



**CONTRACT NO. S2010-03 FOR SUPPLY,
DELIVERY AND PLACEMENT OF
GRANULAR MATERIAL**

CONTENTS

PART A	Tender Form
PART B	Instructions to Bidders and Standard Terms and Conditions
CLOSING DATE AND TIME:	Tenders will be received by Ms. Kim Coates, A.M.C.T., Clerk, Township of Scugog, 181 Perry Street, P.O. Box 780, Port Perry, ON, L9L 1A7, until 2:00 p.m., Tuesday, June 22, 2010, in sealed envelopes clearly marked as to contents. Also refer to Section B.3 of this document.
PUBLIC OPENING:	Tenders will be opened at 2:05 p.m., Tuesday, June 22, 2010, in the Main Boardroom at the Municipal Office.
CONTACT:	Please refer to Section B.4 of this document.

PART A - TENDER FORM

**CONTRACT NO. S2010-03 FOR SUPPLY, DELIVERY AND
PLACEMENT OF GRANULAR MATERIAL**

PLEASE USE INK OR TYPEWRITER

NAME OF FIRM

STREET ADDRESS

CITY, PROVINCE

POSTAL CODE

PHONE NUMBER

FAX NUMBER

G.S.T. REGISTRATION NUMBER

NAME OF PERSON SIGNING FOR FIRM

POSITION OF PERSON SIGNING FOR FIRM

Tenders Received by:

**Ms. Kim Coates
Clerk
Township of Scugog
181 Perry Street, P.O. Box 780
Port Perry, ON L9L 1A7**

UNTIL 2:00 PM ON TUESDAY, JUNE 22, 2010

A.1 OFFER AND DECLARATIONS

I/We _____ (herein referred to as the "Tenderer") hereby declare, warrant, represent and agree to the Township of Scugog (herein referred to as the "Township") as follows:

1. The Tenderer has carefully examined, understands and accepts the Tender Document.
2. The Tenderer has carefully examined the locations and scope of Work to be done under this Contract, and for the prices set forth in this Tender, hereby offers to complete the Work in strict accordance with the Tender Document, including Addenda No. _____ to _____ inclusive, as may be supplied from time to time. The Tenderer shall insert the number of addenda received during the Tendering period and taken into account in preparing the Tender in the spaces above.
3. The Tenderer has completed and attached all pages of this **Tender Form**.
4. If this Tender is accepted by the Township, the Tenderer shall supply any additional materials and equipment and execute any additional Work, or to delete any Work, as may be required, in strict conformity with the Contract. The prices applicable to additions to the Work, or deletions therefrom, shall be determined in accordance with the Contract.
5. The Tenderer understands and accepts that the quantities shown are approximate only, and are subject to increase, decrease, or deletion entirely if found not to be required.
6. No person, partnership, firm or corporation other than the Tenderer has any interest in this Tender or in the Contract for which this Tender is made unless stated below:

7. The Tenderer declares that no member of Township Council and no officer or employee of the Township is, or will become, interested directly or indirectly as a contracting party, partner, shareholder, surety or otherwise in the performance of the Contract, or in the supplies, work or business to which it relates, or in any portion of the

profits thereof, or in any of the monies to be derived therefrom, unless otherwise stated below:

8. The Tenderer acknowledges the following Health and Safety responsibilities and will:
- Comply with all procedures and requirements of the *Occupational Health and Safety Act*, Township Health and Safety Policies and Procedures, department and site specific policies and procedures and all applicable legislation or regulations;
 - Work safely with skill and care so as to prevent accidental injury to employees and all other persons on the site of the Work;
 - Possess a current Carrier Commercial Vehicle Operator's Registration (CVOR) abstract with one (1) of the following Carrier Safety Ratings (CSR): Excellent; Satisfactory; Conditional; or Satisfactory – Unaudited; and
 - Advise the Township if the CVOR safety rating of its company is changed to "Unsatisfactory" at any time during the course of the Contract and, upon request, will provide the Township with a copy of the most recent Carrier CVOR abstract indicating the sanctions imposed by the Ministry of Transportation.
9. Notification of award may be given and delivery of the Contract made by prepaid post, addressed to the Company, at the address contained in this Tender.
10. The Tenderer has met all legal obligations to be able to do business in the Province of Ontario.

In accordance with the terms and conditions of the preceding paragraphs and the remainder of this Tender Document, the Tenderer hereby offers to complete the Work specified for Contract No. S2010-03 for the following price:

DESCRIPTION	ESTIMATED QUANTITY (tonnes)	UNIT PRICE (per tonne)	TOTAL PRICE
Granular 'A' Material	9,400	\$	\$
Granular 'B' Material	3,150	\$	\$
TOTAL TENDER AMOUNT (excluding taxes)			\$

Dated at _____ this _____ day of _____, 2010.

SIGNATURE OF AUTHORIZED SIGNING OFFICER
(AFFIX CORPORATE SEAL TO SIGNATURE)

PRINT NAME OF ABOVE SIGNING OFFICER

POSITION IN COMPANY

NAME OF COMPANY

SIGNATURE OF WITNESS
(NOT REQUIRED IF CORPORATE SEAL IS USED)

A.2 REFERENCES

The Tenderer shall provide at least two (2) current references for similarly completed Work in the spaces below.

