

Town of Hay River



Public Tender to Supply and Deliver Various Fuels As and When O2010

**Closes 3:00:00 PM Hay River Local
Time May 15th, 2020**



TOWN OF
HAY RIVER
PUBLIC
TENDER
SUPPLY AND DELIVER
VARIOUS FUELS O2010

The Work consists of the following:

To Supply and Deliver Various Fuels to locations in the Town of Hay River on an As and When Basis.

Due to the COVID-19 impacts, the Town of Hay River office is restricted access and as such electronic bid submissions will be received via email at pwdirector@hayriver.com and no public opening will take place. Submissions will be received until 3:00:00 PM Hay River local time on the 15th day of May 2020.

Direct enquiries to: Mike Auge, Director of Public Works

Phone: (867) 874-6522 ext. 217
Cell: (306) 713-9350
Fax: (867) 874-3237
Email: pwdirector@hayriver.com

IT.1 Tender Call

- 1.1 Due to the COVID-19 impacts, the Town of Hay River office is restricted access and as such electronic bid submissions will be received via email at pwdirector@hayriver.com and no public opening will take place. Submissions will be received until 3:00:00 PM Hay River local time on the 15th day of May 2020.
- 1.2 The intent of this Tender is to obtain a formal offer to:

TO SUPPLY AND DELIVER VARIOUS FUELS TO LOCATIONS IN HAY RIVER ON AN AS AND WHEN BASIS.

herein referred to as the "Work".

- 1.3 Submit one copy of the tender on the tender form provided, signed and sealed, clearly identified with the word "Tender", and the Project name and the Tenderer's name, by email to:

pwdirector@hayriver.com

Phone: (867) 874-6522 ext. 217

Cell: (306) 713-9350

Fax: (867) 874-3237

Due to internet interruptions and variability, Bidders should submit their bid and confirm the Town receiving prior to the closing date and time by calling (306) 713-9350.

- 1.4 Amendments to the submitted Tender will be permitted if received by email prior to tender closing and if endorsed by the same party or parties who signed the Tender.
- 1.5 If a mathematical error is identified by the Contract Authority in the submitted Tender between any Unit Price and the price extension (Unit Price x Quantity of Units), the Unit Price shall govern. The price extension and the Total Tender amount will be corrected accordingly.

IT.2 Acceptance of Tender

- 2.1 The Town reserves the right to accept the Tender or any part thereof, which it deems to be most advantageous to its interest. The lowest or any Tender will not necessarily be accepted.
- 2.2 Following acceptance by the Town, a written Notice of Award will be issued to the successful Tenderer.

IT.3 Duration of Offer

- 3.1 Tenders shall remain open for acceptance and shall be irrevocable for a period of thirty (30) days after the Tender closing date, irrespective of the acceptance of any Tender.

IT.4 Local Purchase Policy

- 4.1 Tenders shall be subject to the Town's Local Purchase Policy which establishes guidelines which provide a local purchase preference to Local Businesses in Hay River and is available in the Town's Procurement bylaw 2388.

IT.5 Tender Ineligibility

- 5.1 Tenders that are unsigned, late, improperly executed, incomplete, conditional, illegible, obscure or contain arithmetical errors, additions not called for, reservations, erasures, alterations, or irregularities of any kind, may be rejected as informal.

IT.6 Commencement and Completion of Work

- 6.1 The Tenderer, in submitting the Tender, agrees that he can complete the Work by the date stated in the Tender Form.
- 6.2 The Tender is for the supply and delivery of various fuels until April 30, 2022.

IT.7 Omissions/Discrepancies/Interpretations

- 7.1 Tenderers finding discrepancies or omissions in the description of the Work, or having doubt as to the meaning or intent thereof, shall at once notify the Town, who will, if necessary, send written instructions or explanations to all Tenderers.
- 7.2 Oral interpretations made to any Tenderer shall not result in a modification of any provision of the Tender Documents.
- 7.3 Questions arising during the Tender period should be directed to:

Mike Auge - Director of Public Works

Town of Hay River
100-62 Woodland Drive
Hay River, NT X0E 1G1

email: pwsdirector@hayriver.com
Telephone: (867) 874-6522 ext. 217
Cell: (306) 713-9350

- 7.4 During the tendering period, Tenderers may be advised by Addenda of any alterations to the Contract Documents. All such changes shall become part of the Contract and their effects shall be reflected in the Tender Price.
- 7.5 The Contract Authority will endeavor not to issue any Addenda later than three (3) calendar days prior to the Tender closing date.

