goods and services that the Contractor intends to obtain by using Sub-Contractors/Suppliers which have not already need set out in Schedule D - *Sub-contractors/Suppliers/Bill of Materials*.
- b. Provide an itemized work program grouped by items of work (tasks) envisioned by the Proponent, with a description of each task. Activities in this section shall be carried forward (as applicable) to the other Schedules of the Proposal.
- c. Indicate those activities the City is expected to undertake in the description of the task along with the level of support that the Contractor will provide.
- d. Describe the methods to be employed to perform and coordinate the work and to control the scope, quality, schedule and cost of the supplying the Police Boat.



CITY OF VANCOUVER

CERTIFICATE OF INSURANCE

Section 1 & 8 - to be completed by City staff
 Section 2, 3, 4, 5, 6 & 7 - to be completed by the Insurer or its Authorized Representative

1. THIS CERTIFICATE IS ISSUED TO: City of Vancouver, 453 W 12th Avenue, Vancouver, BC, V5Y 1V4
 Attn _____
 Tel (604) _____ Fax (604) _____
 Email _____

And certifies that the insurance policy (policies) as listed herein has been issued to the Named Insured and is in full force and effect as of the effective date of the agreement described below.

2. NAMED INSURED

BUSINESS TRADE NAME or DBA DOING BUSINESS AS

BUSINESS ADDRESS

DESCRIPTION OF OPERATION, CONTRACT, AGREEMENT, LEASE, PERMIT OR LICENSE

3. PROPERTY INSURANCE (All Risks Coverage including Earthquake and Flood)
 Naming City of Vancouver as a Named Insured and/or Loss Payee with respect to its interests [Not Applicable at RFP Stage]
 INSURER _____ Insured Values (Replacement Cost) -
 TYPE OF COVERAGE _____ Building and Tenants Improvement \$ _____
 POLICY NUMBER _____ Contents and Equipment \$ _____
 POLICY PERIOD From _____ to _____ Deductible Per Loss \$ _____

4. COMMERCIAL GENERAL LIABILITY INSURANCE (Occurrence Form)
 Including the following extensions: INSURER _____
 • Personal Injury POLICY NUMBER _____
 • Property Damage including Loss of Use POLICY PERIOD From _____ to _____
 • Products and Completed Operations Limits of Liability (Bodily Injury and Property Damage Inclusive) -
 • Cross Liability or Severability of Interest Per Occurrence \$ _____
 • Employees as Additional Insureds Aggregate \$ _____
 • Blanket Contractual Liability All Risk Tenant's Legal Liability \$ _____
 • Non-Owned Auto Liability Deductible Per Occurrence \$ _____

5. AUTOMOBILE LIABILITY INSURANCE for operation of owned and/or leased vehicles
 INSURER _____ Limits of Liability -
 POLICY NUMBER _____ Combined Single Limit \$ _____
 POLICY PERIOD From _____ to _____ *If vehicles are insured by ICBC, complete and provide Form APV-47.*

6. UMBRELLA OR EXCESS LIABILITY INSURANCE Limits of Liability (Bodily Injury and Property Damage Inclusive) -
 INSURER _____ Per Occurrence \$ _____
 POLICY NUMBER _____ Aggregate \$ _____
 POLICY PERIOD From _____ to _____ Self-Insured Retention \$ _____

7. OTHER REQUIRED INSURANCE [Proponents to Add Hull, Protection and Indemnity Here]
 TYPE OF INSURANCE _____ Limits -
 INSURER _____ Per Occurrence \$ _____
 POLICY NUMBER _____ Aggregate \$ _____
 POLICY PERIOD From _____ to _____ Deductible Per Loss \$ _____

TYPE OF INSURANCE _____ Limits -
 INSURER _____ Per Occurrence \$ _____
 POLICY NUMBER _____ Aggregate \$ _____
 POLICY PERIOD From _____ to _____ Deductible Per Loss \$ _____

8. POLICY PROVISIONS [Not Applicable at RFP Stage]
 Where required by the governing contract, agreement, lease, permit or license, it is understood and agreed that:
 a) ~~City of Vancouver, its officials, officers, employees, servants and agents have been added as Additional Insureds with respect to liability arising out of the operation of the Named Insured pursuant to the governing contract, agreement, lease, permit or license.~~
 b) ~~SIXTY (60) days written notice of cancellation or reduction of coverage with respect to any of the policies listed herein, either in part or in whole, will be given by the Insurer to the Holder of this Certificate; the exception is cancellation for non-payment of premiums in which case the applicable statutory conditions will apply.~~
 c) ~~The insurance policy (policies) listed herein shall be primary. Any insurance or self insurance maintained by City of Vancouver shall be in excess of this insurance and not contribute to it.~~

SIGNED BY THE NAMED INSURED (Contractor/Tenant/Lessee/Permittee/Licensee) _____ Dated _____

SIGNED BY THE INSURER OR ITS AUTHORIZED REPRESENTATIVE _____ Dated _____

PRINT NAME OF INSURER OR ITS AUTHORIZED REPRESENTATIVE, ADDRESS AND PHONE NUMBER _____



Request for Proposal
Design, Manufacture and Delivery of A Police Boat
No. PS06042

To acknowledge your intent to submit a Proposal, and to ensure that you receive the required information, please submit this form to the person identified below before close of business day, February 6, 2007.

Philip Lo
Administrative Assistant
City of Vancouver
Fax: (604) 873-7057
Email: purchasing@vancouver.ca

Your details:

Proponent's Name: _____
"Proponent"

Address: _____

Telephone: _____ Fax: _____

Key Contact Person: _____

E-mail: _____ Incorporation Date: _____

Our company WILL / WILL NOT submit a Proposal for
"PS06042 - Design, Manufacture and Delivery of a Police Boat"
by the closing date (February 13, 2007 at 3:00:00 P.M.).

Authorized Signatory and Name of Company (Please print)

E-mail Address (Please print)

Date

Karen Wong, B.Mgt., C.P.P.
Contracting Specialist

THIS AGREEMENT dated the day of , 200

BETWEEN:

THE CITY OF VANCOUVER, a municipal corporation continued under the Vancouver Charter and having an office at 453 West 12th Avenue, Vancouver, British Columbia V5Y 1V4

(herein after called the "City")

AND:

< Name of Contractor >, a corporation incorporated pursuant to the laws of and having office(s) at < Address of Contractor >

(herein called the "Contractor")

BACKGROUND:

- A. Pursuant to the Request for Proposals, No. PS06042 (the "RFP") the City invited proposals from qualified Proponents for Design, Manufacture and Delivery of Police Boat that means the requirements set out in the RFP;
- B. In response to the RFP, the Contractor submitted the Contractor's Proposal proposing to perform the Requirements on the terms and conditions of the RFP as supplemented by the Contractor's Proposal;
- C. The City has agreed to retain the Contractor for the performance of the Requirements on the terms as set out in this Agreement and the RFP, as supplemented by the Contractor's Proposal, and the Contractor has agreed to perform the Requirements on those same terms.

