

Infrastructure & Operations

REQUEST FOR PROPOSALS

Compostable Organic Material Processing
RFP50144

Release date: November 21, 2016

Proposals will be received up to
3:00:00 pm local time on Thursday, December 8, 2016

Contact: Michael Hatfield
Procurement Officer
Municipality of East Hants
Telephone: (902) 883-7098, Ext 232
Email: mhatfield@easthants.ca



EAST HANTS
We live it!

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1. INSTRUCTIONS TO PROPONENTS

1.1. Introduction

- 1.1.1. The Municipality of East Hants (East Hants) requires the services of a qualified firm to process Source Separated Compostable Organic Material into compost. To this end, East Hants is seeking competitive proposals from the marketplace to identify a company to provide these Services.

1.2. Definitions

- 1.2.1. **Proponent:** An individual or company who submits a proposal.
- 1.2.2. **Successful Proponent:** the proponent whose proposal is selected for award.
- 1.2.3. **Independent Contractor:** a Proponent, successful or otherwise, is considered to be an Independent Contractor, not an employee of East Hants.

1.3. Proposal Deadline

- 1.3.1. Proposals will be received up to **3:00:00 pm** local Nova Scotia time on December 8, 2016 at the address listed below:

Civic: Municipality of East Hants
Lloyd E. Matheson Centre
15 Commerce Court
Elmsdale, NS B2S 3K5

Mail: Municipality of East Hants
230-15 Commerce Court
Elmsdale, NS B2S 3K5

Attention: Michael Hatfield, RFP50144

- 1.3.2. Proposals must be received at the Reception & Payments counter on the first floor of the Lloyd E. Matheson Centre and must have the time and date indicated on it by East Hants staff to confirm receipt prior to the stated Proposal Deadline. Please allow sufficient time to be served by staff.

1.4. Proposal Submission

- 1.4.1. Proponents shall submit their proposal as four physical copies and one electronic copy in Portable Document Format (PDF), submitted on either a disk or USB key.
- 1.4.2. The Proponent must ensure that all copies they submit, including electronic copies, are identical in terms of content. East Hants will not accept any responsibility for omissions or errors in a Proponent's proposal or copy thereof and may reject any proposal where East Hants determines, in their sole opinion, such differences are material to understanding the proposal.
- 1.4.3. The proposal shall be sealed in an envelope and shall be labeled:

"RFP50144 - Compostable Organic Material Processing"
- 1.4.4. When sending by courier or other means where the label may be obscured, the Contractor must ensure the Competition Number is visible on the outer packaging.



1.5. Inquiries

- 1.5.1. All questions or requests for additional information or clarifications regarding this Request for Proposals shall be in writing, by email only, to the attention of:

Michael Hatfield
Procurement Officer
Municipality of East Hants
Email: mhatfield@easthants.ca

- 1.5.2. East Hants will provide clarifications and additional information, if required, by way of Addenda.
- 1.5.3. Inquires will be accepted up until **November 29, 2016 at 3:00:00 pm local Nova Scotia time.**
- 1.5.4. Proponents are solely responsible to ensure that any such inquiries are received by East Hants as described above. East Hants will not be responsible if a Proponent acts based on information received in any other way than an approved Addendum or communication, in writing, from the representative named in this section.

1.6. Proposal Acceptance (Privilege Clause)

- 1.6.1. East Hants reserves the right to accept or reject any or all proposals.
- 1.6.2. All proposals become the property of East Hants once submitted.
- 1.6.3. Late proposals will be rejected and will be returned unopened. Faxed proposals will not be accepted. Emailed proposals will not be accepted. Incomplete proposals may be rejected.
- 1.6.4. Any proposal that does not include all of the information required in this RFP will be considered incomplete and may be rejected. For greater clarity, this may include, without limitation, recommendation letters, references, insurance submissions, financial information requirements, or any information on which East Hants has stated it may evaluate the proposal.
- 1.6.5. This document and Request for Proposal process does not constitute a call for tenders.
- 1.6.6. Proponents undertake any expenditure related to the submission of a proposal at their own risk.
- 1.6.7. This Request for Proposals neither expresses nor implies any obligation on the part of East Hants to enter into a contract with any party submitting a response or responses.
- 1.6.8. East Hants may include evaluation criteria within this Request for Proposal document to be used as a guideline for Proponents (see Proposal Evaluation Criteria). East Hants reserves the right to deviate from the evaluation criteria where it is in the best interests of the Municipality. Without limiting the generality of the foregoing, decisions to deviate from the evaluation criteria may be made based on budgetary and/or service delivery considerations having regard to all of the Proposals received and the needs of East Hants.
- 1.6.9. East Hants reserves the right to accept or reject all or any Proposals, and to not accept the lowest Proposal. East Hants may accept any Proposal or any portion of any Proposal that may be considered to be in the best interests of East Hants.



- 1.6.10. East Hants reserves the right to waive formality, informality or technicality in any Proposal. This includes the right to accept a Proposal that is not strictly compliant with the instructions in the Request for Proposals document.
- 1.6.11. East Hants reserves the right to amend this Request for Proposal document at any time before the Request for Proposal's closing date and will issue an addendum in the event of a change.
- 1.6.12. East Hants reserves the right to negotiate, after the Request for Proposal's Proposal Deadline, with any Proponent for services and to finalize service arrangements in the best interests of East Hants.
- 1.6.13. In applying this privilege clause, East Hants shall not be bound by trade or custom in dealing with and/or evaluating the responses to the Request for Proposals.
- 1.6.14. East Hants reserves the right to interpret any and all aspects of this Request for Proposals as may be most favourable to East Hants.
- 1.6.15. In submitting a Proposal, the Proponent has accepted the reservation of rights (privilege clause) as set out herein and agrees to be bound by same.
- 1.6.16. Should a Proponent find any discrepancies, errors, or omissions in this RFP, or if a Proponent is unsure as to the meaning of anything in this RFP, they are to advise East Hants in writing; East Hants may, in its sole discretion, respond to such written inquiry, to all Proponents, in an addendum.
- 1.6.17. The Proponent is responsible for all costs associated with preparing and submitting this Proposal. This includes, without limitation, any and all costs, fees, expenses (travel, accommodations or meals) or other incidentals related to preparing, printing, binding, transporting, presenting, defending, or clarifying the Proposal.
- 1.6.18. It is the responsibility of the Proponent to be sure they understand the requirements prior to submitting a Proposal and before the deadline for questions has passed.
- 1.6.19. East Hants may cancel the RFP process at any time, for any reason, in its sole discretion. In the event that an RFP process is cancelled, East Hants will not be obligated to pay any costs, damages, or claims of any type to any Proponent or potential Vendor or Proponent.
- 1.6.20. In providing a Proposal, the Proponent warrants that their Proposal is in all respects fair and is provided without collusion or fraud. No representative of the company from which a Proposal is to be provided may extend entertainment, gifts, gratuities, discounts, or special services, regardless of value, to any employee of East Hants. Proponents must also advise East Hants, in writing, of any potential conflict of interest that may affect, or appear to affect, the RFP process, including the influence of award.
- 1.6.21. Proponents shall indemnify and save harmless East Hants, its officers and its employees from and against all claims, demands, losses, damages and costs of any kind based upon injury or death of a person or damage to or loss of property arising from any willful or negligent act, omission or delay on the part of the Proponent or their servants in the preparation of their Proposal and/or in the course of delivering Services.
- 1.6.22. Proponents are advised no commitment to purchase Goods or Services shall exist until the successful Proponent is advised by East Hants, in writing, of an award. If an award is made, the method of procurement may be, at East Hants's discretion, Procurement Card, Purchase Order, or other method of contract East Hants may identify.