IT.8 Sales Tax

- 8.1 Tenders shall include applicable unrecoverable sales tax in the Tender price.
- 8.2 If a Tenderer considers that sales tax is refundable on any materials to be provided, he shall make a net tender to the Town on such materials, i.e. with sales tax deducted. On the completion of the Contract, provided the Town is satisfied as to the quantities of such materials incorporated in the work, the Town shall, if requested by the Contractor, provide such documents as may be necessary to assist the Contractor to recover the sales tax for the Contractor's sole benefit. The Town will not undertake to purchase these materials for the Contractor.
- 8.3 "GST" meaning the Goods and Services Tax of 5% (five per cent) charged against the Contractor, pursuant to legislation of the Government of Canada, shall be deemed to replace all previous federal sales taxes.

IT.9 Tender Signing

- 9.1 The Tender must be executed under seal by the Tenderer. If the Tenderer is an individual or a partnership, the Tender shall be executed by the individual or partner in the presence of a witness and the signatory must show the capacity in which he signs (e.g. "Partner" or "Proprietor"). If the Tenderer is a corporation, the Tender shall be executed under the seal of the company, affixed in the presence of the authorized officers or two directors. If the Tenderer is a joint venture, each party to the joint venture shall execute the Tender under seal in the manner appropriate to such party.

IT.10 Appendices to Tender Form

- 10.1 Appendix "A" lists the documents that form part of the Tender documents.
- 10.2 Tenderers shall complete appendices "B" to "G" attached to the Tender Form and submit these with the Tender. Appendices irrelevant to the Tender shall be crossed out and initialed by the Tenderer and/or Contract Authority.

IT.11 Company Registration

- 11.1 The successful Tenderer will be required to be registered as a Business in the Town of Hay River, pursuant to the Town of Hay River Business License Bylaw.

IT.12 Contractor's Capability

- 12.1 The Town considers the capability of a Tenderer to assume quality and timely completion of the Work to be of utmost importance. Accordingly, if a Tenderer intends to engage a subcontractor for a significant or critical portion of the Work, such subcontractor shall be designated in the Tender. As part of its evaluation of Tenders prior to award of the Contract, the Town will take into consideration a subcontractor's past performance on Town projects, both as to quality and schedule. At any time up to five (5) clear calendar days before Tender closing, a

Tenderer may request in writing from the Town as to whether a particular proposed subcontractor has a favorable or unfavorable performance record with the Town.

END OF INSTRUCTIONS TO TENDERERS

Project No. O2010 - Supply and Deliver Various Fuels

The following Supplementary Instructions to Tenderers govern over the General Instructions to Tenderers:

SIT 1.0

The Town will view each item (Commodity No. A, B and C) in the Schedule of Contract Unit Prices, Appendix "D", in the Tender Form, as separate items that can be awarded to different Contractors.

SIT 2.0

The Town will view unit prices and individual Total Commodity Prices as confidential information and the only price that will be made public will be the Total Estimated Contract Price, as per Appendix "D". Subject to SIT 1.0

SIT 3.0

The Tenderer shall base his Tender Price on Edmonton Office Rack Price for **March 1st, of each year of the tender**, and shall submit documents to support this.

END OF SUPPLEMENTARY INSTRUCTIONS TO TENDERERS
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Project No. O2010 – Supply and Deliver Various Fuels

1.1 DESCRIPTION OF WORK

To supply and deliver to various sites within the Town Boundaries:

1. An estimated 200,000 liters of Heating Fuel annually. The Heating Fuel shall conform to CAN (CGSB) 3.2-99 type 2 specification or equivalent. The flash point shall be a minimum of (-43 Degrees Celsius).
2. An estimated 36,000 liters of Diesel Fuel annually, CAN (CGSB) 3.517 TYPE B ULS or equivalent.
3. An estimated 30,000 liters of regular unleaded gasoline annually.

2.1 DELIVERY SCHEDULE AND LOCATIONS HAY RIVER, NT

1. Heating Fuel:
 1. Water Reservoir (Stewart Drive): Deliver as requested by Contract Authority or designate.
 2. New Intake Pump house (Great Slave Lake): Deliver as requested by Contract Authority or designate.
 3. Water Intake Pump house (Vale Island): Deliver every third Friday.
 4. Various other deliveries to other properties within the Town of Hay River: Deliver every third Friday. List to be provided by the Town.
2. Diesel Fuel: Delivered to Tank at the Town Maintenance Yard, Hay River.
3. Regular Unleaded Gasoline: Delivered to Tank at the Town Maintenance Yard, Hay River.

