

**WINNIPEG AIRPORT SERVICES CORP.  
CONSULTING AND PROFESSIONAL SERVICE CONTRACT**

**ARTICLES OF AGREEMENT**

These **Articles of Agreement** are made as of the 09 day of August 2022.

**BETWEEN**

**WINNIPEG AIRPORT SERVICES CORP  
("WASCO")**

- and –

**FORT FRANCES AIRPORT (TOWN OF FORT FRANCES)  
("Client")**

**WHEREAS** the Client has requested that WASCO provide a proposal for the provision of professional airport operations, management and/or technical services.

**AND WHEREAS** the Client now wishes to enter an agreement with WASCO for the provision of the Services and the Contractor has agreed to provide such Services to the Client.

**AND WHEREAS** the Client and WASCO now wish to set out the terms and conditions relating to the provision of such Services.

**NOW THEREFORE** the Client and WASCO agree as follows:

**"Agreement"** means this contract between the Client and WASCO for the provision of the Services;

**"Services"** means those Services outlined and described in the Contractor's previously submitted Proposal dated July 19, 2022.

**1. SERVICES**

**1.1. Services**

1.1.1. WASCO agrees to fully perform the Services in a competent, timely and professional manner to the reasonable satisfaction of the Client within the term and for the price set out herein.

1.1.2. WASCO will perform the Services to the standards set out in the Proposal unless the parties otherwise agree, in writing.

## **1.2. Client Performance Obligations in Respect of the Services**

- 1.2.1. The Client acknowledges and agrees the nature of the Services is such that in providing the Services WASCO is obliged to rely upon and is relying upon:
- (a) the ongoing cooperation, collaboration and full participation of the Client; and
  - (b) upon the accuracy, reliability and completeness of all information provided by the Client in respect of the Services.
- 1.2.2. The Client shall provide such cooperation, collaboration and participation as, in WASCO's reasonable professional opinion is necessary to enable it to provide the Services and shall make all reasonable efforts to ensure any information it provides to WASCO is reliable, accurate and complete (the Client's "**Service Obligations**").
- 1.2.3. The Client shall exercise all care, skill, and diligence of a prudent professional in discharging its Service Obligations and shall comply with all the terms and conditions of this Agreement.
- 1.2.4. To the extent the Client's failure to properly discharge its Service Obligations means WASCO is unable to, or materially hampered in its ability to provide the Services, WASCO shall not be in default of any obligation to provide such of the Services as are affected by the Client's failure. For the sake of certainty, the Clients' Service Obligations are not intended to oblige it to pay WASCO more than the Service Fees contemplated by this Agreement.
- 1.2.5. The Client represents it has provided or will, within reasonable time of the execution of this Agreement, provide WASCO with all the documents, records and other relevant information required by WASCO to perform the Services.
- 1.2.6. During the performance of the Services WASCO shall be entitled to rely on the accuracy, reliability and completeness of the reports and information to be provided by the Client except where WASCO expressly acknowledges in writing any such information is or may be inaccurate, unreliable or incomplete.

## **1.3. WASCO's Performance Obligations in Respect of the Services**

- 1.3.1. WASCO shall exercise all care, skill, and diligence of a prudent professional in performing the Services and shall comply with all the terms and conditions of this Agreement.
- 1.3.2. WASCO acknowledges and agrees the nature of the Services is such that in providing the Services WASCO must, subject to regulatory requirements, act reasonably in the expectations it can place on the Client in respect of the Client's ability to respond to information requests, corrective action and the like.
- 1.3.3. To the extent WASCO's failure to properly perform the Services means the Client is unable to, or materially hampered in its ability to meet its Services Obligations the Client shall not be in default of any obligation to meet such of its Service Obligations as are affected by WASCO's failure.

#### **1.4. Non-Exclusivity**

- 1.4.1. WASCO shall provide the Services to the Client on a non-exclusive basis and shall be free to undertake work for third parties during the Term and any Renewal Term (if any).

#### **1.5. Changes, Alterations and Additional Services**

- 1.5.1. After giving Notice to WASCO, the Client may, in writing, at any time after the execution of the agreement or the commencement of the Services propose an extension, increase, variation, deletion or other alteration of the Services or the insurance requirements set out herein (a **"Proposed Change"**).
- 1.5.2. The parties shall exchange such information as may reasonably be required to make an informed decision as to the nature and potential ramifications of the Proposed Change in respect of this Agreement.
- 1.5.3. If a Proposed Change necessitates additional staff, services, or costs, WASCO shall be paid in accordance with Section 14.4.1 for such additional staff employed directly therein, together with such expenses and disbursements as allowed under Section 14.4.1
- 1.5.4. Any proposed reduction in the requirement for Services shall be the subject of negotiation and shall be confirmed in writing.

#### **1.6. Term and Renewal**

- 1.6.1. The term of this Agreement shall commence on November 1, 2022 and shall following final completion of the delivery of Services or end on November 1, 2025, (the **"Term"**) unless earlier terminated in accordance with Article 2 below or unless extended or renewed, by agreement in writing and in accordance with the following provisions:

##### **Extension**

- (a) This Agreement may be extended for up to a maximum of six (6) consecutive months following the end of the Term.
- (b) The party seeking to extend this Agreement must provide the other party one (1) months' Notice of its desire to extend.
- (c) Any extension shall be considered to be part of the **"Term"**.

##### **Renewal**

- (a) This Agreement may be renewed for such additional period or periods, in minimum increments of one (1) year, as the parties may agree (a **"Renewal Term"**).
- (b) Any renewal, including modifications as to scope, pricing, or otherwise is subject to mutual agreement of the parties.
- (c) The party seeking to renew this Agreement must provide the other party Notice of its desire to renew not earlier than one (1) year, but not later than six (6) months, prior to the expiry of the Term or of any

## Renewal Term.

## 2. TERMINATION

2.1. This Agreement may be terminated prior to the expiry of the Term or Renewal Term (if any):

- a) By the Client, on six (6) months' Notice if the Client, acting reasonably and in good faith, is satisfied WASCO has, without reasonable cause and despite repeated warning, repeatedly been in material default in the performance of the Services.
- b) By WASCO, on six (6) months' Notice, if WASCO, acting reasonably and in good faith, is satisfied the Client has, without reasonable cause and despite repeated warning, repeatedly been in material default in the performance of the Client's Service Obligations.
- c) By WASCO, on immediate Notice, where a material breach of the Client of a material obligation under this Agreement substantially frustrates or renders it impossible for WASCO to perform its obligations under this Agreement for a continuous period of one (1) month following Notice to remedy the same by the WASCO to the Client.
- d) By the Client, on immediate Notice, where a material breach of WASCO of a material obligation under this Agreement substantially frustrates or renders it impossible for the Client to perform its obligations under this Agreement for a continuous period of one (1) month following Notice to remedy the same by the Client to the WASCO.
- e) By WASCO on immediate Notice if WASCO, acting reasonably and in good faith and having provided the Client with warning commensurate with the seriousness of the issue, is of the professional opinion the Client has failed or neglected, without reasonable cause, to implement material recommendations related to the Services and such failure or neglect poses an imminent and serious danger to the safety or health of the public.
- f) By WASCO on immediate Notice for a failure by the Client to pay an undisputed invoice that is due and payable by the Client under this Agreement, within ten (10) business days of service of a Notice to the Client requesting payment of the overdue sum.
- g) By either party on immediate Notice if either Party terminates or suspends its business, becomes subject to any bankruptcy or insolvency proceedings, or becomes subject to direct control by a trustee, receiver or similar authority.
- h) By either party on two (2) weeks' Notice if an actual or potential labour dispute delays or threatens to materially delay timely performance of the Services or the Client's Service Obligations.

- 2.2. This Agreement shall terminate as of the day set out in the written Notice for termination and WASCO shall forthwith invoice the Client for work performed up to the date of termination.
- 2.3. In the event this Agreement is terminated the Parties will co-operate in good faith and to the extent reasonable under the circumstances to ensure a smooth transition.
- 2.4. The rights of WASCO given in this section are in addition to, rather than a substitute for, any other rights WASCO may have under this agreement, or otherwise, for non- payment of WASCO's invoices by the Client.