REFERENCE 1:

Company Name: _____

Contact Name: _____

Telephone Number: _____ Fax Number: _____

Description of Contract: _____

Approx. Value: _____ Start: _____ End : _____

REFERENCE 2:

Company Name: _____

Contact Name: _____

Telephone Number: _____ Fax Number: _____

Description of Contract: _____

Approx. Value: _____ Start: _____ End : _____

A.3 SOURCE LOCATIONS

The Tenderer shall indicate the locations of the source pit(s) and any stockpile transfer locations to be used if awarded this Contract in the spaces below. All pit and quarry operations shall be carried out in accordance with the regulations contained in the *Pits and Quarries Control Act*.

Pit/Transfer A _____

Pit/Transfer B _____

Pit/Transfer C _____

A.4 EMERGENCY CONTACT INFORMATION

The Tenderer shall provide emergency contact information in the spaces below:

Contact Name: _____

After Hours Phone: _____ After Hours Pager: _____

A.5 PROPOSED SUBCONTRACTORS

Only the haulage portion of this Contract may be subcontracted. Does the Tenderer, if awarded this Contract, intend to subcontract this Work?

YES / NO (*Circle one*)

If **YES**, the Tenderer shall provide the name of each proposed Subcontractor in the spaces below. The Township has the right to reject any of the Subcontractors so named. In this event, the Company shall arrange to have the proposed Work done by such other Subcontractor as may be approved by the Township. Notwithstanding the information provided by the Tenderer, any requirements outlined in the Specifications shall govern:

Haulage Company A _____

Haulage Company B _____

Haulage Company C _____

PART B - INSTRUCTIONS TO BIDDERS AND STANDARD TERMS AND CONDITIONS

CONTRACT NO. S2010-03 FOR SUPPLY, DELIVERY AND PLACEMENT OF GRANULAR MATERIAL

B.1 DEFINITIONS

Wherever a term is capitalized in this Tender Document, it shall have the meaning defined below:

Company means the person, firm or corporation, and its successors and assigns, to whom the Township has awarded the Contract.

Contract means the purchase order authorizing the Company to complete the Work, purchase order alterations, the Tender Document and addenda, the Tender, and surety (if applicable).

Subcontractor means a person, firm or corporation having a contract with the Company for any part of the Work.

Tender means an offer by a Tenderer in response to this Tender Document issued by the Township.

Tender Document means this document(s) issued by the Township inviting Tenders to complete the Work.

Tenderer means the person, firm or corporation submitting a Tender to the Township to complete the Work.

Township means the Corporation of the Township of Scugog, its successors and assigns.

Work means all labour, materials, products, articles, equipment, fixtures, services, supplies, and acts required to be done, furnished or performed by the Company, which are the subject of the Contract.

B.2 SCOPE AND LOCATION

This Contract provides for the supply and delivery of 9,400 tonnes of Granular 'A' and 3,150 tonnes of Granular 'B' material in accordance with the terms and conditions of this Tender Document. The material shall be

delivered to the locations noted in Table 1 below and Figure 1 attached. The estimated quantity of material is also noted in Table 1.

TABLE 1 – LOCATIONS FOR GRANULAR MATERIAL

LOCATION	LIMITS	ESTIMATED QUANTITY (tonnes)	
		Granular 'A'	Granular 'B'
1. Mast Road	Regional Road 21 to #13431 Mast Road	1,400	
2. Cragg Road	Old Simcoe Road to a point 400 m west	700	
3. Old Simcoe Road	Cragg Road to Scugog Line 12	6,300	3,150
4. Old Simcoe Road	Durward Road to a point 600 m north	1,000	
TOTAL ALL LOCATIONS		9,400	3,150

The granular material supplied shall be a mixture of crushed gravel, sand and fines produced from naturally formed deposits and shall meet the physical and gradation requirements of Ontario Provincial Standard Specification (OPSS) 1010. Prospective suppliers may be requested to provide documentation validating the petrographic tests attesting to the physical requirements of the materials to be supplied.

The granular material shall be applied to the road surface by use of hopper style trailers (belly dump) in even continuous lifts. The material shall be supplied at a time that is suitable to the Township and at a continuous rate as agreed at the time when ordering, that will allow the efficient progress of the Work.

The Company shall ensure that an appropriate number of haulage trucks are supplied and that number of trucks is maintained throughout the course of any given day of the haulage operation. The Company shall replace haulage trucks that become disabled and out of service during daily activities with a back-up truck(s) as required to maintain a minimum delivery schedule of 1,000 tonnes per day.

The Township Contact or his designate shall be notified within three (3) hours of any equipment breakdowns or out of service condition that may affect the Work. Equipment includes but is not limited to trucks, loaders, crushers, weigh scales and shortage of staff.

The Township reserves the right to stop haulage operation due to adverse road and/or weather conditions. The Township will restart operations when conditions are suitable.