3.1 MEASUREMENT AND PAYMENT

1. Payment will be at the Current Edmonton Rack Price on a daily basis, plus the Margin (Mark Up) as tendered and any applicable taxes, as delivered acceptably to the above locations, or as picked up by the Town at the Vendor's Card lock in Hay River.
2. Contractor shall supply published Edmonton Rack prices to the Town with each monthly invoice.
3. Monthly invoices shall include the delivery record by location of each delivery.

END OF SPECIFICATIONS

Project No. O2010 - Supply and Deliver Various Fuels

Date: _____

Submitted by: _____

(Company Name)

 (Address)

Telephone: _____

To: Town of Hay River
 100-62 Woodland Drive Telephone: (867) 874-6522
 Hay River, NT X0E 1G1 Fax: (867) 874-3237

Project: **SUPPLY AND DELIVER VARIOUS FUELS**

The undersigned Tenderer, having carefully examined the Contract Documents, including the Town's Local Purchase Policy, the locality of the proposed work, and having full knowledge of the work required and of the materials to be furnished and used, hereby agrees to provide all necessary materials, supervision, labour and equipment, and to perform and complete all work, and fulfil everything as set forth and in the prices stated in the Tender Form and Unit Price Table.

The undersigned also agrees:

1. that the Town of Hay River (the Town) is in no way obligated to accept this tender;
2. that the Town will apply its Local Purchase Policy;
3. that the Town may elect at its sole discretion to accept any Tender or part thereof or waive any defect, irregularity, mistake or insufficiency and accept any Tender or alternative proposal, in whole or in part, which is deemed by the Town to be most favorable to its interest;
4. that all applicable taxes and duties are included in the tender price;
5. that the estimate of quantities shown in the Tender Form serves only to provide a basis for comparing tenders and that no representations have been made by either the Town or the Contracting Authority that the actual quantities will even approximately correspond therewith, and further, that the Town has the right to increase or decrease the quantities in any or all items and to eliminate items entirely from the work;

Project No. O2010 - Supply and Deliver Various Fuels

6. that this tender is made without knowledge of the tender prices to be submitted for this work by any other company, firm or person;
7. that this tender is made without connection or arrangement with any company, firm or person submitting a tender for this work;
8. that this tender is made without any undisclosed connection or arrangement with any other company, firm or person having an interest in this tender or in the proposed contract;
9. that this tender is irrevocable for a period of thirty (30) days after the closing date for receipt of tenders and that the Town may at any time within such period accept this tender whether any other tender has previously been awarded or not and whether acceptance of another tender has been given or not;
10. to execute the Articles of Agreement;
11. that payment for the work done will be made on the basis of the quantities measured by the Contracting Authority and at the tender prices shown in the Tender Form which shall be compensation in full for the work done under the terms of the Contract;
12. that the payment of any Contingency Allowance or portion thereof will only be made in the event that the Contracting Authority authorizes work, in which case the amount of payment will be determined as specified in the General Conditions. Any unused portion thereof will be retained by the Town;
13. the following Addenda have been received and the modifications noted therein have been considered and the effects are included in the tender prices:

Addendum #_____, dated _____

Addendum #_____, dated _____

Addendum #_____, dated _____

Addendum #_____, dated _____

Project No. O2010 - Supply and Deliver Various Fuels

This tender is executed under seal at _____

this _____ day of _____, 2020.

Name of Firm _____

Address _____

FOR INDIVIDUAL OR PARTNERSHIP

SIGNED, SEALED AND DELIVERED by:

(Tenderer - please print)

(Signature of Tenderer)

In the presence of:

Name _____

Address _____

Occupation _____

FOR LIMITED COMPANY

The Corporate Seal of:

(Seal)

(Tenderer - please print)

was hereunto affixed in the presence of:

Authorized Signing Officer and Title

Authorized Signing Officer and Title

Note: If the Tender is by joint venture, add additional forms of execution for each member of the joint venture in the appropriate form or forms as above.

Project No. O2010 - Supply and Deliver Various Fuels

LIST OF TENDER DOCUMENTS
Appendix "A"

Tender Documents	No. of Pages
Instructions to Tenderers.....	4
Supplementary Instructions to Tenderers.....	1
Specifications... ..	1
Tender Form (including appendices "A" to "G".....	10
Articles of Agreement.....	3
General Conditions.....	13

Project No. O2010 - Supply and Deliver Various Fuels

**PROPOSED LOCAL INVOLVEMENT
Appendix "B"**

EXPENDITURES	LOCAL \$	OTHER \$	TOTAL \$
General Contractor			
Payroll			
Material			
Equipment			
Transportation			
Accommodation			
Other Costs			
SUB-TOTAL			

Sub-Contractor/Supplier			TOTAL \$
Payroll			
Material			
Equipment			
Transportation			
Accommodation			
Other Costs			
SUB-TOTAL			