### **3. INTELLECTUAL PROPERTY**

#### **3.1. Ownership of Intellectual Property**

- 3.1.1. All materials and work product, including but not limited to any and all written material, graphs, diagrams, drawings, software, data, correspondence and other documents resulting from the Services, or prepared or developed by the WASCO in respect to the Services (the "**Work Product(s)**"), shall be the sole and exclusive property of WASCO.
  - (a) Without limiting the generality of the foregoing, Work Product(s) shall include all designs, reports, photographs, drawings, plans, specifications, computer software, surveys, calculations and other data, information and material collected, computed, drawn or produced, including computer printouts prepared or provided by WASCO in respect to the Services belongs to WASCO.
- 3.1.2. WASCO shall own exclusively and in perpetuity throughout the world, all rights, title and interest existing now or in the future of every kind and character in and to the Work Product(s). All such rights shall vest in WASCO immediately upon the creation of the Work Product(s) and the provision of the Services by WASCO and shall remain vested in WASCO in perpetuity whether this Agreement concludes in its normal course or is terminated by either party as provided for herein.
- 3.1.3. To the extent the Client has prepared, developed or contributed intellectual property in respect of any Work Product(s) it hereby grants to WASCO throughout the world and in perpetuity, all rights, title and interest the Client has, may, or will have in the future, including but not limited to copyright, in and to the Work Product(s) and the Client hereby waives any and all moral rights it has, may, or will have in such Work Product(s).
- 3.1.4. Notwithstanding the foregoing, WASCO shall grant to the Client a free, non-exclusive, perpetual licence to use the Work Product(s) at, and in respect of the airport(s) that are the subject of this Agreement, provided the Client accepts and uses them with no warranty as to their quality, suitability for the purpose and, in any event on the basis it uses such Work Product(s) at its own risk and without recourse against WASCO.
- 3.1.5. With the consent of the Client, WASCO may publish alone, or in conjunction with any other person, any articles, photographs, or other illustrations relating to the project. The Client's consent for the publication of such

materials shall not be unreasonably withheld.

### **3.2. Patents**

3.2.1. For the sake of certainty but without limiting the generality of the foregoing, all concepts, products, or processes which are:

- (a) produced by, or resulting from, the Services.
- (b) otherwise developed, or first reduced to practice, by WASCO in the performance of the Services; or
- (c) patentable, capable of trademark, or otherwise,

shall be and remain the property of WASCO.

3.2.2. The Client shall have a non-exclusive, royalty-free licence to use all concepts, products, or processes, which are:

- (a) patentable, capable of trademark, or otherwise; or
- (b) produced by, or resulting from the Services, for the Term and for no other purpose, project or undertaking without the express written consent of WASCO.

## **4. CONFIDENTIAL INFORMATION**

4.1. It is the responsibility of each party to identify to the other party all confidential information connected with this project.

4.2. Confidential information acquired in the course of this project shall not be used or divulged by either party, or their employees, consultants, subconsultants or agents, without the prior written approval of the other party, or as may be required by regulatory authorities having jurisdiction.

4.3. This requirement shall not prohibit WASCO from acting to correct or report a situation that WASCO may reasonably believe to endanger the safety or welfare of the public, provided WASCO notifies the Client that WASCO intends to provide such notice as soon as reasonably possible.

4.4. In the event that WASCO becomes legally compelled to disclose confidential information, WASCO shall forthwith notify the Client of this requirement. Such disclosure shall not result in any liability hereunder.

## **5. RECORDS**

5.1. To provide data for the calculation of fees on a time basis, WASCO, WASCO's employees, consultants and subconsultants shall keep a detailed record of the hours worked by their staff employed on the project.

5.2. The Client may inspect these records during regular office hours, on receipt of reasonable notice respecting any item that the Client is required to pay on a time basis as a result of this agreement.

5.3. When requested by the Client, WASCO shall provide copies of receipts for

any disbursements for which WASCO claims payment under this agreement.

## **6. INDEMNIFICATION**

- 6.1. Each party to this agreement shall indemnify and save harmless the other party from and against all claims, actions, losses, expenses, costs, or damages that the other party may suffer, sustain, or incur arising from the other party's negligent acts or the negligence of the other party's employees, directors, officers, consultants, subconsultants or agents in the performance of this agreement.
- 6.2. The Client further agrees to hold harmless, indemnify, and defend WASCO and WASCO's, directors, officers, employees, consultants and sub-consultants from and against any and all claims, losses, damages, liability, and costs of defense arising out of, or in any way connected with, incidents or accidents resulting from safety hazards identified by WASCO, either within or outside of the Services, which were not adequately rectified by the Client.

## **7. DISCLOSURE**

- 7.1. Before commencing the Services, WASCO, on WASCO's behalf and on behalf of WASCO's consultants and sub-consultants, shall disclose to the Client all existing affiliations with firms or individuals who may participate in the execution of the project. During the term of this agreement, WASCO and WASCO's sub-consultants shall also disclose to the Client any new affiliations. Upon receipt of this disclosure, the Client shall accept or reject the affiliated firms or individuals or shall terminate this Agreement.

## **8. APPROVAL BY OTHER AUTHORITIES**

- 8.1. Unless otherwise provided in this Agreement, or explicitly required by legislation, where the work of WASCO is subject to the approval or review of an authority, government department, or agency other than the Client, preparation of applications for approval or review shall be the Client's responsibility.

## **9. CONSULTANTS/SUBCONSULTANTS**

- 9.1. The consultants and sub-consultants forming part of WASCO's team will be provided as needed for the clients acceptance and approval. These consultants and sub-consultants shall not be changed by WASCO without the Client's prior approval.



## **10. INSURANCE AND LIABILITY**

### **10.1. General**

- 10.1.1. The Client agrees that any and all claims that the Client has or hereafter may have against WASCO in any way arising out of or related to WASCO's duties and responsibilities pursuant to this agreement shall be limited to the value of the fees specified in Appendix A. For the purposes of this provision, "claim" or "claims" means a claim or claims in contract or tort and "WASCO" includes WASCO's officers, directors, employees, representatives and consultants.

### **10.2. Comprehensive General Liability and Automobile Insurance**

- 10.2.1. The insurance coverage shall be \$5,000,000 for liability and \$2,000,000 for automobile insurance. When requested, WASCO shall provide the Client with proof of comprehensive General Liability and Automobile Insurance (inclusive limits) for both owned and non-owned vehicles.

### **10.3. Professional Liability Insurance (Errors and Omissions)**

- 10.3.1. The insurance coverage shall be in the amount of \$ 2,000,000. When requested, WASCO shall provide to the Client proof of Professional Liability Insurance carried by WASCO.

### **10.4. Change in Insurance Coverage**

- 10.4.1. It is understood and agreed that WASCO shall not change or cancel the insurance coverage provided for this project until 60 days after written notice of such change or cancellation has been personally delivered to the Client.

## **11. RESPONSIBILITIES OF THE CLIENT**

### **11.1. General Responsibilities**

- 11.1.1. The Client shall:
- (a) instruct WASCO fully as to the Client's requirements and make available to WASCO all relevant information WASCO requires, including objectives, constraints and criteria, special equipment and systems, site requirements, and project budget. WASCO shall be entitled to rely upon the accuracy and completeness of all such information and data furnished through the Client, or the Client's consultants, whether such consultants are engaged at WASCO's request or not.
  - (b) engage others directly, where required by WASCO, to perform the specialized services necessary to enable WASCO to carry out fully WASCO's duties. The retention of such specialized services by the Client shall be subject to the joint approval of the Client and WASCO.



- (c) give WASCO the authority to act as the Client's agent in all matters falling within the scope of the Services.
- (d) review promptly all documentation submitted by WASCO, and inform WASCO of decisions in time for the orderly progress of WASCO's services and of the project.
- (e) obtain and pay for all required consents, approvals, licenses, and permits from authorities having jurisdiction.
- (f) arrange and make provision for WASCO's entry and access to public and private property and the project site in the performance of the duties.
- (g) arrange and pay for tender advertising, and any legal, financial or insurance advice required for the project.
- (h) designate in writing a representative to have authority to transmit instructions to, and receive information from, WASCO, and advise WASCO in advance if this representative is to be changed.
- (i) notify WASCO immediately, whenever the Client, or the Client's representative, becomes aware of a defect or deficiency in the work, or the contract documents.

## **12. GOVERNANCE**

### **12.1. Co-operative Governance Framework**

- 12.1.1. Throughout the Term and the Renewal Term (if any) the Parties shall operate under a co-operative governance framework as set out in this Article.
- 12.1.2. The objectives of the co-operative governance framework are to:
  - (a) Ensure effective and timely oversight, contract management and decision-making through clearly defined roles and responsibilities and reporting mechanisms.
  - (b) Instill effective governance processes that provide for open and honest dialogue and the rapid escalation of relationship problems.
  - (c) Effectively identify and resolve difficult issues through a process of cooperative interest-based negotiations involving timely escalation, as required, through the governance process.
  - (d) Ensure an effective relationship management process exists throughout the life of the agreement including communication, decision-making, reporting, measurement, issue resolution and dispute resolution processes.
- 12.1.3. The Parties agree to adhere to the following guiding principles for governance:
  - (a) The parties should be proactive in identifying sources of disagreement and discord and take timely action before they become matters of dispute.

