



REQUEST FOR QUOTATIONS

Title: **BEVERAGE VENDING, FOUNTAIN BEVERAGE AND OVER-THE-COUNTER BEVERAGES FOR VARIOUS CITY FACILITIES**

Reference No.: 1220-040-2021-046

FOR THE SUPPLY OF GOODS AND SERVICES

(General Services)

Issue Date: October 14th, 2021

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REQUEST FOR QUOTATIONS

1. INTRODUCTION

The City of Surrey (the "City") invites contractors to provide a quotation on the form attached as Schedule B – Form of Quotation to Attachment 1 – Revenue Agreement (the "Quotation") for the supply of the goods (if any) and services described in Schedule A – Specifications of Goods and Scope of Services to Attachment 1 – Revenue Agreement (the "Goods and Services"). The description of the Goods and Services sets out the minimum requirements of the City. A person that submits a Quotation (the "Contractor") should prepare a Quotation that meets the minimum requirements, and may as it may choose, in addition, also include goods, services or terms that exceed the minimum requirements.

2. ADDRESS FOR DELIVERY

The Contractor should submit the Quotation **electronically** in a single pdf file which must be delivered to the City by email at: purchasing@surrey.ca

Confirmation of receipt of email will be issued. Quotations that cannot be opened or viewed may be rejected. A Contractor bears all risk that the City's computer equipment functions properly so that the City receives the Quotation.

Note: The maximum file size the City can receive is 10Mb. If sending large email attachments, Contractors should phone [604-590-7274] to confirm receipt.

3. DATE

The City would prefer to receive Quotations on or before **November 4, 2021** (the "Date").

4. INQUIRIES

All inquiries related to this RFQ should be directed in writing to the person named below (the "**City Representative**"). Information obtained from any person or source other than the City Representative may not be relied upon.

Name: Sunny Kaila, Acting Manager, Procurement Services

E-mail: purchasing@surrey.ca

Reference: 1220-040-2021-046

Inquiries should be made no later than 7 business days before the Date set out in Section 3. The City reserves the right not to respond to inquiries made within 7 business days of the Date set out in Section 3. Inquiries and responses will be recorded and may be distributed to all Contractors at the discretion of the City.

Contractors finding discrepancies or omissions in the Agreement or RFQ, or having doubts as to the meaning or intent of any provision, should immediately notify the City Representative. If the City determines that an amendment is required to this RFQ, the City Representative will issue an addendum in accordance with Section 5. No oral conversation will affect or modify the terms of this RFQ or may be relied upon by any Contractor.

5. ADDENDA

If the City determines that an amendment is required to this RFQ, the City Representative will issue a written addendum by posting it on the BC Bid Website at www.bcbid.gov.bc.ca and the City Website at www.surrey.ca (collectively, the “Websites”), and upon posting, any addenda will form part of this RFQ. It is the responsibility of Contractors to check the Websites for addenda. The only way this RFQ may be added to, or amended in any way, is by a formal written addendum. No other communication, whether written or oral, from any person will affect or modify the terms of this RFQ or may be relied upon by any Contractor. By delivery of a Quotation, the Contractor is deemed to have received, accepted and understood the entire RFQ, including any and all addenda.

6. NO CONTRACT

This RFQ is simply an invitation for quotations (including prices and terms) for the convenience of all parties. It is not a tender or a request for proposals and no obligations of any kind will arise from this RFQ or the submission of Quotations. The City may negotiate changes to any terms of a Quotation, including negotiation of amendments to Contractors’ prices in Schedule B to a Quotation, and may negotiate with one or more Contractors or may at any time invite or permit the submission of quotations (including prices and terms) from other parties who have not submitted Quotations. This RFQ does not commit the City in any way to select a Contractor or to proceed to negotiations for a contract, or to award any contract, and the City reserves the complete right to at any time reject all Quotations and to terminate this RFQ process.

7. ACCEPTANCE

A Quotation will be an offer to the City which the City may accept at any time by signing the copy of the Quotation and delivering it to the Contractor. A Quotation is not accepted by the City unless and until both the authorized signatory of the Contractor and the authorized signatory of the City have signed. Delivery of the signed Agreement by the City may be by fax or pdf e-mail or hard copy. In that event, the contract will be comprised of the documents included in the definition of Agreement in Attachment 1 – Quotation Agreement – Goods and Services.

8. CONTRACTOR'S EXPENSES

Contractors are solely responsible for their own expenses in preparing and submitting Quotations, and for any meetings, negotiations or discussions with the City or its representatives and consultants, relating to or arising from this RFQ. The City and its representatives, agents, consultants and advisors will not be liable to any Contractor for any claims, whether for costs, expenses, losses or damages, or loss of anticipated

profits, or for any matter whatsoever, incurred by the Contractor in preparing and submitting a Quotation, or participating in negotiations for a contract, or other activity related to or arising out of this RFQ.

9. CONTRACTOR'S QUALIFICATIONS

By submitting a Quotation, a Contractor represents that it has the expertise, qualifications, resources, and relevant experience to supply the Goods (if any) and perform the Services.

10. CONFLICT OF INTEREST

A Contractor should disclose in its Quotation any actual or potential conflicts of interest and existing business relationships it may have with the City, its elected or appointed officials or employees. The City may rely on such disclosure.

11. SOLICITATION OF COUNCIL MEMBERS, CITY STAFF AND CITY CONSULTANTS

Contractors and their agents will not contact any member of the City Council, City staff or City consultants with respect to this RFQ, other than the contact person named in Section 4, at any time prior to the award of a contract or the cancellation of this RFQ and which could be viewed as one Contractor attempting to seek an unfair advantage over other Contractors.

12. CONFIDENTIALITY

All Quotations become the property of the City and will not be returned to the Contractor. All Quotations will be held in confidence by the City unless otherwise required by law. Contractors should be aware the City is a "public body" defined by and subject to the *Freedom of Information and Protection of Privacy Act* of British Columbia.

13. SIGNATURE

The legal name of the person or firm submitting the Quotation should be inserted in the Quotation. The Quotation should be signed by a person authorized to sign on behalf of the Contractor and include the following:

- (a) If the Contractor is a corporation then the full name of the corporation should be included, together with the names of authorized signatories. The Quotation should be executed by all of the authorized signatories or by one or more of them provided that a copy of the corporate resolution authorizing those persons to execute the Quotation on behalf of the corporation is submitted;
- (b) If the Contractor is a partnership or joint venture then the name of the partnership or joint venture and the name of each partner or joint venturer should be included, and each partner or joint venturer should sign personally (or, if one or more person(s) have signing authority for the partnership or joint venture, the partnership or joint venture should provide evidence to the satisfaction of the City that the person(s) signing have signing authority for the partnership or joint venture). If a partner or joint venturer is a corporation then such corporation should sign as indicated in subsection (a) above; or
- (c) If the Contractor is an individual, including a sole proprietorship, the name of the individual should be included.



DRAFT REVENUE AGREEMENT

between

CITY OF SURREY

and

[NAME OF CONTRACTOR]

for

**BEVERAGE VENDING, FOUNTAIN BEVERAGE AND OVER-
THE-COUNTER BEVERAGE FOR VARIOUS CITY FACILITIES**

AGREEMENT NO.: 1220-040-2021-046

ABW Contract No.:

PO No.:

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Attachment No. 1 – DRAFT REVENUE AGREEMENT – GOODS AND SERVICES

Reference Title: Beverage Vending, Fountain Beverage and Over-the-Counter Beverages for Various City Facilities

RFQ No.: 1220-040-2021-046

THIS AGREEMENT dated for reference this _____ day of _____, 2021.

BETWEEN:

CITY OF SURREY
13450 - 104 Avenue
Surrey, B.C., V3T 1V8, Canada,

(the "**City**")

AND:

(Insert Full Legal Name and Address of Contractor)

(the "**Contractor**")

WHEREAS the City wishes to engage the Contractor to provide Goods and Services and in connection with:

Beverage Vending, Fountain Beverage and Over-the-Counter Beverages for Various City Facilities

NOW THEREFORE this Agreement witnesses that in consideration of payment of One (\$1.00) dollar and other good and valuable consideration paid by each of the parties to the other (the receipt and sufficiency of which is hereby acknowledged) the City and the Contractor agree as follows:

1. DEFINITIONS

1.1 In these General Terms and Conditions:

- (a) "**Agreement**" means the executed agreement between the City and the Contractor on the terms and conditions set out in this document;
- (b) "**City**" means the City of Surrey;
- (c) "**City Annual Revenue Share**" means in any given Fiscal Year, the greater of the Percentage of Gross Revenues and the Guaranteed Minimum Annual Revenue;
- (d) "**City's Representative**" means the Acting Manager, Procurement Services or his designate;
- (e) "**Cold Drink Beverages**" means all the Contractor's branded non-alcoholic carbonated and non-carbonated beverages, natural or artificially-flavoured non-alcoholic beverages whether consumed independently or used as a mixer or otherwise, including but not limited to beverages with nutritive or non-nutritive sweeteners; natural or artificially flavoured fruit and/or vegetable juices (sweetened

or unsweetened); fruit and/or vegetable juice containing drinks; fruit and/or vegetable punches and ades; hypertonic, hypotonic and isotonic energy and fluid replacement drinks (i.e. sports drinks); frozen carbonated beverages; packaged flavoured and/or unflavoured, sweetened or unsweetened, waters, ice teas; and all cold drink or beverage bases, whether in the form of syrups, powders, crystals, concentrates or otherwise, from which such drinks and beverages are made within the Contractor's product line. **"Cold Drink Beverage" does not include:** milk, flavoured milk, branded or unbranded fresh brewed coffee or tea, unbranded fresh squeezed juices, unbranded drinks such as smoothies, punches, shakes, nutritional supplement drinks and other similar beverages;

- (f) **"Contractor"** means a contractor who is providing the Goods and Services under this Agreement;
- (g) **"Contractor's Representative"** has a meaning set out in Section 12.1;
- (h) **"Department"** means the City's Parks, Recreation & Culture Department, Administration, 13450 – 104th Avenue, Surrey, BC V3T 1V8;
- (i) **"Department Representative"** means Arena Operations Manager, of the Parks Recreation & Culture Department, located at City of Surrey, Surrey City Hall 13450-104th Avenue, who shall represent all City departments for the purposes of this Agreement, or, such other person who may subsequently be appointed in writing by the Department Representative and notified to the Contractor;
- (j) **"Equipment"** means that beverage vending, cooler and fountain beverage equipment, accessories, and related equipment loaned by the Contractor to the City;
- (k) **"Event of Default"** references Section 6.1(c);
- (l) **"Excluded Beverages"** includes milk, flavoured milk (including alternative milk products), branded or unbranded fresh brewed tea, coffee, or alternative blended products, ready to drink coffee products, hot chocolate, ready to drink chocolate based products, unbranded fresh squeezed juices, unbranded drinks such as smoothies, punches, shakes, nutritional supplement drinks and other similar beverages;
- (m) **"Facility"** means the facility locations set out in Schedule A and any future premises owed, operated, managed, or leased by the City;
- (n) **"Facility Representative"** means the supervisor/manager of each City facility for the purpose of accepting receipt of goods and services and approving invoices for payment;
- (o) **"Fiscal Year"** means a period of twelve (12) consecutive calendar months starting on January 1st and ending on December 31st during the Term except that:
 - (1) the first Fiscal Year begins on the first day of the Term and ends on December 31st of the Term occurs, and may be a period of less than 12 consecutive calendar months; and
 - (2) the last Fiscal Year begins on January 1st or the year during which the last day of Term occurs and ends on the last day of the Term, and may be a period less than 12 consecutive calendar months; "Initial Term" means the term as specified in Section 5.0;
- (p) **"Goods and Services"** means the Equipment or materials (if any) as described generally in Schedule A, including anything and everything required to be done for the fulfilment and completion of this Agreement;

- (q) “**GST**” means the goods and services tax as provided for in the *Excise Tax Act*, as amended, or any successor or parallel legislation that imposes a tax on the recipient of goods and services supplied under this Agreement and any taxes or fees that may be imposed in replacement or substitution for, or in addition to, such taxes;
- (r) “**Gross Revenue**” as used herein shall mean in any given Fiscal Year, the total dollar amount of sales made with respect to the Contractor’s beverage vending operations conducted in or from the City’s Facilities, whether such activities shall be operated by the Contractor or by any subcontractor, or under any other arrangement authorized by the City, excluding, however, any sales or excise taxes which are chargeable against the City by the Contractor or by the subcontractor, if any, and further excluding refunds. Such gross sales shall include all sales, whether at retail or otherwise, cash or credit, irrespective of whether or not credit accounts are collected;
- (s) “**Guaranteed Minimum Annual Revenue**” means, in any given Fiscal Year the minimum guaranteed amount which is payable and will be paid by the Contractor to the City without deduction or set-off as specified in Section 8.1 of the Agreement;
- (t) “**Indemnities**” has the meaning described in Section 22.1;
- (u) “**Percentage of Gross Revenues**” means in any given Fiscal Year _____% of Gross Revenues which is payable and will be paid by the Contractor to the City without deduction or set-off; and
- (v) “**Term**” has the meaning described in Section 5.0.

1.2 This Agreement may be modified only by express and specific written agreement. In the event of a conflict between the provisions of any documents listed below, then the documents shall govern and take precedence in the following order:

- (a) this Agreement;
- (b) Schedule B – Quotation Extracts;
- (c) Schedule A – Specifications of Goods and Scope of Services; and
- (d) other terms, if any, that are agreed to by the parties in writing.

1.3 The following attached Schedules are a part of this Agreement:

Schedule A – Specifications of Goods and Scope of Services;
 Attachment 1 – Prime Contractor Designation – Letter of Understanding;
 Attachment 2 – Contractor Health & Safety Expectations – Responsibility of Contractor; and
 Schedule B – Quotation Extracts.

2. INTERPRETATIONS

- (a) “Authorized”, “directed”, “required”, “requested”, “approved”, “ordered”, “sanctioned”, and “satisfactory” shall, unless some other meaning is obvious from the context, respectively mean authorized, directed, required, requested, approved, ordered or sanctioned by, or satisfactory to, the City;
- (b) “Determination” shall mean the written documentation of a decision of the Department Representative including findings of fact to support a decision. A Determination becomes part of the procurement file to which it pertains;

- (c) the Headings and Subheadings inserted in this Agreement are designed for convenience only and do not form a part of this Agreement nor are they intended to interpret, define, or limit the scope, extent, or intent of this Agreement or any provision thereof;
- (d) the word “including”, when following any general statement, term or matter, shall not be construed to limit such general statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as “without limitation” or “but not limited to” or words of similar import) is used with reference thereto but rather shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such general statement, term or matter;
- (e) any reference to a statute shall include and shall be deemed to be a reference to such statute and to the regulations made pursuant thereto, as amended and in force from time to time, and to any statute or regulation that may be passed which has the effect of supplement or superseding the same;
- (f) no approval, authorization, sanction or permission required to be provided hereunder shall be unreasonably or arbitrarily withheld or delayed by the party providing same; and
- (g) words importing the masculine gender include the feminine or neuter gender and words in the singular include the plural, and vice versa and words importing individuals shall include firms and corporations, and vice versa.