THE CITY AND THE CONTRACTOR NOW AGREE as follows:

1.0 Definitions

The following words and terms, unless the context otherwise requires, have the meanings set out below:

"Agreement" or "Contract" means the agreement between the City and the Contractor as set out in the Contract Documents;

"Boat" means the Police Boat described in the Contract Documents;

"Business Days" means any day that is not a Saturday, Sunday, or "holiday" as that term is defined by the Interpretation Act (British Columbia);

"City" means the City of Vancouver, a municipal corporation continued pursuant to the Vancouver Charter, as represented by its VPD-MS;

"City's Designated Representatives" 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 and services or to make decisions in connection with the Contract;

"Contract Documents" means the documents listed in Section 2.0 - *Contract Documents*, including any and all amendments or addenda agreed to in writing between the parties;

"Contract Price" has the meaning set out in Section 6.0 - *Price*;

"Contractor" means the entity defined as such on the front page of the Contract Documents;

"Construction Phase" means the phase of this Agreement starting with the issuance by the Marine Consultant of written approval of the Design Documents and O&M Manuals and ending on delivery and acceptance of the Police Boat by the City/Marine Consultant.

"Design Documents" means the documents defined as such in Section 6.0 - *Design/O&M Documents* of Schedule "A" - *Requirements*.

"Design Phase" means the phase of this Agreement starting with the Effective Date and ending with the issuance by the Marine Consultant of written approval of the Design Documents and O&M Manuals.

"Director of Legal Services" means the City's Director of Legal Services or her delegate.

"Effective Date" means the date on which this agreement takes legal force and effect and is the date set out on the first page of these Contract Documents;

"Exit Payment" means the sum determined in accordance with Section 4.2(h) of the Form of Agreement;

"GST" means the goods and services tax administered under the Excise Tax Act (Canada) and any successor tax or levy therefor in force from time-to-time;

"Initial Warranty Period" means the period of time commencing on the acceptance of the Police Boat and expiring one year afterwards.

"Letter of Credit" means a letter of credit of the type described in Part C - *Special Conditions* of the RFP;

"Losses" means in respect of any matter all

- (i) direct or indirect, as well as
- (ii) consequential,

claims, demands, proceedings, losses, damages, liabilities, deficiencies, costs and expenses (including without limitation all legal and other professional fees and disbursements, interest, penalties and amounts paid in settlement whether from a third person or otherwise);

"Marine Consultant" means BMT Fleet Technology Limited, the marine consultant appointed by the City to act on the City's behalf under this Contract and includes such successors, assigns and replacement of same from time to time;

"O&M Manuals" means the documents defined as such in Section 6.0 - *Design/O&M Documents* of Schedule "A" - *Requirements*.

"Proposal" means the proposal submitted in response to the RFP by the Contractor;

"PST" means provincial sales tax administered under the Social Services Act (British Columbia) and any successor tax or levies therefor in force from time-to-time;

"Purchase Order" means a Purchase Order issued by the City to the Contractor pursuant to this Agreement;

"Requirements" means all of the specifications, requirements and services set out in the Contract Documents, that describe the requirements that the Police Boat, Work and all related services, goods, materials and equipment must meet and the Contractor must provide;

“RFP” means Request for Proposal No. PS06042 including, but not limited to: Part A – *Introduction*; Part B - *Instructions to Proponents*; Part C - *Special Conditions*; Part D - *Proposal Form* (with Attachment A – *Legal Terms and Conditions*); Appendix 1 – *Certificate of Insurance*; Appendix 3– *Form of Agreement*, any additional attachments listed in the Table of Contents; and any amendments, addenda, and/or clarifications pertaining to the RFP;

“Security Clearance” means the security clearance level required of the City from time to time for personnel being allowed access to police-related equipment or information;

“Shipyard” means the work site owned or controlled by the Contractor where the Requirements are to be performed;

“Sub-Contractor” mean all sub-contractors, suppliers and agents of the Contractor;

“Unavoidable Delay” has the meaning set out in Section 9.0 – *Unavoidable Delay*;

“VPD-MS” means the City’s Vancouver Police Department, as represented by its Marine Squad Unit;

“WHMIS Legislation” is the laws governing the information that must be provided on labels of packaging containing hazardous materials;

“WCB Legislation” means the Workers Compensation Act (British Columbia) and all regulations enacted pursuant to the Workers Compensation Act (British Columbia), all as amended and re-enacted from time to time;

“Work” means all the labour, materials, equipment, supplies, services and other items necessary for the execution, completion and fulfilment of the Requirements;

“Work Site” means any site(s) owned or controlled by the City where the Requirements are to be performed.

2.0 Contract Documents

2.1 The terms and conditions of the Contract Documents, whether or not actually attached to this Form of Agreement will govern the terms of this Agreement. The Contract Documents are complementary, and what is called for by any one will be as binding as if called for by all. In the event of any inconsistency or conflict between any of the terms and conditions within these Contract Documents, the provisions of the Contract Documents will take precedence and govern in the following priority from highest to lowest:

- (a) this Form of Agreement, excluding its Schedules;
- (b) Schedule A - *Requirements (as amended by Contractor’s Proposal)*;
- (c) Schedule B - *Pricing*;
- (d) Schedule C - *Deviations and Variations*;
- (e) Schedule D - *Sub-Contractors/Suppliers/Mill of Materials*;
- (f) Schedule E - *Performance Schedule*;
- (g) Schedule F - *Tests and Trials*;
- (h) Schedule G - *Warranty*;
- (i) Schedule H - *Methodology and Work Program*;
- (j) any Addenda to the RFP issued by the City; and
- (k) the RFP.

3.0 Notices

3.1 Addresses for Notice

Any notice required or permitted to be given by one party to another pursuant to this Agreement must be delivered or sent by e-mail or fax as follows:

TO CITY:

CITY OF VANCOUVER
453 West 12th Avenue
Vancouver, British Columbia
V5Y 1V4

Attention: < Name / Position >
< Phone/Fax # >
< E-mail >

with a copy to:

Marine Consultant:
Attention: < Name / Position >
< Phone/Fax # >
< E-mail >

Attention: Manager of Materials Management
Fax: (604) 873-7057
E-mail: larry.berglund@vancouver.ca

Attention: Director of Legal Services
Fax: (604) 873-7445
E-mail: francie.connell@vancouver.ca

TO CONTRACTOR:

< **Name of Contractor** >
Contractor's address
Contractor's address

Attention:
< Phone/Fax # /E-mail Address>

or such other person, position, address as one party may advise the other from time to time or at any time, by delivery and any notice given in accordance with this or any other more specific provision of this Agreement is deemed to be received as at the time of delivery or receipt of fax or e-mail confirmation as applicable. Only where expressly authorized by this Agreement may notice be given verbally or by telephone.

3.2 Notice of Actions against Contractor

The Contractor will notify the City immediately upon the written threat or commencement of any actions brought against the Contractor or any of the Contractor's affiliates or Sub-Contractors, the outcome of which may affect the rights of the City, or the ability of the Contractor to comply with its obligations under this Agreement.

4.0 **Conduct of the Contract/Documentation and Submittal Requirements**

4.1 Administration of Contract

- a) The City's Manager of Materials Management (per: Karen Wong) in consultation with the Marine Consultant (represented by Gordon Passmore), and Sgt. Neil Gillespie on behalf of the VPD-MS will have conduct of this Contract for the City.

b) < > will have Conduct of the Contract for the Contractor.