- 1.6.23. This process and the procurement of Goods and Services, if any, resulting from this RFP process will be subject to the [*Atlantic Provinces Terms and Conditions, Goods and Services*](#) and the terms and conditions noted herein. Where there is a conflict between the *Atlantic Provinces Terms and Conditions, Goods and Services* and this document, this document shall prevail.
- 1.6.24. East Hants does not bind itself to accept any Proposal, but may accept any Proposal, in whole or in part, or discuss with any Proponent different or additional terms to those described in this RFP or in such Proponent's Proposal. East Hants may:
- reject any or all of the Proposals;
 - accept any Proposal;
 - if only one Proposal is received, choose to accept or reject it;
 - not to accept the lowest bid price; or
 - alter the schedule, RFP process, or any other aspect of the RFP, as it may determine in its sole and absolute discretion.
- 1.6.25. Proponents are advised that East Hants is governed by Nova Scotia's *Freedom of Information and Protection of Privacy Act (FOIPOP)* and any information submitted to East Hants in response to this RFP may be subject to disclosure under *FOIPOP*. Proponents may identify any confidential information in their proposals or any accompanying documentation and are advised to consult with their own legal advisors regarding the appropriate way to identify such information. East Hants will make reasonable efforts to safeguard confidential information, subject to its disclosure requirements under *FOIPOP* or any disclosure requirements imposed by law or by order of a court or tribunal. Proponents are advised that their proposals will, as necessary, be disclosed, on a confidential basis, to advisers retained by East Hants to advise or assist with the RFP process, including the evaluation of proposals. Proponents are further advised that East Hants may make public the names of any or all proponents and intends to publish the name of the successful proponent and the total value of any contract entered into with the successful proponent. If a proponent has any questions about the collection and use of information pursuant to this RFP, questions are to be submitted to the RFP Contact.
- 1.6.26. Submitting a Proposal shall be deemed proof that the Proponent was aware of and understood the requirements, the terms and conditions, and all other provisions of the RFP. East Hants will not be liable for claims made by a Proponent that they were uninformed or unaware of the requirements, terms or conditions of this RFP.

1.7. Proposal Openings

- 1.7.1 East Hants will proceed with private openings for this RFP. Proponents will be advised of their status in the RFP once a determination of award has been made.

1.8. Proposal Validity

- 1.8.1. Proposals shall remain valid for acceptance for a period of sixty (60) days from the Proposal Deadline or such additional time as may be mutually agreed upon in writing.

1.9. Rates

- 1.9.1. The Proponent must provide two rates: the rate the Proponent will charge to accept and process each tonne of Source Separated Compostable Organic Material into compost as specified in the CCME Guidelines (Base Rate) and the rate which the Proponent will charge, in addition to the Base Rate, to process Leaf and Yard Waste supplied in plastic bags (Surcharge Rate).



- 1.9.2. The Rates provided by the Proponent must include all of the costs associated with providing the Services for which they wish to be reimbursed.
- 1.9.3. This work is being conducted with public funds and therefore may be subject to access to information requests. In order to operate in a fair and transparent manner, the name of the Successful Proponent and the approximate contract value may be made public after award. However, East Hants believes the disclosure of individual unit costs or rates may be harmful to the competitiveness of Bidders and therefore will not publish or provide unit rates related to this or any competition, nor will they release any Proposal, or part thereof, without consulting the Proponent first, unless required to in law.

1.10. Proposal Requirements

- 1.10.1. The background, nature of the required Services, and other details which the Proposal must address are described in Schedule A, Service Description. East Hants has tried to clearly describe what it wants to achieve in requesting these Services, its service expectations, and the level of support we may expect from the Successful Proponent during the term of the Service delivery.
- 1.10.2. The Proponent must clearly and concisely describe in their proposal how they propose to deliver the Services. The Proponent may include additional written information, but they must, at minimum, complete each of the questions in Appendix B.
 - 1.10.2.1. Do not leave fields blank.
 - 1.10.2.2. If additional space is required to respond to a question, please indicate a separate page is attached.
 - 1.10.2.3. If a question does not apply, indicate that it is not applicable ("N/A" or other marking is acceptable).
 - 1.10.2.4. As a condition of award, the Proponent must be compliant to the applicable regulations. East Hants may contact the regulatory inspector for the Proponent to confirm.
- 1.10.3. Our preference is for shorter submissions (25 single sided pages in 10-12 point font of the Proponent's choosing, not including appendices or exhibits), however no proponent will be rejected based solely on the total number of pages they submit.
- 1.10.4. Proponents must complete and submit with their proposal Appendix A, the Proposal Form and Appendix B, The Proposal Summary.
- 1.10.5. In addition, the Proponent must complete any table, Schedule or Appendix identified in the RFP. The Proponent may include any tables or attachments it feels will help clarify their proposals above the minimums identified in the RFP document.
- 1.10.6. Proponents must indicate whether they are the sole undertakers of the work or whether subcontractors will be used. The name of the subcontractor and the extent of the subcontractor's responsibilities must be described to East Hants' satisfaction. Use of a subcontractor does not relieve the Contractor of any responsibilities in the agreement that may result from this RFP.
- 1.10.7. East Hants may, without creating an obligation to any Proponent, request clarifications, additional information, supporting documentation not otherwise supplied, up to including a request for a meeting or presentation, for any proposal or from any Proponent, prior to award.



- 1.10.8. The Proponent is responsible for all costs associated with preparing and submitting this proposal. This includes, without limitation, any and all costs, fees, expenses (travel, accommodations or meals) or other incidentals related to preparing, printing, binding, transporting, presenting, defending, or clarifying the proposal.
- 1.10.9. It is the responsibility of the Proponent to be sure they understand the requirements prior to submitting a Proposal and before the deadline for questions has passed.
- 1.10.10. To qualify for award, a Proponent be registered with the Workers' Compensation Board of Nova Scotia (WCBNS), regardless of the size of the company or its usual status with WCBNS. The Proponent is required to provide a Clearance Letter with their Proposal, except where:
- 1.10.10.1. a Proponent is not currently registered, but intends to register as a condition to providing the Services; and
- 1.10.10.2. Where the Proponent confirms in Appendix B that they have inquired with WCBNS and have determined they will be able to obtain such coverage.
- 1.10.11. In addition to the clauses herein, the successful Bidder will also have to comply with the terms and conditions specified in Schedule A and the Independent Contractor Agreement. Failure to comply with these conditions may result in the rejection of the Proponent's proposal or the cancellation of award. East Hants may need to modify the terms and conditions depending the information contained in the Proponent's proposal with respect to their proposed operations.