3. REPRESENTATIONS OF CONTRACTOR

3.1 The Contractor covenants, represents and warrants to the City that:

- (a) the Contractor is a corporation, duly organized, validly existing and legally entitled to carry on business in British Columbia and is in good standing with respect to filings of annual reports according to the records of the Registrar of Companies of British Columbia;
- (b) the Contractor has the power and capacity to enter into this Agreement and to comply with every term and condition of this Agreement;
- (c) all necessary proceedings have been taken to authorize the Contractor to enter into this Agreement and to execute and deliver this Agreement;
- (d) this Agreement has been properly executed by the Contractor and is enforceable against the Contractor in accordance with its terms;
- (e) any statement, representation or information, whether oral or written, made furnished or given by the Contractor, its directors, officers or anyone acting on behalf of the Contractor, to the City in connection with this Agreement is materially correct and accurate;
- (f) the Contractor has no knowledge of any fact that materially adversely affects or, so far as it can be foreseen, might materially adversely affect either its financial condition or its ability to fulfill its obligations under this Agreement;
- (g) the observance and performance of the terms and conditions of this Agreement will not constitute a breach by it or a default by it under any statute, regulation or bylaw of Canada or of the Province of British Columbia applicable to or binding on, its constating documents, or any contract or agreement to which it is a party;

- (h) the Contractor is neither a party to nor threatened with any litigation and has no knowledge of any claims against it that would materially adversely affect its financial condition or its ability to fulfill its obligations under this Agreement;
- (i) the Contractor has filed all tax, corporate information and other returns required to be filed by the laws of British Columbia and Canada, and has complied with all Workers' Compensation legislation and other similar legislation to which it is subject and has paid all taxes, fees and assessments due by the Contractor under those laws as of the reference date of this Agreement;
- (j) the Contractor holds all permits, licenses, consents and authorities issued by any level of government, or any agency of any level of government, that are required by law to conduct its business;
- (k) the Contractor's investigation has been based on its own examination, knowledge, information and judgment and not upon any statement, representation or information made or given by or on behalf of the City;
- (l) the Contractor accepts the risks assigned within this Agreement identified as being borne by the Contractor;
- (m) the Contractor has sufficient trained staff, facilities, materials, appropriate Equipment and approved sub-contractual agreements in place and available to enable it to fully perform the work;
- (n) the Contractor pays punctually as they become due, all accounts, expenses, wages, salaries, taxes, rates, fees and assessments required to be paid by it on any of its undertakings;
- (o) the Contractor has investigated and satisfied itself of every condition affecting the work including labour, Equipment and material to be provided; but not limited to, the standards, responsibilities, task schedules and subsequent written instructions if any, all as prepared by the City;
- (p) the Contractor acknowledges that it has the responsibility for informing itself of all aspects of the work and all information necessary to perform the work;
- (q) the Contractor will comply with all the requirements of the Agreement and will perform all work and supply all labour, Equipment and materials necessary to do so;
- (r) the Contractor is an independent the Contractor and not the servant, employee, partner, or agent of the City;
- (s) the Contractor will not, in any manner whatsoever, commit or purport to commit the City to the payment of any money to any person;
- (t) no partnership, joint venture, or agency involving the City is created by this Agreement or under this Agreement;
- (u) the City may, from time to time, give such instructions to the Contractor as the City considers necessary in connection with provision of the work, which instructions the Contractor will comply with, but the Contractor will not be subject to the control of City with respect to the manner in which such instructions are carried out;
- (v) all employees and sub-contractors employed by the Contractor to provide the work are at all times the employees and sub-contractors of the Contractor and not of the City;
- (w) the Contractor has independently reviewed all labour relations issues related to the performance of the Contractor's obligations under this Agreement.

4. GENERAL OBLIGATIONS OF CONTRACTOR

4.1 Contractor shall:

- (a) perform and contract in its own name and for its sole account for all things necessary or desirable for the proper and efficient provision of the Services during the Term;
- (b) use its best endeavours to provide the Services to the City in a timely manner and in accordance with the terms of the Agreement;
- (c) ensure that all its employees engaged in this Agreement are suitably qualified and experienced, and act to the best of their skills and ability and in accordance with accepted Services standards for persons having those qualifications and experience;
- (d) follow all instructions of the Department Representative, in respect of the performance by Contractor of its obligations under this Agreement and cooperate fully with the various departments and act in good faith towards the City;
- (e) comply with all laws; and
- (f) only use the facilities provided by the City for the purposes of this Agreement.

5. TERM

5.1 The Contractor will provide the Goods and Services for the period commencing on **(START DATE)** and terminating on **(END DATE)** (the “**Term**”).

5.2 The City may at any time prior to 30 days before the end of the Term, by written notice to the Contractor, extend the Term for a period of time not to exceed four (4) additional twelve month renewal periods. If the City elects to extend the Term, the provisions of this Agreement will remain in force, including the Fees, except where amended in writing by the parties.]

6. TERMINATION

6.1 This Agreement will terminate:

- (a) at the expiration of the Term, unless extended by mutual agreement; or
- (b) If at any time there occurs an Event of Default (defined below), the City may give written notice (“Notice of Complaint”) to Contractor specifying in reasonable detail the Event of Default. If Contractor shall fail to perform or observe any covenant, condition or agreement to be performed or observed herein and such Event of Default continues unremedied for a period of thirty (30) days after receiving the Notice of Complaint thereof from the City, then the City may, at its option, terminate this Agreement forthwith without prejudice to any other rights it may have in law or equity. If this Agreement is terminated by the City, Contractor shall be entitled to an immediate pro-rata refund of all unearned monies paid in advance to the City, as determined by mutual agreement.
- (c) For the purposes hereof, “Event of Default” shall mean any one or more of the following:
 - (i) if Contractor fails to observe, perform and keep each and every one of the covenants, agreements, provisions, stipulations and conditions to be

- observed, performed and kept by Contractor in this Agreement, or any agreement entered into pursuant to any such agreements;
- (ii) if Contractor is adjudged bankrupt, makes a general assignment for the benefit of creditors, or a receiver is appointed on account of its insolvency;
 - (iii) if Contractor has made an assignment of the Agreement without the required consent of the City; and
 - (iv) if Contractor fails to provide the Services as required under the terms of this Agreement.
- (d) The City may conduct inspections, audits, and assessments of Contractor's performance to verify that all duties, financial records, responsibilities and obligations of Contractor are being performed in accordance with the provisions of this Agreement and to the quality standards set out in this Agreement.

7. DISPUTE RESOLUTION

- 7.1 Contractor will continue performance of the Agreement during all disputes with the City. The timely performance of Services must not be delayed or postponed pending resolution of any disputes, except as Contractor and the City may otherwise agree in writing.
- 7.2 The parties will make reasonable efforts to resolve any dispute, claim, or controversy arising out of this Agreement or related to this Agreement ("Dispute") using the dispute resolution procedures set out in this Section.
- (a) **Negotiation**
The parties will make reasonable efforts to resolve any Dispute by amicable negotiations and will provide frank, candid and timely disclosure of all relevant facts, information and documents to facilitate negotiations.
 - (b) **Mediation**
If all or any portion of a Dispute cannot be resolved by good faith negotiations within 30 days, either party may by notice to the other party refer the matter to mediation. Within 7 days of delivery of the notice, the parties will mutually appoint a mediator. If the parties fail to agree on the appointment of the mediator, then either party may apply to the British Columbia International Commercial Arbitration Centre for appointment of a mediator. The parties will continue to negotiate in good faith to resolve the Dispute with the assistance of the mediator. The place of mediation will be Surrey, British Columbia. Each party will equally bear the costs of the mediator and other out-of-pocket costs, and each party will bear its own costs of participating in the mediation.
 - (c) **Litigation**
If within 90 days of the request for mediation the Dispute is not settled, or if the mediator advises that there is no reasonable possibility of the parties reaching a negotiated resolution, then either party may without further notice commence litigation.

8. FINANCIAL ARRANGEMENT AND REVENUE SHARING

8.1 Compensation to the City of Surrey

During the Term, the Contractor will pay to the City the City Annual Revenue Share, on the following terms:

- (a) the Contractor will pay to the City the Guaranteed Minimum Annual Revenue during the Term of this Agreement in equal monthly instalments as follows:

Fiscal Year	CDN \$
1	The sum of \$ _____
2	The sum of \$ _____
3	The sum of \$ _____
4	The sum of \$ _____
5	The sum of \$ _____

- (b) if the Percentage of Gross Revenues exceeds the Guaranteed Minimum Annual Revenue for any Fiscal Year, then the Contractor will pay to the City the difference between the Guaranteed Minimum Annual Revenue and the Percentage of Gross Revenue, for each Fiscal Year during the Term of this Agreement by March 31 of each Fiscal Year;
- (c) GST will apply to this Agreement as required by the Excise Tax Act;
- (d) if requested by the City, the Contractor will assist the City to obtain an advantageous treatment of PST (if applicable); and
- (e) the City reserves the right to conduct an independent audit and review at its own expense of the Contractor's books and records following the payment of the Percentage of Gross Revenues in respect of any Fiscal Year during the Term to confirm and verify the amount of Percentage of Gross Revenues payable to the City for any given Fiscal Year. At the sole discretion of the City, the Contractor will provide to the City, an annual audited statement by a chartered accountant or a certified general accountant, verifying the Gross Revenues for any given Fiscal Year. In this regard and to facilitate such audit and review by the City, the Contractor will keep proper books, accounts and records of all advertising commissions paid, all revenues received, owed and/or refunded in connection with this Agreement and in connection with the determination of Gross Revenues in particular, and all invoices, receipts and vouchers relating thereto. The City may exercise its audit right only once per Fiscal Year. Such right may be exercised by the City within ninety (90) days of Contractor's delivery of the City's Annual Revenue Share and upon reasonable notice to the Contractor. Notwithstanding the foregoing, if the City's audit in respect of any Fiscal Year confirms that the Contractor is legally obligated to pay, in respect of such period, an amount which is equal to or exceeds three percent (3%) of the amount actually paid in respect of such period, then all costs of that audit will be paid by the Contractor upon the written notice of the City.

8.2 Marketing Initiatives Support

8.2.1 The Contractor shall also provide the following funding to the City and honour any contractual payments from the respective start date.

(a) **Free (Product Allotment):**

- (i) Grant to the City an annual free Cold Drink Beverages allotment up to ____ cases each Year of the Term.
- (ii) The free Cold Drink Beverages allotment will be non-cumulative and any unused portion of the free Cold Drink Beverages allotment will not be carried over to a subsequent Year of the Term. The free Cold Drink Beverages allotment upon delivery will not be subject to any applicable deposits, taxes, and environmental fees/levies.

(b) **Surrey Eagles Sponsorship:**

- (i) Pay to the Surrey Eagles Hockey Club an annual Surrey Eagles Sponsorship Payment of \$_____ (the "Surrey Eagles Sponsorship Payment") each Year of the Term. The Surrey Eagles Sponsorship Payment shall be earned pro rata over the applicable Year of the Term, and shall be paid within sixty (60) days of the first day of the applicable Year of the Term, or portion thereof.
- (ii) The Contractor shall also provide to the Surrey Eagles Hockey Club an annual free Cold Drink Beverages value up to \$_____ of the Contractor's Cold Drink Beverages each Year of the Term. The Cold Drink Beverages value will be non-cumulative and any unused portion of the Cold Drink Beverages value will not be carried over to a subsequent Year of the Term. The Cold Drink Beverages value upon delivery will not be subject to any applicable deposits, taxes, and environmental fees/levies.

Listed below are examples of previous Sponsorship related benefits:

- Illuminated Signage –
The Contractor will be offered the opportunity to display one (1) illuminated sign in the South Surrey Arena for each season during the Term. The Contractor shall be responsible for any production and installation costs. The Contractor shall provide the artwork, to be agreed upon by both parties.
- Player Bench Signage –
The Contractor will receive the right to display one (1) player bench sign in the South Surrey Arena for each season during the Term. The Contractor shall be responsible for any production and installation costs. The Contractor shall provide artwork, to be agreed upon by both parties.
- Mascot Sponsorship –
The Contractor will be the main sponsor of the Surrey Eagles Mascot "Winger" for each season during the Term. As the sponsor

of the Eagles mascot, the Contractor will receive name/logo recognition on Winger's uniform and will be visible at Surrey Eagles home games and year-round community events and appearances (i.e. schools, community festivals, etc.). The Contractor will provide a logo patch for the uniform, to be agreed upon by both parties.

- Surrey Eagles Game Day Program –

The Contractor will receive a full page advertisement in the Eagles Game Day program for each season during the Term. Eagles Game Day programs provide fans with up to date team and league information including standings, statistics and team rosters. The Contractor will provide artwork, to be agreed upon by both parties.

- Surrey Eagles Season Tickets –

The Contractor will receive six (6) season tickets for all Eagles home games for each season during the Term. Eagles season tickets provide partners with a perfect opportunity to reward key employees and conduct consumer sweepstakes to increase business traffic and sales.

8.3 Rebates

8.3.1 The Contractor shall also provide the following rebates:

(a) Cold Drink Beverage Vending Rebate Program:

(i) In consideration of the City's obligations hereunder and for the Cold Drink Beverage rights granted herein, the Contractor shall accrue a \$_____ vending rebate per 24 count case of 355ml Cold Drink Beverages sold and \$_____ vending rebate per 24 count case of 591ml Cold Drink Beverages sold on a Contractor quarterly basis during the Term. The Cold Drink Beverage vending rebate shall be calculated and paid by the Contractor to the City on a Contractor quarterly basis, within sixty (60) days of the end of the applicable Contractor quarter. A detailed report outlining the calculation of the Cold Drink Beverage vending rebate, the volume of Cold Drink Beverages purchased by Facility, and an overall summary of the Cold Drink Beverage vending rebate paid to date shall be delivered to the City on or about the same time as payment of the Cold Drink Beverage vending rebate.

(b) Over the Counter Rebate Program:

(i) In consideration of the City's obligations hereunder and for the Cold Drink Beverage rights granted herein, the Contractor shall accrue a _____% rebate on all OTC Cold Drink Beverages sold by the Contractor to the Facilities (and in respect of which the Contractor receives payment in full) during the Term. The OTC rebate shall be calculated and paid by the Contractor to the City on a Contractor quarterly basis, within sixty (60) days of the end of the applicable Contractor quarter. A detailed report outlining the calculation of the OTC rebate, the volume of Cold Drink Beverages purchased by Facility, and an overall summary of the OTC rebate paid to

date shall be delivered to the City on or about the same time as payment of the Cold Drink Beverage vending rebate.