4.2 Conditions to Contract

- a) Prior to or concurrently with the execution of this Contract, the Contractor will do the following:
- i) Duly complete, execute, and submit a Transport Canada Form 15 (Description of Ship Proposed to be Built) to the Canada Ship Registry (Port of Vancouver), declaring the Contractor as the legal and beneficial owner of the proposed Police Boat.
 - ii) Duly complete, execute, and submit a Transport Canada Form 16 (Builder's Mortgage) to the Canada Ship Registry (Port of Vancouver), mortgaging the proposed Police Boat to the City as security for the obligations under this Contract.
 - iii) Duly complete, sign and deliver to the City a corporate resolution authorizing the Contractor's authorized representative to execute and deliver the Builder's Mortgage to the City and have it filed and recorded in the Canada Ship Registry and will ensure that the corporate seal of the Contractor is affixed to the Builder's Mortgage.
 - iv) Duly sign and deliver to the City a Collateral Marine Agreement creating a first priority ship mortgage over, as well as a personal property security interest in and to, the proposed Police Boat including without limitation everything required to be supplied for the Police Boat by the Contractor, as well as insurance proceeds.
 - v) Deliver to the City duly signed and delivered Priority and Subordination Agreements from all creditors and lenders of the Contractor whose liens, charges or interests take or might take priority over the City's performance security under this Contract.
 - vi) Letter of Credit in the amount of \$150,000.
 - vii) Evidence of full compliance with Workers Compensation Act (British Columbia).
 - viii) Certificate of Insurance pursuant to Section 30.0 - *Insurance* of this Contract.
 - ix) Valid Business Licence for city within which Contractor's shipyard is located.
- (b) All documents and agreements must be reviewed and approved by the Marine Consultant and Director of Legal Services prior to the City signing the Contract.
- (c) The Director of Legal Services must have filed the necessary financing statement and received a satisfactory Personal Property Registry and Ship Registry search on the Contractor confirming that the Builder's Mortgage and personal property security interest granted by the Contractor are in first priority.
- (d) The City will pay the costs of preparing and registering the Financing Statement at the PPR as well as the cost of drafting the Collateral Marine Agreement and the Priority and Subordination Agreements and the Contractor will pay all other costs including all Ship Registry costs, insurance costs, and Letter of Credit costs.

- (e) Upon the Director of Legal Services giving written notice of the completion of the above, the Contractor will sign and deliver this Contract to the City and the City will then promptly enter the Effective Date in the Contract concurrently with signing and delivering this Contract to the Contractor. The Design Phase of this Contract will then commence.

4.3 Design Phase of Contract

- a) The Contractor will, as of and from the Effective Date and in accordance with the Performance Schedule, deliver for the City's and its Marine Consultant's review the following:
 - i) Design Documents,
 - ii) O&M Manuals,
 - iii) all quotes, sub-contracts, and other financial or technical information relating to the proposed Police Boat as may be reasonably requested by the Marine Consultant.
- b) The Marine Consultant will then have ten (10) Business Days from receipt of all items referred to in paragraphs i) and ii) above to review and comment, including any time taken to review same with City representatives.
- c) Where requested by the Marine Consultant, items set out in paragraph iii) above will be supplied within two (2) Business Days of their being requested and the Marine Consultant will have seven (7) Business Days to review and comment on same provided that such period does not extend the review period set out in (b) above by more than ten (10) additional Business Days.
- d) Where the Marine Consultant requires changes to any submittal from the Contractor, the Contractor shall make such changes within three (3) Business Days and re-submit to the Marine Consultant who will have three (3) Business Days for the second review and if further changes are required, the three (3) Business Day time limit will continue to apply until approved.
- e) Failure by the Marine Consultant to respond within the above time limits at any time during the Design Phase will not be deemed to constitute acceptance but will entitle the Contractor to adjust the Contract Price and Performance Schedule to cover any and all direct out-of-pocket costs and any and all delays to the Performance Schedule incurred by the Contractor as a result of such delay by the Marine Consultant. However, in no event will the City be liable to pay such costs or agree to such delay unless (1) the Contractor gives reasonably detailed notice (within three (3) Business Days of the event causing same) of such cost and delay impacts and the Marine Consultant agrees in writing that such amounts are in accordance with this Contract, and (2) the Contract proceeds to the Construction Phase pursuant to (g)(1) below.
- f) Failure by the Contractor to meet the above time limits during the Design Phase (except where caused by an Unavoidable Delay) will entitle the City to cancel this Contract without liability to the Contractor for any Losses and for further certainty, the City will not be liable to pay the Exit Payment.
- g) Upon or before the expiry of the time allotted in the Performance Schedule for completion of the Design Phase, the Marine Consultant and Director of Legal Services will jointly sign and deliver to the Contractor a written notice setting out either that (1) the City has (a) approved the Design Documents, O&M Manuals, and other information provided to the Marine Consultant during the Design Phase, and (b) the Marine Consultant has not received any notices of increased cost or delay under paragraph (e) above (or if so the Marine

Consultant has carefully reviewed and accepted same as appropriate and attaches a detailed revised Contract Price and Performance Schedule signed by the Contractor to the notice), or (2) the City has not approved same.

- h) Where (g)(1) applies, the Construction Phase will commence effective the date set out in the original Performance Schedule (or agreed upon revised Performance Schedule for same) and for the Contract Price (or agreed upon revised Contract Price for same).
- i) Where (g)(2) applies, the Construction Phase will not commence and the Contract will be cancelled effective the date of delivery of the notice and the City will have no further liability to the Contractor except that upon receipt of proper invoices and approval of same by the Marine Consultant the City will within 30 days of such cancellation, pay the Exit Payment to the Contractor.
- j) Despite paragraphs h) and i) above, the Contractor has the right to give written notice at any time (as long as it is delivered at least three (3) Business Days prior to the City's issuance of a notice under (g)(1)) indicating that, based on further changes or information supplied by the Marine Consultant, the Contractor cannot supply the Police Boat for the Contract Price and wishes to cancel the Contract whereupon the Contract will be cancelled (unless the parties can subsequently agree in writing to a mutually agreeable adjustment to the Contract Price) and neither party will have any further liability to the other and for further certainty, the City will not be liable to pay the Contractor the Exit Payment.
- k) As of the effective date of any notice of cancellation without cause given under this Section 4.3, the Contract will be cancelled and the parties will have no further obligations to each other in respect to same and the City will not be liable to under any circumstances to pay for any products ordered or supplied to the Contractor at any time prior to the effective date of the cancellation, except for those obligations which by their nature are intended to survive the expiry or sooner cancellation of this Agreement such as the obligation to pay the Exit Payment, or the release from same, as the case may be.
- l) Where the City is liable to pay the Exit Payment, it will be the lesser of \$[_____] and the Contractor's direct out-of-pocket costs of actually preparing and submitting the documents referred to in this Section 4.3 but for further certainty expressly excludes any and all Losses on account of administrative overhead, opportunity costs, lost profits, lost revenue, indirect or consequential Losses, or any other Losses.

4.4 Construction Phase of Contract

- a) Upon commencement of the Construction Phase, and subject to the terms of this Contract, the Contractor will become liable to construct the Police Boat and the City will become liable to pay for the Police Boat in accordance with the terms of this Contract.
- b) The Contractor will construct, test, and deliver the Police Boat in accordance with the Requirements, within the times set out in the Performance Schedule and for the Contract Price.