- (b) Issues should be resolved through a process of cooperative discussions and negotiations at the lowest appropriate level in the governance hierarchy.
- (c) If any such issues cannot be resolved at that level, they will be escalated upwards in accordance with this governance framework.
- (d) Successful implementation of this agreement will require a high degree of co-operation, communication and co-ordination (collectively, “**Co-operation**”) between them. Each commits to provide the necessary Co-operation during the Term and agrees the failure to do so shall be a relevant consideration in the resolution of any dispute arising in respect of this Agreement.
- (e) Instill effective governance processes that provide for open and honest dialogue and the rapid escalation of relationship problems.
- (f) Effectively identify and resolve difficult issues through a process of cooperative interest-based negotiations involving timely escalation, as required, through the governance process.
- (g) Ensure an effective relationship management process exists throughout the life of the agreement including communication, decision-making, reporting, measurement, issue resolution and dispute resolution processes.

12.1.4. Any governance processes and procedures should enable the parties to:

- (a) Understand and execute their responsibilities and accountabilities under this Agreement.
- (b) Work co-operatively together over the Term, subject to the specific rights of a party under this Agreement.
- (c) Develop and maintain high quality relationships; and
- (d) Accommodate the life cycle of the agreement and adapt to changing environments.

12.1.5. The Parties commit to utilizing this Governance Process, including by requiring their respective representatives to attend meetings and to participate in the activities associated with the effective governance of this Agreement.

## **12.2. Governance Process**

12.2.1. To facilitate effective governance each Party shall assign:

- (a) An accountable contract manager to be the primary day-to-day point of contact for all issues related to this Agreement (collectively, the “**Contract Managers**”); and
- (b) A senior representative responsible for the overall implementation of this Agreement (collectively, the “**Senior Representatives**”).

12.2.2. The Contract Managers shall be responsible for all aspects of the day-to-day administration of this Agreement and, respectively, the performance of the Services and the Client’s Service Obligations. The Contract Managers shall

each have the authority to bind their respective principals in connection with the administration of this Agreement.

- 12.2.3. Any issues, disagreements, disputes, or the like (an “**Issue**”) related to this Agreement, the Services or the Client’s Service Obligations shall first be addressed by the Contract Managers.
- 12.2.4. In the event the Contract Managers are unable to resolve an Issue between them, the Issue shall be escalated to the Senior Representatives. The Contract Managers shall ensure the speed with which an Issue is escalated is commensurate with the significance and/or urgency of the situation and that the Senior Representatives are provided with such documentation and background information as they may reasonably require to make an informed decision in respect of the Issue.

### **13. DISPUTE RESOLUTION**

- 13.1. In the event of any controversy or claim arising out of or relating to the Agreement, or the breach thereof (a “Dispute”) the parties agree that:
- 13.2. Both during and after the performance of the terms of this Agreement, each of them shall make bona fide efforts to resolve by good faith negotiations any Dispute, which negotiations shall not terminate until the Senior Representatives shall have considered the Dispute. The parties shall, on a without prejudice basis, provide frank, candid and timely disclosure of all relevant facts, information and documents to facilitate such negotiation.
- 13.3. If the parties are unable to resolve the Dispute in the foregoing manner within a period of twenty (20) business days or such other period as they may agree in writing, then upon Notice by either party to the other any unresolved Dispute shall be finally settled by arbitration administered by ICDR Canada in accordance with its Canadian Arbitration Rules. The Rules can be found at:  
[https://www.icdr.org/sites/default/files/document\\_repository/ICDR-Canada-Rules-English.pdf](https://www.icdr.org/sites/default/files/document_repository/ICDR-Canada-Rules-English.pdf)
- 13.4. Any arbitration shall be conducted by a sole arbitrator in Winnipeg, Manitoba and the language of the arbitration shall be English.
- 13.5. The arbitrator’s award shall be final and binding upon the parties.
- 13.6. Without limiting the binding nature of the parties’ commitment to settle all Disputes by arbitration and without prejudice to a party’s right to challenge the right of the other party to bring a court proceeding, if for any reason, a party brings court proceedings in respect of the arbitration of a Dispute, or in respect of this Agreement, the parties hereby attorn to the exclusive jurisdiction of the Manitoba Court of Queen’s Bench for such proceedings.

## **14. FEES AND DISBURSEMENTS**

### **14.1. Definitions**

- 14.1.1. For the purpose of this agreement, the following definitions shall apply:
- (a) Hourly Billing Rate - The hourly billing rate is defined as the hourly rate for billing purposes for each of WASCO's employees working on the various phases of the project. It shall include charges for computers and equipment used by WASCO for the project. This rate is subject to cost of living and merit adjustments on 12-month intervals from the date of this agreement.
  - (b) Site - Site includes the actual project site and other locations where the work is carried out.

### **14.2. Basis of Payment**

- 14.2.1. The Client shall pay WASCO in accordance with Appendix A and the following sections.

### **14.3. Fees Calculated on a Time Basis**

- 14.3.1. The Client shall pay WASCO a fee, calculated on a time basis, for that part of the services described as such in Section 1.1.1. Fees shall be computed on the basis of hourly billing rates as included in Appendix A, which forms part of this agreement.
- 14.3.2. All time expended on the assignment shall be chargeable, whether it is expended in WASCO's office, at the Client's premises, or elsewhere. Chargeable time also includes, but is not limited to, time expended by technical and clerical staff to prepare such documents as reports and specifications.
- 14.3.3. Reimbursable expenses, specialized computer services and equipment, and applicable sales taxes are additional to the fees calculated on a time basis.

### **14.4. Fees on a Lump-Sum Basis**

- 14.4.1. The Client shall pay WASCO a lump-sum fee (fixed fee) in accordance with Appendix A for that part of the services described as such in Section 1.1.1. Reimbursable expenses, specialized computer services and equipment, and applicable sales taxes are additional to the lump-sum fee unless otherwise noted in Appendix A.

### **14.5. Reimbursable Expenses**

- 14.5.1. WASCO shall be reimbursed at cost, plus an administrative charge as indicated in Appendix A for all reasonable expenses WASCO incurs properly in connection with the project, including applicable sales taxes. Reimbursable expenses include, but are not limited to:

- (a) vehicle use charges;
- (b) travelling and living expenses;
- (c) long-distance telephone and telecommunication charges;
- (d) printing and reproductions;
- (e) progress photographs;
- (f) special or express delivery charges;
- (g) overtime premiums;
- (h) the cost of providing and maintaining a site office;
- (i) supplies and equipment;
- (j) others.

**14.6. Applicable Sales Taxes**

- 14.6.1. Applicable sales taxes comprise federal and provincial sales taxes, and value-added taxes applicable to WASCO's fees or any other payments hereunder, such as the Retail Sales Tax and the Goods and Services Tax.

**15. PAYMENT.**

**15.1. When Fees are on a Lump-Sum Basis**

- 15.1.1. WASCO shall monthly submit to the Client invoices based on the progress of the project. Monthly invoices shall include WASCO's fees, reimbursable expenses, specialized computer services and equipment, and applicable sales taxes.

**15.2. Payment by the Client**

- 15.2.1. The Client shall pay within 30 days after submission all invoices WASCO submits to the Client under this agreement.
- 15.2.2. Interest at 1.5% per month shall be paid on the total unpaid balance, commencing 30 days after the date of WASCO's invoice.

## **16. GENERAL**

### **16.1. Entire Agreement**

- 16.1.1. This Agreement including Appendix A, constitutes the entire agreement between the parties with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between the parties hereto with respect thereto. There are no representations, warranties, forms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties other than as expressly set forth in this agreement.

### **16.2. Law Governing Agreement**

- 16.2.1. This agreement shall be governed by the law of the Province of Manitoba.

### **16.3. Inurement**

- 16.3.1. This Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their executors, administrators, successors and assigns, except as otherwise provided herein. Neither party may assign this Agreement without the prior written consent of the other.

### **16.4. Execution in Counterparts**

- 16.4.1. This Agreement may be signed in counterparts and each such counterpart shall constitute an original document and such counterparts, taken together, shall constitute one and the same instrument. Execution and delivery of this Agreement or a counterpart thereof by any Party by fax or electronically shall constitute valid and effective execution and delivery, but each Party shall retain an originally executed copy of the Agreement.