The Township reserves the right to specify and, if necessary, change the haul route. The Township Contact or his designate will provide as much notice as possible to the Company of any changes.

The Company and any persons or subcontractors employed by the Company shall be responsible for any and all damage that occurs to all appurtenances along the right-of-way (i.e. mailboxes, fence posts, decorative features).

B.3 SUBMISSION OF TENDERS

Tenders will be received by the Municipal Clerk at the address noted below until **2:00 p.m. (local time) on Tuesday, June 22, 2010.**

Tenderers shall complete, in full, all blanks on **Part A – Tender Form** and return one (1) copy of the form in a sealed envelope with the following label attached to the envelope. The Township will time-stamp all Tenders upon receipt.

Ms. Kim Coates, A.M.C.T.
Township Clerk
Township of Scugog
181 Perry Street, P.O. Box 780
Port Perry, ON L9L 1A7

CONTRACT NO. S2010-03 – SUPPLY, DELIVERY AND PLACEMENT OF GRANULAR MATERIAL

NAME OF COMPANY: _____

Tenders shall not be restricted or qualified by a statement added to the **Tender Form** or by a covering letter, or by alterations to the supplied **Tender Form**, unless otherwise specified in the Tender Document.

Tenders shall be signed in ink by a designated signing officer of the Tenderer. Joint Tenders will not be accepted.

Tenders shall be legible, written in ink or typed. Erasures, over-writing or strikeouts shall be initialled by the person signing on behalf of the Tenderer.

Tenders received after the closing time and date will not be considered and will be returned unopened.

In completing the **Tender Form**, the Tenderer shall include:

- In Section A.2, a minimum of two (2) references that have been supplied with similar Work as requested in this Tender Document within the past five (5) years;
- In Section A.3, a minimum of three (3) source pit and stockpile transfer locations;
- In Section A.4, an after hours contact name and phone number; and
- In Section A.5, an indication of whether the Company intends to subcontract any of the hauling and if so, the names of up to three (3) proposed Subcontractors.

Tenders not including this information will be disqualified.

Should a dispute arise from the terms and conditions of any part of the Tender Document or the Contract regarding meaning, intent or ambiguity, the decision of the Township shall be final.

B.4 TOWNSHIP CONTACT

The Township Contact for this Contract is Mr. Mike Donnelly, Roads Manager [fax (905) 985-9914, telephone (905) 261-0061 and email mdonnelly@scugog.ca]. From time to time, the Township Contact may designate an alternate.

B.5 CLARIFICATION AND ENQUIRY

The Tenderer shall be responsible to obtain any additional information and clarify any details in question before submitting its Tender. All official correspondence and questions regarding this Tender Document shall be directed to the Township Contact. Inquiries during tendering must be received no later than five (5) working days prior to the closing date.

The Township will issue any alterations to the Tender Document as written addenda. The Tenderer shall list all addenda considered in preparing the Tender on the **Tender Form**.

The Township will assume no responsibility for oral instruction or suggestion. Any information given, other than in writing, shall not in any way alter the Tender Document. No officer, agent or employee of the Township is authorized to alter orally any part of this Tender Document.

Should a dispute arise from the terms and conditions of any part of the Tender Document or the Contract, regarding meaning, intent or ambiguity, the decision of the Township shall be final.

B.6 TENDERERS TO INVESTIGATE

Tenderers must satisfy themselves by personal examination of the site(s) and by such other means as they may prefer as to the actual conditions and requirements of the Work.

The Tenderer shall carefully examine all available information so that the unit prices bid are commensurate with the nature of the Work.

No claim for extra payment will be allowed for difficulties encountered in completing the Work due to site working conditions that were visible or reasonably inferable prior to the submission of Tenders. Tenderers shall accept sole responsibility for any error or neglect on their part.

B.7 QUANTITIES

Quantities stated in the Tender Document are approximate, are not guaranteed to be accurate, are furnished without any liability on behalf of the Township and shall be used as a basis for comparison only. The Township shall make payment by the units completed at the Tender price on actual quantities deemed acceptable by the Township.

B.8 DELIVERY

The Work described in the Contract shall be completed by the Company as soon as possible, and prior to the date guaranteed for delivery or completion after a Contract is received. The Company shall be responsible for arranging the Work so that delivery/completion shall be as specified in the Contract. Time shall be material and of the essence for the Contract.

A detailed delivery ticket or piece tally, showing the exact quantity of goods, materials, articles or equipment supplied, shall accompany each delivery. Receiving by any person shall not bind the Township to accept this Work, or the particulars of the delivery ticket or piece tally. Work shall be subject to inspection and approval by the Township prior to acceptance.

The Work shall be delivered F.O.B. the destinations specified in Section B.2.

B.9 PROOF OF ABILITY

The Tenderer may be required to show, in terms of experience and facilities, evidence of its ability, as well as that of any proposed Subcontractor, to complete the Work in the specified time frame. The Township reserves the right to reject any Tender where satisfactory evidence is not furnished by the Tenderer.