8.4 **Payment**

8.4.1 All payments due to the City will be presented to the City's Parks, Recreation & Culture Department, Administration, 13450 104th Avenue, Surrey, B.C., Canada, V3T 1V8. All payments shall be itemized to the specific Facility.

8.4.2 Any bonuses, rebates, allowances, incentives, sponsorships and investment payable or accrued or provide to or in respect of the City by the Contractor hereunder shall only be paid, accrued, allocated or provided by the Contractor if all accounts payable to the Contractor from the City and its licenses and third party operators are current and there has been no default of or breach under any other term of the Agreement.

8.4.3 Bonuses, rebates, allowances, incentives, sponsorships and investments shall only be paid, allocated, accrued or provided in respect of Cold Drink Beverages for which the Contractor has received full payment. Notwithstanding any other remedies that the Contractor may have if the City or any of its licenses or third party operators fails to pay the Contractor any amount owing when due, the Contractor may deduct any such unpaid amount from money or credit held by the Contractor for the benefit of the City.

8.4.4 The City acknowledges and agrees that for purposes of calculating any bonuses, rebates, allowances, incentives, sponsorships and investments payable or to be accrued, allocated or provided to or in respect of the City by the Contractor hereunder, purchases of Cold Drink Beverages shall be calculated net of any Cold Drink Beverages provided free of charge or refunded.

8.5 **Purchase Price**

8.5.1 The City will pay the Purchase Price (fountain beverage and over-the-counter beverage) to the Contractor in accordance with this Agreement. The Purchase Price shall also include without limitation all costs of boxing, packing, crating, and loading and unloading the Goods at the prescribed destination. No minimum order charges shall apply. Contractor products must be competitive with the local markets in and around each Facility.

8.5.2 **Price Increases**, The City requires product costs to remain firm for a period of not less than three (3) years and thereafter the prices shall be subject to increase during the Term once per Year of the Term by a percentage which shall not be greater than the percentage increase in the Consumer Price Index (All items) for Vancouver, British Columbia as published by Statistics Canada ("CPI") or any successor government agency for the Calendar Year immediately preceding the applicable January 1st of each Calendar Year. If such percentage is not available, the Contractor will estimate and adjust when such percentage is available.

- 8.5.3 Notwithstanding the above, prices are subject to adjustment any time during the Term in the event of a significant ingredient change or a new formulation or a significant increase in the applicable prevailing sweetener costs or other direct production costs to the Contractor, including without limitation a significant increase in the cost of raw materials such as aluminum, plastic and other supplier cost relating to primary and secondary packaging.
- 8.5.4 Any order issued prior to the effective date of the price increase shall be honoured by the Contractor at the price in effect at the time of the issuance of the order.
- 8.5.5 The City reserves the right to negotiate any price increase it deems to be excessive.
- 8.5.6 **Price Decreases**, shall become effective immediately. The Contractor shall invoice the City at the reduced prices on deliveries made on or after the date of the manufacturer's price reduction. The Contractor shall promptly notify the City with a letter of notice regarding the decrease. Failure to pass on price reductions to the City may result in termination of the Agreement.
- 8.5.7 It will be the sole responsibility of the Contractor to notify the City, in writing, of such price adjustments.

8.6 **Records and Reporting**

- 8.6.1 The Contractor agrees to maintain, at its expense, accurate and true records of all sales and revenue collected from the Equipment in accordance with industry accepted accounting practices and such records shall be available to the City for inspection for a period of not less than three (3) years following the end of each Year of the Term. The Department Representative shall have the right to authorize City employees to examine these records aforesaid on reasonable notice during regular business hours. The City agrees to keep confidential all information obtained under this Agreement.
- 8.6.2 A monthly report showing the beginning and ending meter readings from sales, cash and card sales, must be supplied to the City. The report must be sorted by each City facility showing the gross receipts on each Equipment, the commission thereon, the total commission for each City facility, and the grand total for City-wide operations. The Contractor shall prepare and submit to the City a quarterly report of sales statistics activity for each City facility and for City-wide operations.

9. **VENDING MACHINE BY-LAW**

- 9.1 In accordance with Surrey Business Vending Machine By-law, 1999, No. 13680 the Contractor agrees that it has all the required permits as required under this By-law.

10. INDEPENDENT CONTRACTOR

- 10.1 Nothing in this Agreement shall be construed as to constitute a partnership between the City and Contractor. The duties to be performed and the obligations assumed by Contractor under this Agreement shall be performed and assumed by it as an independent Contractor and not an agent or in any other way a representative of the City. In no circumstances shall Contractor have any authority to represent or contract on behalf of or otherwise bind the City.
- 10.2 Contractor is and shall at all times during the performance of this Agreement be an independent Contractor, and at no time shall Contractor be considered an agent, servant, or partner of the City; and all persons employed by Contractor to perform its obligations under the Agreement shall be its employees or servants and not the employees, servant, or agents of the City.
- 10.3 Every vehicle used by the Contractor in the course of providing the Goods and Services shall identify the Contractor by name and telephone number.

10.4 Employees

The Contractor shall not employ on the work any unfit person or anyone not skilled in the work assigned, and shall devote only best-qualified personnel to work on this project. Should the City, in its discretion, deem anyone performing the work incompetent or unfit, and so informs the Contractor, the Contractor shall immediately remove such person from work under this Agreement and such person shall not again, without written permission of the City, be assigned to work under this Agreement. All personnel, including employees and subcontractors, performing work under this Agreement on site must complete and clear the security and background screenings and clearances, required by, and satisfactory to, the City and the applicable police agency (with respect to police facilities), and provide proof of meeting this requirement upon request from the City. All personnel performing work under this Agreement must also comply with all security policies and requirements applicable to the site, including access restrictions, and identification and escorting requirements.

The Contractor's employees shall be in uniform and wear identification to be easily recognizable and shall be required to have proper identification to access City facilities. The Contractor shall be responsible for any fees or expenses related to obtaining proper identification.

While working on City property, the Contractor shall ensure that its employees engage in appropriate conduct and adhere to the City's values of community, innovation, integrity, service, and teamwork. All Contractor employees shall be subject to City regulations regarding personal behavior and use of City facilities, and shall be removed from servicing the City's account at the request of the City for violations or for conduct contrary or offensive to the interests of the City and its staff. The Contractor shall supply the City with a list of supervisors and management by assigned work area when changes of management staff occur.

The Contractor is responsible for all facets of training and orientation of its new employees. At all times the Contractor shall provide adequate and expert managerial and administrative supervision of its employees.

11. SUB-CONTRACTORS

- 11.1 Contractor shall not sub-contract the whole of the work nor shall any part of the work be sub-contracted without the prior written consent of the Department's Representative, which consent may not be arbitrarily withheld in the City Representative's sole discretion.
- 11.2 The sub-contracting of any of its duties, obligations or responsibilities of Contractor under this Agreement shall not relieve of the responsibility for the proper commencement, execution or completion of the duties, obligations or responsibilities as set out herein and Contractor shall be fully responsible for the acts, omissions and debts of its sub-contractors.

12. LIAISON

- 12.1 Each party shall maintain liaison with the other party in accordance with their respective obligations under this Agreement. In particular:
- (a) Contractor shall appoint a representative ("Contractor's Representative") who shall have the duty of instituting and maintaining liaison with the City as to the requirements of this Agreement, plus an alternative representative to so act in the absence or inability to act of Contractor's Representative; and
 - (b) The City shall appoint a representative ("Department Representative") who shall have the duty of instituting and maintaining liaison with Contractor as to the requirements of this Agreement, plus an alternative representative to so act in the absence or inability to act of the Department Representative.
- 12.2 Each party's representative shall have the full power and authority to act on behalf of and to bind such party in all administrative issues and to carry out such party's obligations hereunder and each party's representative may be relied upon by the other party as the official representative of such party. Meetings between the Contractor Representative and the Department Representative may be held by telephone with the consent of all parties participating in such meetings. Each party may change their respective representative or alternative representative by written notice to the other.

13. GOVERNING LAW

- 13.1 This agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia, which shall be deemed to be the proper law hereof. The courts of British Columbia shall have jurisdiction (but not exclusive jurisdiction) to entertain and determine all disputes and claims, whether for specific performance, injunction, declaration or otherwise arising out of or in any way connected with the construction, breach, or alleged, threatened or anticipated breach of this Agreement and shall have jurisdiction to hear and determine all questions as to the validity, existence or enforceability hereof. For the purposes of any legal actions or proceedings brought by

the City in respect of this Agreement, the Contractor hereby irrevocably submits and attorns to the jurisdiction of the courts of British Columbia and acknowledges their competence and the convenience and propriety of the venue and agrees to be bound by any judgment thereof and not to seek, and hereby waives, any review of its merits by the courts of any jurisdiction.

- 13.2 Notwithstanding any provisions herein, the Contractor shall in the performance of the Agreement comply with provisions of The Employment Standards Act and Regulations of British Columbia and City of Surrey Policies and By-laws and Parks, Recreation and Culture Policies and By-laws and any amendment thereto and without limiting the generality of the foregoing, the Contractor shall pay all of the Contractor's employees as required by the Act and the regulations then in force.

14. WAIVER

14.1 Waiver – City

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

14.1.2 No action or want of action on the part of the City at any time to exercise any rights or remedies conferred upon it under the Agreement shall be deemed to be a waiver on the part of the City of any of its said rights or remedies.

14.2 Waiver – Contractor

14.2.1 Any failure of Contractor at any time or from time to time, to enforce or require the strict keeping and performance of any of the terms or conditions of this Agreement, shall not constitute a waiver of such terms or conditions and shall not affect or impair any terms or conditions in any way or the right of the Contractor at any time to avail itself of such remedies as it may have for any breach of such terms or conditions.

14.2.2 No action or want of action on the part of the Contractor at any time to exercise any rights or remedies conferred upon it under the Agreement shall be deemed to be a waiver on the part of the Contractor of any of its said rights or remedies.

15. AMENDMENTS

15.1 No amendment to this Agreement shall be binding on either party hereto unless such amendment is in writing and executed by both parties with the same formality as this Agreement is executed.

16. SURVIVAL OF COVENANTS

- 16.1 All obligations of each of the parties which expressly or by their nature survive termination or expiration or assignment of this Agreement including, without limitation, the indemnities in section 22.1 shall continue in full force and effect subsequent to and notwithstanding such termination or expiration or assignment and until they are satisfied or by their nature expire.

17. CONFIDENTIALITY OF INFORMATION

17.1 No Disclosure

- 17.1.1 Except as provided for by law or otherwise by this agreement, the Contractor will keep strictly confidential any information supplied to, obtained by, or which comes to the knowledge of the Contractor as a result of the performance of the Services and this agreement, and will not, without the prior express written consent of the City, publish, release, disclose or permit to be disclosed any such information to any person or corporation, either before, during or after termination of this agreement, except as reasonably required to complete the Services.

17.2 Freedom of Information and Protection of Privacy Act

- 17.2.1 The Contractor acknowledges that the City is subject to the Freedom of Information and Protection of Privacy Act of British Columbia and agrees to any disclosure of information by the City required by law

17.3 Return of Property

- 17.3.1 The Contractor agrees to return to the City all of the City's property at the completion of this agreement, including any and all copies or originals of reports provided by the City.

18. NON ASSIGNABILITY

- 18.1 This Agreement may not be assigned by Contractor without the prior written consent of the City. For the purpose of this Agreement, a change in the corporate control of Contractor, shall be deemed to be an assignment requiring the consent of the City pursuant to the terms hereof.

19. JOINT AND SEVERAL

- 19.1 If this Agreement is executed by more than one person, firm or Corporation, it is understood and agreed that all persons, firms or Corporations executing this Agreement are jointly and severally liable under and bound by this Agreement.

20. FORCE MAJEURE

- 20.1 Except for defaults of sub-contractors, neither party shall be responsible for delays or failures in performance resulting from acts beyond the control of the offending party. Such acts shall include but shall not be limited to acts of God, fire, flood, earthquake, other natural disasters, nuclear accident, strike, lockout, riot, freight embargo, public regulated utility, or governmental statutes or regulations superimposed after the fact. If a delay or failure in performance by Contractor arises out of a default of its sub-contractor, and if such default arose out of causes beyond the control of both Contractor and sub-contractor, and without the fault or negligence of either of them, Contractor shall not be liable for damages of such delay or failure, unless the products or services to be furnished by the sub-contractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule, (where provided).

21. PANDEMIC RESTRICTIONS

- 21.1 The parties acknowledge that this Agreement has been entered into during the on-going COVID-19 pandemic (the "Pandemic"). The Contractor advises that it is able to proceed with the Services under the Pandemic conditions and restrictions (collectively the "Pandemic Restrictions") as they exist as of the date of this Agreement. The parties acknowledge that Pandemic Conditions may change so as to cause unavoidable interruptions or interference to the Contractor's performance of the Services. The parties confirm:
- (a) notwithstanding the known existence of the Pandemic, Section 26.1 will apply to new Pandemic Restrictions, which arise after the date of this Agreement, whether anticipated or not, which reasonably interfere with the Contractor's performance of the Services, such that upon the Contractor giving required notice shall be entitled to an extension of the time to perform the Services, but shall not be entitled to reimbursement of any costs;
 - (b) notwithstanding any such new Pandemic Restrictions, the Agreement will remain valid and in force, subject to the terms of the Agreement including, without limitation Section 23 (Workers' Compensation Board and Occupational Health and Safety); and
 - (c) if new Pandemic Restrictions occur that cause or threaten interruption of the Services the Contractor will give the City immediate notice, and a written plan of the interim steps the Contractor will take, if any, during the interruption of the Services, and when Pandemic Restrictions permit, provide the City with a written plan for the resumption of the Services.

22. INSURANCE AND DAMAGES

22.1 Indemnity

22.1.1 The Contractor will indemnify and save harmless the City and all of its elected and appointed officials, officers, employees, servants, representatives and agents (collectively the "Indemnitees"), from and against all claims, demands, causes of action, suits, losses, damages and costs, liabilities, expenses and judgments (including all actual legal costs) for damage to or destruction or loss of property, including loss of use, and injury to or death of any person or persons which any of the Indemnitees incur, suffer or are put to arising out of or in connection with any failure, breach or non performance by the Contractor of any obligation of this agreement, or any wrongful or negligent act or omission of the Contractor or any employee or agent of the Contractor.

22.2 Survival of Indemnity

22.2.1 The indemnity described in section 22.1 will survive the termination or completion of this agreement and, notwithstanding such termination or completion, will continue in full force and effect for the benefit of the Indemnitees.