IN AGREEMENT WITH THE FOREGOING PROVISIONS AND IN THE PRESENCE OF WITNESSES, the parties hereto set down their signatures, by hand or by facsimile, and together bind themselves to this Agreement as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

FOR WASCO

FOR THE CLIENT

\_\_\_\_\_  
Name

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Witness Name

\_\_\_\_\_  
Witness Name

\_\_\_\_\_  
Witness Title

\_\_\_\_\_  
Witness Title

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Witness Signature



## **APPENDIX A**



## Town of Fort Frances

Attention:

Mr. Faisal Anwar  
Administrator  
Town of Fort Frances  
320 Portage Ave.  
Fort Frances, ON P9A 3P9

Tel: +1.807.274.5323  
Email: [fanwar@fortfrances.ca](mailto:fanwar@fortfrances.ca)

## Professional Services Proposal Internal Quality Assurance Audit of the Town of Fort Frances Municipal Airport Safety Management System for 2022 RFP # 2022-OF-13

July 19, 2022

Final Proposal Submission  
Revision No.0 Dated July 19, 2022

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### Winnipeg Airport Services Corp.

201 – 2000 Wellington Avenue • Winnipeg, Manitoba R3H 1C2  
Tel: 204.515.4246 • Fax: 204.813.6014 • Web: [www.wasco.ca](http://www.wasco.ca)



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## 1.0 INTRODUCTION

### 1.1. BACKGROUND

The Town of Fort Frances Municipal Airport (Airport) is a Transport Canada certified airport, owned and operated by the Town of Fort Frances under the leadership of the Airport Supervisor.

The Airport is served by a single paved runway, Runway 12-30, which measures 4,493 ft X 100 ft with published instrument approach procedures down to Non-Instrument limits. The airport is utilized by corporate, general aviation and medevac flight operations.

In accordance with Transport Canada regulatory requirements, the Airport is required to establish and maintain a Safety Management System inclusive of a Quality Assurance Program. Specifically, Canadian Aviation Regulations (CARs) states:

*107.02 The applicant for, or the holder of, a certificate referred to in subsections 107.01 (1) or (2) shall establish and maintain a Safety Management System.*

*107.03 A Safety Management System shall include g) a quality assurance program*

### 1.2. SCOPE OF WORK

As required per the Canadian Aviation Regulations (CARs) the objective of the quality assurance audit is to perform “*periodic reviews or audits of the activities authorized under a certificate*” (CARs 302.503(1)), which includes not just the physical airport infrastructure, but the performance and documentation of plans and programs outlined in the Airport Operations Manual.

The following outlines the plans and procedures authorized under the certificate:

- Town of Fort Frances Airport Safety Management System Plan
- Wildlife Management Plan
- Winter Maintenance Plan
- TP312
- Airport Operations Manual
- Emergency Response Plan
- Obligations of the Operator

As outlined in RFP #2022-OF-13, the Airport is seeking qualified proponents to submit a proposal to conduct a full quality assurance audit of all activities authorized under the Fort Frances Municipal Airport operating certificate to ensure compliance with Canadian Aviation Regulations and per the Fort Frances Municipal Airport Safety Management System manual.

### 1.3. UNDERSTANDING THE PROJECT

Winnipeg Airport Services Corp. (WASCO) understands firsthand the challenges and opportunities with operating airports and the associated regulatory compliance. As detailed below in our proposal submission, WASCO has developed an industry leading team of aviation Safety Management professionals, bridging the gap between ‘consultant’ and ‘operator’. Our focus is partnership and leveraging our team to improve the safety and economic viability of airports of all sizes across Canada.

The Safety Management Team is led by Trevor Zemliduk, who has extensive experience in all aspects of aviation, including airport design, regulatory compliance, operations and management. With over twenty years of aviation expertise, Trevor understands the issues facing Canadian airports and airport operators.

WASCO is confident that our experienced dedicated SMS team has the skills, knowledge and experience to successfully deliver the work program and exceeding the expectations of the Fort Frances Municipal Airport and WASCO is committed to delivering on that promise.

## 2.0 WINNIPEG AIRPORT SERVICES CORP. (WASCO)

### 2.1. OVERVIEW

WASCO is a wholly owned subsidiary of Winnipeg Airports Authority operator of the Winnipeg James Armstrong Richardson International Airport, the 7<sup>th</sup> busiest airport in Canada in terms of passenger activity. WASCO, either directly or through our wholly owned subsidiaries and joint ventures, is dedicated to providing innovative and cost-effective Airport Operations, Airport Management, Facility Maintenance and Technical Services solutions to airports throughout Canada.

WASCO was conceived from the idea that the Winnipeg Airports Authority team has an expertise and passion that can be shared and leveraged beyond the immediate borders of the Winnipeg International Airport to support the greater aviation community.

With this vision, WASCO was created.

Our first major undertaking was the award of the airport operations and management concession for the Iqaluit International Airport. Awarded by the Government of Nunavut, this 30-year PPP (Public Private Partnership) was the first of its kind in Canada and includes the design, build, finance, maintenance and operation of the Iqaluit International Airport. Nunavut Airport Services Limited (NASL) – a wholly owned subsidiary of WASCO – holds the Transport Canada airport operating certificate and is responsible for airport management and operations for the contract period.

### 2.2. WASCO – MISSION, VISION & VALUES

At WASCO, we believe that the most successful relationships are those that are built on partnership and collaboration, and we implement this philosophy in every project in which we are engaged. Although we provide professional services, we are not a consultancy and do not engage in projects simply to generate revenue or create profit. In fact, our ideal financial model is based upon a cost-plus recovery basis providing open financial transparency to our clients.

Put simply, we believe that in the broader aviation community we are all partners, and as leaders within this community it is incumbent that we share and leverage our expertise to drive innovation and growth not just within our immediate borders, but throughout Canada and abroad.

Shared by our corporate parent company, Winnipeg Airports Authority, our vision at WASCO is to lead transportation, innovation and growth under the mission of:

*“With our community, we provide excellent airport services and facilities in a fiscally prudent manner.”*

We achieve our vision and execute our mission through the following values:

- Respect
- Integrity
- Service
- Excellence

Through these values, WASCO is able to deliver innovative and cost-effective solutions that will not only drive the change necessary to ensure both regulatory compliance and effective resource utilization but will do so while fostering a collaborative partnership with the Airport to achieve your corporate objectives for your stakeholders in your local community.

## 2.3. SIMILAR PROJECT EXPERIENCE

WASCO has extensive Safety Management System and Quality Assurance experience at airports both large and small throughout Canada, including:

### **Government of Nunavut – Nunavut Airports Division**

WASCO, through our subsidiary WASCO North, was appointed in 2017 to develop, implement, administer and manage the Safety Management System and Quality Assurance Program for the twenty-four airports owned and operated by the Government of Nunavut – Nunavut Airports Division.

Over the past 60 months since assuming administration and management of the program, WASCO has achieved the following successes:

- Obtained Corrective Action Plan approval from Transport Canada on several major findings dating back to 2014
- Completed re-write and simplification of the Safety Management System
- Reduced the number of daily forms submitted by airports from six to two (daily inspection report and hazard event report).
- Implemented a new digital reporting system (previously fax reports were used)
- Development of standard templates for Hazard Identification Risk Assessments, Safety Cases (proactive reporting), Five-Why's Root Cause Analysis and Hazard Registry
- Investigated several new software solutions to facilitate the reporting and documentation of hazard reporting, including: Q5, iAuditor (and associated Spotlight), SmartSheet with analytical support using Power BI, and digital fillable Adobe PDF



- Increased the daily participation rate of airports from less than 50% to over 95%
- Through review of the daily inspection reports, identified more than 1,500 hazards beyond those reported by individual airports
- Completed the first Quality Assurance Audit of all twenty-four airports in 2017
- Initiated the three-year cyclical Quality Assurance Audits at ten airports in 2018, eight airports in 2019, eight airports in 2020 and eight airports in 2021.
- Facilitated twenty-four table-top Emergency Response Plan exercises in twenty days (including debrief and submission to Transport Canada) following immediate Transport Canada finding
- Participated on sixteen Program Validation Inspections / Process Inspections in 2017, 2018 and 2019
- Reduced the number of outstanding hazard reports from over 1,200 to roughly 100
- Development of an intuitive 'health check' dashboard for use by Nunavut Airport management including Accountable Executive (Deputy Minister)

### **Winnipeg International Airport – Winnipeg Airports Authority**

Appreciating the success of the Nunavut Airports Division solution, Winnipeg Airports Authority engaged WASCO to similarly simplify their Safety Management System and provide support through the appointment of a Manager and other support staff to ensure the success of the program. This included review of outstanding hazard reports and developing new systems to identify hazards through the daily 'tickets' logged by the Airport Operations Center using Maximo.

WASCO is further supporting Winnipeg Airports Authority through the custom development of a Safety Management interface in Maximo.