4.5 Contract Administration During Construction Phase

a) Marine Consultant Review of All Contractor's Purchase Orders

All purchase orders from the Contractor to (and including if requested, all underlying sub-contracts and supply contracts with) any Sub-Contractor, supplier, or any other manufacturer, or distributor of a component of the

Police Boat from to time to time in the possession of the Contractor shall be provided to the Marine Consultant for recording and review prior to their issuance (if a purchase order) and (if a contract) prior to or within seven (7) Business Days of their execution.

b) Marine Consultant Review of All Invoices

All invoices issued to the Contractor in respect to the Police Boat shall be submitted to the Marine Consultant for review prior to payment.

c) City and Marine Consultant Access to Shipyard/Office

Access to the Contractor's shipyard, offices, and all financial records relating to the Police Boat shall be granted by the Contractor to the City/Marine Consultant during Business Hours upon twenty four (24) hours telephone or e-mail notice.

d) Failure by Marine Consultant to Respond

Failure by the Marine Consultant to respond within any given time limit will not be deemed to be approval of the submittal. However, the Contractor will be entitled to an extension of the Performance Schedule in direct proportion to any delay caused by the Marine Consultant in failing (except where caused by Unavoidable Delay) to respond within the required time.

e) Marine Consultant Right to Stop Work

In the event of any dispute, the City/Marine Consultant has the right to stop the Work under the Contract and upon a written notice from the Marine Consultant to do so, the Contractor will immediately stop work until the dispute is resolved and the Contractor is so notified by the Marine Consultant, and the Contractor will have no claim for delay damages, lost profit or any other Losses on account of the work stoppage.

f) Non-Destructive/Destructive Testing

The Marine Consultant has the right to demand both destructive and non-destructive testing of the Police Boat. If the results show there are no faults, the cost of the testing (and cost of restoration of destructed part(s) if any) shall be borne by the City. Should the results show faults during testing, the cost of testing (and cost of restoration of destructed part(s) if any) shall be borne by the Contractor.

4.6 First Set of Construction Phase Submittals/Documents

a) Within three (3) Business Days of the start of the Construction Phase, the Contractor will as a pre-condition to receiving the first Construction Payment complete the following:

- i) Duly complete, execute, and submit a Transport Canada Form 1 (Application for Registry) to the Canada Ship Registry (Port of Vancouver), applying to register the proposed Police Boat.
- ii) Evidence of continued compliance with Workers Compensation Act (British Columbia).
- iii) Updated Certificate of Insurance pursuant to Section 30.0 - *Insurance* of this Contract.

- iv) Updated Valid Business Licence for city within which Contractor's shipyard is located.
- v) All purchase order from the Contractor to (and including if requested, all underlying sub-contracts and supply contracts with) any Sub-Contractor, supplier, or any other manufacturer, or distributor of a component of the Police Boat then in the possession of the Contractor shall be provided to the Marine Consultant for recording and review prior to 4.7.

4.7 Second Set of Construction Phase Documents/Submittals

- a) Upon completion of the hull and deckhouse of the Police Boat, and prior to fitting out of the Police Boat, the Contractor will do the following:
 - i) Duly complete, execute in proper notarial form, and submit a Transport Canada Form 3 (Declaration of Ownership) to the Canada Ship Registry (Port of Vancouver), declaring the Contractor as the legal and beneficial owner of the Police Boat.
 - ii) Duly complete, execute, and submit a Transport Canada Form 13 (Notice of Name for a Ship) to the Canada Ship Registry (Port of Vancouver), inserting the name for the Police Boat supplied by the City.
 - iii) Duly complete, execute, and submit a Transport Canada Form 7 (Mortgage) to the Canada Ship Registry (Port of Vancouver), confirming the City of Vancouver as the first mortgagee of the Police Boat.
- (b) All above documents must be reviewed and approved by the Marine Consultant and Director of Legal Services prior to submission to Ship Registry.
- (c) The Contractor will pay all costs including all Ship Registry costs.

4.8 Final Set of Construction Phase Documents/Submittals

- a) Upon completion and concurrently with acceptance by the City of the Police Boat, the Contractor will do the following:
 - i) Duly complete, execute, and submit a Transport Canada Form 2 (Builder's Certificate and First Transfer of Title) to the Canada Ship Registry (Port of Vancouver), declaring the City of Vancouver as the legal and beneficial owner of the Police Boat.
 - ii) Duly complete, execute and submit a Form 4A with all supporting photographs and documents or if a Form 4A is not accepted by Transport Canada, submit all certificates, documents and photographs required by the Ship Registry in support of the Form 2.
 - iii) Design Documents in "as-fitted" format.
 - iv) O&M Manuals in "as-fitted" format.
 - v) Mill certificates pursuant to Section 7.1 - *Material* of Schedule A - *Requirements*.
 - vi) Statutory Declaration of a Director of the Contractor declaring under oath pursuant to the Canada Evidence Act that all payments in relation to the building of the Police Boat have been made by the Contractor

and that there are, to the best of the deponent's knowledge, no claims on the Police Boat other than the City's claims.

- vii) Legal Bill of Sale transferring the full legal and beneficial title in and to the Police Boat from the Contractor to the City.
- viii) Transport Canada inspection report pursuant to their "voluntary inspection program".
- ix) Certified Copy of Shareholders and Directors' Resolutions authorizing the sale of the Police Boat to the City.
- x) Replacement Letter of Credit for \$25,000.

(b) All above documents must be reviewed and approved by the Marine Consultant and Director of Legal Services prior to or concurrently with acceptance of the Police Boat. Approval of the above documentation will be additionally contingent on the Director of Legal Services conducting a search (which the City must cause to be conducted within two (2) Business Days of receipt of the above documents from the Contractor) at the Ship Registry to confirm registration of the above-noted Transport Canada documents, at the Personal Property Registry to confirm no other liens, charges or encumbrances, and at the British Columbia Supreme Court and Federal Court to confirm no "in rem" litigation commenced against the Police Boat.

5.0 Requirements

- 5.1 The Contractor will perform the Requirements and anything and everything else necessary for or incidental to the Requirements including supplying all labour, supervision, management, overhead, materials, supplies, and all other things necessary for or incidental to the Requirements and will perform the Work with care, skill, due diligence and efficiency.
- 5.2 The Requirements have been prepared by the City to describe in general terms the criteria that the Work must satisfy. However, if there is any discrepancy in the description of the Requirements or any omission of criteria which would be detrimental to the benefits intended to be provided to the City by the Requirements, the Contractor will rectify such a discrepancy or omission to the satisfaction of the City without further compensation.

6.0 Contract Price

- 6.1 Subject to Section 4.3, the all-inclusive price (the "Contract Price") for the Police Boat is as set out in Schedule B - *Pricing*.
- 6.2 Despite any other term of this Contract (except Section 4.3), the Contract Price is fixed and may not be changed without the prior written agreement of the City and the Contractor.

7.0 Legal Effect

- 7.1 This Agreement takes legal force and effect on the Effective Date and unless sooner cancelled in accordance with its terms will remain in effect until the expiry of the Contractor's obligations under this Contract.
- 7.2 Despite any other term of this Contract, the RFP or the Proposal, nothing in this Agreement is intended to grant the Contractor any rights of exclusivity or any other right to be the sole supplier to the City of the Requirements, to supply a specified or minimum quantity of the Requirements to the City or any other similar right and the Contractor now acknowledges and agrees to same.

8.0 Cancellation of Contract

- 8.1 The Contractor may only cancel this Agreement without cause in the circumstances set out in Section 4.3.
- 8.2 The City may only cancel this Agreement without cause in the circumstances described in Section 4.3.

9.0 Unavoidable Delay

- 9.1 Except for the performance of obligations to pay money, time periods for the City and the Contractor's performance under the Contract will be extended for periods of time during which their performance is delayed or prevented due to an Unavoidable Delay. For the purposes of this section, an "Unavoidable Delay" means any circumstances beyond the reasonable control of the party trying to perform (such as, for example, strikes/lockouts, acts of God, war or other strife or governmental action) but expressly excludes any and all delays caused by the Contractor's lack of financial resources or insolvency, strikes, lockouts or labour affiliations of the Contractor's employees or Sub-Contractors' employees, or governmental action taken in the enforcement of law specifically against the Contractor or its Sub-Contractors'.