22.3 Contractor's Insurance Policies

22.3.1 The Contractor will, without limiting its obligations or liabilities and at its own expense, provide and maintain throughout this agreement the following insurances in forms and amounts acceptable to the City from insurers licensed to conduct business in Canada:

- (a) commercial general liability insurance on an occurrence basis, in an amount not less than five million (\$5,000,000) dollars inclusive per occurrence against death, bodily injury and property damage arising directly or indirectly out of the work or operations of the Contractor, its employees and agents. The insurance will include cross liability and severability of interests such that the coverage shall apply in the same manner and to the same extent as though a separate policy had been issued to each insured. The insurance will include, but not be limited to: premises and operators liability, broad form products and completed operations, owners and Contractors protective liability, blanket contractual, employees as additional insureds, broad form property damage, non-owned automobile, contingent employers liability, broad form loss of use, personal injury, and incidental medical malpractice. The City will be added as additional insured;
- (b) automobile liability insurance on all vehicles owned, operated or licensed in the name of the Contractor in an amount not less than three million (\$3,000,000) dollars per occurrence for bodily injury, death and damage to property; and
- (c) Contractor's Equipment insurance covering machinery and Equipment used by the Contractor for performance of the Agreement in such adequate forms and amounts as will enable prompt replacement and repair of the Equipment.

22.4 Insurance Requirements

22.4.1 The Contractor will provide the City with evidence of the required insurance prior to the commencement of this agreement. Such evidence will be in the form of a completed certificate of insurance acceptable to the City. The Contractor will, on request from the City, provide certified copies of all of the Contractor's insurance policies providing coverage relating to the Services, including without limitation any professional liability insurance policies. All required insurance will be endorsed to provide the City with thirty (30) days advance written notice of cancellation or material change restricting coverage. To the extent the City has an insurable interest, the builder's risk policy will have the City as first loss payee. The Contractor will be responsible for deductible amounts under the insurance policies. All of the Contractor's insurance policies will be primary and not require the sharing of any loss by the City or any insurer of the City.

22.5 Contractors Responsibilities

22.5.1 The Contractor acknowledges that any requirements by the City as to the amount of coverage under any policy of insurance will not constitute a representation by the City that the amount required is adequate and the Contractor acknowledges and agrees that the Contractor is solely responsible for obtaining and maintaining policies of insurance in adequate amounts. The insurance policy coverage limits shall not be construed as relieving the Contractor from responsibility for any amounts which may exceed these limits, for which the Contractor may be legally liable.

22.6 Additional Insurance

22.6.1 Subject to any specific agreements the City and the Contractor may have reached with respect to insurance, as may be set out in other provisions of this agreement, the Contractor will, as part of the Services, cooperate with the City to obtain additional insurance covering the Services if the City in its discretion determines that additional insurance is required. The City may pay the cost of the premiums for any additional insurance.

22.6.2 The Contractor acknowledges that any requirements of the City as to the amount of coverage under any policy of insurance will not constitute a representation by the City that the amount required is adequate and the Contractor acknowledges and agrees that the Contractor is solely responsible for obtaining and maintaining policies of insurance in adequate amounts. The insurance policy coverage limits shall not be construed as relieving the Contractor from responsibility for any amounts

22.6.3 The Contractor shall place and maintain, or cause any of its sub-contractors to place and maintain, such other insurance or amendments to the foregoing policies as the City may reasonably direct.

22.7 Waiver of Subrogation

22.7.1 The Contractor hereby waives all rights of recourse against the City for loss or damage to the Contractor's property and Equipment.

23. WORKERS' COMPENSATION BOARD AND OCCUPATIONAL HEALTH AND SAFETY

23.1 The Contractor agrees that it shall, at its own expense, procure and carry, or cause to be procured, carried and paid for, full Workers' Compensation Board coverage for itself and all workers, employees, servants and others engaged in the supply of the Goods and Services. The Contractor agrees that the City has the unfettered right to set off the amount of the unpaid premiums and assessments for the Workers' Compensation Board coverage against any monies owing by the City to the Contractor. The City will have the right to withhold payment under this Agreement until the Workers' Compensation Board premiums, assessments or penalties in respect of the Goods and Services have been paid in full.

23.2 The Contractor will provide the City with the Contractor's Workers' Compensation Board registration number and a letter from the Workers' Compensation Board confirming that the Contractor is registered in good standing with the Workers' Compensation Board and that all assessments have been paid to the date thereof prior to the City having any obligations to pay monies under this Agreement.

23.3 The Contractor agrees that it is the prime contractor for the Goods and Services as defined in the *Workers Compensation Act, R.S.B.C. 2019, c.1*, as amended. The Contractor will have a safety program in place that meets the requirements of the Workers' Compensation Board Occupational Health and Safety Regulation and the *Workers Compensation Act*. As prime contractor, the Contractor will be responsible for appointing a qualified coordinator for insuring the health and safety activities for the location of the Goods and Services. That person will be the person so identified in this Agreement, and the Contractor will advise the City immediately in writing if the name or contact number of the qualified coordinator changes.

23.4 Without limiting the generality of any other indemnities granted by the Contractor in this Agreement, the Contractor shall indemnify and save harmless the Indemnitees from and against all claims, demands, causes of action, suits, losses, damages, costs, liabilities, expenses, judgements, penalties and proceedings (including all actual legal costs) which any of the Indemnitees incur, suffer or are put to arising out of or in any way related to unpaid Workers' Compensation Board assessments owing from any person or corporation engaged in the performance of this Agreement or arising out of or in any way related to the failure to observe safety rules, regulations and practices of the Workers' Compensation Board, including penalties levied by the Workers' Compensation Board.

23.5 The Contractor will ensure compliance with and conform to all health and safety laws, by-laws or regulations of the Province of British Columbia, including without limitation the *Workers Compensations Act* and Regulations pursuant thereto.

23.6 The City may, on twenty-four (24) hours written notice to the Contractor, install devices or rectify any conditions creating an immediate hazard existing that would be likely to

result in injury to any person. However, in no case will the City be responsible to ascertaining or discovering, through inspections or review of the operations of the Contractor or otherwise, any deficiency or immediate hazard.

- 23.7 The Contractor understands and undertakes to comply with all Workers' Compensation Board Occupational Health and Safety Regulations for hazardous materials and substances, and in particular with the "Workplace Hazardous Materials Information System (WHMIS)" Regulations. All "Material Safety Data Sheets (MSDS)" shall be shipped along with the Goods and any future MSDS updates will be forwarded.

24. AUDIT

- 24.1 At its option, the City may cause at any reasonable time upon forty eight (48) hours prior written notice to Contractor, a complete audit to be made of Contractor's business affairs and records relating to the Services by an accountant acceptable to the City for the period covered by any statement issued by Contractor as above set forth. If such audit shall disclose a liability for commission payable Contractor shall promptly pay the City. The City would be responsible to cover the auditors expenses.

25. CONFLICT OF INTEREST

- 25.1 A council member or any employee of the City shall not have a direct or indirect interest in a Company or own a Company which is the successful Contractor.
- 25.2 The Contractor shall disclose to the City prior to accepting the Agreement, any potential conflict of interest. If such a conflict of interest does exist, the City may, at its sole discretion, withhold the Agreement from the Contractor until the matter is suitably resolved. And further, that if during the conduct of the Agreement, the Contractor is retained by another client giving cause to a potential conflict of interest, then the Contractor shall so inform the City. If a significant conflict of interest is deemed by the City to exist, then the Contractor shall refuse the Agreement or shall take such steps as are necessary to remove the conflict of interest.
- 25.3 Contractor shall disclose to the City Representative, prior to awarding of the Agreement, any actual, potential or apparent conflict of interest. If such a conflict of interest does exist, the City may, at its discretion, withhold the Agreement from the Contractor until the matter is resolved to the satisfaction of the City.
- 25.4 Contractor will upon request, provide all pertinent information regarding ownership of their company. This information to be supplied within forty-eight (48) hours after request.

26. NON-LIABILITY OF CITY OFFICIALS

- 26.1 Under no circumstances shall any officer, employee, or agent of the City of Surrey acting within the course and scope of his/her City responsibility be personally liable to the Contractor, or any party claim through or on behalf of the Contractor, with regards to the Agreement, including but not limited to its negotiation, execution, performance, or termination.

27. BUSINESS LICENSE

27.1 The Contractor will obtain and maintain throughout the term of this Agreement a valid City of Surrey business license.

28. BUSINESS REVIEW & PLANNING

28.1 Contractor agrees to conduct quarterly business review meetings with Parks, Recreation & Culture Department Representatives.

28.2 Meetings would evaluate promotions, participation levels, service and future opportunities, develop overall strategic sales and volume building programs.

29. NOTICES

29.1 All notices and other communications required or permitted to be given hereunder shall be in writing and may be given by (i) facsimile transmission, if the matter is urgent or immediate; (ii) personally delivered; or (iii) transmitted by prepaid registered mail, to the party to whom such notice or communications is being given at the following address or fax number:

(a) The City:

City of Surrey, Surrey City Hall
 insert department/division/section name
13450 – 104 Avenue, Surrey, B.C., V3T 1V8, Canada

Attention: **insert contact name**
 insert title

Business Fax No.: **insert**
Business Email: **insert**

(b) The Contractor:

 insert name and address>

Attention: **insert contact name**
 insert title

Business Fax No.: **insert**
Business Email: **insert**

29.2 Except as otherwise specified herein, all notices and other communications shall be deemed to have been duly given (i) on the date of receipt if delivered personally, (ii) five (5) days after posting if transmitted by mail, or (iii) on the date of transmission if

transmitted by fax (provided the sending machine gives confirmation that all pages have been transmitted to the fax number of the receiver without error), whichever shall be first.

30. REPRESENTATIONS, WARRANTIES AND COVENANTS

30.1 The City hereby represents, warrants and covenants to the Contractor, and acknowledges that the Contractor is relying upon such representations, warranties and covenants, that:

- (a) the City controls and/or operates all facilities either by itself, as owner of the applicable facilities, or through written leases or license agreements, the terms of which extend beyond the Term;
- (b) the City has the power, authority and capacity to enter into this Agreement and perform its obligations hereunder, and the execution and delivery of this Agreement by the City, and the City's compliance with the terms, conditions and provisions hereof, has been duly authorized and will not conflict with or result in a breach of, or is restricted by, any of the terms, conditions or provisions of any agreement, instrument or arrangement, whether written or oral, to which the City is a party (or by which it is bound) or constitute a default thereunder; and
- (c) the execution, delivery and performance of this Agreement by the City will not violate any law, rule or regulation relating or pertaining to the City's rights or obligations hereunder or applicable to any of its properties, assets or operations.

30.2 Third party operators will not be required to sell only the Contractor's beverages.

30.3 This is not an exclusive agreement.

31. SEVERABILITY

31.1 If any provision, or portions thereof, of this Agreement is held by a court of competent jurisdiction to be invalid, void, or otherwise unenforceable, the remaining provisions shall remain enforceable to the fullest extent permitted by law. Furthermore, to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of this instrument containing any provision held to be invalid, void, or otherwise unenforceable, that is not itself invalid, void, or unenforceable) shall be construed so as to give the effect to the intent manifested by the provision held invalid, void, or unenforceable.

32. TRADEMARKS

32.1 The City acknowledges and agrees that it has no right, title or interest in or to any trademark, trade name, slogan, logo or other identification of the Cold Drink Beverages, and further agrees that, as between the parties, any such trademark, trade name, slogan, logo or other identification are and shall remain the sole property of the Contractor. The City agrees to give legal and proper notice to any and all persons or entities, in accordance with any request or demand of the Contractor, in connection with any and all uses of any such trademark, trade name, slogan, logo or other identification, indicating that the same is the property of the Contractor (unless otherwise directed by

the Contractor) upon the expiry or any earlier termination of this Agreement, the City shall immediately cease all use of such trademarks, trade names, slogans, logos, and other identification of the Cold Drink Beverages and the Contractor and shall either: (a) return to the Contractor all materials bearing any such mark or marks; or (b) destroy, and provide the Contractor with evidence satisfactory to the Contractor of such destruction, all such materials. The provisions of this section apply only to any trademark, trade name, slogan, logo or other identification of the Cold Drink Beverages or the Contractor, and are not intended in any way to apply to the City's name of identification, to which the Contractor claims no right, title or interest (except the right to use the same in accordance with the terms and conditions of this Agreement).

33. SIGNATURE

33.1 This Agreement shall be signed by a person authorized to sign on behalf of the Contractor.

33.2 This Agreement may be executed in or one or more counterparts all of which when taken together will constitute one and the same Agreement, and one or more of the counterparts may be delivered by fax transmission or as a PDF file.

34. ENUREMENT

34.1 This Agreement shall enure to the benefit of and be binding upon the respective successors and permitted assigns of the City and the Contractor.

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the day and year first written above.

CITY OF SURREY

by its authorized signatory(ies):

(Signature of Authorized Signatory)

(Signature of Authorized Signatory)

(Print Name and Position of Authorized Signatory)

(Print Name and Position of Authorized Signatory)

<<NAME OF CONTRACTOR>>

I/We have the authority to bind the Contractor.

(Legal Name of Contractor)

(Signature of Authorized Signatory)

(Signature of Authorized Signatory)

(Print Name and Position of Authorized Signatory)

(Print Name and Position of Authorized Signatory)

SCHEDULE A – SPECIFICATIONS OF GOODS AND SCOPE OF SERVICES

1. DESCRIPTION OF SERVICES

1.1 Objective

To deliver sales and vending services to various City Facilities in accordance with this Schedule A – Specifications of Goods and Scope of Services.

The Contractor shall be responsible for the provision of:

- (a) the installation of new or like new Equipment and maintenance of Contractor-owned and exclusively operated Cold Drink Beverage vending Equipment in City-selected Facilities (supply, installation, maintenance and stocking of equipment);
- (b) product line sales of fountain Cold Drink Beverages excluding third party agreements;
- (c) product line sales of over-the-counter or cooler sales of all Cold Drink Beverages at City-selected Facilities, excluding City third party agreements; and
- (d) Eagles sponsorship opportunity with the City.

1.2 Principles

The Principles by which the City's snack food and beverage vending program will function and operate on are:

- (a) Efficiency in Service – the Contractor to deliver personalized and consistent service in an efficient and friendly manner;
- (b) Timely Service – the Contractor to provide Services that meets and exceeds the City's expectations with Equipment that are filled on a regular basis (programs that provide value for money);
- (c) Innovation – the Contractor to provide Services that interact with the Facility programs;
- (d) Sustainability – the Contractor to strive to meet industry established benchmarks on reduction of waste including recycling, and packaging;
- (e) Variety and quality – the Contractor to provide a mix of beverages;
- (f) Consistency – consistency of product quality and Service throughout locations; and
- (g) Safety and sanitation – the Contractor to ensure that all beverages, including equipment maintenance comply absolutely with food safety standards.

The Contractor will work closely with the City's Department Representative to develop a program that exceeds the City's expectations.