The Tenderer consents to the Township contacting the references provided in Section A.2 to obtain information in relation to the quality and scope of work provided by the Tenderer. The Township reserves the right to disqualify Tenderers, at its sole discretion, receiving adverse performance/service and/or quality ratings by references given or by other references contacted.

The Tenderer consents to the Township investigating the suitability and quality of source locations for aggregate production specified in Section A.3. The Township reserves the right not to award this Contract to any Tenderer whose material is deemed unsatisfactory for the Work required under this Tender Document.

B.10 TENDER PRICE

Tender prices shall be stated on the **Tender Form**, quoted separately for each item identified, F.O.B. the delivery location specified in Section B.2, in Canadian Funds.

The Tenderer shall exclude Ontario Retail Sales Tax (PST), Federal Goods and Services Tax (GST) and the impending Harmonized Sales Tax (HST) from all unit prices and the Total Tender Amount on the **Tender Form**. Since the Work will be commencing after July 1, 2010, the Township will pay HST on the Work performed as specified on the Company's invoices.

Payment shall be full compensation for all costs related to the Work, including operating and overhead costs to provide Work to the satisfaction of the Township. Tender prices shall include all incidental costs and the Company shall be deemed to be satisfied as to the full requirements of the Tender. No claims for extra Work will be entertained unless authorized in writing prior to commencement.

If the Tenderer intends to manufacture or fabricate any part of the Work outside of Canada, it shall arrange its shipping procedures so that its agent or representative in Canada is the importer of record for customs purposes.

Should any additional tax, duty or any variation in any tax or duty imposed by the Government of Canada or the Province of Ontario other than the HST become directly applicable to the Work subsequent to the submission of the Tender, and before the delivery of the Work covered by the Contract issued by the Township, an appropriate increase or decrease in the price of the Work shall be made to compensate for such changes as of the effective date thereof.

B.11 ALTERNATIVES

Tenders proposing an alternative shall not be considered. Any opinion or decision regarding the use of a proposed alternative determined by the Township shall be final.

B.12 WITHDRAWAL OF TENDER

Tenderers will be permitted to withdraw their Tenders unopened after they have been deposited if such request is received in writing by the Township Contact prior to the Closing Time and Date.

B.13 ACCEPTANCE OR REJECTION OF TENDERS

The Township reserves the right to accept or reject any or all Tenders in whole or in part, to waive minor irregularities or omissions, and to accept any proposal considered in its best interests. The lowest or any Tender may not necessarily be accepted.

The Tenderer may be required to show, in terms of experience and facilities, evidence of its ability, as well as that of any proposed Subcontractor, to complete the Work within the specified timeframe. The Township reserves the right to reject any Tender where satisfactory evidence is not furnished.

More than one (1) Tender from an individual firm, partnership, corporation or association under the same or different names will not be considered.

B.14 AWARD OF CONTRACT

The award of this Contract is subject to Township Council approval.

The Township reserves the right not to award this Contract to any Tenderer with a Health and Safety record deemed to be unsatisfactory or any Tenderer unable to supply granular material meeting the minimum specifications set out in Section B.2.

Tenders shall be irrevocable for 60 days after the closing date.

The placing in the mail or delivery to the Tenderer's shown address given in the Tender of a notice of award to a Tenderer by the Township shall constitute notice of acceptance of Contract by the Township to the extent described in the notice of award.

B.15 DISCLOSURE

The Total Tender Amount on the **Tender Form** will only be announced at the public opening. After opening the Tenders, the Township will post the results on its website and will only accept written requests for the results.

B.16 SURETY

The successful Tenderer shall provide surety in the form of a certified cheque, bank draft or money order in the amount of 10% of the Total Tender Amount upon notice of award. The successful Tenderer shall

furnish the required surety within ten (10) calendar days of receipt of notification of award from the Township. This deposit may be held by the Township until 60 days after the day on which all Work covered by the Contract has been completed and accepted. The deposit may be returned before the 60 days have elapsed if satisfactory evidence is provided that all liens and all liabilities incurred by the Company in completing the Work have expired or have been satisfied, discharged or provided for, and that a clearance certificate from the Workplace Safety and Insurance Board is provided.

B.17 CONTRACT

This Tender Document forms part of the Contract. The Contract and portions thereof take precedence in the order in which they are named, notwithstanding the chronological order in which they are issued or executed.

The intent of the Contract is that the Company shall supply Work that is fit, suitable and complete for the Township's intended use.

None of the conditions contained in the Tenderer's (seller's) standard or general (printed) conditions of sale shall be of any effect unless explicitly agreed to by the Township and specified in the Contract.

B.18 TERMS OF PAYMENT

Payment terms shall be net 30 days after delivery, pursuant to receipt of the Company's invoice, fulfillment of the Contract requirements and acceptance of the Work. Where progress payment terms are specified, the Township will accept billing for 100 percent (100%) of the actual value of each element of the Work performed in each month and accepted by the Township.

Where required by the *Construction Lien Act*, appropriate monies may be held back until after the completion of the Work.