10.0 Changes in Requirements

- 10.1 The City may on prior written notice require the Contractor to make changes to the Police Boat (both during the Design Phase as well as the Construction Phase). Section 4.3 will apply to all changes requested and made during the Design Phase. All changes requested during the Construction Phase will be subject to adjustment as agreed by the parties in a written change order or failing agreement will be carried out promptly by the Contractor after which the Performance Schedule and Contract Price will be adjusted pursuant to Section 10.3 below.
- 10.2 For any and all changes to which Section 10.1 does not apply, the City may, by giving written notice to the Contractor, request amendments to the Requirements. Upon receipt of such notice, the Contractor will, as soon as practicable and in no event later than 20 days after receipt of such notice, inform the City's Manager of Materials Management of any adjustments to the Contract Price, either increasing or decreasing the Contract Price, and Performance Schedule that would be necessitated by such change in the Requirements, or alternatively, will notify the City's Manager of Materials Management that no adjustment is necessary. If adjustments to the Contract Price and Performance Schedule are necessary and the City's Manager of Materials Management confirms in writing that such adjustments are acceptable to it, the Requirements, Contract Price, and Performance Schedule will then be deemed to be amended as agreed by the City's Manager of Materials Management. If the City determines that such adjustments, or no adjustments, to the Contract Price and/or Performance Schedule are unacceptable and the City's Manager of Materials Management and the Contractor are unable to agree, the City's Manager of Materials Management shall be entitled to elect whether to proceed under Section 10.3 or alternatively may elect to proceed with the Contract without the proposed change.
- 10.3 Where the City's Manager of Materials Management elects to proceed under this Section 10.3, the matters in dispute will automatically be referred to arbitration (pursuant to Section 34.0 - *Dispute Resolution*) to determine the appropriate amendments to the Contract Price and Performance Schedule to reflect the change in Requirements directed by the City and carried out by the Contractor.

11.0 Disputes as to Requirements

- 11.1 All orders or instructions with respect to the Requirements issued by the Marine Consultant or Manager of Materials Management to the Contractor will be obeyed, performed and complied with by the Contractor promptly, efficiently and to the

satisfaction of the City. However, if the Contractor is of the opinion that such orders or instructions are not authorized under the provisions of the Contract Documents or involve a change in the Requirements, it must promptly notify the City in writing before proceeding to carry them out and, in any event, within 2 days of the receipt of such orders or instructions. The giving of such notice to and receipt by the City or Marine Consultant will not constitute an acknowledgement by the City as to the validity of the Contractor's claim, and the City now reserves all rights to contest or dispute the Contractor's claim. If the Contractor does not so notify the City or Marine Consultant within the time so limited, it will not be entitled to later claim that the orders or instructions were not so authorized or involved a change in the Requirements. In any event, the giving of such notice to the City will not relieve the Contractor of its obligation to carry out and to obey such orders or instructions.

12.0 Sub-Contractors

- 12.1 All Sub-Contractors are the responsibility of the Contractor.
- 12.2 The Contractor will be held as fully responsible to the City for the acts and omissions of its Sub-Contractors and of persons directly or indirectly employed by the Contractor, as for the acts and omissions of persons directly employed by it.
- 12.3 Nothing contained in any of the Contract Documents will create any contractual relationship between the Sub-Contractors and the City.
- 12.4 The Contractor agrees to ensure compliance by every Sub-Contractor with the terms and requirements of the Contract Documents.

13.0 Permitted Sub-Contractors

- 13.1 No Sub-Contractors will be permitted except those expressly named by the Contractor in Schedule D - *Sub-Contractors* and then only for the goods and services set out beside their names in Schedule D - *Sub-Contractors*, or subsequently permitted in writing by the City pursuant to Section 15.0 - *Assignment/Sub-Contracting*.

14.0 Independent Contractor

- 14.1 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 of Vancouver.

15.0 Assignment/Sub-Contracting

- 15.1 Subject to Sections 13.1 and 15.2, 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 under 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. If the City consents to any such assignment, subletting or letting out as task work of all or any part of the Work, the Contractor will in no way be relieved from its responsibility for the fulfilment of the Work, but will continue to be responsible for the same pursuant to Section 12.0 above.
- 15.2 Despite Section 15.1, the Contractor may utilize those Sub-Contractors expressly permitted pursuant to Section 13.0 - *Permitted Sub-Contractors*, 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 15.1 above.

16.0 Time of the Essence

- 16.1 For all obligations of the Contractor pursuant to this Agreement, time is of the essence. The acceptance of a late performance, with or without objections or reservations by the City, will not waive the City's right to claim damages for such breach nor constitute a waiver of the City of the requirement of timely performance of any obligation remaining to be performed.
- 16.2 The Contractor will perform all of its obligations within the times set out for same as set out in Schedule F - *Performance Schedule*.

17.0 Compliance with Laws, Permits and Regulations

- 17.1 In carrying out its obligations, the Contractor will familiarize itself and comply with all applicable laws, bylaws, regulations, ordinances, codes, specifications and requirements of all regulatory authorities, and will obtain all necessary licenses, permits and registrations as may be required by law.

18.0 Delivery/WHMIS Legislation

- 18.1 Delivery must be made by the Contractor, at its sole risk and expense to the exact location designated by the City, and only between 10:00 a.m. and 3:00 p.m. on a Business Day, unless other arrangements have been agreed in writing and otherwise in compliance with the Requirements.
- 18.2 A material safety data sheet ("MSDS") must accompany all shipments containing products regulated under WHMIS Legislation.

19.0 Inspection

- 19.1 The Police Boat and Work will be subject to inspection and test by and must meet the approval of the City and its Marine Consultant as further set out in Schedule A - *Requirements*.
- 19.2 In the event that the Police Boat or Work or any portion of the Police Boat or Work does not comply with the Requirements or the Contractor's warranty (expressed or implied), the City will have the right either to reject the Police Boat or Work or to require correction and the Contractor will reimburse the City any costs incurred as a result of such non-compliance.
- 19.3 Acceptance or rejection of the Police Boat and Work must be made as promptly as practical, but failure to inspect and accept or reject the Product will not relieve the Contractor from responsibility for such Work that is not in accordance with the Requirements.
- 19.4 The City and Marine Consultant will be the final judge of the Police Boat in respect of both quality and quantity and its decisions of all questions in dispute will be final. Materials, goods or equipment not accepted will be returned to the Contractor at the Contractor's expense.
- 19.5 Under no circumstances will the City be deemed to have accepted the Police Boat or Work by virtue of a partial or full payment for them.

20.0 Quality of Workmanship and Materials

- 20.1 The Contractor will perform the Work 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 the Requirements.

- 20.2 Materials, goods and equipment incorporated into the Police Boat will be from suppliers or manufacturers of established reputation engaged in the supply or manufacture of such materials or equipment.
- 20.3 Materials are to be applied in accordance with the manufacturer's directions and the Contractor will use the techniques and applications best suited for the type of material being used.

21.0 Handling and Storage

- 21.1 All components of the Police Boat will be adequately packaged to protect from damage during handling, shipment, and storage, prior to being incorporated into the Police Boat.
- 21.2 The Police Boat shall be fully protected from the elements during construction until launched.

22.0 Handling and Storage Records

- 22.1 The Contractor will institute a policy and procedure which facilitates immediate recognition of defective or non-compliant components or parts during construction of the Police Boat.
- 22.2 The Contractor must fully inspect all materials, equipment, and other items upon receipt and upon request, provide the City's Marine Consultant with full access to the Contractor's inspection records, process, and place of inspection.