Sub-Contractor/Supplier			TOTAL \$
Payroll			
Material			
Equipment			
Transportation			
Accommodation			
Other Costs			
SUB-TOTAL			

Project No. O2010 - Supply and Deliver Various Fuels

SCHEDULE OF CONTRACT UNIT PRICES

Appendix "D" -

1. The quantities shown on the Schedule of Contract Unit Prices are estimated. The Total Unit Price shall vary throughout the year and shall be the sum of the Rack price, the Margin (Mark Up), and any applicable taxes. The Contract Price shall be the final sum of the products of the actual quantities that are incorporated in, or made necessary by the Work, as confirmed by count and measurement, and the appropriate Total Unit Prices, together with any adjustments that are made in accordance with the provisions of the Contract documents.
2. The Estimated Contract Price shall be the sum of the products of the estimated quantities and the appropriate Total Unit Price based on the **Edmonton Rack Price for March 1st, 2020**.

Commodity No.	A	B	C
Product Description	Heating Fuel	Diesel	Unleaded Gasoline
Quantity (per year)	200,000 liters	36,000 liters	30,000 liters
Location	Delivered to Site	Delivered to Site	Delivered to Site
Edmonton Rack Price (per liter) (On March 1st, 2020)			
Margin (per liter) (FIXED)			
Federal Excise Tax (per liter)	- EXEMPT -		
NWT Fuel Tax (per liter)	- EXEMPT -	- EXEMPT -	- EXEMPT -
NWT Carbon Tax			
G.S.T. (per liter)			
Total Unit Price (per liter)			
Estimated Total Commodity Price			
Total Estimated Contract Price Sum of Commodities "A", "B", and "C"			

THIS AGREEMENT MADE IN DUPLICATE THIS TH DAY OF , 2020.

BETWEEN:

THE MUNICIPAL CORPORATION OF
THE TOWN OF HAY RIVER

("The Town")

- and -

("The Contractor")

ARTICLES OF AGREEMENT

IN CONSIDERATION of the mutual promises and obligations contained in the Contract Documents, the Town and the Contractor agree as follows:

A1 CONTRACT DOCUMENTS

- 1.1 The documents forming the Contract between the Town and the Contractor, referred to herein as the Contract Documents, are:
- (a) the documents attached hereto entitled "Tender Documents, consisting of the Tender Form, Instructions to Tenderers, Specifications and any Supplementary Instructions to Tenderers";
 - (b) these Articles of Agreement;
 - (c) the document attached hereto entitled "General Conditions" and any "Supplementary General Conditions";
 - (d) the document attached hereto entitled "Rack Prices"
 - (e) any amendment or variation of the Contract Documents that is made in accordance with the General Conditions.
- 1.2 The Town hereby designates the Senior Administrative Officer as the Contract Authority for the purposes of the Contract.
- 1.3 In the Contract:
- (a) "Fixed Price Arrangement" means that part of the Contract that prescribes a lump sum as payment for performance of the Work to which it relates, and
 - (b) "Unit Price Arrangement" means that part of the Contract that prescribes the product of a price multiplied by a number of units of measurement of a class as payment for performance of the Work to which it relates.
- 1.4 Any of the provisions of the Contract that are expressly stipulated to be applicable only to a Unit Price Arrangement are not applicable to any part of the Work to which a Fixed Price Arrangement is applicable.
- 1.5 Any of the provisions of the Contract that are expressly stipulated to be applicable only to a Fixed Price Arrangement are not applicable to any part of the Work to which a Unit Price Arrangement is applicable.

A2 DATE OF COMPLETION OF WORK AND DESCRIPTION OF WORK

- 2.1 The Contractor shall, between the date of these Articles of Agreement and the **30th, day of April 2022** in a careful and workmanlike manner, diligently perform and complete the following Work:

SUPPLY AND DELIVER VARIOUS FUELS TO LOCATIONS IN HAY RIVER ON AN AS AND WHEN BASIS.

A3 CONTRACT PRICE

- 3.1 Subject to any increase, decrease, deduction or set-off that may be made under the Contract, the Town shall pay the Contractor at the times and in the manner set out or referred to in the General Conditions, 2.1 "Payment":

3.1.1 the sum of \$ N/A in consideration for the performance of the Work or the part thereof that is subject to a Fixed Price Arrangement, and

3.1.2 a sum that is equal to the aggregate of the products of the number of units of measurement of each class of labor, plant and material, as certified by the Engineer, multiplied in each case by the appropriate unit price that is set out in the Unit Price Table in consideration for the performance of the Work or the part thereof that is subject to a Unit Price Arrangement.