### **Iqaluit International Airport – Nunavut Airport Services Limited**

WASCO, through our wholly owned subsidiary Nunavut Airport Services Limited, was engaged by the Government of Nunavut to maintain and operate the Iqaluit International Airport on a thirty-year P3 concession agreement. WASCO provides full Safety Management System services for the Iqaluit International Airport through our SMS Team.

Michael O’Gorman, Managing Director for WASCO, is also the Accountable Executive for the Iqaluit International Airport.

### **The Pas Airport, Manitoba**

The Pas Airport is a small community Airport in northern Manitoba with daily scheduled passenger service by Calm Air. The Airport is a base for Manitoba Sustainable Resources (Wildfire Program) during summer months and is frequently used for medevac purposes.

In late 2016 WASCO was engaged by the Town of The Pas to provide Airport Management services. Due to challenges in filling a long-standing Airport Manager vacancy which ultimately resulted in enhanced enforcement, Transport Canada recommended WASCO to fill this vacancy

through long-term contract. Under the terms of the agreement, the Airport would continue to be owned and operated by the Town, however WASCO would provide an Airport Manager, working on a rotational basis from Winnipeg.

#### Additional SMS Services

The WASCO team has also provided Safety Management System program support to other airports throughout Canada, including delivering Risk Assessment Workshops and developing Corrective Action Plans for review and approval by Transport Canada.

#### Quality Management Program

Outside of Safety Management Systems, WASCO also operates three ISO Certified operations, including the entire Iqaluit International Airport maintenance and operation, the Airport Operations Centre, Pass Office and Baggage Operations at the Winnipeg International Airport and activities at the Kelowna International Airport.

Several WASCO staff are certified as ISO 9001:2015 Lead Auditors, including our Quality Manager and Airport Safety Programs Auditors/Coordinators.

## 2.4. CORPORATE AUDITING EXPERIENCE

WASCO has extensive experience inclusive and beyond that required per the Canadian Aviation Regulations. In addition to our experience in delivering Safety Management Systems for thirty-three airports, WASCO has conducted Canadian Aviation Regulations Quality Assurance Audits for seventy-three airports over the past five-years, WASCO also administers and manages three different ISO 9001 Certified airport operational environments, which includes:

- Iqaluit International Airport – Entire Airport Operations and Management
- Winnipeg International Airport
  - Airport Operations Centre
  - Pass Office
  - Baggage Operations Centre
  - Janitorial Services
- Kelowna International Airport
  - Airport Facility Maintenance
  - Janitorial Services
  - Airfield Electrical Services

Under these programs, WASCO is required to conduct annual performance services audits and participate in re-Certification audits to maintain ISO certification. With respect to the Iqaluit International Airport, under the term of the 30-year P3 (Public Private Partnership) WASCO is required to conduct annual audits of key airport plans, both regulatory and non-regulatory. These audits are then submitted to the Government of Nunavut in accordance with the Project Agreement.

WASCO has six staff, five of which are the SMS Auditors, who are certified as ISO Lead Auditors, with the sixth being the Manager responsible for auditing the Iqaluit International Airport ISO and Project Agreement audits.

## 2.5. FAMILIARITY WITH TRANSPORT CANADA

WASCO has extensive experience and familiarity with Transport Canada regulatory requirements, as demonstrated through our management of five different airport operating certificates through either WASCO, our parent company or our wholly owned subsidiaries. These airports include The Pas Airport, Dawson Creek, Stephenville International Airport, Iqaluit International Airport and the Winnipeg James Armstrong Richardson International Airport.

Further to this, WASCO is directly associated with the operation of twenty-five other airports, including the twenty-four airports owned and operated by the Government of Nunavut and the Kelowna International Airport.

Additionally, WASCO staff, including Mr. Zemliduk and several other key staff, have extensive experience in airport operations, management, planning, design and regulatory compliance. Our team works closely with Transport Canada on behalf of our airport partners, having participated and supported over twenty-four Transport Canada Program Validation Inspection (PVI) or Process Inspection (PI) audits conducted by Transport Canada over the past five years.

## 2.6. PREVIOUS TRANSPORT CANADA AVIATION AUDIT EXPERIENCE

Over the past five years, WASCO has completed seventy-three full or partial Safety Management Systems Quality Assurance Program Audits at the following airports:

- Nunavut Airports – 56 Audits at 24 Airport Sites
- Winnipeg International Airport (Partial Audit)
- Thunder Bay International Airport (Full Audit)
- Kelowna International Airport (Partial Audit)
- Iqaluit International Airport (Partial Audit)
- The Pas Airport (Full Audit)
- Fort Frances Municipal Audit (Full Audit)
- Moosonee Airport (Full Audit)
- Sioux Lookout Municipal Airport (Full Audit)
- Timmins Victor M Power Airport (Full Audit)
- Stephenville International Airport (Full Audit)
- Dawson Creek Airport (Full Audit)
- Northern Rockies Regional Airport (Full Audit)
- Penticton Airport (Full Audit)

- Port Hardy Airport (Full Audit)
- Sandspit Airport (Full Audit)
- Victoria Harbour Airport (Full Audit)
- Churchill Airport (Full Audit)

## 2.7. PROJECT REFERENCES

Airport            The Pas Airport  
Client Name      Jennifer Early  
                        Accountable Executive  
                        Town of The Pas  
Client Contact    Phone: +1.204.627.1109  
                        Email: [jenne@townofthepas.ca](mailto:jenne@townofthepas.ca)

Airport            Sioux Lookout Municipal Airport  
Client Name      Ben Hancharuk  
                        Airport Manager  
                        Corporation of the Municipality of Sioux Lookout  
Client Contact    Phone: +1.807.737.0559  
                        Email: [manager@cyxl.ca](mailto:manager@cyxl.ca)

Airport            Timmins Victor M Power  
Client Name      Dave Dayment  
                        Airport Manager  
                        Town of Timmins  
Client Contact    Phone: +1.705.360.2610  
                        Email: [David.Dayment@timmins.ca](mailto:David.Dayment@timmins.ca)

## 2.8. ABILITY TO DELIVER

WASCO commits that our team has the capability to deliver the work program, as detailed above, in conjunction with any existing or future commitments. WASCO commits to undertaking the audit with the final report delivered by September 30, 2022.

## 3.0 PROJECT TEAM MEMBERS

### 3.1. MANAGEMENT TEAM

The following summarizes the skills, knowledge and experience of our project management team.

#### **Trevor Zemliduk**

Director, Airports

Mr. Trevor Zemliduk is a talented operation executive with more than 20 years' experience in the aviation industry. His energy, motivation and passion for excellence has powered his aviation career. He is currently the Director, Airports for WASCO.

Trevor has led a team at WASCO to develop, implement and deliver a Safety Management System (SMS) program and Quality Assurance Program (QAP) for 32 airports across Canada (compliant with Canadian Aviation Regulations 'CARS') and the Caribbean (compliant with International Civil Aviation Organization 'ICAO'). Trevor has managed station operations for a leading Canadian airline along with leveraging his experience to improve their global deice manual, training, quality assurance program, oversight and continuous improvement initiatives. He was fundamental to the successful startup and operation of the YWG CDF, Waterloo and Chicago O'Hare de-icing operations. Throughout his career, fostering of relationships and solution-based approach to all scenarios has proven beneficial for customers/partners and driven business development.

Trevor is a Certified Member (CM) of the International Association of Airport Executives (IAAE), member in 'good standing' Society of Automotive Engineers (SAE) G12, member of the Manitoba Aviation Council (MAC), has previously chaired and co-chaired Airline Consultative Deice Committees and participated in the airport best practices committee.

#### **Nevin Edmundson**

Manager, Airport Safety Programs

Nevin Edmundson leads the WASCO SMS team and is responsible for the delivery of SMS programs for 32 Airports. As the person managing the Safety Management System, Mr. Edmundson works closely with Transport Canada, Nav Canada, and air carriers to continuously improve and refine SMS programs under administration and management of WASCO. Nevin has an extensive background in Airfield and Airport Operations with the Winnipeg James Armstrong Richardson International Airport, including 3 years as an Airfield Equipment Operator, 9 Years as an Airfield Electrician, before moving into the Air Terminal Building as a Manager, Airport Operations for 3 years.

### 3.2. AUDIT TEAM

The following summarizes the skills, knowledge and experience of our project audit team:

#### **Mr. Chris Angulo**

Airport Safety Auditor

Chris Angulo joined WASCO in 2019 and has over 30 years of progressive aviation experience. As a member of the WASCO team, Chris plans, coordinates and manages the delivery of the Quality Assurance Program to our airport partners.