23.0 Non- Exclusivity - Alternative Sourcing

- 23.1 The Contractor acknowledges that this Agreement is not an exclusive supplier contract.
- 23.2 The City reserves the right to purchase products of the same type as those required to be provided under this Agreement from other sources whether or not it deems that the product or services offered by the Contractor does not meet the quality standards; or are deemed to be inferior or unacceptable for use; or that the Contractor cannot supply as specified.

24.0 Warranty

- 24.1 The Contractor warrants that for the Warranty Period, the Police Boat and Work will be in full conformity with the Requirements as well as samples, if any, and if so, then this is a sale by sample as well as by description within the meaning of the Sale of Goods Act (BC). However, under no circumstances will any reference vessels inspected by the City or Marine Consultant pursuant to Section 3.4 - *Proven Design* of Schedule A - *Requirements* be or be deemed to be a sample.
- 24.2 The Contractor further warrants that for the Warranty Period, the Product and Work will be of merchantable quality, and fit for the intended use and will perform according to the Requirements.
- 24.3 Equipment and materials used in the Product and Work must be new, free and clear of all liens, charges and encumbrances, the latest model, and delivered complete with all necessary accessories for operation.
- 24.4 The Contractor warrants that its employees and Sub-Contractors have the qualifications, experience, knowledge, skills and abilities necessary for the fulfilment of this Agreement.
- 24.5 In the event that, at any time during the Warranty Period, any part of the Police Boat or Work does not meet the Requirements then the Contractor will

- (a) at the Contractor's sole expense repair, correct, or replace the defect, on location at the dock (or the nearest dry dock to) where the Police Boat is normally moored by the City,
 - (b) where the defect totally prevents the use of the Police Boat for its intended purposes, ensure that the Police Boat is not out of commission for more than one (1) Business Day following written notice from the City that warranty work is required,
 - (c) where the defect materially impairs but does not prevent the use of the Police Boat for its intended purposes, ensure that the defect is rectified within five (5) Business Days following written notice from the City that warranty work is required,
 - (d) where the defect does not materially impair nor prevent the use of the Police Boat for its intended purposes ensure that the defect is rectified within ten (10) Business Days following written notice from the City that warranty work is required.
- 24.6 The Warranty Period will be extended by a period of time equal in the aggregate to all periods of time referred to in Sections 24.5(b) and (c) calculated from the time the City calls in the warranty service request to the time of its rectification.
- 24.7 Subject always to the other terms of this Section 24.0 - *Warranty*,
- (a) the defect warranted by the Contractor may be repaired or replaced at the Contractor's sole option,
 - (b) repaired or replaced defects will be warranted for the balance of the original Warranty Period.
- 24.8 The City's rights and remedies under this Section 24.0 - *Warranty* are in addition to and not in lieu of all the City's rights and remedies as set out in Schedule G - *Warranty*.
- 24.9 The City's rights and remedies under this Section 24.0 and Schedule G - *Warranty* are the City's sole rights and remedies in respect to physical defects in the Police Boat and the Contractor makes no other warranty expressed or implied other than is set out in this Section 24.0 - *Warranty* and Schedule G - *Warranty*. For further certainty, nothing in this Section 24.0 limits or modifies the Contractor's liability for any breach of its other obligations under this Agreement which are separate from its obligations to supply the Police Boat free from defects.

25.0 Protection of Person and Property

- 25.1 The Contractor will use due care that no persons are injured, no property damaged or lost, and no rights are infringed in supply of the Police Boat or the performance of the Work, and the Contractor will be solely responsible for all Losses in respect of any injury to persons, damage of property, or infringement of the rights of others incurred in the supply of the Police Boat, performance of the Work or caused in any other manner by the Contractor, Sub-Contractors, or their respective employees or agents.
- 25.2 The Contractor will effectively warn and protect the public and other personnel from any danger as a result of the Work being done.

26.0 Rectification of Damage and Defects

- 26.1 The Contractor will 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 will then pay to the City the costs of repairing the loss or damage promptly 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.

27.0 Clean Up

27.1 The Contractor will at all times conduct the Work in an orderly and reasonably tidy manner, and will at suitable intervals remove any accumulation of rubbish or refuse materials. At no time will any person employed by the Contractor or by any of its Sub-Contractors discard any litter or garbage on or adjacent to the Work Site, except into a suitable container.

28.0 Passage of Title and Risk

28.1 Despite any other term of this Agreement, (a) risk of loss or damage to the Police Boat or Work performed will remain with the Contractor until the acceptance of the Police Boat in accordance with Section 4.5 and Section 14.0 - *Tests and Trials* of Schedule A - *Requirements*, and (b) title to the Police Boat will pass to the City upon acceptance of registration of the Form 2 - Builder's Certificate and First Transfer of Ownership by the Ship Registry transferring Police Boat from the Contractor to the City.

29.0 Indemnification

29.1 The Contractor will indemnify, hold and save harmless the City from and against all Losses made, sustained, brought or prosecuted in any manner based upon, occasioned by or attributable to:

- (a) any injury, including death, property loss or damage arising from any (i) defect in the Product, or (ii) act or omission of the Contractor, its employees, officers, volunteers, Sub-Contractors, or any other persons for whom the Contractor has assumed responsibility in the performance or purported performance of the Work, or (iii) any breach of this Agreement;
- (b) 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; or
- (c) any claim which may be made for a lien or charge at law or in equity or to any claim or liability under the Canada Shipping Act, or to any attachment for debt, garnishee process or otherwise; or
- (d) the Contractor's failure to pay all royalties and license fees or on account of suits or claims of infringement by the Contractor, its Sub-Contractors, or the Police Boat or Work of trademarks, patents, copyright, or any other infringement of third party intellectual property rights.

30.0 Insurance Requirements

30.1 Without limiting any of its obligations or liabilities under the Contract, the Contractor and its Sub-Contractors will 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.

- (a) Commercial General Liability insurance in sufficient amounts and description to protect the Contractor, its Sub-Contractors, the City of Vancouver, Vancouver Police Board, Marine Consultant and their respective officers, officials, employees, 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 will be not less than \$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 will not exceed \$5,000 per occurrence.

The policy of insurance shall:

- i. be on an occurrence form;
- ii. add the City of Vancouver, Vancouver Police Board, Marine Consultant, and their respective 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) Third Party Legal Liability Insurance for any and all vehicles owned and/or operated by the Contractor or Sub-Contractors in connection with the Contract in an amount not less than \$5,000,000 per occurrence.

- (c) All Risk Builder's Risk Hull & Machinery Insurance with a minimum limit of not less than the full value of the Police Boat including all accessory equipment and communication systems with a deductible of not more than Five Thousand (\$ 5,000) Dollars protecting the City, the Contractor and its Sub-Contractors from all claims for loss or damage to the Police Boat including all accessory equipment and communication systems arising out of ownership or operation of the Contractor or its Sub-Contractors during construction, installation, storage or while it is being tested on during trials and transported until delivery at the City's designated site and acceptance by the City. This policy shall jointly name the City, Vancouver Police Board, Consultant and the Contractor as the Named Insured and loss payees for their interests and shall contain a Waiver of Subrogation as set out below.

- (d) Protection and Indemnity Insurance to cover all claims for bodily injury including death, property damage or loss arising out of the activities conducted by the Contractor, the Sub-Contractors, or their employees, agents or subcontractors, including not limited to third party liability claims arising out of transportation or testing activities, with a minimum limit of not less Five Million (\$5,000,000) Dollars per occurrence and a deductible of not more than Five Thousand (\$ 5,000) Dollars. This policy shall name the City, Vancouver Police Board, Marine Consultant and their respective officials, officers, employees and agents as an additional insured or co-insured.