- 3.2 For the information and guidance of the Contractor and the persons administering the Contract on behalf of the Town, but not so as to constitute a warranty, representation or undertaking of any nature by either party, it is estimated that the total amount payable by the Town to the Contractor for the part of the Work to which a Unit Price Arrangement is applicable will not exceed the sum of the Rack Price plus the Margin plus any applicable taxes.

- 3.3 A3.1.1 is applicable only to a Fixed Price Arrangement.

- 3.4 A3.1.2 and A3.2 are applicable only to a Unit Price Arrangement.

- 3.5 The Contract Price shall include Goods and Services Tax.

A4 ADDRESSES

- 4.1 For all purposes of the Contract, the Contractor's address shall be deemed to be:

- 4.2 For all purposes of the Contract, the Town's address shall be deemed to be:
100-62 Woodland Drive
Hay River, NT X0E 1G1

SIGNED, SEALED AND DELIVERED
in the presence of:

(Affix Corporate Seal)

**THE MUNICIPAL CORPORATION OF
THE TOWN OF HAY RIVER**

THE TOWN OF HAY RIVER
SERVICE CONTRACT
GENERAL CONDITIONS

GENERAL CONDITIONS

1.0 GENERAL PROVISIONS

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1.0 GENERAL PROVISIONS

1.1 Definitions

The following terms, whenever used in the Contract Documents, shall mean:

1. **"Articles of Agreement"**: the executed Articles of Agreement;
2. **"Town", "Contractor", "Contract Authority"**: the parties identified in the Articles of Agreement, as designated in writing to each of the other parties. Such parties are referred to throughout the Contract Documents as if singular in number and masculine in gender;
3. **"Claim"**:
 1. a demand or assertion by the Town or the Contractor seeking an interpretation of Contract terms, an Adjustment, or other relief with respect to the terms of the Contract;
 2. other disputes and matters in question between the Town and the Contractor arising out of or relating to the Contract, and/or
 3. allegations by the Town or the Contractor of errors or omissions on the part of the Contract Authority;
4. **"Contract"**: the undertaking by the parties to perform their respective duties and discharge their obligations as set out in the Contract Documents which represents the entire agreement between the parties;
5. **"Contract Documents"**: the documents referred to in the Articles of Agreement;
6. **"Contract Price"**: the sum stated in the Articles of Agreement and as may be amended during the progress of the Work;
7. **"day"**: a calendar day;
8. **"GC"**: a reference to a clause in these general conditions;
9. **"Laws and Regulations"**: any and all applicable laws, rules, regulations, by-laws, codes and orders of any and all government bodies, agencies, authorities and courts;
10. **"Subcontractor"**: a party having a contract with the Contractor for the performance of any part of the Work;
11. **"Work"**: all or any part of the construction and services required by the Contract Documents, including all labor, materials, equipment and services provided or to be provided by the Contractor to fulfill his obligations under the Contract.

1.2 Documents

1. It is the intent of the Contract Documents to include all labor, materials, equipment and services necessary to perform the Work in accordance with the Contract Documents. Any work, materials or equipment that may be reasonably inferred from the Contract Documents or from prevailing custom or trade usage as being required to produce the intended result, will be furnished and performed by the Contractor, whether or not specifically called for.
2. The Contract represents the entire agreement between the Town and the Contractor and supersedes prior negotiations, representations or agreements, either written or oral.
3. When words or phrases, which have a well-known technical or construction industry or trade meaning, are used in the Contract Documents, they shall be interpreted in accordance with that meaning.
4. Where specified codes or standards are not dated, the contractor shall conform to the latest issue of specified codes or standards as amended and revised to the tender closing date.
5. The Contract Documents shall not be construed to create a contractual relationship of any kind between:
 1. the Town and a Subcontractor or sub-subcontractor, or
 2. between any persons or entities other than the Town and the Contractor.

1.3 Copyright

Title to any report, drawing, photograph, plan, specification, model, prototype, pattern, sample design, logo, technical information, invention, method or process and all other property, work or materials which are produced by the Contractor in performing the contract or conceived, developed or first actually reduced to practice in performing the contract (herein called the "property") shall vest in the Town and the Contractor hereby absolutely assigns to the Town, the copyright in the property for the whole of the term of the copyright.

1.4 Time of the Essence

The dates and time limits stated in the Contract Documents are of the essence of the Contract. By executing the Contract, the Contractor confirms that the Contract Time is a reasonable period for performing the Work.