Prior to joining WASCO, Mr. Angulo was a coordinator at a major regional airline. Chris is certified as an ISO lead Auditor (TPECS) Quality Management System.

**Mr. Syed Rizvi**

Airport Safety Auditor

Mr. Syed Rizvi joined WASCO in 2017 and has 4 years aviation experience and is a graduate from Georgian College, Aviation Management Advance Diploma program. Mr. Rizvi held two co-op terms in operational airport environments, one at the Region of Waterloo International Airport and the other at the Billy Bishop Toronto City Airport. Since joining WASCO, Mr. Rizvi has participated or led audits at over 10 airport sites, including at the Winnipeg International Airport. Mr. Rizvi is also certified as an ISO Lead Auditor (TPECS) Quality Management System.

### 3.3. ADDITIONAL RESOURCES

The following outlines the additional resources that makeup the WASCO SMS team:

SMS Manager – Overall responsibility for the implementation and delivery of the Safety Management System. Reviews corrective action plans and chairs monthly safety meetings with airport staff. Delivers quarterly meetings with Accountable Executives and jointly establishes annual goals and objectives.

SMS Coordinator(s) – Reviews daily inspection reports and hazard reports and creates event reports in accordance with the approved safety management system. Depending on the initial risk score, will prepare a corrective action plan, or where appropriate, execute an investigation. Assigns corrective actions to the appropriate manager and confirms completion of the corrective action plan. Identifies needs for proactive reporting and executes safety studies and Hazard Identification Risk Assessments. Participates in monthly safety meetings and the supports the development of annual goals and objectives.

SMS Technician – Receives all daily inspection reports and event reports and creates, where applicable, an event report to be actioned by the Coordinator(s). Prepares all template reports and manages all data associated with event reports, corrective action plans and risk assessments. Maintains data in software database for further data analytics and Transport Canada reporting.

Quality Assurance Auditor(s) – Acting independently from the SMS team, the Quality Assurance Auditor(s) conducts the physical, regulatory and performance audit of the airport environment, regulatory programs and safety management system once every three years. The results of the audits are then submitted to the Accountable Executive for review and once approved are input into the Safety Management System for action. Quality Assurance Audit team has ISO 9001:2015 Lead Auditor Certification.

### 3.4. TEAM ASSIGNMENT

On this assignment, it is proposed that Mr. Zemliduk will hold overall executive responsibility of the program supported by Mr. Edmundson as Project Manager. Depending on the audit schedule, it is proposed that Mr. Angulo will lead the on-site Audit and will be supported by Mr. Rizvi. Both Mr. Angulo and Mr. Rizvi will participate as part of the document review with peer review conducted by Mr. Edmundson.

Development of the Corrective Action Plans will be led by Mr. Nevin Edmundson and will be supported by the SMS Coordinator(s) and SMS Technician.

It is proposed that a minimum of two individuals will participate on the on-site portion of the SMS Audit to ensure full physical assessment, full performance review and key person interviews.

## 4.0 APPROACH AND METHODOLOGY

### 4.1. PROJECT OVERVIEW

WASCO proposes to successfully execute the work program in three distinct work phases:

Phase 1 – Planning the Audit

Phase 2 – Conducting the Audit

Phase 3 – Audit Reports

The following outlines the methodology that WASCO proposes to undertake in delivering the work program as per the three phases detailed above.

### 4.2. TASK 1 – PROJECT INITIATION (PHASE 1)

At the outset of the project, it is proposed that the WASCO audit team would coordinate a kick-off meeting via conference call. In advance of this kick-off meeting, the WASCO team would circulate an agenda and a list of documents required to conduct the audit. At a minimum, documents would include the plans listed in S.1.2 of this proposal but may include additional items not currently listed. During the kick-off call the project schedule would be finalized, including dates of the proposed audit and delivery of the final audit report. It is proposed that minutes would be circulated following the kick-off meeting.

### 4.3. TASK 2 – AUDIT PREPARATION (PHASE 1)

Once WASCO receives the Airport documents, it is proposed that a pre-audit review of all background documents would be conducted to prepare for the audit execution. During this time, the Audit Plan would be prepared and circulated to the Airport for review. The WASCO Audit Plan would be circulated at least two weeks prior to conducting the audit.



#### 4.4. TASK 3 – DOCUMENT REVIEW (PHASE 2)

Immediately following receipt of the documents, it is proposed that WASCO would complete the document review. This portion of the review is the most time-consuming aspect of the audit, since all documents will be reviewed based on: Transport Canada regulatory requirements, industry best practices. It is proposed that WASCO will utilize standard and custom developed check-list to execute the document review.

It is proposed that WASCO would supplement standard documents checklists with those developed by WASCO, which provide additional information and analytics to the Airport incorporation into the Safety Management System.

#### 4.5. TASK 4 – AUDIT EXECUTION (PHASE 2)

The Quality Assurance Audit would be conducted over a period of two days on-site and would include a physical infrastructure audit of the airfield, on-site document review, records and documentation review and interviews.

It is proposed that immediately following the completion of the audit, that a verbal debrief of key findings would be provided. Immediately following the physical audit, a re-review of the documents would take place to validate the document review against the on-site physical airport infrastructure.

#### 4.6. TASK 5 – REPORTING (PHASE 3)

Following the document review, it is proposed that WASCO would provide a detailed report, including completed checklists, of the completed audit. A draft of the audit report would be initially circulated, then following a conference call, would be finalized.

The audit report would include copies of any photographs taken and check-lists utilized. Records of the interviews would not be provided to maintain confidentiality.

#### 4.7. TASK 6 – DEVELOPMENT OF CORRECTIVE ACTION PLANS (PHASE 3)

The following task is proposed to be delivered by WASCO as a value-add solution with respect to incorporating the Quality Assurance findings back into the Safety Management System. In our experience in delivering SMS programs, we have found that often Airport resources are overloaded immediately following an audit, making it difficult to implement corrective actions. It is therefore proposed that WASCO would continue to support the Airport following the delivering of the audit findings through the drafting and submission of Corrective Action Plans.

Once drafted, the Corrective Action Plans would be reviewed by the Airport SMS Committee, with WASCO making any necessary revisions. The Corrective Action Plans would follow the Transport Canada format and include the following components:

- Factual review of the finding
- Pre and post mitigation risk
- Root Cause analysis
- Short term action plan with expected completion date

- Long term action plan with expected completion date
- Evaluation of Corrective Action Plan

It is proposed that the findings identified, and subsequent Corrective Action Plans developed as a result of the Audit will be executed in a similar manner to Transport Canada findings. In that a factual review of the findings and root cause analysis will be developed based on the governing finding or identified trend.

#### 4.8. TASK 7 – PROJECT CLOSEOUT MEETING (PHASE 3)

At the close of the project, once all Corrective Action Plans have been addressed, or at a time when the Airport chooses to end the work program, an project close-out meeting would take place directly with the Airport team. It is proposed that the project will be completed, as required per the RFP, no later than December 1, 2022.

#### 4.9. PROJECT SCHEDULE

The following Table 4-1 outlines the proposed project schedule:

Table 4-1 Proposed Project Delivery Schedule

	Estimated Start	Duration	Estimated Completion
Phase I: Planning the Audit	AUG 15, 2022	2 Weeks	AUG 26, 2022
Phase II: Conducting the Audit	AUG 29, 2022	1 Week	SEPT 2, 2022
Phase III: Audit Reports	SEPT 5, 2022	2 Weeks	SEPT 16, 2022
Town Review of Draft Report	SEPT 19, 2022	1 Weeks	SEPT 23, 2022
Prepare Final Report	SEPT 26, 2022	1 Week	SEPT 30, 2022

It is proposed that the Draft Report would be presented to the Town September 19, 2022 and that any comments would be received by the Town no later than September 23, 2022. WASCO would then finalize any comments and submit the final report September 30, 2022.

## 5.0 PROFESSIONAL FEE ESTIMATE

### 5.1 PHASE I - PHASE III WORK PROGRAM

The following outlines the professional fee estimate for the Phase I -III of the work programs as outlined in Section 4, above.