- 30.2 All insurance policies will be in a form and in amounts satisfactory from time-to-time and with insurers acceptable to the City's Director of Risk and Emergency Management and will provide the City's Director of Risk and Emergency Management with 30 days prior written notice of material change, lapse or cancellation. Notice must identify the Contract title, number, policy holder, and scope of work.
- 30.3 The Contractor and each of its Sub-Contractors will provide at its own cost any additional insurance which it is required by law to provide or which it considers necessary.
- 30.4 Neither the providing of insurance by the Contractor in accordance with this Agreement, nor the insolvency, bankruptcy or the failure of any insurance company to pay any claim accruing will be held to relieve the Contractor from any other provisions of the Contract Documents with respect to liability of the Contractor or otherwise.
- 30.5 The insurance coverage will be primary insurance as respects the City. Any insurance or self-insurance maintained by or on behalf of the City, its officers, officials, employees, or agents will be excess of the Contractor's insurance and will not contribute with it.
- 30.6 All property insurance policies will contain a waiver of subrogation in favour of the City of Vancouver, Vancouver Police Board, Marine Consultant and their respective officials, officers, employees and agents.
- 30.7 Prior to the Effective Date, the Contractor will provide the City with evidence of all required insurance to be taken out in the form of the attached Certificate of Insurance supported by a certified copy(s) of the policy(s). The Certificate of Insurance will identify the Contract title, number, policyholder and scope of work and must not contain any qualifications or disclaimers. Proof of insurance, in the form of a Certificate of Insurance or certified copies of all insurance policies will be made available to the City's Director of Risk and Emergency Management at any time during the term of the Contract immediately upon request.
- 30.8 The Contractor will provide in its agreements with its Sub-Contractors clauses in the same form as in this Agreement. Upon request, the Contractor will deposit with the City's Director of Risk and Emergency Management detailed certificates of insurance for the policies it has obtained from its Sub-Contractors and a copy of the applicable insurance clauses from its sub-contract agreements.
- 30.9 Contractor will ensure that the required insurance is provided only by a company duly registered and authorized to conduct insurance business in the Province of British Columbia.

31.0 Workers' Compensation Board Compliance

- 31.1 Prior to commencing any services on a City Work Site, the Contractor must provide evidence that it is in good standing with the Workers' Compensation Board of British Columbia ("WCB"). The Contractor is responsible for having the site secured in accordance with WCB safety regulations and ensure that no danger shall befall the public at any time during the performance of the Services.
- (a) *Payment of WCB Assessments* - The Contractor agrees that it shall at its own expense procure and carry or cause to be procured and carried and paid for, full Workers' Compensation Board coverage for itself and all workers, employees, servants and others engaged in or upon any work or service which is the subject of this Contract. The Contractor agrees that the City has the unfettered right to set off the amount of the unpaid premiums and assessments for such Worker's Compensation Board coverage against any monies owing by the City to the Contractor. The City shall have the right to withhold payment

under this Contract until the Worker's Compensation Board premiums, assessments or penalties in respect of work done or service performed in fulfilling this Contract had been paid in full.

- (b) *Designation of Contractor as Prime Contractor* - The City now designates the Contractor as the Prime Contractor, and the Contractor now acknowledges and agrees to its designation as the Prime Contractor, for the purposes of the WCB OH&S Regulation.
- (c) *Prime Contractor's Obligations* - Without in any way limiting the Contractor's obligations under the WCB OH&S Regulation, and by way of example only, the Contractor will:
 - (i) Appoint and provide a qualified coordinator for the purpose of ensuring the coordination of health and safety activities for the Shipyard, and
 - (ii) Provide and receive and respond to all information required to be given, received or relayed by the Contractor (both as an employer and as the Prime Contractor) pursuant to the WCB OH&S Regulation.
- (d) *General WCB Obligations* - In addition to, and not in lieu of, the Contractor's obligations as the Prime Contractor, the Contractor will have a safety program acceptable to the Workers' Compensation Board and will ensure that all Workers' Compensation Board safety policies, rules and regulations are observed during performance of this Contract, not only by the Contractor but by all Subcontractors, workers, material suppliers and others engaged in the performance of this Contract.
- (e) *Initial Proof of WCB Registration/Good Standing* - Prior to the Effective Date, the Contractor will provide the City with the Contractor's and all Sub-Contractor's Workers' Compensation Board registration numbers.
- (f) *Special Indemnity Against WCB Non-Compliance* - The Contractor will indemnify the City and hold harmless the City from all manner of claims, demands, costs, losses, penalties and proceedings arising out of or in any way related to:
 - (i) Unpaid Workers' Compensation Board assessments of the Contractor or any other employer for whom the Contractor is responsible under this Contract,
 - (ii) The acts or omissions of any person engaged directly or indirectly by the Contractor in the performance of this Contract, or for whom the Contractor is liable pursuant to the Contractor's obligations as the Prime Contractor, and which acts or omissions are or are alleged by the Workers' Compensation Board to constitute a breach of the WCB OH&S Regulation or other failure to observe safety rules, regulations and practices of Workers' Compensation Board, including any and all fines and penalties levied by the Workers' Compensation Board, or
 - (iii) Any breach of the Contractor's obligations under this General Condition.

32.0 Character of Workers/Security Clearance

32.1 Removal of Workers on Request

On the written request of the City, the Contractor will remove any employee, Sub-Contractor or agent for any reason including but not limited to the following:

- (a) Intoxication;
- (b) Use of foul, profane, vulgar or obscene language or gestures;
- (c) Solicitation of gratuities or tips from any person for services performed under the Contract;
- (d) Willful, negligent or reckless action in disregard of safety or sanitary requirements or regulations; or

- (e) Loss of or failure to obtain appropriate or required Security Clearance; or
- (f) Any action which may constitute a public nuisance or disorderly conduct.

32.2 Security Checks

The Contractor acknowledges that VPD-MS has developed a comprehensive security protocol for anyone supplying goods and services to the VPD-MS or having access to VPD-MS information. The Contractor agrees that as a condition of entering into this Agreement:

- (a) the VPD-MS may at any time and from time to time during the term of this Agreement, conduct criminal records searches, police history information searches and/or other background checks, investigations and searches (collectively, "Searches") pertaining to: (i) the Contractor; (ii) any principals, directors, managers, employees and agents of the Contractor performing, directly or indirectly, any part of the Work; (iii) the Sub-Contractor(s); or (iv) any principals, directors, managers, employees and agents of the Sub-Contractor(s) performing, directly or indirectly, any part of this Agreement which involves, or may involve, access to the Police Boat or Police Boat information (for the purposes of this section, (i) through (iv) are collectively, the "Contractor Personnel");
- (b) the Contractor will cause all Contractor Personnel, as a condition of having access to or performing, directly or indirectly, any part of this Agreement which involves, or may involve, access to the Police Boat or Police Boat information, to execute and deliver to the VPD-MS on request, a consent document setting out the individual's consent and authorization to conduct any Searches, including without limitation consent to the collection and submission of such personal data and information as may be required to enable the VPD-MS to perform such Searches; and
- (c) without limiting any other term of this Agreement, the Contractor agrees that each of: (i) the failure of any Contractor Personnel to deliver any consent or authorization required hereunder; and (ii) receipt by the City from the VPD-MS of notice that the outcome of any of the Searches is not satisfactory, shall constitute a default under this Agreement and in such event VPD-MS may, but will not be obligated to, exercise any right or remedy that City may have under this Agreement or at law, including without limitation, requiring the Contractor to remove any Contractor Personnel from the work site of the Police Boat and ensure that no Police Boat information passes to such removed Contractor Personnel.