Payments made, including final payment, shall not relieve the Company from its obligations or liabilities under the Contract. Acceptance by the Company of the final payment shall constitute a waiver of claims by the Company against the Township, except those previously made in writing in accordance with the Contract and still unsettled. The Township reserves the right to withhold from any amount otherwise payable to the Company

sufficient monies to remedy any defect or deficiency in the Work pending its correction.

B.19 UNPAID ACCOUNTS

The Company shall indemnify the Township from all claims arising out of unpaid accounts relating to the Work. The Township shall have the right at any time to require satisfactory evidence that the Work in respect of which any payment has been made or is to be made by the Township is free and clear of all liens, attachments, claims, demands, charges or other encumbrances.

B.20 PATENTS AND COPYRIGHTS

The Company shall, at its expense, defend all claims, actions or proceedings against the Township based on any allegations that the Work or any part thereof constitutes an infringement of any patent, copyright or other proprietary right. The Company shall pay to the Township all costs, damages, charges and expenses, including its lawyers' fees on a solicitor and his own client basis, incurred for this purpose.

The Company shall pay all royalties and patent license fees required for the Work.

If the Work or any part thereof is in any action or proceeding held to constitute an infringement, the Company shall forthwith either secure for the Township the right to continue using the Work or shall at the Company's expense, replace the infringing items with non-fringing Work or modify them so that the Work no longer infringes.

B.21 ASSIGNMENT AND SUBCONTRACTING

Subcontracting is permitted for haulage only. The Company shall not assign or subcontract any other portion of the Contract without the prior written consent of the Township.

B.22 WORKPLACE SAFETY AND INSURANCE BOARD

All of the Company's personnel shall be covered by the insurance plan under the *Workplace Safety and Insurance Act, 1997*, or the Company shall provide an identification number from the Workplace Safety and Insurance Board (WSIB) verifying its status as an "Independent Operator". Upon

request by the Township, the Company shall provide an original Letter of Good Standing from WSIB prior to the commencement of Work indicating that all payments to WSIB have been made. Prior to final payment, a Certificate of Clearance shall be issued, if requested, indicating all payments by the Company to WSIB in conjunction with the subject Contract have been made and that the Township will not be liable to WSIB for future payments in connection with the Company's fulfilment of the Contract. The Company shall provide further Certificates of Clearance or other types of certificates upon request.

The successful Tenderer shall provide a copy of their WSIB "CAD-7 Calculation" Safety Record for the previous year within 48 hours of being requested to do so by the Township.

The Company and any Subcontractors shall at the time of entering into the Contract furnish a satisfactory Certificate of Clearance from WSIB stating that all assessments or compensation payable to WSIB have been paid. The Company shall also at any time during the performance of the Work, when requested by the Township, and upon completion of such Contract, furnish a satisfactory certificate from WSIB as outlined above. Such certificates may also be required prior to the release of progress payments.

"Independent Operators" who have elected not to have WSIB coverage shall provide the following information to the Township upon request:

- A letter from WSIB confirming Independent Operator status and identification number. To obtain this document, the Company must complete the form "Determining Worker/Independent Operator Status" issued by WSIB; and
- A certificate from their insurance company confirming they have sufficient long-term disability coverage for the Work to be performed before being considered for an award.

B.23 INSURANCE

The Company shall maintain and pay for Comprehensive General Liability insurance including premises and all operations. This insurance coverage shall be subject to limits of not less than \$5,000,000.00 inclusive per occurrence for Third Party Bodily Injury and Property Damage, including loss of use, or such other coverage or amount as may be requested.

The policy shall include the Township as an additional named insured in respect of all operations performed by or on behalf of the Company. A certified copy of such policy or certificate shall be provided to the Township prior to commencement of the Work, if requested. The Company shall provide further certified copies upon request.

If applicable, Subcontractor haulers shall submit proof of insurance covering the haulage of materials.

B.24 LIABILITY

The Company agrees to defend, fully indemnify and save harmless the Township from all actions, suits, claims, demands, losses, costs, charges and expenses whatsoever for all damage or injury including death to any person and all damage to any property, which may arise directly or indirectly by reason of a requirement of the Contract, or resulting from negligent acts or omissions by the Company in performing its obligations under the Contract, save and except for damage caused by the negligence of the Township or any of its employees.

The Company agrees to defend, fully indemnify and save harmless the Township from any and all charges, fines, penalties and costs that may be incurred or paid by the Township if the Township or any of its employees are made a party to any charge under the *Occupational Health and Safety Act* in relation to any violation of the Act arising out of this Contract.

B.25 HEALTH AND SAFETY

The Company shall be responsible for being aware of, complying with and enforcing compliance of all governing regulations related to employee health and safety, including the Township's Health and Safety Policy and Procedures (copy available upon request). The Company shall keep employees and Subcontractors informed of such regulations.

The Company has the responsibility to provide any personal protective equipment for its workers. If a worker(s) fails to comply with any program, policy, rule or request regarding health and safety, that person(s) will not be allowed on the site until such time as the person(s) complies.