The City retains the right to determine the nature of, and to make adjustments to, the vending operation including product lines and retail pricing strategies. The City envisions that changing employee and client choices will not necessarily result in major reductions to the vending.

1.3 Approximate Historical Sales for 2017 – 2021

2017	2018	2019	2020
\$79,000	\$100,000	\$84,000	\$20,000

This information represents historical information only regarding beverage sales in the previous four (4) years, and in no way guarantees future beverage sales.

2. BEVERAGES VENDING

2.1 Beverage Vending

This category includes the opportunity to place Cold Drink Beverage vending Equipment and product lines at selected City facilities. The Contractor is required to provide a full service Cold Drink Beverage vending machine program, which shall include:

- (a) supplying and installing all new or like new vending Equipment;
- (b) supplying and stocking of products;
- (c) maintaining, servicing, and repairing of vending Equipment;
- (d) safeguards for vandalism and theft;
- (e) collection of money from Equipment;
- (f) tallying and submittal of commission and payments to the City; and
- (g) reporting & audit documents.

The Contractor shall coordinate the scheduling of all vending machine Equipment delivery and installations with the City's Facility Representative. The Contractor should work with the incumbent provider to ensure a smooth transition of vending Equipment removal and installation. It is anticipated that all vending Equipment will be installed and fully operational as soon as practicable after commencement of the Agreement. All assembly and installation processes that are required shall be carried out by appropriate, experienced professional labour, under experienced supervision. Initial and subsequent vending machine Equipment installation shall be identified by Equipment serial number, manufactures or vending machine account number.

2.2 Vending Equipment

The Contractor agrees to provide a full range of floor standing vending Equipment that provide style and flexibility to the vending Services. Vending Equipment are to have large windows and double illumination to ensure excellent product visibility and a low graphics panel that contributes further to the aesthetics of the Equipment. Security features as standard include anti-vandal keypad, reinforced anti-pry door surround and three point door locking.

As a minimum the following general equipment requirements, materials, labour, products & Services covering the designated for all present and future City controlled locations as may from time to time be added to these schedules at no cost including but not limited to delivery, installation, setup, testing, adjustments and secured locking systems. The City will not be responsible for the value of wear and tear and depreciation of all Equipment.

Vending Equipment should be:

- (a) Modern, of the latest mechanical/electronic technology and be in new or near new condition;
- (b) Uniform in size with a coordinated appearance (illuminated vending fronts) and banked (groupings of 3 or more);
- (c) Quiet and non-disruptive to the activities occurring in City facilities, and shall be aesthetically acceptable to the City;
- (d) ENERGY STAR compliant and meets the ENERGY STAR specifications for energy efficiency;
- (e) Of adequate size and capacity to maintain full and uninterrupted service at all times. The Equipment will vend either recyclable plastic bottles or recyclable cans; glass containers are not acceptable;
- (f) Equipped to accept legal tender, be equipped with paper bill validators and payment mechanisms which will accept combinations of coin loonies and toonies, nickels, dimes and quarters. In addition, each Equipment must have bill change capabilities;
- (g) Equipped with non-resettable counters, which indicate unit sales. If multiple products are dispensed from the same machine, a separate dispensing counter is required for each separate commission rate dispensed. Upon initial installation of the Equipment, the Contractor must submit starting machine counter numbers to the City for each vending Equipment;
- (h) Ensure that the labelling system correctly identifies health choices at all times; and
- (i) All vending Equipment must have adjustable anti-tilt brackets installed as a preventative course of action.

All Equipment to show the Contractor's name, a local service telephone number for reporting of machine malfunctions, the person or office within the Contractor's organization responsible for refunds, and regular days of the week for re-stocking of the Equipment. In addition, for identification purposes, each Equipment should have an I.D. number that is visible and easily located.

The Equipment must be operated by the Contractor in such a way as to fully comply with all federal, provincial or City by-laws, as well as City policies.

Should any federal, provincial or city by-law, regulations or policy change during the life of the Agreement, the Contractor will be expected to comply with these changes.

All Equipment must operate on AC-110-120 volts and be U/L listed and CSA approved.

At least once during each Term of the Agreement, the Contractor and the City will jointly conduct an Equipment review/audit for the sole purpose of determining equipment upgrades and/or opportunities.

Low Power Mode: In addition to meeting the 24-hour energy consumption requirements listed above, qualifying models shall come equipped with hard wired controls and/or software capable of automatically placing the Equipment into a low power mode during periods of extended inactivity while still connected to its power source to facilitate the saving of additional energy, where appropriate. The Equipment must be capable of operating in each of the low power modes describe below:

- (a) Lighting low power state – lights off for an extended period of time; and
- (b) Whole machine low power state – the lights are off and the refrigeration operates in its low power state.

In addition, the Equipment must be capable of automatically returning itself back to its normal operating conditions at the conclusion of the inactivity period. The low power mode-related controls/software must be capable of on-site adjustments by the vending operator.

N.B. Equipment that dispense vending temperature sensitive products, such as milk, must not have the refrigeration low power state enabled due to the risk of product spoilage.

In addition, the utilization of passive infrared sensors (PIR) are acceptable provided they are mounted on each Equipment or ganged and:

- (c) Automatically repower the vending Equipment at timed intervals to ensure vended product stays cold (1 to 3 hours max.);
- (d) PIR is not to power down while the compressor is running; and
- (e) When vending Equipment is powered up, the cooling cycle is to run until completion before powering down.
- (f)

Non-cooled product Equipment should be controlled by PIR's to reduce energy costs.

When vending Equipment is in low power state visitors must not think that the Equipment is not functioning.

2.3 Locations

The Contractor must install and maintain, at a minimum, the same numbers of machines at the City Facilities (including police detachments) that have vending Equipment at the date of execution of this Agreement and at the same locations, unless otherwise agreed to by the City. The City may request or permit vending Equipment to be added to additional City facilities or additional locations throughout the Term and/or vending Equipment to be relocated. The City shall have the final decision on placement of vending Equipment. The City reserves the right to require the Contractor to place and/or maintain vending machines in locations where they may not make a profit, but, in the opinion of the City, offer a needed service to staff and/or the general public.

Should the Contractor wish to relocate, exchange, or remove vending Equipment, a request must be submitted in writing to the City.

The Contractor shall be responsible for any damages done to any part of City property resulting from delivery, installation or servicing of the equipment and shall repair or cause to be repaired at the Contractor's expense any such damages in a manner satisfactory to the City.

Site viability is at the discretion of the City. The City will work with the Contractor to designate optimum placement of Equipment. Equipment shall be located within the specified Facility at the direction of the Facility Representative.

The Contractor will be solely responsible for all expenses (direct and indirect) including initial front end costs, recurring annual costs, incremental costs, installation costs, and all costs

associated with equipment upgrades, re-locations, removals and expansions and any subsequent negotiations.

Contractors are invited to visit City Facility locations and inspect the vending Equipment areas to acquaint themselves with the conditions to be encountered at each Facility. The majority of the City's Facilities are operating fifty-two weeks per year, seven days per week.

The following is a list of City Facilities that may require vending services as contemplated in this RFQ:

Facility	Address
Cloverdale Arena	6090 – 176 Street
Fleetwood Community Recreation Centre	15996 – 84 th Avenue
Fraser Heights Recreation Centre	10588 160 th Street
Newton Hall and Arena	7120 – 136B Street
Newton Seniors' Centre	13775 – 70 th Avenue
Newton Recreation Centre	13730 – 72 nd Avenue
North Surrey Recreation Centre	10275 – 135 th Street
South Surrey Recreation & Arts Centre	14681 – 20 th Avenue
Surrey Arts Centre	13750 – 88 th Avenue
Grandview Heights Aquatic Centre	168 th Street and 24 th Avenue
Surrey Operations Centre	6651 148 th Street and 14687 66 th Avenue
South Surrey Indoor Pool	14655 – 17 th Avenue
South Surrey Arena	2199 – 148 Street
Surrey Sport and Leisure Complex Arena and Pool	16555 Fraser Highway
Museum of Surrey	17710 56A Avenue
Surrey Main Police Detachment	14355 57 th Avenue
Surrey West Main Police Detachment	14245 56 th Ave
Surrey District 1 Police Detachment	10720 King George Blvd
Surrey District 2 Police Detachment	10395 148 th St
Surrey District 3 Police Detachment	7235 137 th St
Surrey District 5 Police Detachment	100-1815 152 nd St

The City is not limited to the above locations and may, at its sole discretion, add or delete any location from the list based on the City's requirements.

2.4 Product

The City shall retain the right to control any and all products for display, sale or promotion. All products should be leading national brands and receive prior approval from each Facility Representative. Any changes or enhancements to product mix must be approved in advance by each Facility Representative.

The Contractor shall identify and provide, or offer to provide, at the City's option, all Cold Drink Beverages packaged (bottles and cans), manufactured or distributed by or otherwise available (e.g., through agreements, partnerships, alliances or other cooperative efforts) to the Contractor. The Contractor shall commit to provide and include in the Cold Drink Beverage program all future Cold Drink Beverages manufactured, packaged, or distributed by or otherwise made available to the Contractor. Product selection will be mutually agreed upon by both

parties. The products to be used must be approved by the City. If and when the Contractor enters new Cold Drink Beverage categories, produces new Cold Drink Beverages or makes changes to existing products, the City and the Contractor shall decide by mutual agreement whether those Cold Drink Beverage products will be sold at City Facilities, and at what price. Brands, flavours, and price shall be changed only with the prior written approval of the City during the Term of the Agreement.

The Contractor shall be responsible for maintaining adequate stock levels so to prevent stockouts and to ensure vendability of products at all times. Given the fluctuation of visitors to the City's Facilities throughout the year, the Contractor shall work with the City to adjust the frequency of stocking as necessary to ensure that all vending Equipment are well stocked during particular busy periods. A schedule for replenishment of vending Equipment stock in order to maintain the highest vending efficiency and to ensure against the possibility of Equipment dispensing other than fresh product shall be implemented and maintained. The Contractor shall provide a vending Equipment replenishment schedule.

All cartons or packaging material left over from stocking the Equipment is to be discarded in dumpsters and not in the waste receptacles within facilities. In addition, the Contractor shall cooperate with any recycling programs the City has or develops during the Term of the Agreement..

Final Equipment selection, product selection and price ranges will be based upon consultation with the various City Facilities Representatives, and the City reserves the right to determine final selection.

Some City Facilities have moved from 100% less healthy beverage choices to healthy choices while other facilities have not. The Contractor will need to work with the individual Facilities to ensure the right product mix to maintain their individual beverage requirements (healthy-mixed-less healthy) taking into account the following:

- Customer attendance;
- Number of Equipment needed;
- Equipment location (placement);
- Product availability;
- Product variety;
- Point of purchase marketing;
- Product price;
- Nearby competition;
- Bottled water may be limited in some locations; and
- Support of healthy beverage option or directions.

2.5 Utilities

Suitable water service, electricity, drainage, lighting and heating of designated premises will be provided, but without liability on the City's part arising from temporary interruption or on account of breakdown, power failure or like causes.

In the event any utility service must be interrupted for repair or modification, the City will provide the Contractor with as much advance notice as possible. In the event of any such interruption or any disruption of utility services, the City shall take reasonable steps to restore them promptly

but will not be responsible for any loss or delay sustained by the Contractor resulting from such interruptions from any cause.

2.6 Additions/Deletions of Equipment/Accessories

Equipment introduced by the Contractor after the Agreement is executed and which is intended to replace any Equipment on the premises of the City Facilities is subject to the same commission percentages, rebates and other terms set out in this Agreement. Delivery and installation of replacement Equipment shall be at no cost to the City. If at any time during the Term any machine or group of Equipment are not, in the opinion of the City, producing sufficient revenue, the City shall have the right to require the Contractor to install different Equipment or to remove and/or relocate certain Equipment to gain sufficient revenue.

2.7 Equipment Damage

The Contractor will assume all risk and responsibility for any loss, destruction or damage occurring to the vending Equipment. In the event of any loss due to theft, fire, accident disruptions of utility services, vandalism, spoilage or other similar causes from said machines, the loss shall be borne solely by the Contractor. Equipment provided should be equipped with anti-theft technology.

2.8 Full Service and Maintenance of the Vending Equipment

The Contractor agrees, to provide, all maintenance (scheduled/non-scheduled) and remedial service for all Contractor supplied equipment at no cost to the City for parts, labour, tools, equipment/truck(s), mileage, etc. All scheduled service and maintenance is to be provided in accordance with the manufacturer's recommendations and guidelines.

The Contractor will respond to all equipment service calls with a maximum response time of four (4) hours from the placement of the first telephone request for service made by the City. The Contractor is required to call the City's Facility Representative within 60 minutes of receiving the initial call to establish an estimated time of arrival (ETA) of the technician. This response time average will be maintained between the regular service hours of 8:30 am and 17:00 pm Monday through Friday, 52 weeks of the year (except for national and provincial holidays).

The Contractor to be responsible for the physical inventory, inventory control, and filling of vending Equipment. The Contractor is to make every effort to restock vending Equipment at times that will not conflict with peak usage times. Product delivery to be made on a mutually agreed upon schedule at each location. No inventories will be maintained at any City Facility. The Contractor to take it upon itself to be alerted as to special events that may require more frequent servicing of the Equipment. The Contractor to have the ability to receive service calls and provide service support after hours and on weekends.

If within 24 hours of the initial service call, the Contractor is not able to repair any item of equipment that is not functioning properly, the Contractor will put in place a suitable temporary replacement without any additional cost to the City. Within a commercially reasonable period of time a permanent replacement of a new model or like or superior specifications to be provided without any additional cost to the City, within 10 business days.

The replacement or upgrade of Equipment that continuously malfunctions or exhibits excessive downtime may be made upon mutual agreement.

Trained, qualified personnel identified by a clearly marked and openly displayed company insignia and/or uniform will perform all service. In addition, all such persons to carry company issued photo identification and shall present such documents to anyone on request.

The Contractor must keep all Equipment in a clean and sanitary condition. This requirement includes interiors, exteriors, tops and the areas under the Equipment. The exterior construction of the vending Equipment to be such as to facilitate cleaning and to minimize the entrance of insects and rodents, and the exterior of the Equipment to be kept clean. Service connections to be such as to protect against unintentional or accidental interruption of service to the Equipment.

All interior surface and component parts of the vending Equipment to be so designed and constructed as to permit easy cleaning, and shall be kept clean. All product contact surfaces of the vending Equipment must be of smooth, nontoxic, corrosion resistant, and relatively non-absorbent material, and to be capable of withstanding repeated cleaning and sanitizing treatment by normal procedures.

All interior surface and component parts of the vending Equipment must be so designed and constructed as to permit easy cleaning, and shall be kept clean. All product contact surfaces of the vending Equipment must be of smooth, nontoxic, corrosion resistant, and relatively non-absorbent material, and to be capable of withstanding repeated cleaning and sanitizing treatment by normal procedures.