1.5 Addition and Deletion of Provisions

1. It is intended that all provisions of this agreement shall be fully binding and effective between the parties, but in the event that any particular provision or provisions or a part of one is found to be void, voidable or unenforceable for any reason whatever, then the particular provision or provisions shall be deemed severed from the remainder of this agreement and all other provisions shall remain in full force.
2. No waiver by either party of any breach of any term, condition or covenant of this contract shall be effective unless the waiver is in writing and signed by both parties. A waiver, with respect to a specific breach, shall not affect any rights of the parties relating to other or future breaches.
3. This contract may be extended by the written consent of the parties.

1.6 Change Order

The Scope of work as outlined in the Unit Price Table of the Tender Form may be changed by the Contractor and the Contract Authority with a written agreement.

1.7 Rights and Remedies

The failure of either party at any time to require the strict performance of any provision or requirement of the Contract shall not affect the right of that party to require the subsequent performance of that provision or requirement.

1.8 Successors

This contract shall enure to the benefit of and be binding on the respective administrators, successors and assigns of each of the parties hereto.

1.9 Applicable Law

This Contract shall be deemed to have been made in the Northwest Territories and shall be governed by and interpreted in accordance with the laws of the Northwest Territories.

2.0 TOWN'S OBLIGATIONS

2.1 Payment

1. Provided all terms and conditions on the part of the Contractor have been

compiled with, each invoice will be paid thirty (30) calendar days after receipt of the invoice, or thirty (30) calendar days after delivery of the services, whichever is later.

2. Delay by the Town in making payments when they are due pursuant to this provision shall not be a breach of the Contract by the Town.
3. Unless otherwise stated in the Contract, when the Town delays in making a payment that is due pursuant to this clause, the Contractor shall be entitled to receive simple interest on the amount that is overdue, at the current lending rate granted to the Town by the Town's main banker.
4. The Town having given written notice of a breach may withhold or hold back in whole or in part any part any payment due the Contractor without penalty, expense or liability, if in the opinion of the Contract Authority, the Contractor has failed to comply with or has in any way breached an obligation of the Contractor. Any such hold back shall continue until the breach has been rectified to the satisfaction of the Town.
5. Without limiting any right of set-off or deduction given or implied by law or elsewhere in the Contract Documents, the Town may set-off any amount payable to the Town by the Contractor against any amount payable to the Contractor by the Town.

2.2 Site Availability

1. The Town shall furnish, as indicated in the Contract Documents, the lands upon which the Work is to be performed, rights-of-way and easements for access to the Site and any other lands designated for the use of the Contractor.
2. Except for permits and fees which are the responsibility of the Contractor under GC 3.11, the Town shall obtain and pay for necessary approvals, easements and charges required for the development of the Site and for the use or occupancy of permanent structures or for permanent changes in existing facilities.

2.3 Contract Authority

1. Unless otherwise provided in the Contract Documents, the Town shall communicate with the Contractor through the Contract Authority, and the Contractor shall communicate with the Town through the Contract Authority.
2. The Town may delegate the position of Contract Authority to any employee, officer, or agent of the Town.

3. In the event that the Contractor is, in the opinion of the Contract Authority, in default in respect of any obligation of the Contractor hereunder the Town may do any act as it deems necessary to rectify such default and the Town may deduct or set off the cost of such rectification against any payment due the Contractor.

2.4 Materials Supplied by the Town

Any materials, instructions, information or services required to be supplied by the Town under the Contract, shall be furnished with reasonable promptness to avoid delay in the orderly progress of the Work.

2.5 Termination by Town

1. The Town may terminate this contract at any time without penalty upon giving written notice to this effect to the Contractor if, in the opinion of the Contract Authority, the Contractor is unable to deliver the service as required, the Contractor's performance of work is persistently faulty, in the event that the Contractor becomes insolvent or commits an act of bankruptcy, in the event that any actual or potential labor dispute delays or threatens to delay timely performance of the contract or the Contractor defaults or fails to observe the terms and conditions of the contract in any material respect.
2. The Town may terminate this contract without penalty, expense or liability at any time for any reason whatsoever upon giving ten (10) days written notice to this effect to the Contractor.
3. This contract shall terminate as of the day for termination set out in the written notice and the Contractor shall forthwith invoice the Town for work performed to the date of termination.

3.0 CONTRACTOR'S OBLIGATIONS

3.1 General Obligation

Notwithstanding any omissions from the Contractor's tender, the Contractor is required to perform all of the Work required by the Contract Documents and which can be reasonably inferred from them as being necessary to produce the intended result, within the time allotted in the approved schedule. The Contractor shall execute the Articles of Agreement, in the form set out in the Contract Documents.