The Township reserves the right to document the Company for all health and safety warnings and/or to stop Work if any of the previously mentioned items are not in compliance. Similarly, the Township reserves the right to

issue warnings and/or to stop Work if there are any violations by the Company of the *Occupational Health and Safety Act*, the Township's Health and Safety programs, policies, rules and/or if the Company creates an unacceptable health or safety hazard. It shall be the responsibility of the individual receiving the warning on behalf of the Company to forward the same to the Company's Health and Safety Committee where applicable.

The Company shall provide Material Safety Data Sheets (MSDS) to the Township for all supplied materials, where applicable.

B.26 FIDELITY BOND

Where the Contract involves working on Township property without supervision, the Company shall provide evidence, upon request, that all personnel employed in, on, upon or about the premises of the Township are covered by a Fidelity Bond in the amount specified in the Tender Document for each individual involved on the property.

B.27 CHANGES IN THE WORK

The Township reserves the right to make changes to the Work without invalidating the Contract. When a change causes an increase or decrease in the Work, the Contract amount shall be increased or decreased by the application of unit prices to the quantum of such increase or decrease, or in the absence of applicable unit prices, by an amount agreed upon between the Township and the Company. All such changes shall be in writing and approved by the Township before initiating the change in Work.

B.28 MEASUREMENT

The Company shall provide metric scales conforming to OPSS 102 that are capable of weighing all the vehicles engaged in the Work. Inspection of the scales and weighing procedures will be carried out by the Township Contact or his designate at random intervals.

In locations where approved, electronic scales with automatic printed weight tickets are not used, the Company shall use a trained, full-time weight person. The Township reserves the right to redirect any load for weight verification at no additional cost to the Township.

All tractor trailer units shall "tare in" at a weigh station at least once per day and shall carry current MTO registration documentation for the tractor and trailer in combination.

B.29 QUALITY ASSURANCE

Testing procedures under OPSS 1010 shall apply, except as specified below. All contact concerning required testing and advance notifications for the Contract shall be directed to the Township Contact or his designate.

B.29.1 Testing of Source Materials Prior to Delivery

Two (2) weeks prior to delivery of the material, the Company shall supply the Township with the location of the pit(s) to be used for granular production and an evaluation of the material being delivered to the destinations.

The Township Contact or his designate may test material up to seven (7) days prior to any proposed crushing/production operations, and up to seven (7) days prior to the expected delivery of such materials to the destination(s). Where the stockpile samples fail to pass the required tests, two (2) more samples will be taken from the same stockpile/pit by the Township Contact or his designate. Both of these samples must pass the required tests prior to use of the stockpiled materials. Should the second test fail, the Township reserves the right to terminate the Contract, unless the Company furnishes an alternative source stockpile. Testing of the alternative source would be carried out in the same manner as described above.

Any further testing shall be at the expense of the Company. Once a stockpile has been approved for supply of materials, deliveries must be from that stockpile only, unless prior approval is received from the Township Contact or his designate. The above shall be repeated if the pit location changes.

The Company shall only supply materials from the pit locations specified in Section A.3, unless prior approval is received from the Township Contact or his designate. If materials from an unapproved source are delivered to the destination(s), the Company will be ordered to immediately remove such materials at its expense, unless directed otherwise by the Township Contact or his designate.

Stockpile samples passing an initial testing shall not be taken as final acceptance of materials delivered. Sampling and test results from these tests shall only determine acceptability of materials for delivery. Final testing of delivered materials shall be the determining factor for acceptance.

B.29.2 Random Testing of Delivered Granular Material

The Township Contact or his designate will conduct random testing of delivered granular materials at a frequency determined by the Township. Four (4) hours notice of testing will be provided to the Company.

Two (2) samples shall be taken for each random testing. All sampling and testing shall be conducted in accordance with MTO and OPSS testing procedures. Testing of delivered granular materials shall include, as a minimum, gradation testing and percent crushed particles where applicable.

The Company will be notified in writing of any material test failures as soon as reasonably possible and a second test will be arranged using the second sample. If the second sample fails to pass testing, the materials shall be removed immediately and replaced with acceptable material. The Township may at its sole discretion accept the non-conforming materials, subject to a 10% reduction in the Contract price. Should the material be deemed unsuitable, the Township shall have the right to terminate the Contact and to recover from securities held any loss incurred in replacing the materials.

The Company shall notify the Township Contact or his designate of expected delivery times for materials brought to the destination(s) in order for the Township to obtain samples of delivered materials on a timely basis.

B.29.3 Samples

Samples shall be submitted free of charge and will not be returned. The Township shall accept samples at its sole discretion and any such acceptance shall in no way be construed to imply relief of the Company from its obligations under the Contract. If requested, samples submitted shall be accompanied by current Material Safety Data Sheets (MSDS).