1.11. Proposal Evaluation

- 1.11.1. East Hants will evaluate each proposal using the criteria specified below.

Criteria	Available Points
Proposal Document	
Compliance/Quality	/30
Capability/Process	/20
Capacity	/5
Experience	/5
Sub-Total	/60
Adjusted Cost Rating*	/40
Total	/100

- 1.11.2. The Proponent's **Total Estimated Cost** for these Services will be calculated as follows:

- 1.11.2.1. The Base Rate for each year will be multiplied by our estimated volume (1500 tonnes). The products for each year will be added together to determine the estimated **Total Base Cost** for the Term.
- 1.11.2.2. The Surcharge Rate for each year will be multiplied by our estimated volume (25 tonnes). The products for each year will be added together to determine the estimated **Total Surcharge Cost** for the Term.
- 1.11.2.3. The Total Base Cost will be added to the Total Surcharge Cost to determine the **Total Estimated Cost** for the Term.
- 1.11.3. The cost of these Services cannot be evaluated without taking into account the significant cost to transport the SSO from the WMC to the location where the Services will be provided.
- 1.11.4. In order to understand the impact of transportation on the Proponent's cost, East Hants have developed the following calculation to determine the Cost of Transportation for each Proponent.

*Distance (one way) from Proponent's location to the WMC ("DISTANCE") will be divided by distance (one way) from the current provider of the Services to the WMC (30KM). This ratio will be multiplied by the estimated transportation cost over the Term (\$36000 x 3) to determine the estimated cost to transport to the Proponent's location. The difference between the estimated transportation cost over the term currently and the estimated cost transportation based on the Proponent's location will be the **Cost of Transportation**.*

- 1.11.5. The Cost of Transportation will be added to the Proponent's Total Estimated Cost to determine a **Total Adjusted Cost**.
- 1.11.6. Example: A Proponent's Composting Facility is located 40KM from the Waste Management Centre. The Cost of Transportation will be calculated as follows:

(30KM/40KM) = 1.334

Annual transportation cost: \$36,000

Term: 3 years

***Cost of Transportation:** (1.334 x \$108,000) - \$108,000 = \$36,072*

***Total Adjusted Cost:** The Proponent's Total Estimated Cost will be increased by \$36,072.*

- 1.11.7. East Hants will assign points for the Adjusted Cost based on the following formula:

(Lowest Adjusted Cost divided by Proponent's Adjusted Cost) multiplied by the Available Points

- 1.11.8. The Proponent who has the highest number of Total Points once all scores are calculated will be considered for award.
- 1.11.9. Award is subject to approval by Council or the CAO.



Appendix A - Proposal Form

Proposal submitted by: _____

The Proponent must complete the following table to be submitted with their proposal.

Year	Base Rate	Surcharge
Year 1 (April 1, 2017 to March 31, 2018)		
Year 2 (April 1, 2018 to March 31, 2019)		
Year 3 (April 1, 2019 to March 31, 2020)		

Number of kilometers from Location to which SSO must be delivered to East Hants WMC (one way): _____
(subject to verification and correction)

All Rates shown will be in Canadian Dollars and will be exclusive of Harmonized Sales Tax (HST).

The Proponent hereby grants East Hants permission to contact the regulatory inspector for the Composting Facility in order to ask the questions specified in section 1.10..

The Proponent hereby confirms that they have carefully examined the requirements of this Request for Proposals and that they agree to provide the composting Services for the Rates specified above, inclusive of all the costs for which the Proponent may wish to be reimbursed, except HST.

Name of Firm submitting Proposal: _____

Signature of Witness

Authorized Signature

Name (Printed)

Title (Printed)

Date



Appendix B - Summary of Proposal

1. Contact information for Proponent:

Name of Primary Proponent Firm	
Address of Composting Facility (provide all, if more than one)	
Address of Location where SSO is to be delivered (if different than above)	
Remittance Address (if different than above)	
Phone Number (office)	
Fax Number	
Primary Project Contact Name	
Email Address for Primary Contact	
Cell Phone Number for Primary Contact	
Composting Facility Regulatory Inspector (Name and Phone Number)	

2. Discuss Process

Description of the Proponent's composting processes, including what equipment is used, time cycles, yields, and current inventories (completed and in process):



3. Discuss experience:

What is your experience providing composting services, in particular who the service is provided to and how long the current version of your service has been in place. If you provide services to other municipal clients, please provide the name of the municipality and the name and phone number of your contact there.

4. Discuss Compliance:

Are you currently compliant to the CCME and Provincial guidelines? This will be verified by the regulatory inspector for your CF.

Do you currently have any environmental directives from the Department of Environment? Please explain. This will be verified by the regulatory inspector for your CF.

Do you intend to become compliant with the new regulations which are expected to be in place in 2019? If so, are there any challenges you foresee?



How do you currently stay informed about the industry (regulatory review, participation in industry, etc.)?

5. Discuss Contingency/Flexibility

For this section, the Proponent must briefly describe the contingency plan that would be used in the event of a major equipment breakdown or other occurrence (major fire, flood, disaster, etc.) at the Proponent's facility. Parameters to consider: How would the received SSO be handled? For example, if the major piece of equipment used in your composting process had a major failure that took several days to repair, how/where would the compostable organics be stored and composted?

6. Discuss capability:

What kinds of organic material are accepted by your facility? Provide a complete list. At minimum, East Hants expects the successful Proponent's facility will accept soiled paper (ex: paper towel), leaf and yard waste, and kitchen and food waste. Please note: East Hants does promote clean paper to go into the recycling system and wet/dirty paper to go into the organics system.



Are there any restrictions or unacceptable materials or practices we should be aware of or that may affect the cost of the Services?

How is SSO received, weighed and recorded?

How is finished compost weighed and recorded? Do you have loading capabilities?

What types of reports can the Proponent provide to East Hants? Reports on the Soil composition for supplied compost will be required if residents request them.

What grades (and in what quantity for each) of compost does the Proponent typically produce each year? How does the Proponent dispose of completed compost (sale, reuse, give away)?



How are contaminants managed and disposed of?

Describe how the Proponent audits for contaminants in their process?

Are there other capabilities or value added services the Proponent can supply?

7. Discuss Capacity:

What is the permitted capacity in weight and volume, in accordance with the current regulations, for the Proponent's facility? What weights and volumes are the Proponent currently processing (not including East Hants' materials, if applicable)? Specify the units of measure.