2.9 Competitive Pricing Strategy – Vending Equipment

Retail prices are to remain fixed during the Term of the Agreement. The Contractor should provide competitive pricing, strategic pricing to encourage sales of healthy choices. Product pricing will be clearly posted on each vending Equipment. After the initial pricing approval, the City may review such products, prices, then in effect and if they do not fall within the range desired by the City, the City will require adjustments.

The Contractor shall take into account the pricing of competing similar and same products in the surrounding area of each Facility in order to maximize revenues; however, the Contractor shall ensure pricing remains affordable for customers. Furthermore, the Contractor shall ensure that vending Equipment pricing does not undercut concession pricing.

Cash Float

The Contractor shall provide a cash float at each service location in case of Equipment malfunctions to allow for customer refunds.

3. FOUNTAIN BEVERAGES

This category includes the opportunity to provide dispensed Cold Drink Beverages. The Contractor shall supply, install and maintain like new, state-of-the-art countertop, low profile multi-pour head mechanically refrigerated post/pre-mix beverage fountain dispensers at its respective sole cost and expense. The selection of products to be dispensed and versatility of Equipment required shall be determined by each Facility Representative based upon reasonable customer needs and includes the supply and delivery of cups and lids such as 12 oz., 16 oz., 18 oz., and 20 oz.

3.1 Facilities Include

Operations for fountain Cold Drink Beverages may include:

- (a) Cloverdale Arena, 6090 – 176th Street;
- (b) Newton Arena, 7120 – 136B Street;
- (c) Newton Seniors' Centre, 13775 – 70th Avenue;
- (d) North Surrey Recreation Centre, 10275 – 135th Street;
- (e) South Surrey Arena, 2199 – 148th Street; and
- (f) Surrey Arts Centre, 13750 – 88th Avenue.

3.2 Other Facilities

Temporary locations may be requested during the Term. The Contractor shall be required to supply portable fountain service equipment and support for City events.

The City reserves the right at any time to require the Contractor to remove, relocate, or place additional vending Equipment and related equipment at existing and/or new locations to meet new or unanticipated requirements that might become known during the term of the agreement.

3.3 Product Variety and Identification

The Contractor shall identify and provide, or offer to provide at the City's option, all beverages packaged, manufactured or distributed by or otherwise available (e.g. through agreements, partnerships, alliances, or other cooperative efforts) to the Contractor (not including Excluded Beverages). The Contractor will commit to provide and include in the beverage program, on measurably comparable terms and conditions, all future beverages manufactured, packed, or distributed by or otherwise made available to the Contractor.

All beverages should be made available to the City in packages and pursuant to specifications reasonably requested by the City. The Contractor should identify all specifications pertaining to the products including portion size, packaging and dispensing capability in concentration, if applicable, of each beverage proposed.

The Contractor shall provide a guarantee for shelf life of the products (e.g., four months for soft drinks, and 90 days for juice).

3.4 Ordering of Product

The City will place orders (product and supplies) for each operational area based on sales and usage. The City will have no minimum order requirements. The City reserves the right to order all types and/or sizes of products, which are available from the Contractor during the Term, as deemed necessary by the City. Payment will be made for actual product ordered and received. The Contractor must accept City orders weekly, or more frequently if necessary. Contractor must provide a contact phone number(s) that will immediately be answered for weekend and urgent orders.

3.5 Delivery of Product

All prices quoted are to be Free on Board (F.O.B.) destination prepaid, including transportation, packaging, crate containers, etc. necessary to complete the delivery. No additional charges

shall be allowed for packaging, loading, storage, or partial shipments. Furthermore, the Contractor shall include any container refund allowances, which may be in effect.

Each delivery shall be accompanied by an official delivery ticket (packing list) showing the City's purchase order number (where provided) and quantity delivered for each line item, and signature of the City's Facility Representative.

Delivery schedules should be coordinated with each Facility Representative to ensure delivery at the requested time. In the event deliveries are delayed due to abnormal weather conditions or other reasons, it is the responsibility of the Contractor to notify the Facility Representative prior to the expected delivery time.

Note: Parking and off-loading facilities will vary for each Facility.

3.6 Restocking, Exchanges and Returns of Product

The Contractor shall not charge the City restocking fees for any returns or exchanges of any items purchased. If the City wishes to return items purchased, the Contractor agrees to exchange the items for other items under this Agreement, with no additional charge incurred by the City. Credits shall be given on actual price paid upon purchase but not on partial cases. This return and exchange option shall extend for thirty (30) days following the expiration date of the Agreement.

3.7 Fountain Equipment

The Contractor shall supply, install, service and maintain new or refurbished "like new" agreed upon condition state of the art concession post/pre-mix equipment which shall come with a syrup package rack, training, syrup pump equipment, carbonator, primary and secondary regulators and other operational Equipment as deemed necessary for a successful start-up and continual operation. The Equipment shall remain in that condition throughout the Term. The Contractor shall recommend and provide upgrades and any other Equipment deemed necessary by the City throughout the Term. The fast flow multi pour head post-mix dispensing units should have the capability of dispensing carbonated water.

The Contractor shall be responsible for all CO² tanks required in the fountain Cold Drink Beverage dispensing systems. Some Facilities may require self-contained refrigeration dispensers and stands. All fountain dispensing Equipment shall have a secured locking mechanism. Equipment provided is to be compatible with any existing equipment or acceptable replacement agreed to by the City.

3.8 Service and Maintenance Requirements

The Contractor will be responsible for preventive maintenance and remedial service for all Contractor supplied Equipment, in accordance with the manufacturer's recommendations and guidelines. A mutually agreed upon schedule for preventative maintenance shall be determined to ensure the proper and continuous operation and to minimize the out of service time for Equipment.

Technical service personnel shall be available and shall respond to requests to repair or replace malfunctioning Equipment. For service calls placed during normal business hours, a technician shall be on site and working diligently to return malfunctioning Equipment to normal operation

within four (4) hours of the service call. At its discretion, the City may require replacement or upgrade of Equipment that continuously malfunctions or exhibits excessive downtime.

The cost of any maintenance and repairs, including but not limited to labour, parts, tools, Equipment/truck(s), preventive maintenance, regular cleaning (washing and sanitizing), mileage, etc., will be the sole responsibility of the Contractor. Equipment changes, except replacement with like models, require a written approval of acceptance from the City.

The Contractor shall keep records of all times when Equipment are inoperable or malfunction. Copies of such records shall be provided to the City upon request.

The Contractor shall have access to its Equipment located on City Facility premises only during the City's normal business hours for the Facility where the Equipment is located. If the Contractor requires access at other times, permission to obtain access must be obtained from the appropriate City Facility personnel.

4. OVER-THE-COUNTER COLD DRINK BEVERAGES

This category includes the opportunity for the Contractor to supply canned and bottled Cold Drink Beverages that are sold in various City concession facilities through packaged product equipment (single or double door coolers) at their sole cost and expense. The amount of retail display space is to be negotiated with each concession Facility Representative.

The City will reserve 40% of the reserved counter space in the concession areas for display and sale of non-drink related items such as fruit, muffins, etc., in order to provide customers with a broader choice. The Contractor will not be required to place these other products in their cooling equipment, it will be 100% the Contractor's product in the cooler.

4.1 Operations Include

Operations for Over-the-Counter Cold Drink Beverages may include:

- (a) Cloverdale Arena, 6090 – 176th Street;
- (b) Newton Arena, 7120 – 136B Street;
- (c) Newton Seniors' Centre, 13775 – 70th Avenue;
- (d) North Surrey Recreation Centre, 10275 – 135th Street;
- (e) South Surrey Arena, 2199 – 148th Street; and
- (f) Surrey Arts Centre, 13750 – 88th Avenue.

4.2 Product Variety and Identification

The Contractor's standard containers and packaging are to be provided for this category such as to 12 oz. cans, 20 oz. bottles, one (1) and two (2) litre bottles. Each product shall be purchased in standard case lots.

The Contractor shall identify and provide, or offer to provide, at the City's option, all beverages packaged, manufactured or distributed by or otherwise available (e.g. through any agreements, partnerships, alliances or other cooperative efforts) to the Contractor. The Contractor will commit to provide and include in their beverage supply program, on measurably comparable terms and conditions, all future beverages manufactured, packaged, or distributed by or otherwise made available to the Contractor.

The City is not able to provide annual case volumes or categories of product.

4.3 Ordering of Product

The City will place orders (product and supplies) for each operational area based on sales and usage. The City will have no minimum order requirements. The City reserves the right to order all types and/or sizes of products, which are available from the Contractor during the Term, as deemed necessary by the City. Payment will be made for actual product ordered and received. The Contractor must accept City orders weekly, or more frequently if necessary. Contractor must provide a contact phone number(s) that will immediately be answered for weekend and urgent orders.

4.4 Delivery of Product

All prices quoted are to be Free on Board (F.O.B.) destination prepaid, including transportation, packaging, crate containers, etc. necessary to complete the delivery. No additional charges shall be allowed for packaging, loading, storage, or partial shipments. Furthermore, the Contractor shall include any container refund allowances, which may be in effect.

Each delivery shall be accompanied by an official delivery ticket (packing list) showing the City's purchase order number (where provided) and quantity delivered for each line item, and signature of the City's Facility Representative.

Delivery schedules should be coordinated with each Facility Representative to ensure delivery at the requested time. In the event deliveries are delayed due to abnormal weather conditions or other reasons, it is the responsibility of the Contractor to notify the Facility Representative prior to the expected delivery time.

Note: Parking and off-loading facilities will vary for each Facility.

4.5 Restocking, Exchanges and Returns of Product

The Contractor shall not charge the City restocking fees for any returns or exchanges of any items purchased. If the City wishes to return items purchased, the Contractor agrees to exchange the items for other items under this Agreement, with no additional charge incurred by the City. Credits shall be given on actual price paid upon purchase but not on partial cases. This return and exchange option shall extend for thirty (30) days following the expiration date of the Agreement.

4.6 Equipment

The Contractor shall supply, install, and maintain the equipment (displays, coolers, frozen drink equipment, etc.) necessary to promote the sale of beverages at City concession facilities. All Equipment must be like new, state-of-the-art, and must remain in that condition throughout the Term. The Contractor shall recommend and provide upgrades and any other Equipment deemed necessary by the City throughout the Term. The City will not be responsible for the value of wear and tear and depreciation of all Equipment. Equipment will, at all times, remain the sole property of the Contractor, who will remain responsible for repairing, cleaning and maintaining equipment in good working order and condition.

4.7 Service and Maintenance Requirements

The Contractor will be responsible for all preventive maintenance and remedial service for all Contractor supplied equipment required to serve the products, in accordance with the manufacturer's recommendations and guidelines. A mutually agreed upon schedule for preventative maintenance will be determined that will provide optimum trouble-free service and minimize down time which diminishes sales and quality of service. Technical service personnel will be available and should respond to requests to replace or repair malfunctioning equipment. A technician should be on site and working diligently to return malfunctioning equipment to normal operation within six (6) hours of the service call for a given incident. At its discretion, the City may require replacement or upgrade of equipment that continuously malfunctions or exhibits excessive downtime. Equipment changes, except replacement with like models, will require a written approval of acceptance from the Facility Representative.

The cost of repair and maintenance (labour, parts, tools, equipment/truck(s), mileage, etc.) will be the sole responsibility of the Proponent

The Contractor shall provide on-site beverage equipment service availability and capability for 24 hour 365 days per year for all City functions at all times.

5. HEALTHY BEVERAGES OPTION

The City is committed to assisting its customers and employees to make healthy Cold Drink Beverage choices by:

- (a) adjusting vending Equipment product offerings; and
- (b) providing education about the nutritive value of vending Equipment products.

The City's goal is that customer choices will align with the recommendations by the Dietitians of Canada emphasizing water as the preferred Cold Drink Beverage for 50% or more of the daily intake.

The City has a preference for products such as: water, naturally flavoured water, unsweetened tea, 100% juices, vegetable or fruit. The Contractor may make incremental changes to product mix and product lines over the Term in order to offer a varied selection of healthy options with approval from the City. The City is aware that vending Equipment revenues may be impacted when only healthy options – “sell most” (i.e. water) and “sell sometimes” (e.g. 100% juice, flavoured water, unsweetened tea) are provided.

Adherence to the “Healthier Choice in Vending Machines in BC Public Buildings, 2014” is the minimum requirement for any Facility where the City has approved the sale of 100% juice naturally flavoured water, unsweetened tea or other “sell sometimes” Cold Drink Beverages; all other facilities will strictly sell water, still or carbonated. Energy drinks will not be sold in any facility vending machines or sold OTC.

The Contractor should be able to provide a broad range of recognized brand name 100% juice and water (still or carbonated) Cold Drink Beverages in keeping with the City's healthy vending initiative.

6. ADVERTISING

The City will cooperate with the Contractor to place advertisement materials, run promotions or giveaways that feature the Contractor's products and stimulate sales. The City must approve any advertising in any vending area. The City reserves the right to reject any advertising that interfere with its operations.

7. MARKETING AND PROMOTIONAL EVENTS

The City recognizes the importance of timely and effective marketing and promotional opportunities in increasing product sales. This marketing shall be targeted at the facility demographic groups to support sales of beverages at each facility through all distribution channels (e.g. vending, retail). The City will cooperate with the Contractor to develop effective marketing initiatives and strategies with respect to the various marketing opportunities. The City must approve all such marketing initiatives and strategies in advance of their implementation. All marketing initiatives shall be at the Contractor's expense.

The Contractor will have various opportunities for marketing their brand. Contractors shall breakdown in their Quotation the marketing opportunities they will seek.

The Contractor should provide financial consideration to the City's Marketing Initiatives Support related to the Surrey Eagles Hockey Club and Free Product Allotment.

7.1 First Right of Refusal for all Special Events and Promotions Advertising

The City may offer, at its sole discretion, additional marketing opportunities for special events and promotions to the Contractor which if the Contractor does not accept, this may result in a competitor placing signage or pouring cold drink beverages for the limited duration of the event.

Ice rink board and publication advertising will be offered, at the City's sole discretion, to the Contractor on a first right of refusal basis and no other cold drink beverage competitor would be offered these opportunities.

The City may offer, at its sole discretion, advertising components to the Contractor each Year of the Term as mutually agreed by the parties. The Contractor will provide all artwork at no charge to the City and be responsible for providing advertising signage, copy, and artwork for any brochures and newsletters that may be agreed to.

7.2 Signage

Promptly upon commencement of the Agreement, the Contractor shall at its own cost and expense, create, supply and erect at each City Facility, City approved signage that promotes healthy food options and/or City services offered in each City Facility where the Equipment and/or products installed or offered for sale. Specifically, the Contractor shall provide signage that:

- (a) Illuminates and promotes healthy products;
- (b) Promotes and encourages healthy product selection;
- (c) Cosmetically enhances (e.g. wraps) Equipment to promote services provided at each City Facility and/or healthy products;
- (d) Wraps (covers) all Equipment surfaces;

- (e) Frame in banked Equipment and promote healthy products, healthy product selection and/or services offered at the City Facility; and complies with the City's marketing standards.