3.2 Confidentiality

Any information obtained from, or concerning, the Town, or the Town's clients, by the Contractor, its agents or employees in the performance of any contract shall be confidential. The Contractor shall take such steps as are necessary to ensure that any such information is not disclosed to any other person and shall maintain confidential and secure all materials and information that is the property of the Town and in the possession of or under the control of the Contractor. This clause survives the termination of this contract.

3.3 Independent Contractor

The Contractor is an independent Contractor with the Town of Hay River and nothing in this contract shall be construed or deemed to create the relationship of employee and employer or of principal and agent between the Town and the Contractor. The Contractor is solely responsible for payments of all statutory deductions or contributions including but not limited to pension plans, unemployment insurance, income tax, worker's compensation and any payroll tax.

3.4 Regulations

The Contractor shall comply with all Laws and Regulations affecting the execution of the Work, including all applicable Federal, Territorial and local laws and regulations pertaining to socio-economic and environmental matters.

3.5 Indemnification and Liability

1. The Contractor shall indemnify and hold harmless, the Town, its officers, employees, servants and agents from and against all claims and proceedings by whomsoever made, brought or prosecuted in any manner based upon or related to the activities of the contractor under this contract. Such indemnity shall survive completion or termination of the Contract.
2. Nothing contained in the Contract Documents or any approval, express or implied, of the Contract Authority or Town shall relieve the Contractor of any liability for latent defects or any liability which may be imposed by law.
3. The Contractor shall be liable to the Town for any loss or damage to property or equipment that is supplied to or placed in the care, custody or control of the Contractor for use in connection with the contract whether or not such loss or damage is attributable to causes beyond the

Contractor's control.

4. The Contractor shall notify the Town immediately of any claim, action, or other proceeding made, brought prosecuted or threatened in writing to be brought or prosecuted that is based upon, occasioned by or in anyway attributable to the performance or non-performance of the services under this contract.

3.6 Assignment

The Contractor shall not assign or delegate work to be done under this contract, or any part thereof to any other party without the written consent of the Town. If Subcontractors are identified in the contract, the Contractor shall not change these Subcontractors without the advance written consent of the Town. If any changes are made without consent, the Contract may be terminated at the Town's option, in accordance with GC 2.5.

3.7 Subcontractors

1. The Contractor shall not employ any Subcontractor without the approval of the Town. Once the names of the proposed Subcontractors have been submitted, the Contractor shall not change these Subcontractors without the advance written consent of the Town. If changes are made without consent, the Contract may be terminated at the Town's option, in accordance with GC 2.5.
2. The Contractor shall be fully responsible to the Town for the acts and omissions of Subcontractors, their agents, employees, and all parties engaged by the Contractor or its Subcontractors for the provision of work or the supply of materials.
3. The Contractor agrees to incorporate the terms of the Contract Documents into all the Contractor's subcontract agreements.

3.8 Local and Northern Involvement

1. The Contractor shall use local and northern labor and material in the performance of the Work to the full extent to which they are procurable, consistent with proper economy and the expeditious carrying out of the Work.
2. The Contractor shall follow his Proposed Local Involvement as submitted in his Tender recognizing that his Tender was subject to the Town's Local Purchase Policy which establishes guidelines which provide a local purchase preference to Local Businesses in Hay River, as follows:
 1. All purchases less than \$2,000.00 shall be made from Local Businesses.

2. For purchases in excess of \$2,000.00, a purchase preference shall be provided to Local Businesses, which shall not exceed ten (10%) percent over the price which a purchase could be obtained from a business other than a Local Business.
3. The maximum purchase preference which can be extended to any local business for any one tender, purchase, or contractor, shall be limited to \$10,000.00.
4. The Senior Administrative Officer of the Town of Hay River shall account for all purchase preference extended to Local Business.
5. In the event that Local Businesses are not able to supply a service or product, or in the event that the Town requires a specific product, and local businesses are not able to make the service or product available, the Senior Administrative Officer may authorize purchases from a supplier other than from a local business.

3.9 Site Conditions

By executing the Contract, the Contractor represents that the Contractor is familiar with the conditions under which the Work is to be performed. The Contractor further represents that the Contractor understands the requirements of the Contract Documents and what effects the Site conditions will have on the Work. The Contractor's failure to visit the Site will not excuse the Contractor from the responsibility which otherwise would have been assumed, had the Contractor visited the Site.

3.10 Goods and Services Tax

1. The Contractor shall pay all government sales taxes including Goods and Services Tax (G.S.T.), customs duties and excise taxes with respect to the contract. Goods and Services Tax shall be listed separately as provided in the Schedule of Quantities.
2. The Contractor will clearly show its G.S.T. Registration Number on all invoices.

3.11 Royalties

Except where otherwise stated, the Contractor shall pay all tonnage and other royalties, rent and other payments or compensation, if any, for obtaining building materials required for the Work.