Permitted Weight _____

Permitted Volume _____

Current Weight _____

Current Volume _____

8. Discuss Quality:

What level of contamination in SSO will the Proponent accept at the prices per tonne as quoted? ____%

How will the Proponent determine contamination levels?



If East Hants were to supply SSO with a higher contamination level than is accepted above, what will the Proponent do? If there is an additional charge to process materials which have a higher contamination level than is acceptable, please indicate the cost as compared to the level of contamination.

9. Insurance (attach Certificate or declare intention to obtain coverage):

10. Workers' Compensation (attach Clearance Letter or declare intention to obtain coverage):

11. Receipt of the following addenda is hereby acknowledged:

Addendum:	<hr/>	dated:	<hr/>
	<hr/>		<hr/>
	<hr/>		<hr/>
	<hr/>		<hr/>
	<hr/>		<hr/>

Please review this RFP document to confirm you have met all of the requirements for the submission, including, without limitation, the correct number of copies and the labeling requirements. Please verify that all of the schedules, sections and signatures have been completed before sealing the envelope.



Appendix C – Independent Contractor Agreement

The intent is that the final agreement will be based on the following standard form agreement and that it will incorporate the definitions and requirements specified in Schedule A. However, we recognize that the details of Proposals may require modification to certain contract terms to adequately reflect the value proposition being offered.

“THIS AGREEMENT is effective <<date>>, 2016 (“Effective Date”)

Between

THE MUNICIPALITY OF THE DISTRICT OF EAST HANTS, a body corporate pursuant to the *Municipal Government Act* (SNS 1998, c. 18), having its chief place of business at Elmsdale, in the District of East Hants, Nova Scotia, hereinafter called “East Hants”

~and~

<<LEGAL NAME>>, a body corporate under the laws of <<jurisdiction>> (the “Contractor”)

BACKGROUND

East Hants wishes to retain the Contractor to provide the following Services <<Brief Description>>, more fully explained in Schedule A, Statement of Requirements.

IN CONSIDERATION of mutual obligations and agreements specified herein, the parties agree as follows:

DEFINED TERMS

- 1 Services means the services supplied by the Contractor as specified within this agreement.
- 2 East Hants Representative means the employee of the Municipality of East Hants, or their designate, assigned by East Hants to be responsible for managing this agreement.
- 3 Schedule means the timeline, including deadlines, review dates and any other milestones or dates established by East Hants for the delivery of the Services. The Schedule may only be modified with written permission from East Hants.
- 4 Contractor and Consultant mean the same under this agreement.

CONTRACT DOCUMENTS

- 5 This Agreement consists of the following documents: (NTD: These are the documents that define the agreement. If accepting a proposal, be sure the proposal is included. If the requirements were modified by addenda, remember to include these.)
 - a. This Independent Contractor Agreement;
 - b. Schedule A, Statement of Requirements;

- c. <<insert proposals, confidentiality agreements, etc. as applicable>>; and
- d. <<insert additional documents as applicable>>.

INTENT

- 6 East Hants hereby engages the Contractor to supply the Services described herein and the Contractor agrees to provide these Services.
- 7 The Contractor warrants that it has the necessary resources to complete the Services in a competent and professional manner. Such resources shall include, without limitation, qualified, skilled, and sufficient personnel, adequate financial resources, and any other unique or general resources necessary to complete the Services.

TERM

- 8 This agreement shall commence on the Effective Date and shall end on the earlier of the following:
 - a. Full completion of the Services to the satisfaction of East Hants; or
 - b. Termination in accordance with the terms of this agreement (see TERMINATION).
- 9 Unless amended by the parties in writing or Terminated in accordance with this agreement, the this agreement will expire March 31, 2020.

REMUNERATION

- 10 East Hants shall remunerate the Contractor as follows:
 - a. The following rates will apply should East Hants wish the Contractor to provide any additional Services using such personnel as described in the table:

[Insert table from proposal showing personnel and associated rates per hours, if applicable]

- b. Such Rates, or part thereof, are only payable when the Contractor, as determined by East Hants, has satisfactorily delivered the Services or part thereof. Payment for any part of the Services shall not be deemed a waiver of East Hants' rights of set-off at law or under contract for costs or expenses arising from default or negligence of the Contractor.
- c. Invoices must be submitted monthly by the Contractor and must be supported in such detail as East Hants may request. At minimum, the Invoice will itemize each received load by date and include the tonnage, the Rate(s) applied and the extended cost.
- d. East Hants will review each invoice for completeness in a timely manner and, if acceptable, will approve such invoice for payment. Where there is a discrepancy, error, or other anomaly, East Hants may reject an invoice, request clarification or additional information, or otherwise require the invoice to be made acceptable prior to approval.
- e. Payment will be made on a net thirty (30) days basis from receipt of an acceptable invoice.



- f. No payment made by East Hants under this agreement shall constitute acceptance of work or products that are not in accordance with the requirements of the agreement.
- g. East Hants may reject an invoice on the basis that the Services are, in its sole opinion, incomplete or unsatisfactory. In the case where the Services are deemed unsatisfactory, the Contractor will be required to make changes to the Services that are acceptable to East Hants at no additional cost. If the Services cannot be made satisfactory, in the East Hants's sole opinion, East Hants may terminate the agreement.
- h. The Contractor shall not be entitled to payment in respect of costs incurred by the Contractor in remedying errors and omissions in the Services that are attributable to the Contractor, the Contractor's employees, or persons for whom the Contractor had assumed responsibility in performing the Services.
- i. In the event the agreement is terminated before the end of the Term, East Hants shall only be liable to pay, and the Contractor shall accept in full settlement, an amount for Services satisfactorily performed up to the date of termination.
- o. The Contractor shall be solely responsible to pay all costs and expenses arising out of this agreement, whether or not East Hants intends to reimburse them.
- p. The Contractor is responsible to maintain a thorough cumulative record of all fees, expenses and disbursements over the term of the agreement. The Contractor must provide East Hants with an electronic copy of such record upon request.



INDEPENDENT STATUS

- 11 The Contractor will provide the Services to East Hants as an Independent Contractor and not as an employee.

Accordingly:

- a. The parties acknowledge that the Contractor and any subcontractor they may engage, and their respective employees, are not, nor are they deemed to be, employees of East Hants within the meaning set out in any employment legislation that may be applicable, or otherwise.
- b. The Contractor agrees that East Hants shall have no liability or responsibility for the withholding, collection, or payment of any payroll taxes, employment insurance premiums, or Canada Pension Plan contributions, or any other relevant payroll deductions on any amounts paid by East Hants to the Contractor or amounts paid by the Contractor to its employees or contractors.
- c. The Contractor also agrees to indemnify East Hants from any and all claims in respect to East Hants's failure to withhold and/or remit any payroll taxes, employment insurance premiums, Canada Pension Plan contributions, or similar payroll deductions.
- d. Further, the Contractor shall be solely and entirely responsible for all payments under the applicable Workers' Compensation legislation as it relates to their ability to provide service and receive payment.
- e. The Contractor agrees that as an Independent Contractor, the Contractor, and any person for whom it is legally responsible, will not be qualified to participate in or to receive any employee benefits that East Hants may extend to its employees.
- f. The Contractor shall not have any power to accept an obligation, incur any liability, promise any performance, and/or request or obtain any credit on behalf of East Hants.
- g. The Contractor is free to provide services to other clients, so long so long as there is no interference with the Contractor's contractual obligations to East Hants.