The Contractor shall consult with each Facility Representative before installing any Equipment signage. All signage used must be of professional quality and promote healthy beverages.

8. GRAPHICS

The Contractor shall supply, install and maintain at its sole expense all location specific standard/custom colour machine and vendor bank header graphics, including proprietary styling and customer information and identification. All graphics must receive content and design approval by the City prior to installation. Exterior merchandiser panels on each Equipment shall only feature product graphics as approved by the City. The Contractor should provide recommendations on ways to increase the visual appeal of merchandiser panels.

If the use of the Contractor's vending Equipment are used as a medium for advertising, the City shall have the right to prohibit and request removal of any advertising material which in its sole discretion is contrary to public order or high moral standards. The Contractor covenants to display advertising, which complies with the Canadian Code of Advertising Standards, and that, the type of advertising is of high moral standard as determined by the City. Vending Equipment advertising panels shall not be used for political, alcohol or tobacco advertising of any nature.

Advertising the City deems to be in violation of any part of this section shall be removed immediately by the Contractor upon notification by the City. Failure to do so within twenty-four (24) hours of notification will entitle the City to remove the offending material. The Contractor will reimburse all costs associated with this removal to the City.

9. EXCLUSION AND COMMENTS

From time to time, City Facilities and properties are rented by outside groups for private operations, functions and/or tournaments. It is understood that neither the City nor the facility operator(s) have a direct control over the cold drink beverage products served at these events. As such, these events are to be excluded from this RFQ.

Each volunteer sports group within the City operates independently with no City input. As a result, these sports groups can not be included as part of this RFQ. However, these sports groups manage ad hoc concessions at various City locations throughout the season.

Over the Term of the Agreement, there may be activities or events, which do not come under the direct control of the City or may be under joint control between the City and another party. Where possible, the City will encourage the use of the Contractor's products; however, there may be times where this is not possible. Any such activities, and/or, events will be excluded from this RFQ.

Based on the aforementioned, the following are specifically excluded:

- Canada Day; and
- All 3rd party operated facilities as follows:
 - North Surrey Minor Football at Bear Creek Park for the operation of the concession & announcer's booth.

- South Fraser Track & Field at Bear Creek Park for the operation of the concession & announcer's booth.
- Pacific Slo-Pitch Society at Boliver Park for the operation & maintenance of the concession, washroom and meeting room facilities.
- Cloverdale Minor Softball Association at Cloverdale Athletic Park for the operation of the fieldhouse - east (including concession & storage areas) & washroom facilities.
- Cloverdale Community Football Association at Cloverdale Athletic Park for the operation of the fieldhouse - west (including concession & storage areas), announcers booth & practice lights.
- Surrey Tournament Convenors at Cloverdale Athletic Park for the operation of the concession facilities at the fieldhouse – east.
- Surrey United Soccer at Cloverdale Athletic Park for the operation of the storage container.
- Cloverdale Minor Baseball at the Cloverdale Ball Park for the operation of the fieldhouse (including concession & storage areas), washroom facilities & meeting room.
- Fleetwood Softball Association at Fleetwood Park for the operation of the fieldhouse (including concession & storage areas), washrooms & announcer's tower.

In addition, the City reserves the right, depending on its requirements, availability and/or special needs, to utilize alternative contractors to meet its operational needs at any time during the Term.

The City currently has a snack-vending RFQ that is separate from this beverage RFQ that covers the vending of coffee, milk, etc. at various City Facilities. The snack contractor and beverage Contractor may negotiate to supply certain brands or packaging of brands to the City with the prior written consent of the Department Representative.

Events sponsored by unrelated City organizations, held at various City Facilities which may solicit donations or sponsorship from beverage providers, which may or may not be the City's beverage Contractor. If these types of events occur, the sponsor may put up temporary signage and dispense its products appropriate for the event.

10. CITY RESPONSIBILITIES

10.1 The City will:

- (a) allow the Contractor to have full access to the City Facilities for the purpose of servicing, maintaining, repairing, removing or replacing the advertising improvements at any mutually convenient time by arranging access through the City Representative or designate;
- (b) notify the Contractor in writing of any damage to the advertising improvements of which the City becomes aware. The obligation of the City to report known damage to the Contractor does not limit the repair and replacement obligations of the Contractor;
- (c) not permit anyone other than the authorized agent of the Contractor to remove, tamper with, or in any way interfere with the advertising improvements, except for pre-authorized maintenance arrangements with the City;

- (d) reserve the right to close any or all of the facilities and the Contractor acknowledges that the City makes no representation concerning the future operation of any or all of the facilities. Upon the closure by the City of any of the facilities, the City may, upon availability of City owned facilities, offer to the Contractor a replacement site for each of the closed facilities, which for the purposes of the Agreement shall upon acceptance by the Contractor of the replacement site, replace the closed facilities. A closure by the City of any facilities shall not be deemed to operate as a breach of the Agreement by the Contractor or by the City;
- (e) allow the Contractor to place one small plaque, subject to the approval of the City Representative in each of the facilities at no cost to the City for the purpose of acknowledging the advertising services; and
- (f) agree that all advertisements and related materials are the property of the Contractor and/or the advertisers they represent and may be removed by the Contractor at the expiration or termination of the Agreement.

10.2 City Information

The City will, in co-operation with the Contractor, make efforts to make available to the Contractor information, surveys, and reports which the City has in its files and records that relate to the Goods and Services. The Contractor will review any such material upon which the Contractor intends to rely and take reasonable steps to determine if that information is complete or accurate. The Contractor will assume all risks that the information is complete and accurate and the Contractor will advise the City in writing if in the Contractor's judgment the information is deficient or unreliable and undertake such new surveys and investigations as are necessary.

10.3 City Decisions

The City will in a timely manner make all decisions required under this Agreement, examine documents submitted by the Contractor and respond to all requests for approval made by the Contractor pursuant to this Agreement.

10.4 Notice of Defect

If the City observes or otherwise becomes aware of any fault or defect in the delivery of Goods or the provision of Services, it may notify the Contractor, but nothing in this Agreement will be interpreted as giving the City the obligation to inspect or review the Contractor's performance with regards to delivering Goods or the performance of the Services.

11. POLICE INFORMATION CHECK/VULNERABLE SECTOR CHECK

The City is committed to providing a safe environment for children and youth. The Contractor, Contractors staff and Contractors volunteers are to undergo a Police Information Check/Vulnerable Sector Check. Any associated costs will be the responsibility of the Contractor.

The Contractor will be responsible to ensure that all sub-trades have the same contractual obligations including criminal record compliance for their employees. The Contractor must keep copies of the Police Information Check/Vulnerable Sector Check and be prepared to provide access to the records if requested by the City.

The Contractor shall have a corporate policy in place for the Police Information Check/Vulnerable Sector Check. The City reserves the right to audit the process.

[END OF PAGE]

ATTACHMENT 1 – PRIME CONTRACTOR DESIGNATION – LETTER OF UNDERSTANDING

As per the requirements of the *Workers' Compensation Act*, R.S.B.C. 2019, Chapter 1, Part 2, Division 4, Section 24 and 25 which states:

Coordination of multiple-employer workplaces

24 *In this section:*

"multiple-employer workplace" means a workplace where workers of 2 or more employers are working at the same time:

"prime contractor" means, in relation to a multiple-employer workplace,

- (1) The prime contractor of a multiple-employer workplace must
 - (a) ensure that the activities of employers, workers and other persons at the workplace relating to occupational health and safety are coordinated, and
 - (b) do everything that is reasonably practicable to establish and maintain a system or process that will ensure compliance with this Part and the regulation in respect to the workplace.
- (2) Each employer of workers at a multiple-employer workplace must give to the prime contractor the name of the person the employer has designated to supervise the employer's workers at that workplace.

By signing this Agreement, the Contractor accepts all responsibilities of a prime contractor as outlined in the *Workers' Compensation Act*, and WorkSafeBC OH&S Regulation.

As a Contractor signing this Prime Contractor Designation form with the City of Surrey (the "owner"), you are agreeing that your company, management staff, supervisory staff and workers will comply with the *Workers' Compensation Board (WCB) Occupational Health and Safety Regulation* and the *Workers' Compensation (WC) Act*.

Any WorkSafeBC OH&S violation by the prime contractor may be considered a breach of contract resulting in possible termination or suspension of the agreement and/or any other actions deemed appropriate at the discretion of the City.

Any penalties, sanctions or additional costs levied against the City, as a result of the actions of the prime contractor are the responsibility of the prime contractor.

The Contractor acknowledges having read and understood the information above.

By signing this Prime Contractor Designation form, the Contractor agrees as a representative of the firm noted below, to accept all responsibilities of the prime contractor for this project.

The Contractor understands and accepts the responsibilities of the prime contractor designation in accordance with the *Workers' Compensation Act* while contracted by the City of Surrey for project and will abide by all *Workers' Compensation Board Regulation* requirements.

Project File No.: 1220-040-2021-046

Project Title and Site Location: Beverage Vending, Fountain Beverage and Over-the-Counter Beverage for Various City Facilities

Prime Contractor Name: _____

Prime Contractor Address: _____

Business Telephone/Business Fax Numbers: Phone: _____ Fax: _____

Name of Person in Charge of Project: _____

Name of Person Responsible for Coordinating Health & Safety Activities: _____

Phone: _____

Prime Contractor Signature: _____ Date: _____

Please return a signed copy of this memo to the City of Surrey, Finance Department, Procurement Services Section, 13450 – 104 Avenue, Surrey, British Columbia, V3T 1V8

If you have any questions, please contact the City of Surrey, Manager Occupational Health & Safety at 604-591-4658.

ATTACHMENT 2 – CONTRACTOR HEALTH & SAFETY EXPECTATIONS – RESPONSIBILITY OF CONTRACTORS

The City of Surrey strives to maintain a safe work environment for employees and contractors and insists upon the enforcement of safe practices and procedures in all premises and in all work activities. It is essential that all contractors and their employees and sub-contractor(s) perform in the same manner. It is every employers and contractors responsibility to ensure that staff and public are protected from workplace hazards.

As a contractor to the City of Surrey, you are expected to conform to the requirements of the Workers' Compensation Act, the WCB Occupational Health and Safety Regulation and to all federal, provincial and local laws and regulations. The City of Surrey Building Owner, Project Manager, and the Manager, Occupational Health & Safety or designate have the authority to order an unsafe act to cease or to have an unsafe piece of equipment removed from the premises or, in extreme situations, to shut down a job entirely. Any City of Surrey Employee that observes a safety infraction by a contractor performing work for the City of Surrey should bring it to the attention of a manager immediately or Occupational Health & Safety (604-591-4131).

The following information is provided as typical City of Surrey requirements, but does not relieve the contractor from complying with all applicable local, provincial and federal laws, regulations and bylaws.

PERSONNEL

1. You are expected to inform your employees of any potential hazard in the workplace and advise of appropriate action to be taken should a hazard be found or a fire or accident occur.
2. Contractors will restrict persons invited on the premises to employees only. No families or friends are permitted.
3. The contractor will advise the City of any on-site accidents involving the contractor's employees, or injuries to others caused by the contractor's business.

SAFETY MANAGEMENT SYSTEM

1. Contractors will ensure their employees utilize proper safety equipment and clothing as required for job site activities.
2. Contractors must follow and have on site proper written safe work procedures for hazardous work, e.g. Fall protection, confined space entry, hotwork, lockout, excavations and shoring, traffic management, etc.
3. Contractor must Identify workplace risk and implement suitable controls.
4. Contractor must provide safety training and education to staff and have training records available for review.
5. Contractor must have a health & safety program for its workers and sub-contractors
6. Contractor will provide appropriate First-Aid coverage for their workers and subcontractors.
7. Contractor must forward a weekly work task list prior to work commencement.
8. The qualified safety coordinator must participate in the City of Surrey OHS Orientation or attend the Prime Contractor's Orientation.

WORK AREAS –City Facilities

No work by contractors shall occur in any area without prior consent of the City of Surrey Manager, Civic Facilities or his designated representative. Work during normal business hours of the City shall not create undue noise, smells or otherwise unduly disturb the work of City of Surrey staff or the public. If an activity requires that a disturbance is likely, the contractor shall whenever possible only do that work outside normal business hours.

All activities that create a hazard (i.e. work from a ladder, removal of a floor tile, emission of VOC's, etc.) to persons outside the contractor's supervision shall have warning devices, delineation or barriers, sealed spaces, etc. as would normally be required to protect any person from that hazard.

SAFETY ATTITUDE

Your safety record and attitude are important criteria used to judge your qualification for future bidding on solicitations with the City of Surrey.

You can help ensure employee safety and your eligibility for future business with the City if you exhibit and practice a "Safe Work - Safe City" attitude.

The City of Surrey is concerned about the health, safety and wellbeing of all employees and contractors. It is essential we maintain a healthy, safe and productive work environment.

All Employees & Contractors:

It is everyone responsibility to:

- ❖ know and comply with WCB regulations and
- ❖ follow established safe work procedures
- ❖ immediately report any work related injury to his/her supervisor; and to the city representative
- ❖ not remain on the work site while his/her ability to work is in any way impaired
- ❖ report unsafe acts and conditions to their supervisor
- ❖ correct unsafe conditions immediately whenever it is possible to do so
- ❖ take reasonable care to protect your health & safety and the health and safety of other persons who may be affected by your act's or omissions at work



An employee must refuse to work if continuing to do so would endanger the health and safety of the employee, fellow employees or others. The worker must immediately report the circumstances of the unsafe condition to his or her supervisor or manager. If the unsafe condition is not remedied or the issue is not resolved the Manager, Occupational Health & Safety must be contacted.

A common sense approach usually resolves the issue.