Table 5-1 Professional Fee Estimate Summary

	TZ \$150/HR	NE \$100/HR	SMS Tech \$85/HR	Total (Hrs)	Total Cost
<b>Phase I: Planning the Audit</b>					
<b>Task 1 – Project Initiation</b>	1.0	1.0	2.0	4.0	\$420.00
<b>Task 2 – Audit Preparation</b>	--	4.0	4.0	8.0	\$740.00
<b>Phase II: Conducting the Audit</b>					
<b>Task 3 – Document Review</b>	1.0	4.0	16.0	21.0	\$1,910.00
<b>Task 4 – Audit Execution</b>	--	--	48.0	48.0	\$4,080.00
<b>Phase III: Audit Reports</b>					
<b>Task 5 – Reporting</b>	--	4.0	8.0	12.0	\$1,080.00
<b>Task 6 – Development of CAPs</b>	N/C	N/C	N/C	N/C	--
<b>Task 7 – Project Close Out</b>	1.0	1.0	2.0	4.0	\$420.00
<b>Sub-Total Professional Fees</b>	3.0	14.0	80.0	97.0	\$8,650.00
<b>Disbursements (Estimated)</b>					
<b>Travel (Vehicle, Meals &amp; Accommodation)</b>					\$1,550.00
<b>Sub-Total Disbursements</b>					\$1,550.00
<b>HST (excluding Disbursements)</b>					1,124.50
<b>Total</b>					\$11,324.50

Notes:

1. Fixed professional fees.
2. Audit team anticipated to spend approximately two days on-site.
3. All disbursements are estimated.
4. SMS Tech is a blended rate of Airport Regulatory Programs Coordinator(s) and Airport Regulatory Programs Auditor(s)
5. It is proposed that two staff will be on-site during the audit.
6. All fees excluding applicable taxes.

## 6.0 SUBMISSION REQUIREMENTS

### 6.1. INSURANCE

As a wholly owned subsidiary of Winnipeg Airports Authority, WASCO confirms that we have and will maintain throughout the duration of the Contract, a comprehensive insurance policy of Professional Liability in the amount of not less than \$2,000,000.00 inclusive per occurrence. Proof of insurance will be provided upon request of the Town of Fort Frances.

### 6.2. HEALTH AND SAFETY

As a wholly owned subsidiary of Winnipeg Airports Authority, WASCO maintains a robust Health and Safety Program for our employees, management and contractors. WASCO commits that all activities delivered under this work program will be in accordance with our internal Health and Safety Program in addition to any additional obligations under the Occupational Health and Safety Act.

### 6.3. STATUTORY DECLARATION

Please find enclosed Appendix A, an executed copy of the Statutory Declaration.

### 6.4. SAMPLE AGREEMENT

Please find enclosed as Appendix B a sample copy of our standard agreements. Please note that this is a sample only and WASCO is open to discussions on content.

## 7.0 CLOSING

Winnipeg Airport Services Corp. appreciates the opportunity to partner with the Town of Fort Frances on the delivery of an Internal Quality Assurance Audit of the Town of Fort Frances Municipal Airport Safety Management System.

*Our objective at WASCO North is to focus on the process of safety management, so that you and your staff can focus on the performance of safety management.*

If you have any questions, please do not hesitate to call.

Sincerely,



Trevor Zemliduk, C.M.  
Director, Airports  
Winnipeg Airport Services Corp.

Appendix A

### STATUTORY DECLARATION

In submitting this proposal, I/We, on behalf of WINNIPEG AIRPORT SERVICES CORP. (WASCO)  
Legal Name of Company  
certify the following:

- (a) I/We have a health and safety policy and will maintain a program to implement such policy as required by clause 25(2) (j) the *Occupational Health and Safety Act*, R.S.O. 1990, c.O.1, as amended, (the "OHSA").
- (b) With respect to the services being offered in this proposal, I/We and our proposed sub-contractors, acknowledge the responsibility to, and shall:
  - (i) fulfill all of the "employer" obligations under the OHSA and ensure that all work is carried out in accordance with the OHSA and its regulations.
  - (ii) ensure that adequate and competent supervision is provided as per the OHSA to protect the health and safety of workers; and
  - (iii) provide information and instruction to all employees to ensure they are informed of the hazards inherent in the work and understand the procedures for minimizing the risk of injury or illness.
- (c) I/We agree to take every precaution reasonable in the circumstances for the protection of worker health and safety, as required under the OHSA.

Dated at WINNIPEG this 7<sup>th</sup> day of July 2022.

TREVOR ZENLIUK  
(Authorized signing agent for the Firm)

WASCO - DIRECTOR, AIRPORTS  
(Title)

204.291.0290  
(Telephone Number)

# Appendix B



**WINNIPEG AIRPORT SERVICES CORP.  
CONSULTING AND PROFESSIONAL SERVICE CONTRACT**

**ARTICLES OF AGREEMENT**

These **Articles of Agreement** are made as of the DD day of MONTH, YEAR.

**BETWEEN**

**WINNIPEG AIRPORT SERVICES CORP.**  
(referred to as "WASCO")

- and -

**(INSERT CLIENT NAME HERE)**  
(referred to as the "Client")

**WHEREAS** the Client has requested that WASCO provide a proposal for the provision of professional airport operations, management and/or technical services;

**AND WHEREAS** the Client now wishes to enter an agreement with WASCO for the provision of the Services and the Contractor has agreed to provide such Services to the Client;

**AND WHEREAS** the Client and WASCO now wish to set out the terms and conditions relating to the provision of such Services;

**NOW THEREFORE** the Client and WASCO agree as follows:

<b>"Agreement"</b>	means this contract between the Client and WASCO for the provision of the Services;
<b>"Services"</b>	means those Services outlined and described in the Contractor's Proposal dated December 22, 2016 and attached hereto as <b>Appendix "A"</b> .

**1. SERVICES**

**1.1. Services**

- 1.1.1. WASCO agrees to fully perform the Services in a competent, timely and professional manner to the satisfaction of the Client within the term and for the price set out herein;
- 1.1.2. WASCO will perform the Services to the standards set out in the Proposal unless agreed, in writing, by mutual agreement between the Client and WASCO.

**1.2. Term & Renewal**

- 1.2.1. The term of this Agreement shall commence on January 30, 2017 and shall following final completion of the delivery of Services or end on January 29, 2020, (the "Term") unless earlier terminated in accordance with Article 8 below.
- 1.2.2. This Agreement may be renewed for one (1) additional period of three (3) years (the "Renewal Term") on the following basis:
- 1.2.3. Any renewal, including modifications as to scope, is subject to mutual agreement of the Parties.
- 1.2.4. The party seeking to renew this Agreement must provide the other party Notice of its desire to renew not earlier than one (1) year, but not later than six (6) months, prior to the expiry of the Term.

**1.3. Client Performance Obligations in Respect of the Services**

- 1.3.1. The Client acknowledges and agrees the nature of the Services is such that in providing the Services WASCO is obliged to rely upon the ongoing cooperation, collaboration and full participation of the Client.
- 1.3.2. The Client shall provide such cooperation, collaboration and participation as, in WASCO's reasonable professional opinion is necessary to enable it to provide the Services (the Client's "Service Obligations").
- 1.3.3. The Client shall exercise all care, skill, and diligence of a prudent professional in discharging its Service Obligations and shall comply with all the terms and conditions of this Agreement.
- 1.3.4. To the extent the Client's failure to properly discharge its Service Obligations means WASCO is unable to, or materially hampered in its ability to provide the Services, WASCO shall not be in default of any obligation to provide such of the Services as are affected by the Client's failure. For the sake of certainty, the Clients' Service Obligations are not intended to oblige it to pay WASCO more than the Service Fees contemplated by this Agreement.
- 1.3.5. In providing the Services WASCO expressly relies on the completeness and accuracy of the information provided by the Client.
- 1.3.6. The Client represents that it has provided or will, within reasonable time of the execution of this Agreement, provide WASCO with all of the documents, records and other relevant information required by WASCO to perform the Services.
- 1.3.7. During the performance of the Services WASCO shall be entitled to rely on the completeness and accuracy of the reports and information to be provided by the Client except where WASCO expressly acknowledges in writing any such information is or may be incomplete, or inaccurate.

**1.4. WASCO's Performance Obligations in Respect of the Services**

- 1.4.1. WASCO shall exercise all care, skill, and diligence of a prudent professional in performing the Services and shall comply with all the terms and conditions of this Agreement.
- 1.4.2. WASCO acknowledges and agrees the nature of the Services is such that in providing

the Services WASCO must, subject to regulatory requirements, act reasonably in the expectations it can place on the Client in respect of the Client's ability to respond to information requests, corrective action and the like.

- 1.4.3. To the extent WASCO's failure to properly perform the Services means the Client is unable to, or materially hampered in its ability to meet its Services Obligations the Client shall not be in default of any obligation to meet such of its Service Obligations as are affected by WASCO's failure.

## **1.5. Non-Exclusivity**

- 1.5.1. WASCO shall provide the Services to the Client on a non-exclusive basis and shall be free to undertake work for third parties during the Term and the Renewal Term (if any).