SCHEDULE AND DELAY

- 12 Any circumstances that will result in the delay in performance of the Services must be brought to attention of the East Hants Representative by the Contractor within 24 hours of the change or delay being identified.
- 13 In identifying a period of delay, the Contractor must make reasonable effort to quantify the expected period of delay and to minimize such delay.
- 14 Where the Contractor fails to perform the Services, in whole or in part, in a timely manner or on a continuous basis, in accordance with the established Schedule, East Hants may:
 - a. Terminate this agreement; and
 - b. Engage another Contractor to perform the Services immediately; and
 - c. Recover, from the Contractor, and Contractor shall be liable to East Hants for, any and all costs and damages that East Hants incurs as a result of such delay.
- 15 Provided that the Contractor complies with subsection 12 of the SCHEDULE AND DELAY section above, the Contractor shall be excused of any delay ("excusable delay") that:
 - a. Is beyond the reasonable control of the Contractor;

- b. Is not avoidable by the exercise of reasonable foresight; and
 - c. Occurred without the fault or neglect of the Contractor.
- 16 For greater clarity, any delay caused by the lack of financial resources, labour disputes/strikes, insolvency, any event that is a ground for termination provided for in this agreement, or any delay in the Contractor fulfilling an obligation to deliver a bond, guarantee, letter of credit, insurance, WCB certificate or other security relating to the performance or the payment of money, shall not qualify as an excusable delay.
 - 17 In the event of an excusable delay, any delivery date, schedule, or other date that is directly affected by the delay shall be postponed for a reasonable time not to exceed the duration of the excusable delay.
 - 18 Where an excusable delay continues for 30 days or more, East Hants may, in East Hants's absolute discretion, choose to terminate this Agreement. In such a case, the parties agree that neither party will make any claim against the other for damages, costs, expected profits or any other loss arising as a result of the termination or the event that gave rise to the excusable delay.
 - 19 Except to the extent that East Hants is responsible for the delay for reasons of failure to meet an obligation under the agreement, East Hants shall not be liable for any costs or charges of any nature incurred by the Contractor or any of its sub-contractors as a result of an excusable delay.

SUBCONTRACTOR

- 20 The Contractor is advised that the subcontractor, if any, listed in the Contractor's proposal and their work scope cannot be changed without the written permission of East Hants. Failure to comply with this provision will be considered a breach of contract and may result in termination of the agreement.
- 21 If the Contractor finds that a subcontractor named in this agreement cannot perform some or all of the Services for which they were named, the Contractor may request permission from East Hants to engage an alternative subcontractor for such Services. In making such a request, the Contractor must:
 - a. Identify the reasons why the named subcontractor cannot complete the Services;
 - b. Provide the name, qualifications and experience of the proposed replacement subcontractor;
 - c. Make such request in writing; and
 - d. Must select a replacement who is in all respects equal to the subcontractor being replaced.
- 22 Permission to replace a subcontractor will not be unreasonable withheld. However, East Hants reserves the right to, in its sole discretion, reject any proposed replacement subcontractor the Contractor may name. The rejection of a replacement subcontractor shall not relieve the Contractor of their obligation to perform the Services under this agreement.

CONFIDENTIALITY

- 25 In the course of discharging its duties under this Agreement, the Contractor, its agents and/or employees will hear, see and/or otherwise come to know, possess or have access to confidential information about and/or belonging to East Hants, its clients and/or third parties interacting with East Hants or the Contractor, including but not limited to contact lists, personal information about identifiable individuals, security information, and information about East Hants' clients, methods and processes (the "Confidential Information").
- 26 The Contractor agrees not use, disclose, reproduce or otherwise make available, Confidential Information to any person, firm or enterprise (other than to the Contractor's employees or agents who have a need to know such information for the purposes of this agreement) unless specifically authorized in writing to do so by East Hants. The Contractor agrees that if an employee or agent will receive Confidential Information as contemplated in this section, it will obtain a confidentiality agreement

- from such employee or agent which provides equal or greater protection to the Confidential Information than set out in this section.
- 27 The Contractor agrees to exercise all due care and diligence and take all reasonable precautions to prevent any unauthorized collection, use, disclosure, retention, destruction or disposal of Confidential Information.
- 28 Upon termination of the agreement for any reason, the Contractor will return to the East Hants any and all documents in its possession, electronic or otherwise, containing Confidential Information.
- 29 The Contractor recognizes that if any of the provisions of this section are violated, East Hants is entitled to an injunction to prevent it from disclosing Confidential Information and/or using Confidential Information for any purpose. The Contractor further recognizes that East Hants would be entitled to other legal remedies, including legal fees and costs in the event of such a violation.

INFORMATION COLLECTED

- 28 All information and material produced by the Contractor in the course of the Services, including, but not limited to, calculations, design notes, criteria, graphs, figures, maps, reports, drawings, analysis, profiles, and plans, will become the property of East Hants and an electronic copy of such information must be turned over to East Hants upon completion or termination of the Services.
- The Contractor understands that East Hants intends to use such collected information to perform the business of the Municipality of East Hants; to that end, the Contractor agrees that East Hants may, without limitation, use, distribute, reproduce, and/or publish such information without penalty or exclusion; and
 - East Hants reserves the right to amend such collected information whenever and for whatever purposes it chooses to do so.

INDEMNIFICATION

- 31 The Contractor shall indemnify and hold harmless the Municipality of East Hants, its officers, members of municipal council, employees and volunteers from and against any liabilities, claims, expenses, demands, loss, cost, damages, actions, suits or other proceedings made, sustained, brought, prosecuted or threatened to brought or prosecuted that are based upon, occasioned by or attributed to any bodily injury to or death of a person or damage to or loss of property caused by any acts or omissions on the part of the Contractor, its officers, employees, students, agents, volunteers or those for whom you are responsible arising out of this agreement.

CHANGES TO REQUIREMENTS

- 32 If the instructions provided by East Hants are interpreted by the Contractor as increasing or decreasing the scope of the Services, they must inform East Hants of the impact of such instructions prior to acting on them. At minimum, any change in scope that affects the Rates must be approved by East Hants in writing and the Contractor must provide, at minimum:
- A description of the change in Services as a result of the instructions;
 - The amount, exclusive of HST, by which the Lump Sum Maximum Fee will either be increased or decreased accordingly; and
 - A summary of the fees, expenses and disbursements which make up the amount of increase or decrease.