3.12 Permits and Fees

The Contractor shall procure and have available upon request of the Contract Authority, all permits, certificates and licences required by applicable law, in order to carry out the Work.

3.13 Records to be Kept by Contractor

1. The Contractor shall maintain complete records of the Contractor's estimated and actual costs of the Work together with all tender calls, quotations, contracts, correspondence, invoices and receipts. In accordance with the terms of the Contract, these documents shall be available for audit and inspection by the Town or by persons acting on behalf of the Town when requested. The Contractor shall furnish any such person with any information he may require from time to time in connection with these records.
2. Records maintained by the Contractor shall be kept intact for three (3) years after the expiry of this agreement.
3. The Contractor shall ensure that all its Subcontractors comply with the above requirements.

3.14 Termination by Contractor

Where the Town is in substantial breach of the terms of the Contract, the Contractor may, without prejudice to any other rights or remedies it has, terminate the Contract by giving the Town ten (10) days' written notice, during which time the Town may remedy the breach.

3.15 Insurance

1. All required insurance policies shall be with insurers licensed to underwrite insurance in the Northwest Territories and signed by representatives licensed to do so for insurance in the Northwest Territories.
2. The Contractor shall require and ensure that his Subcontractors maintain liability insurance comparable to that required below.
3. If the Contractor fails to provide or maintain insurance as required by this General Condition or elsewhere in the Contract Documents, then the Town shall have the right to provide and maintain such insurance and give evidence to the Contractor and the Contract Authority. The Contractor shall pay the cost thereof to the Town on demand or the Town may deduct the costs from monies which are due or may become due to the Contractor.
4. Where an insurer fails or refuses to pay any claims under an insurance policy covering the activities of the Contractor or a Subcontractor relating to or arising out of the Work, the Contractor shall not be released from

any liability arising under the Contract.

5. Without restricting the generality of GC 3.5, the Contractor shall provide, maintain and pay for during the period of this agreement, the insurance coverage's listed in this provision. Prior to commencement of the Work, the Contractor shall provide the Town with confirmation of coverage, and, if required, a certified true copy of the policies certified by an authorized representative of the Insurer. The insurance coverage's required are as follows:

1. **General Liability Insurance**

Contractor's comprehensive general or commercial general liability insurance shall have limits of not less than two million dollars (\$2,000,000) per occurrence with a property damage deductible not exceeding two thousand five hundred dollars. The insurance provided shall be no less broad than the insurance provided by IBC Form 2100 or its equivalent replacement and shall include a standard non-owned automobile policy including a blanket contractual liability endorsement. To achieve the required limit, umbrella or excess liability insurance may be used. All liability coverage shall be maintained for completed operations hazards from the completion date of the Contract date on an ongoing basis for a period of not less than six years from the date of such completion. The policy shall be endorsed to provide the Town with not less than thirty days' written notice in advance of any cancellation, change or amendment restricting coverage.

2. **Automobile Liability Insurance**

Automobile liability insurance in respect of licensed vehicles shall have limits of not less than two million dollars inclusive per occurrence for bodily injury, death, and damage to property and covering all licensed vehicles owned or leased by the Contractor, endorsed to provide the Town with not less than fifteen days' written notice in advance of any cancellation, change or amendment restricting coverage.

3. **Aircraft and Water Craft Liability Insurance**

Where such risks exist, the Contractor shall obtain aircraft and water craft liability insurance with respect to owned or non-owned aircraft and Water craft if used directly or indirectly in the performance of the Work, including use of additional premises, and shall have limits of not less than two million dollars inclusive per occurrence for bodily injury, death and damage to property including loss of use thereof, and limits of not less than two million dollars for aircraft passenger hazard. Such insurance shall be in a form acceptable to the Town.

The policies shall be endorsed to provide the Town with not less than fifteen days' written notice in advance of any cancellation, change or amendment restricting coverage.

4. Contractor's Equipment Insurance

The Contractor shall give proof of insurance in a form acceptable to the Town of "all risks" Contractor's equipment insurance covering construction machinery and equipment used by the Contractor for the performance of the Work, including boiler insurance on temporary boilers and pressure vessels. The insurance shall be in a form acceptable to the Town and shall not allow subrogate claims by the insurer against the Town. The policies shall be endorsed to provide the Town with not less than fifteen days' written notice in advance of cancellation, change or amendment restricting coverage.

5. Other Insurance

The Contractor shall provide, maintain and pay for any additional insurance required to be provided by law, or which the Contractor considers necessary to cover risks not otherwise covered by insurance specified in the Contract Documents.

END OF GENERAL CONDITIONS