GENERAL RULES

1. For all secured worksites, contracted workers are required to sign in and sign out each day
2. (Access cards may be issued – a worker may need to provide an Identification document (i.e. Driver's License) in exchange).
3. Personal protective equipment, as determined by the City, through consultation with the Contractors Health and Safety Representatives must be worn when and where required. (Hard Hats, Safety Footwear, Safety Vests and Safety Glasses must be worn on active construction sites. Hearing Protection must be worn when noise levels are above 85dBA.)
4. Horseplay, gambling and the use of alcohol or narcotics will not be tolerated.
5. No Smoking within 7.5M of a City owned buildings door exits, windows and vents.
6. Report **ALL** injuries to your supervisor immediately and notify the City's site representative.
7. Report any unsafe conditions, including someone under the influence or hazards, which may allow an injury to occur to you, a fellow worker, or others on the worksite.
8. Report any property damage, regardless of how minor.
9. Restricted and controlled products will be labeled, used and stored in accordance with the associated regulations, e.g. WHMIS. Follow all procedural instructions when using or handling hazardous materials/controlled products and ensure that all containers of hazardous/controlled product materials are properly labelled and stored in designated areas.
10. Obey all posted signs and notices. Do not venture into areas that you are not authorized to enter.
11. Always use the correct posture when lifting and get assistance if the weight is excessive.
12. Do not work within the limits of approach to high voltage equipment.
13. If working at heights greater than 10 feet a Fall Protection system must be in place. The appropriate Fall Protection equipment must be worn at all times.
14. **Housekeeping** (Orderliness and good housekeeping are basic requirements and must be maintained at all times):
 - a) Aisles are to be kept clear at all times.
 - b) Individual work areas are to be kept clean and tidy.
 - c) All materials, tools, products and equipment are to be kept in their designated areas.
 - d) Liquid spills are to be cleaned up immediately to prevent slips and falls.
 - e) Accumulation of oily rags, combustible refuse or similar fire hazards will not be tolerated.
15. **Fire Prevention:**
 - a) Become familiar with Surroundings and emergency exit.
 - b) Ensure aisles and exits are not blocked at any time.
 - c) Anytime a fire extinguisher is used, report it immediately to your supervisor, so that it can be recharged.

16. Equipment Operation (Any equipment, which could create a hazard, must be maintained in good condition):

- a) Equipment must not be repaired, adjusted or operated unless by a "competent person" who understand the safe operating procedures.
- b) Always be aware of the use and location of the "EMERGENCY STOP" button, if equipment is so equipped, before using the equipment.
- c) Loose clothing, jewelry and long hair must be secured to prevent becoming entangled with equipment.
- d) The Operator must check all safety devices on equipment before operation.
- e) All equipment must be turned off and the appropriate "lock-out" procedure followed, prior to repairs, cleaning, adjustment or lubrication.
- f) Radio/Walkman/I-pod Head phones are not allowed to be worn during regular work operations.
- g) All ladders must be of an approved type and length. Unacceptable ladders must be removed immediately from the premises.
- h) All vehicles and equipment on City property must be kept in safe mechanical condition at all times, and be operated only by persons with a valid driver's license and/or proper training and qualifications.
- i) Contractors will not operate any equipment, valves, switches, etc., which are part of the City's operation, unless specific permission is received from the Department Representative.

17. Ground Disturbance –Every time you dig in the ground, with a shovel or mechanized equipment, you run the risk of loss of life or damage to property if you hit any of the many buried cables, conduits, gas or oil pipelines and/or other underground facilities that serve our city, **BC One Call Must be called and a ticket obtained prior to commencing any ground disturbance activities.**

Issued By:	Occupational Health & Safety Section - Contractor Coordination Program
Date:	Revised: January 14, 2015 Original: August 15, 2014
Distributed:	Via Email & Posted on Intranet: January 16, 2015 :<u>August 15, 2014</u>

This document does not replace the Workers' Compensation Act or WorkSafeBC OH&S regulation. Each individual Contractor must have specific health and safety safe work rules and procedures that apply to their work tasks. Each Contractor must comply with the Workers' Compensation Act and WorkSafeBC Occupational Health & Safety Regulation and to all federal, provincial and local laws and regulations. If a contractor is unable to comply they must bring this to the attention of their qualified safety representative and to the Prime Contractor safety representative immediately.

Authorized Signature: _____

Name: _____
(Please Print)

Date: _____



SCHEDULE B - QUOTATION

RFQ Title: BEVERAGE VENDING, FOUNTAIN BEVERAGE, AND OVER-THE-COUNTER BEVERAGES FOR VARIOUS CITY FACILITIES

RFQ No: 1220-040-2021-046

CONTRACTOR

Legal Name: _____

Contact Person and Title: _____

Business Address: _____

Business Telephone: _____

Business Fax: _____

Business E-Mail Address: _____

CITY OF SURREY

City Representative: Sunny Kaila, Acting Manager, Procurement Services

E-mail for PDF Files: purchasing@surrey.ca

1. If this Quotation is accepted by the City, a contract will be created as described in:
 - (a) the Agreement;
 - (b) the RFQ; and
 - (c) other terms, if any, that are agreed to by the parties in writing.

2. Capitalized terms used and not defined in this Quotation will have the meanings given to them in the RFQ. Except as specifically modified by this Quotation, all terms, conditions, representations, warranties and covenants as set out in the RFQ will remain in full force and effect.

3. I/We have reviewed the RFQ Attachment 1 – Agreement – Goods and Services. If requested by the City, I/we would be prepared to enter into that Agreement, amended by the following departures (list, if any):

Section	Requested Departure(s)
_____	_____
_____	_____

Please State Reason for the Departure(s):

4. The City requires that the successful Contractor have the following in place **before providing the Goods and Services:**

- (a) Workers' Compensation Board coverage in good standing and further, if an "Owner Operator" is involved, personal operator protection (P.O.P.) will be provided,
Workers' Compensation Registration Number _____;
- (b) Prime Contractor qualified coordinator is Name: _____
and Contact Number: _____;
- (c) Insurance coverage for the amounts required in the proposed Agreement as a minimum, naming the City as additional insured and generally in compliance with the City's sample insurance certificate form available on the City's Website [Standard Certificate of Insurance](#);
- (d) City of Surrey or Intermunicipal Business License: Number _____;
- (e) If the Contractor's Goods and Services are subject to GST, the Contractor's GST Number is _____; and
- (f) If the Contractor is a company, the company name indicated above is registered with the Registrar of Companies in the Province of British Columbia, Canada, Incorporation Number _____.

As of the date of this Quotation, we advise that we have the ability to meet all of the above requirements **except as follows** (list, if any):

Requested Departure(s):

Please State Reason for the Departure(s):

5. The Contractor acknowledges that the departures it has requested in Sections 3 and 4 of this Quotation will not form part of the Agreement unless and until the City agrees to them in writing by initialing or otherwise specifically consenting in writing to be bound by any of them.

SECTION B-1

Changes and Additions to Specifications:

6. In addition to the warranties provided in the Agreement, this Quotation includes the following warranties:

7. I/We have reviewed the RFQ Attachment 1, Schedule A – Specifications of Goods and Scope of Services. If requested by the City, I/we would be prepared to meet those requirements, amended by the following departures and additions (list, if any):

Requested Departure(s)

Please State Reason for the Departure(s):

SECTION B-2

Fees and Payments

8. The Contractor offers to supply to the City of Surrey the Goods and Services for the prices plus applicable taxes as follows:

CITY ANNUAL REVENUE SHARE:

- (a) Percentage of Gross Revenue is _____%. (Refer to Section 1.1 (u) of the Agreement); and
(b) Guarantee Minimum Annual Revenue is:

Fiscal Year	CDN \$:
1	The sum of \$ _____
2	The sum of \$ _____
3	The sum of \$ _____
4	The sum of \$ _____
5	The sum of \$ _____

(Refer to Section 8.1 (a) of the Agreement)

9. **Rebate Program**

- (a) Cold Drink Beverage is \$_____. (Refer to Section 8.3.1 (a) of the Agreement); and
- (b) Over the Counter Rebate is \$_____. (Refer to Section 8.3.1 (b) of the Agreement).

10. **Marketing and Promotional Support**

Description	Offer Amount
Surrey Eagles Hockey:	
<u>Annual Sponsorship</u>	\$
<u>Annual Free Cold Drink Beverages</u>	<u>State Product Offering</u>
Illuminated Signage	\$
Player Bench Signage	\$
Mascot Sponsorship	\$
Surrey Eagles Game Day Program	\$
Rink Board Advertising High Profile rink board advertising program at existing and future City Arena facilities	\$

11. **Product Pricing List (Non-Vending/Fountain Beverages and Bottled and Canned Beverages for Resale)**

Contractor will charge the City prices for each product line at the national account prices set out below plus applicable taxes and deposits. All national account prices (excluding sales taxes and deposits) are and will remain fixed for the City for a minimum of three (3) years.

Fountain Beverages		
Product Category	Standard Package Size	Price Per Standard Package Qty
20L boxes of post mix syrups		\$
20L tanks of pre-mix syrups		\$
20L orange juice concentrate		\$

Canned and Bottled Beverages		
Product Category	Standard Package Size	Price Per Standard Package Qty
341ml Juice/Alt		\$
355ml Canned Soft Drinks		\$
473ml Juice		\$
473ml Alt. Beverage		\$
500ml Water		\$
591ml Isotonic Beverage		\$
600ml Soft Drinks		\$

Juices		
Product Category	Standard Package Size	Price Per Standard Package Qty
600ml Soft Drinks		\$

New Age Beverages		
Product Category	Standard Package Size	Price Per Standard Package Qty
Fruit Tea – 600ml		\$
Iced Tea – 591ml		\$
Fruit Tea – 591 ml		\$

Isotonics		
Product Category	Standard Package Size	Price Per Standard Package Qty
Powerade / Gatorade, etc. various flavors		\$

CO₂ - 20 lb. tanks and Paper Cups/Lids		
Product Category	Standard Package Size	Price Per Standard Package Qty
CO ₂ - 20 lb. tanks		\$
12 oz. Cups		
16 oz. Cups		\$
18 oz. Cups		
24 oz. Cups		\$
12 oz Lids		
16 oz Lids		
18 oz Lids		
24 oz Lids		

Note: Contractor to include additional product offerings and pricing that are not listed above.

12. Additional Expenses

The proposed Agreement attached as Attachment 1 to the RFQ provides that expenses are to be included within the fee, other than the expenses listed in the Agreement as disbursements. Details of disbursements are to be shown in the chart above. Please indicate any expenses that would be payable in addition to the proposed fee and proposed disbursements set out above:

13. Payment Terms

A cash discount of _____ % will be allowed if account is paid within _____ days, or the _____ day of the month following, or net 30 days, on a best effort basis.

SECTION B-3

Time Schedule:

14. Contractors should provide an estimated schedule, with major item descriptions and times indicating a commitment to provide the Goods and perform the Services within the time specified (use the spaces provided and/or attach additional pages, if necessary).

MILESTONE DATES _____

ACTIVITY	SCHEDULE									
	1	2	3	4	5	6	7	8	9	10

SECTION B-4

Experience, Reputation and Resources:

15. Contractor's relevant experience and qualifications in delivering Goods and Services similar to those required by the Agreement (use the spaces provided and/or attach additional pages, if necessary):

16. Contractor's references (name, email and telephone number) (use the spaces provided and/or attach additional pages, if necessary). The City's preference is to have a minimum of three references. Previous clients of the Contractor may be contacted at the City's discretion.

17. Contractors should identify and provide the background and experience of all key personnel proposed to provide the Goods and Services (use the spaces provided and/or attach additional pages, if necessary):

Key Personnel

Name: _____

Experience: _____

Dates: _____

Project Name: _____

Responsibility: _____

18. Contractors should identify and provide the background and experience of all sub-contractors and material suppliers proposed to undertake a portion of the Goods and Services (use the spaces provided and/or attach additional pages, if necessary):

<i>Description of Goods & Services</i>	<i>Sub-Contractors & Material Suppliers Names</i>	<i>Years of Working with Contractor</i>	<i>Telephone Number and Email</i>

19. The Contractor should provide information on Contractor's demonstrated ability to provide the Services (use the spaces provided and/or attach additional pages, if necessary):

20. The Contractor should provide information on the Contractor's Equipment, Equipment servicing resources, capability and capacity, as relevant (use the spaces provided and/or attach additional pages, if necessary):

SECTION B-5

Vending and Non-Vending Beverage Services

21. As part of the response to this Quotation, each Contractor should provide information on the following:

(a) **Business Plan:**

- (i) Provide a description of your proposed business plan;
- (ii) Address how Goods and Services could be provided after City's normal business hours.

(b) **Equipment Listing and Requirements:**

- (i) Provide a list of vending Equipment that you are proposing. Should include the following information:
 - (a) Number and type of Equipment; and
 - (b) Specification of each type of Equipment, including dimensions (include pictures or illustrations).
- (ii) Provide general information for each model the proposed beverage vending, fountain beverage and concession equipment, including brochures indicating:
 - (a) Power supply requirements;
 - (b) Plumbing requirements, if any;
 - (c) Overall dimensions; and
 - (d) Capacity of equipment.

(c) **Products, Including Healthy Options:**

- (i) Provide a sample basket of products to be vended that also includes compliance with healthy choice guidelines. Should include the following information:
 - (a) Product category/description;
 - (b) Product size; and
 - (c) Retail price.
- (ii) Describe your proposed method of analyzing sales and product load/movement per machine and summary report generation include a plan for communication, and performance review; and
- (iii) Describe your marketing and promotion strategies for healthy food and for increasing sales;

(d) **Implementation/Transition Plan:**

- (i) Provide a description of your proposed implementation/transition plan. Provide a detailed start-up including proposed time frames and resources. The start-up plan must ensure smooth transition with minimal disruption to City's operations;
- (ii) Provide a comprehensive operational plan that illustrates how the Proponent intends to ensure the success of an agreement. Proponent shall include, procedures and plans for daily operational issues such as equipment servicing, re-stocking, maintenance response time, refund policy and other related issues;

(iii) Proposal should also include proposed procedures and reports to be used in monitoring the performance of the vending Equipment operation on an ongoing basis. Address the following topics, but Proponents are free to suggest additional measures:

- (a) Recording, verifying and reporting revenue;
- (b) Sales activity and projections; and
- (c) Marketing/promoting activity.

(iv) Describe how you would coordinate the removal of existing vending Equipment with the incumbent provider and installation of your proposed new vending Equipment;

(e) **Customer Service**

- (i) Provide a narrative of your customer service philosophy and how this would complement the City's objective with respect to service and performance;
- (ii) Describe how you will address/respond to customer requests and complaints. How is customer feedback is monitored; and
- (iii) On-call service: Describe how you are going to provide on-call services as described in the RFQ.

(f) **Service Requirements:**

- (i) Describe how you will provide Full Service of vending Equipment as described in Schedule A;
- (ii) Describe the install process of Equipment and what is required; include information on what the City's responsibilities may be;
- (iii) Describe your maintenance plan as it relates to the proposed Equipment. Should include your service response guarantee for machine breakdown; and
- (iv) Provide details of your proposed quality assurance program regarding equipment performance and overall condition. Include a sample audit report; and

22. I/We the undersigned duly authorized representatives of the Contractor, having received and carefully reviewed the RFQ and the Agreement, submit this Quotation in response to the RFQ.

This Quotation is offered by the Contractor this _____ day of _____, 2021.

CONTRACTOR

I/We have the authority to bind the Contractor.

(Legal Name of Contractor)

(Signature of Authorized Signatory)

(Print Name and Position of Authorized Signatory)

(Signature of Authorized Signatory)

(Print Name and Position of Authorized Signatory)