INSURANCE

- 33 The Contractor shall, without limiting its obligations or liabilities, maintain Commercial General Liability insurance on an occurrence basis with a minimum limit of \$5,000,000 for bodily injury including death, personal injury and property damage including loss of use, and shall include provisions for: Blanket contractual liability; Owners' and contractors' protective liability; Broad form property damage; Hostile fire; Tenant's legal liability; Non-owned automobile liability; Contingent employer's liability; and Products and completed operations liability.
- 34 The Contractor's insurance must provide for bodily injury or property damage that may result from the Contractor's performance of the Services.
- 35 The Contractor must provide a certificate of insurance (COI) from their insurer for this coverage. The COI, at a minimum, must:
- a. List the Municipality of the District of East Hants as an additional insured and contain both cross-liability and severability of interest clauses;
 - b. Provide for 30 days' written notice of cancellation or material change;
 - c. Include reference to any exclusions or inclusions which are identified in the insurance requirements of this agreement;
 - d. Describe the Services being provided by the Contractor so that it is clear to the insurer what operations the Contractor will be performing under the agreement; and
 - e. The Contractor must provide a new certificate each time the insurance is renewed or changed.
- 36 The Contractor must have and must maintain automobile insurance in the amount of \$2,000,000 for the duration of the agreement and must provide a certificate of insurance confirming this coverage.
- 37 The Contractor is responsible to have and to maintain insurance on the equipment and materials used to provide the Services for the duration of the agreement. East Hants will not be responsible in any way for lost, damaged or stolen equipment.
- 38 In the case where the Contractor will use subcontractors to perform some or all of the Services, the subcontractor must obtain and, when required to by East Hants, provide proof of insurance coverage equal to that required of the Contractor under this agreement.
- 39 Failure to maintain the required insurance coverage may be grounds for termination of the agreement.

REGULATIONS

- 40 The Contractor shall comply with all existing Federal, Provincial and Municipal laws and regulations and the regulations of any other authorities that may have jurisdiction. The Contractor shall also comply with any policies or other requirements related to occupational health and safety or security that may be in place or implemented during the course of the agreement.

TAXES

- 41 The Contractor shall pay all Federal and Provincial Taxes as required by the appropriate enactments.

- 42 The Contractor shall indicate on each application for payment, as a separate amount, the Harmonized Sales Taxes that East Hants is legally obligated to pay. This amount will be included in payments to the Contractor.
- 43 In the event of changes in applicable tax legislation to provide additional tax relief during the course of this agreement, it is the intent of the parties that any benefits therefrom shall accrue to the Municipality who shall deduct any overpayment of taxes from moneys due to the Contractor.
- 44 In the event of additional taxes being imposed during the course of the agreement, it is the intent of the parties that the additional amounts paid by the Contractor will be reimbursed by East Hants in accordance with the requirements of the applicable tax act.

WORKERS' COMPENSATION

- 45 The Contractor must be registered and in good standing with the Workers' Compensation Board of Nova Scotia (WCBNS) regardless of their jurisdiction of incorporation, location of premises, or typical status with WCBNS.
- 46 No payments will be made by East Hants to the Contractor unless their invoice is accompanied by a valid Clearance Letter confirming they are in good standing with WCBNS.

CONFLICT OF INTEREST

- 47 The Contractor must promptly bring to the attention of East Hants, in writing, any possible conflict of interest related to delivering these Services. For greater clarity, any business relationships between East Hants staff and Contractor, either direct or through a third party, which may appear to create an unfair advantage for the Contractor or where it may appear that an employee of East Hants may personally benefit from this agreement, must be identified. East Hants is currently developing a *Code of Business Conduct* which, when implemented, will also become the responsibility of the Contractor to follow, in as much as it affects the delivery of these Services.

PERFORMANCE

- 48 If any part of the Services is found to be deficient or not in accordance with the terms of this agreement or standards specified herein, East Hants may, at its sole discretion:
- a. Require the Contractor to re-perform the Services or make any required corrections to the work, at its own expense, to comply with the terms of the Contract; or
 - b. If the Contractor cannot or will not make such corrections or re-performance, or if the proposed delay in making such corrections or re-performance may compromise health, safety, or the ability of East Hants to perform the business of the Municipality in any way, East Hants may choose either to engage a third party to correct the work or to perform the Services or to perform such corrections or to perform such Services themselves. The cost of such action will be deducted from any monies owing to the Contractor until the entire amount is offset or, where there is not amount to offset, the Contractor must pay any remaining cost back to East Hants in the form of credits of payments already made; or
 - c. Where the deficiency is embedded in the work or Services, East Hants may deduct an amount from any monies owing, or future amounts that become payable, which is equivalent to the difference between the value of the defective work and what was specified in the agreement. Such amount shall correspond to the costs that would reasonably be incurred to correct the deficiency; and
 - d. East Hants may terminate the agreement in accordance with the Termination clauses herein.

TERMINATION

- 49 East Hants may terminate this agreement at any time, for any reason, by providing thirty days written notice to the Contractor. This notice period may be increased by written agreement between the parties. Agreement to extend this notice period does not release the Contractor of their duty to remedy

and, under no circumstances will East Hants be responsible for interest or other charges or fees related to the process of remedy.

- 50 Notwithstanding the above, East Hants may terminate this agreement without notice if the Contractor makes changes to the approved list of Contractor's personnel tasked to complete the Services or to the subcontractor engaged to complete the Services without first obtaining the written permission of East Hants.
- 51 East Hants may terminate this agreement if the performance of the Services, or portion thereof, is found to be unacceptable. Both East Hants and Contractor agree that each will attempt to remedy the situation and to find a way to make the Services, or portion thereof, acceptable. Under no circumstances may such remedy represent additional cost to East Hants. If no remedy can be found within thirty days of the initial communication to the Contractor by East Hants that the performance of the Services is unacceptable, such notice shall be considered notice to terminate the agreement.
- 52 East Hants reserves the right to terminate this agreement, without penalty of any kind, if the Contractor is judged to be bankrupt or makes general assignment for the benefits of its creditors.
- 53 Termination of the agreement by East Hants shall not relieve that Contractor of any obligations or liability it may have to East Hants except as provided for herein.

RECEIVERSHIP

- 54 In the event that a Receiver is appointed to manage the affairs of the Contractor, East Hants reserves the right to enter into a contract with another party to perform the Services. Under no circumstances shall East Hants be responsible for any losses suffered by the Contractor.

ASSIGNMENT

- 55 The Contractor may not transfer or assign this agreement without the express prior written permission of East Hants. Assignments or transfers with are attempted to be made to this agreement without such permission will be void.