B.30 CORRECTION OF DEFICIENCIES

The Work shall be subject to inspection and approval by the Township prior to acceptance. The Township will inspect the Work prior to or when delivered to determine if it has been supplied and delivered in accordance with the specifications of the Tender Document. If deficiencies exist, the Township reserves the right to:

- Direct the Company to immediately correct deficiencies or replace the Work provided at no additional cost to the Township;
- Failing immediate action by the Company, correct the deficiencies and deduct from payment to the Company the total costs incurred; or
- Cancel the Contract where, in the opinion of the Township, it has been determined that the deficiencies are substantial and cannot be remedied through repairs or modifications to the Work supplied.

B.31 SUSPENSION OF WORK

The Township reserves the right to suspend performance of the Work for such reasonable period of time as the Township determines is necessary and notifies the Company. Save to the extent any such suspension arises from default by the Company, the Township shall pay to the Company the reasonable extra expenses incurred by the Company arising from the suspension, provided that in no event will the Township be liable to the Company for loss of profit, interest lost or any other damages or loss occasioned to the Company by reason of any such Work suspension. Such extra expenses shall be supported by audit, if necessary, carried out by auditors acceptable to the Township, prior to payment.

The resumption and completion of the Work after the suspension shall be governed by a schedule established by the Township.

B.32 CONTRACT CANCELLATION

The Township reserves the right to cancel any uncompleted or unperformed portion of the Work or part thereof. In the event of such cancellation, the Township and the Company may negotiate a settlement. The Township shall not be liable to the Company for loss of anticipated profit on the cancelled portion(s) of the Work.

B.33 DEFAULT BY COMPANY

The Township may, without notice, terminate the Contract if:

- The Company commits any act of bankruptcy;
- A receiver is appointed on account of insolvency or in respect of any of property of the Company; or
- The Company makes a general assignment for the benefit of its creditors.

The Township may, upon expiration of ten (10) days from the date of written notice to the Company, terminate the Contract for default if the Company:

- Fails to comply with any request, instruction or order of the Township;
- Fails to pay its accounts;
- Fails to comply with or persistently disregards statutes, regulations, by-laws or directives of relevant authorities relating to the Work;
- Fails to carry out the Work with skill and diligence;
- Assigns or sublets the Contract or any portion thereof without the Township's prior written consent;
- Refuses to correct defective Work; or
- Is otherwise in default in carrying out its part of any of the terms, conditions and obligations of the Contract.

Any termination of the Contract by the Township shall be without prejudice to any other rights or remedies the Township may have.

If the Township terminates the Contract, it is entitled to:

- Take possession of all Work in progress, materials and construction equipment then at the project site (at no additional charge for the retention or use of the construction equipment), and finish the Work by whatever means the Township may deem appropriate under the circumstances;
- Withhold any further payments to the Company until the Work is completed to the Township's satisfaction and the expiry of all obligations under Section B.34; and
- Recover from the Company any loss, damage and expense incurred by the Township by reason of the Company's default (which may be

deducted from any monies due or becoming due to the Company, less any balance to be paid by the Company to the Township).

B.34 LAWS AND REGULATIONS

Tenders will be called, received, evaluated, accepted and processed in accordance with the Township's Procurement By-law No. 122-07. By submitting a Tender to complete this Work, the Tenderer agrees to be bound by the terms and conditions of this by-law and any amendments thereto.

The Company shall comply with relevant Federal, Provincial and Municipal statutes, regulations and by-laws pertaining to the Work and its completion. The Company shall be responsible for ensuring similar compliance by its suppliers and Subcontractors.

The Contract shall be governed by and interpreted in accordance with the laws of the Province of Ontario.

B.35 CONFLICT OF INTEREST

No employee or member of Council of the Township shall sell goods or services to the Township, or have a direct or indirect interest in a Company or own a Company that sells goods or services to the Township.

B.36 MUNICIPAL FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY ACT (MFIPPA)

All correspondence, documentation, and information provided shall become the property of the Township, and as such, is subject to the *Municipal Freedom of Information and Protection of Privacy Act*, and may be subject to release pursuant to the Act.

B.37 COSTS

The Township shall not be liable for any costs, expenses, loss or damage incurred, sustained or suffered by any Tenderer, prior or subsequent to, or by reason of, the acceptance or non-acceptance by the Township of any Tender, or cancellation of the procurement process.

B.38 TENDER IRREGULARITIES

Unless otherwise specified in the Tender Document, the following irregularities will be dealt with as specified below:

IRREGULARITY	RESPONSE
Late Tenders	Tender will not be accepted and will be returned unopened
Envelope not sealed, not properly identified or has other marking affixed	Tender will not be accepted
Tenders not completed in ink or typed	Automatic rejection
Original ink signature missing from signature page	Automatic rejection
Tenders qualified or restricted by an attached or added statement	Automatic rejection
Tenders received on forms other than those provided in the Tender Document	Automatic rejection
Part Tenders (all items not Tender)	Automatic rejection
Tenders containing minor clerical errors	Two (2) working days to correct and initial errors. The Township reserves the right to waive initialling and accept Tender.
Tenders with minor uninitialled changes (e.g. Tenderer's address is amended by over-writing but not initialled)	Two (2) working days to initial changes. The Township reserves the right to waive initialling and accept Tender.
Unit prices in Part A – Tender Form have been changed but not initialled	Two (2) working days to initial changes. The Township reserves the right to waive initialling and accept Tender.
Other mathematical errors which are not consistent with unit prices	Two (2) working days to initial corrections as made by the Township. Unit prices shall govern and the Tender will be corrected accordingly. The Township reserves the right to waive initialling and accept Tender as corrected.