33.0 City's Right to Remedy

- 33.1 Should the Contractor neglect to execute the Work 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.

34.0 Dispute Resolution

- 34.1 All claims, disputes or issues in dispute between the City and the Contractor will be decided by mediation or arbitration, if the parties agree, or failing agreement, in a Court of competent jurisdiction within British Columbia and be governed by the laws of British Columbia.
- 34.2 Subject to Section 34.7, in the event that (i) the parties agree to arbitration pursuant to the above, or (ii) matter is referred to arbitration by City's Manager of Materials Management, pursuant to Section 10.3, or by either party pursuant to Section 6.3, the arbitration will be conducted pursuant to the Commercial Arbitration Act (British

Columbia) and will 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 with the Province of British Columbia.

- 34.3 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.
- 34.4 The procedure set out in this section is not meant to preclude or discourage informal resolution of disagreements between the City and the Contractor.
- 34.5 Despite Section 34.1, the laws of British Columbia will govern this Agreement and the courts of British Columbia will have exclusive jurisdiction over all disputes arising under this Agreement unless and until the parties agree in writing to mediate or arbitrate any specific dispute.
- 34.6 All provisions of the *International Sale of Goods Act* (British Columbia) are specifically excluded from application to this Agreement.
- 34.7 No arbitration pursuant to Section 34.2 will be binding on the City (but will, at the City's option be binding on the Contractor) until the Contractor has permitted the City to conduct an audit of the Contractor's records pursuant to generally accepted auditing standards.

35.0 Cancellation

- 35.1 The City may, by written notice to the Contractor, immediately cancel the whole or any part of this Agreement in any one of the following circumstances:
- (a) if the Contractor fails to make delivery of the Product or to perform the Work 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) if the Contractor performs any act or does anything which causes the City to incur any legal liability whatsoever;
 - (c) if the Contractor fails to meet the safety requirements of the Contract;
 - (d) if 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 Contracts;
 - (e) if 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; or
 - (f) if the Contractor breaches any other term of this Agreement.
- 35.2 Upon cancellation of the Contract, the City will have no obligation to the Contractor except to pay for such portion of the Police Boat or Work properly delivered or performed prior to the date of the cancellation of the Contract.
- 35.3 Upon cancellation of the Contract in whole or in part, the City may procure similar goods and/or services and the Contractor will be liable to the City for any excess costs for such similar goods and/or services.

36.0 Payments and Security for Payment

36.1 The Contractor will be paid net 30 days from receipt by the City of each invoice duly issued in accordance with this Section 36.0.

36.2 The City will pay for the Contractor's performance of the Requirements in accordance with the following Payment Schedule and payment terms:

Payment Event/Deliverables	Payment Amount Expressed as Percentage of Contract Price
Upon Effective Date (as defined in Section 4.2 upon completion of all pre-conditions in 4.2(a))	Lesser of 5% and Maximum Exit Payment
Upon Delivery/Completion of First Set of Construction Phase Submittals/Documents in accordance with Section 4.6(a)	5%
Delivery of aluminium to Shipyard and receipt, review and approval of Mill certificates, purchase orders, and invoices for aluminium by Marine Consultant	10%
Hull and Deckhouse fabricated and welded as well as delivery/completion of Second Set of Construction Phase Documents/Submittals in accordance with Section 4.7(a)	10%
Delivery of propulsion machinery to Contractor's site and receipt, review and approval of certificates, purchase orders, and invoices for propulsion machinery by Marine Consultant	10%
Installation of propulsion machinery in the hull to satisfaction of Marine Consultant	10%
Outfit completion to satisfaction of Marine Consultant in accordance with Dock Trials procedure set out in Schedule A - <i>Requirements</i>	10%
Sea Trials completed to satisfaction of Marine Consultant in accordance with Sea Trials procedure set out in Schedule A - <i>Requirements</i>	10%
Delivery of Police Boat and Acceptance of Police Boat along with delivery/completion of Final Set of Construction Phase Documents/Submittals in accordance with Section 4.8(a)	20%
Holdback for one (1) year	10%
Total Contract Price 100%	

36.3 Invoices shall be addressed and delivered to:

CITY OF VANCOUVER
 Equipment Services Branch
 250 West 70 Street
 Vancouver, British Columbia
 V5Y 1V4

Attention: Shuh Chan, EIT

36.4 Upon receipt of each invoice and provided the Manager of Materials Management has received the reporting documentation from the Marine Consultant confirming the completion of the pre-conditions to the milestone payment referred to in that invoice, the invoice will be paid by the City in accordance with Section 36.1 above.

37.0 Taxes

37.1 Unless otherwise provided herein, the City will pay the GST and PST on the Contract Price to the Contractor, provided that any increase or decrease in such GST and PST will proportionately increase or decrease the amount due under the Contract(s).

37.2 Prices agreed upon are to be exclusive of GST and PST, with all costs relating to freight, handling, import duties, brokerage, royalties, handling, overhead, profit and any and all other costs included as negotiated within this Agreement.

37.3 Invoices must separately show the appropriate amounts for GST and PST.

38.0 Contract Management - Intentionally Deleted (Now Part of Section 4.0)

39.0 NO PROMOTION OF RELATIONSHIP

39.1 The Contractor will 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 to perform the Contractor's obligations under the terms of this Agreement). The Contractor undertakes not to use "City of Vancouver", "VPD", "Vancouver Police Department", "Marine Squad", "VANOC", "Vancouver 2010", "2010 Games", "2010 Winter Olympics", or any official emblem, logo or mascot of any of the above 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 or VPD-MS in any communication or matter whatsoever as a basis to create an association, express or implied, between the Contractor and the City, VPD-MS, IOC, the Olympics or the Olympic Movement.

40.0 Set-off

40.1 The City may at its option, withhold and set-off against any amount owing to the Contractor (whether under this Agreement or otherwise) the amount of any damages suffered or claims made or to be made by the City as a result of any other claim it may have against the Contractor, whether such claim is at law or in equity or tort or on any other basis.

41.0 Joint Venture or Partnership

41.1 If a joint venture or partnership, the Contractor represents and warrants that all members of the joint venture or partnership are as indicated on the execution page of this Agreement and have duly executed same. The obligations and liabilities of the members of a joint venture or partnership executing this Agreement as the Contractor will be joint and several.

42.0 Entire Agreement

42.1 The Contract Documents constitute the entire agreement between the parties and supersede all previous communications, representations and agreements whether verbal or written between the parties with respect to their subject matter. The Contractor now acknowledges that it is not relying on any representations of the City as to the performance of the Requirements, except as expressly stated in the RFP.

43.0 Failure to Enforce

43.1 Any failure by the City to enforce or require the strict keeping and performance of any of the terms and conditions contained in the Agreement will not constitute a waiver of such terms and conditions, and will not affect or impair such terms and conditions in any way or the City's right at any time to avail itself of such remedies as the City may have for any breach or breaches of such terms and conditions.

44.0 Successors and Assigns

44.1 This Agreement will benefit and bind each party and its successors and permitted assigns.

TO CONFIRM THEIR AGREEMENT to the terms set out above, the parties have each signed this document and delivered a signed copy to the other.

CITY OF VANCOUVER

BY: _____
Frances J. Connell, Director of Legal Services

BY: _____
Jamie Graham, VPD Chief Constable

< Name of Contractor >

BY: _____

Name: _____

Title: _____