ENTIRE AGREEMENT

- 56 The agreement, together with the Schedules, form the complete agreement between the parties and shall supersede any and all previous communications, oral or written, express or implied, between the parties. This agreement may only be amended in writing, with such amendment being signed by authorized representatives for each party and clearly indicating this specific agreement.

INTERPRETATION

- 57 The headings introducing each paragraph or section are for reference only and shall not affect the interpretation of the agreement. Any numbers or changes of gender will be interpreted in context.

NOTIFICATION

- 58 Any notifications of a general nature related to this agreement may be provided by any written means, including email. It remains the responsibility of the sender to ensure the notification has been received and acknowledged by the intended recipient. Material notifications such as relate to clauses covering termination or changes to personnel shall be delivered by registered mail, courier requiring the signature of the person specified in this clause, or in person where the person specified in this clause may confirm acceptance in writing.
- 59 The Notifications shall be addressed as follows:

c. By mail to East Hants:

Municipality of East Hants
<<Project Number - Project Name>>
230-15 Commerce Court
Elmsdale, NS B2S 3K5

Attention: Procurement Officer

d. By email to East Hants:

Primary: procurement@easthants.ca
Cc: mhatfield@easthants.ca; email address of Project Manager

e. By courier or in person to East Hants:

Municipality of East Hants
<<Project Number - Project Name>>
15 Commerce Court
Elmsdale, NS B2S 3K5

Attention: Procurement Officer

Proceed to the Reception & Payments counter on the first floor of the Lloyd E. Matheson Centre

f. By mail to the Contractor:

<<Company Name>>
<<Project Number - Project Name>>
<<Address>>

Attention: <<Name>>

g. By email to Contractor:

Primary: <<email address>>
Cc: <<as requested by Contractor>>

GOVERNING LAW

60 The laws of Nova Scotia shall govern this agreement. If any dispute should arise under the terms of this agreement, the Courts of Nova Scotia shall have exclusive jurisdiction to such dispute.

ENUREMENT

61 This agreement shall enure to the benefit of and be binding upon the parties and their lawful heirs, executors, administrators, successors and assigns.

SEVERABILITY

62 If a provision of this agreement is deemed void or invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect.

DISPUTE RESOLUTION

63 In the event of a disagreement regarding any aspect of the Services or any instructions given by East Hants to the Contractor under this agreement:



- a. The Contractor must promptly deliver written notice of disagreement to East Hants. Such notice must contain the particulars of the disagreement, any changes in time or amounts claimed, and reference to the applicable provisions of this agreement;
- b. The Contractor shall continue to deliver the Services in accordance with East Hants' instructions; and
- c. The Contractor and East Hants shall attempt to resolve the disagreement by negotiation conducted in good faith. The parties shall negotiate firstly at the level of the Contractor's project representative for each party. If such negotiations are unsuccessful, the parties may escalate the negotiations to the level of a principal of the Contractor firm and a Director at East Hants;
- d. If both parties agree that East Hants gave instructions in error or contrary to this agreement, East Hants shall compensate the Contractor a reasonable fee for any extra work completed due to such instruction, together with those reasonable disbursements arising from the extra work.
- e. The parties shall calculate those fees in accordance with this agreement;
- f. If the parties cannot settle the disagreement, the Contractor may ask East Hants for a written decision regarding their dispute and, within 14 days of receiving that request, East Hants must deliver such decision to the Contractor, in which they shall set out the particulars of their response and any applicable clauses of this agreement upon which they base this decision;
- g. If the Contractor rejects the decision, the parties may refer the matter to arbitration in accordance with *The Commercial Arbitration Act of Nova Scotia*.
- h. Negotiations conducted under the dispute resolution provisions of this agreement are without prejudice to either party's other rights under this agreement or at law.



WAIVER

- 64 The waiver or breach of any provision of this agreement shall not form precedence for future breaches of that provision or any other provision of this agreement.

SIGNED hereunder by representatives of the parties with authority and capacity to do so:

MUNICIPALITY OF THE DISTRICT OF EAST HANTS	<<CONTRACTOR LEGAL NAME>>
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____



SCHEDULE A: SERVICES DESCRIPTION

1.1. General

- 1.1.1. East Hants requires the Services of a qualified company to accept and process Source Separated Compostable Organic Materials (SSO) into various grades of compost as specified in the Canadian Council of Ministers of the Environment (CCME) *Guidelines for Compost Quality* and the Province of Nova Scotia's *Composting Facility Guidelines*.
- 1.1.2. East Hants requires the availability of a minimum of 220 cubic yards of Grade A composted material to be available to them in May of every year of the agreement, including the first year, to support their annual compost give away promotion. East Hants will pick up this material, but the Contractor must be able to load the compost onto the truck. This compost will be provided to East Hants by the Contractor at no charge.

1.2. Definitions

- 1.2.1. For the purposes of this contract, the following terms will be defined as indicated:

Composting means the controlled process of natural degradation consistent with provincial standards, through which yard waste, food wastes and other degradable organic materials are reduced in volume and converted into a nutrient rich solid additive (or humus) with a variety of applications in gardening and landscaping.

Composting Facility means a privately or publicly owned and operated facility where municipal source separated compostable waste is processed to acceptable provincial standards using composting technology which may include physical turning, windrowing, in-vessel, static pile aeration or other mechanical handling of organic matter.

Contaminant means a substance such as heavy metals, pathogens and solid non-biodegradable materials such as plastics and metals.

Finished Compost means the product from the composting of organic components of solid waste which is used or sold for use as a soil amendment, artificial top soil, growing medium or other applications to land in accordance with the Nova Scotia Department of Environment and Labour's Composting Guidelines.

Generator means a firm, contractor, individual or group of individuals that generates waste.

Marketing means the securing of the best obtainable markets, transportation of finished compost, and the sale of finished compost.

Source Separated Compostable Organic Material means the organic portion of solid waste in East Hants that is comprised mainly, by not exclusively, of mixed paper products, kitchen and food processing wastes and leaf and yard wastes which are collected by a source separated system as a discrete waste component.

Leaf and Yard Waste means vegetative matter resulting from gardening, horticulture, landscaping or land clearing operations, including materials such as tree and shrub trimmings, plant remains, grass clippings and leaves, but excludes demolition debris or contaminated organic material.

1.3. Background

- 1.3.1. East Hants collects Source Separated Compostable Organic Material (SSO) from approximately 9800 residences within the District of East Hants on a bi-weekly basis, as well as accepting such materials directly from residences and businesses. This material is collected at East Hants' Waste Management Centre (WMC) where it will be stored until it can be transported to the Composting Facility (CF).
- 1.3.2. East Hants dispatches approximately 80 shipments per year (82 last year) containing approximately 1500 tonnes (1567 last year) of SSO. Not all shipments will be the same tonnage.
- 1.3.3. East Hants pays for the transport of SSO, so the cost of transportation for this material is an important consideration.