IRREGULARITY	RESPONSE
Failure to return the Tender as specified	Automatic rejection where complete Tenders specified
Isolated pages are missing	Two (2) working days to supply the missing pages where in the opinion of the Township the missing page(s) would not directly affect the Tender submitted. The Township reserves the right to waive the extra pages and accept the Tender, or to reject the Tender outright.
Tenders with major mistakes in calculations	Decision on a case by case basis
Withdrawal of Tenders	Request received after the Closing Time and Date not allowed
Tie Tenders	<p>The Township may, depending on the situation:</p> <ul style="list-style-type: none"> • Use a coin toss to select a recommended Tender; • Request the tied Tenderers to submit new Tenders; or • Negotiate with the tied Tenderers to break the tie.

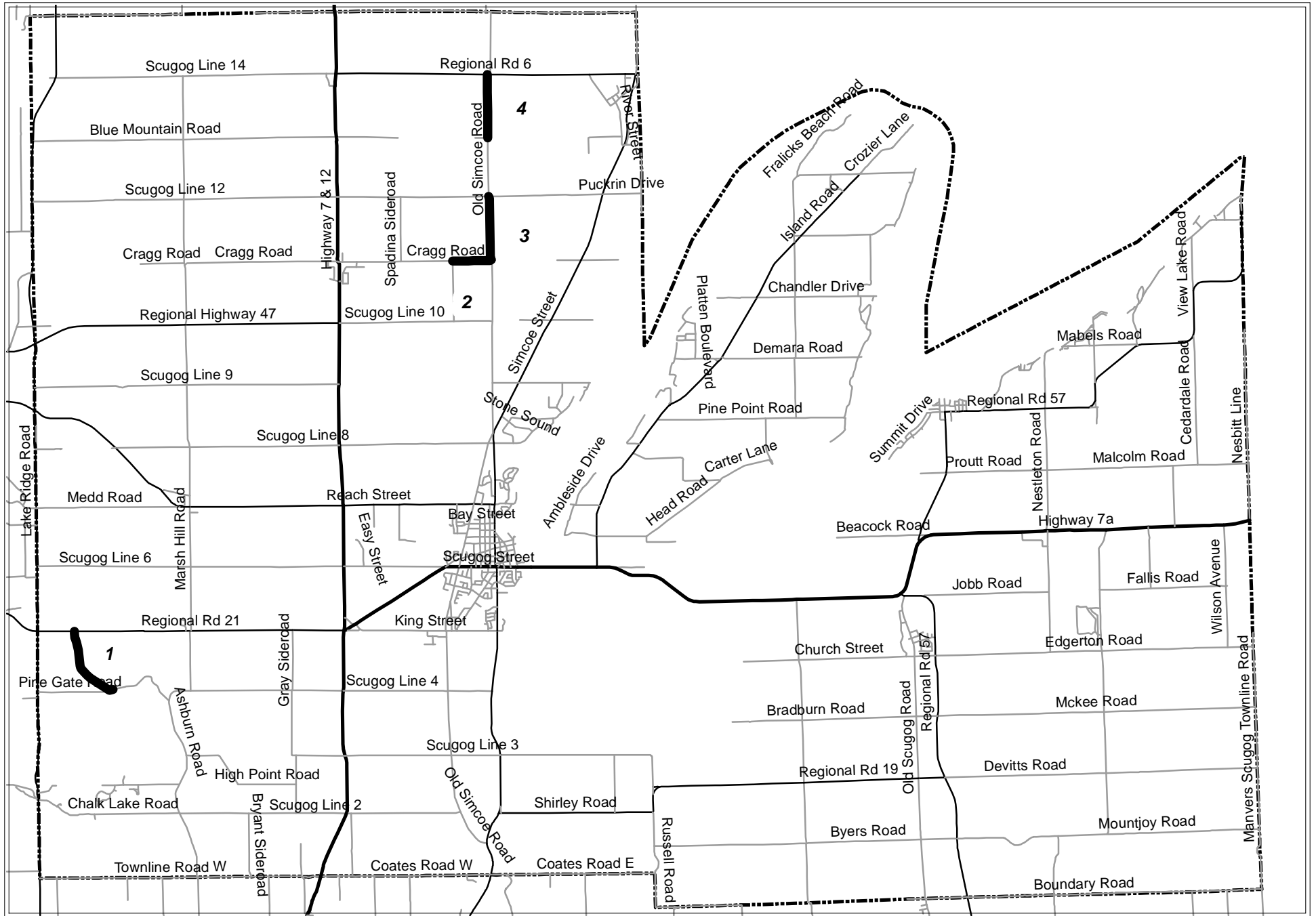


FIGURE 1 - LOCATION MAP FOR CONTRACT NO. S2010-03 (not to scale)