1.4. General

- 1.4.1. East Hants will not reimburse the Contractor for any costs or expenses other than those accounted for in their Rates. The Contractor is solely responsible to provide all labour, knowledge, skill, equipment, machinery, and materials necessary to provide the Services, to operate their facilities, perform their processes, dispose of contaminants and residual materials, and market and sell completed compost.

1.5. Scope of Work

- 1.5.1. The Contractor will provide processing of SSO supplied by East Hants in the Composting Facility they have identified. They will provide the location to which SSO may be delivered, including an area where SSO may be unloaded.
- 1.5.2. East Hants will contract the delivery of SSO to a third party who will deliver using a vehicle with walking floor technology; the location where materials are to be delivered must accommodate this unloading method and, preferably, any other typical unloading systems used in this industry.
- 1.5.3. The Contractor must be open to receive material during their stated operating hours.
 - 1.5.3.1. If delivery driver has arrived at the CF and checked in prior to the closing time stated herein, they shall be allowed to unload with no penalty;
 - 1.5.3.2. If the delivery driver is in the queue to be checked in 15 minutes or more prior to the closing time stated herein, they shall be allowed to unload with no penalty;
 - 1.5.3.3. If the unloading of SSO is delayed more than four hours, East Hants may impose a delay fee equivalent to any fees it may have to pay to its delivery service provider for such delay.
- 1.5.4. Once the SSO has been unloaded at the CF, the Contractor assumes full responsibility for the handling, storage, transportation and processing of the material.
 - 1.5.4.1. Leaf and Yard Waste may be delivered in plastic bags. The Contractor is responsible to open, empty and dispose of the bags in the appropriate waste stream for their Composting Facility.
 - 1.5.4.2. Last year East Hants received 25 tonnes of Leaf and Yard Waste in bags. East Hants will pay the Surcharge per tonne of SSO to the Contractor for the handling of plastic bags when:

- 1.5.4.2.1. When Leaf and Yard Waste in plastic bags comprises more than 85% of a single truckload of SSO; but
- 1.5.4.2.2. Leaf and Yard Waste in paper bags will not be subject to the Surcharge regardless of percentage of the truckload it may represent; and
- 1.5.4.2.3. East Hants may, at their sole discretion, make changes to their collection program and processes so as to not receive Leaf and Yard Waste in plastic bags and to avoid the Surcharge.
- 1.5.5. The Contractor is solely responsible for the processing of SSO, the quality of their end product and the marketing their products and services. The Contractor shall indemnify and hold harmless East Hants of all claims by third parties related to the operation of its Composting Facility and the disposal of finished compost or contaminated material.
- 1.5.6. The Contractor must manage and operate, or otherwise exercise sufficient control of, the Composting Facility to fulfill their obligations under this agreement. The Contractor is solely responsible for all costs associated with the operation of the Composting Facility.

1.6. Hours Of Operation

- 1.6.1. The contractor shall be open to receive the SSO during normal business hours, at minimum between the hours of 8:00 a.m. and 4:00 p.m. local Nova Scotia time each weekday except Christmas Day, New Years' Day, Good Friday, Labour Day, or such other times mutually agreed to in writing below:
-

1.7. Permits

- 1.7.1. The Contractor must, prior to the commencement of the Services, obtain any applicable permits, certifications or licenses necessary to perform the Services. The Contractor must continue to hold such permits, certifications and licenses, and agree to obtain any new permits, certifications and licenses which may come to be required, for the Term of the agreement. The Contractor must provide a valid copy of any such permit, certification or license within 5 business days of the Effective Date of the agreement and no more than 10 business days after the expiry of any permit, certification or license.
- 1.7.2. Without limiting the foregoing in any way, the Contractor must possess all necessary provincial permits to process, at minimum, organics in the volumes to be generated by East Hants.
- 1.7.3. The Composting Facility be compliant with the Province of Nova Scotia *Composting Facility Guidelines*.
- 1.7.4. The Contractor is responsible to meet the monitoring and reporting requirements of the *Composting Facility Guidelines*.

1.8. Compost Classification

- 1.8.1. The Contractor will classify their compost in accordance with the criteria for compost classification in accordance with the *Composting Facility Guidelines*. The Contractor is responsible for the safe use of finished compost and the safe disposal of contaminated compost.

1.9. Marketing of Finished Compost

- 1.9.1. The Contractor is solely responsible for the marketing of finished compost at the Contractor's own expense. Finished compost must be tested in accordance with the *Composting Facility Guidelines* at the Contractor's own expense.

1.10. East Hants Representative

- 1.10.1. The East Hants Representative for these Services is Andrea Trask, Manager of Solid Waste. East Hants may, through the Representative or their designate, supply either verbal or written instructions to a Contractor with respect to the Services to be completed.

1.11. Contaminant Management and Disposal

- 1.11.1. It is the Contractor's responsibility to sort the rejected/contaminated material and to dispose of it.
- 1.11.2. East Hants requires, at minimum, that the Contractor's facility will accept soiled paper (paper towel), pizza boxes, leaf and yard waste, and kitchen and food waste in the SSO.
- 1.11.3. During this contract, the East Hants' Composting Program may grow and change in terms of more compostable organic materials, new collection and processing methods, or new end use initiatives. In the event the Manager of Solid Waste proposes to add new compostable organic materials or new central composting programs in conjunction with the contract, the Contractor shall reasonably cooperate with East Hants in implementing them accordingly.
- 1.11.4. The Contractor is encouraged to propose programs that will result in a reduction in the amount of waste going for disposal. Should any of these changes result in additional costs for the Contractor, said costs shall be negotiated with East Hants prior to implementing any new programs.

1.12. Change of Composting Facility

- 1.12.1. The Composting Facility specified for this agreement may not be changed without the express written permission from East Hants to make such a change.
- 1.12.2. East Hants will only consider a change in Composting Facility if there is a benefit to East Hants with respect to the cost to transport SSO, no impact on the cost to transport SSO or if the difference between the additional costs to transport SSO and any tangible financial benefits to changing to the new location, in East Hants sole opinion, are acceptable.

1.13. Additional Termination Clauses

- 1.13.1. If the Contractor is unable to perform the Services, or any part thereof, for any reason, East Hants may terminate the agreement immediately.
- 1.13.2. East Hants may, at their sole discretion, provide the Contractor with a period of time to rectify the reason which prevents them from providing the Services, but may, without penalty of any kind, find an alternative source of the Services until such rectification can take place.
- 1.13.3. East Hants will not provide a rectification period in the event that:



- 1.13.3.1. The reason is due to a loss of permits, certifications or licenses necessary to perform the Services; or
- 1.13.3.2. The reason is related, without limiting any other rights within this agreement, to performance or bankruptcy; or
- 1.13.3.3. Where neither the Contractor nor East Hants can find a temporary alternative acceptable to East Hants and East Hants must find a permanent solution to meet their operational needs; or
- 1.13.3.4. Where the period of rectification is unreasonable in East Hants' sole opinion.