## **2. GENERAL CONDITIONS**

### **2.1. Ownership of Documents**

- 2.1.1. The copyright in all designs, reports, photographs, drawings, plans, specifications, computer software, surveys, calculations and other data, information and material collected, computed, drawn or produced, including computer printouts. (the "documents") prepared or provided by WASCO in connection with the project belong to WASCO. But the Client shall have a non-exclusive, royalty-free licence to use the documents for the purpose of the project.
- 2.1.2. The Client shall not use the documents other than for the purpose of the project without WASCO's prior written approval and upon such terms as may be agreed between the Client and WASCO.
- 2.1.3. With the consent of the Client, WASCO may publish alone, or in conjunction with any other person, any articles, photographs, or other illustrations relating to the project. The Client's consent for the publication of such materials shall not be unreasonably withheld.

### **2.2. Patents**

- 2.2.1. All concepts, products, or processes which are:
- produced by, or resulting from, the services rendered by WASCO in connection with the project;
  - otherwise developed, or first reduced to practice, by WASCO in the performance of the services; or
  - patentable, capable of trademark, or otherwise,
- shall be and remain the property of WASCO.
- 2.2.2. The Client shall have a non-exclusive, royalty-free licence to use all concepts, products, or processes, which are:
- patentable, capable of trademark, or otherwise; or
  - produced by, or resulting from, the services rendered by WASCO in connection with the project, for the life of the project, and for no other purpose or project.

**2.3. Confidential Information**

- 2.3.1. It is the responsibility of each party to identify to the other party all confidential information connected with this project.
- 2.3.2. Confidential information acquired in the course of this project shall not be used or divulged by either party, or their employees, consultants, subconsultants or agents, without the prior written approval of the other party, or as may be required by regulatory authorities having jurisdiction.
- 2.3.3. This requirement shall not prohibit WASCO from acting to correct or report a situation that WASCO may reasonably believe to endanger the safety or welfare of the public, provided WASCO notifies the Client that WASCO intends to provide such notice as soon as reasonably possible.
- 2.3.4. In the event that WASCO becomes legally compelled to disclose confidential information, WASCO shall forthwith notify the Client of this requirement. Such disclosure shall not result in any liability hereunder.

**2.4. Successors and Assigns**

- 2.4.1. This agreement shall inure to the benefit of, and be binding upon, the parties hereto and their executors, administrators, successors and assigns, except as otherwise provided herein. Neither party may assign this agreement without the prior written consent of the other.

**2.5. Changes, Alterations and Additional Services**

- 2.5.1. After giving notice to WASCO, the Client may, in writing, at any time after the execution of the agreement or the commencement of the Services, extend, increase, vary, delete or otherwise alter the services or the insurance requirements forming the subject of this agreement.
- 2.5.2. If such action by the Client necessitates additional staff, services, or costs, WASCO shall be paid in accordance with Section 6 for such additional staff employed directly therein, together with such expenses and disbursements as allowed under Section 6.
- 2.5.3. Any reduction in the requirement for Services shall be the subject of negotiation. No such change shall require the execution of a formal amendment to this agreement.

**2.6. Termination and Suspension**

- 2.6.1. By notice in writing to WASCO, the Client may at any time suspend or terminate the Services or any portion thereof at any stage of the undertaking. Upon receipt of such written notice, WASCO shall perform no further services other than those reasonably necessary to close out WASCO's Services.
- 2.6.2. If either party to this agreement is in default in the performance of any of the party's obligations set forth in this agreement, the other party may require that such default be corrected by written notice. If within 30 days of receipt of such notice such default is not corrected, the other party may immediately terminate this agreement, without limiting any other right or remedy he or she may have.
- 2.6.3. If the Client changes significantly the requirement for WASCO's Services, and subsequent negotiations fail to resolve the matter, WASCO may terminate this agreement by notice in writing to the Client.

- 2.6.4. In the event of suspension or termination of the project resulting from the aforementioned circumstances, the Client shall pay WASCO for all Services performed. Payment shall be calculated in accordance with Section 6.3.1 for any of WASCO's staff employed directly thereon, together with such expenses and disbursements as are allowed under Sections 6.5.1.

**2.7. Records**

- 2.7.1. To provide data for the calculation of fees on a time basis, WASCO, WASCO's employees, consultants and subconsultants shall keep a detailed record of the hours worked by their staff employed on the project.
- 2.7.2. The Client may inspect these records during regular office hours, on receipt of reasonable notice respecting any item that the Client is required to pay on a time basis as a result of this agreement.
- 2.7.3. When requested by the Client, WASCO shall provide copies of receipts for any disbursements for which WASCO claims payment under this agreement.

**2.8. Indemnification**

- 2.8.1. Each party to this agreement shall indemnify and save harmless the other party from and against all claims, actions, losses, expenses, costs, or damages that the other party may suffer, sustain, or incur arising from the other party's negligent acts or the negligence of the other party's employees, directors, officers, consultants, subconsultants or agents in the performance of this agreement.
- 2.8.2. The Client further agrees to hold harmless, indemnify, and defend WASCO and WASCO's sub-consultants from and against any and all claims, losses, damages, liability, and costs of defense arising out of, or in any way connected with, incidents or accidents resulting from safety hazards identified by WASCO, either within or outside of the Services, which were not adequately rectified by the Client.

**2.9. Disclosure**

- 2.9.1. Before commencing the Services, WASCO, on WASCO's behalf and on behalf of WASCO's consultants and sub-consultants, shall disclose to the Client all existing affiliations with firms or individuals who may participate in the execution of the project. During the term of this agreement, WASCO and WASCO's sub-consultants shall also disclose to the Client any new affiliations. Upon receipt of this disclosure, the Client shall accept or reject the affiliated firms or individuals or shall terminate this Agreement.

**2.10. Approval by Other Authorities**

- 2.10.1. Unless otherwise provided in this Agreement, or explicitly required by legislation, where the work of WASCO is subject to the approval or review of an authority, government department, or agency other than the Client, preparation of applications for approval or review shall be the Client's responsibility.

**2.11. Consultants/Subconsultants**

- 2.11.1. The consultants and sub-consultants forming part of WASCO's team are listed in Appendix A. These consultants and sub-consultants shall not be changed by WASCO without the Client's prior approval.

## **2.12. Law Governing Agreement**

2.12.1. This agreement shall be governed by the law of the Province of Manitoba.

## **2.13. Entire Agreement**

2.13.1. This Agreement including Appendix A and Appendix B, constitutes the entire agreement between the parties with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between the parties hereto with respect thereto. There are no representations, warranties, forms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties other than as expressly set forth in this agreement.

## **3. INSURANCE AND LIABILITY**

### **3.1. General**

3.1.1. The Client agrees that any and all claims that the Client has or hereafter may have against WASCO in any way arising out of or related to WASCO's duties and responsibilities pursuant to this agreement shall be limited to the value of the fees specified in Appendix B. For the purposes of this provision, "claim" or "claims" means a claim or claims in contract or tort and "WASCO" includes WASCO's officers, directors, employees, representatives and consultants.

### **3.2. Comprehensive General Liability and Automobile Insurance**

3.2.1. The insurance coverage shall be \$5,000,000 for liability and \$2,000,000 for automobile insurance. When requested, WASCO shall provide the Client with proof of comprehensive General Liability and Automobile Insurance (inclusive limits) for both owned and non-owned vehicles.

### **3.3. Professional Liability Insurance (Errors and Omissions)**

3.3.1. The insurance coverage shall be in the amount of \$ 2,000,000. When requested, WASCO shall provide to the Client proof of Professional Liability Insurance carried by WASCO.

### **3.4. Change in Insurance Coverage**

3.4.1. It is understood and agreed that WASCO shall not change or cancel the insurance coverage provided for this project until 60 days after written notice of such change or cancellation has been personally delivered to the Client.

## **4. RESPONSIBILITIES OF THE CLIENT**

### **4.1. General Responsibilities**

4.1.1. The Client shall:

- a) instruct WASCO fully as to the Client's requirements and make available to WASCO all relevant information WASCO requires, including objectives, constraints and criteria, special equipment and systems, site requirements, and project budget. WASCO shall be entitled to rely upon the accuracy and completeness of all such information and data furnished through the Client, or the Client's consultants, whether such consultants are engaged at WASCO's request or not;

- b) engage others directly, where required by WASCO, to perform the specialized services necessary to enable WASCO to carry out fully WASCO's duties. The retention of such specialized services by the Client shall be subject to the joint approval of the Client and WASCO;
- c) give WASCO the authority to act as the Client's agent in all matters falling within the scope of the Services;
- d) review promptly all documentation submitted by WASCO, and inform WASCO of decisions in time for the orderly progress of WASCO's services and of the project;
- e) obtain and pay for all required consents, approvals, licences, and permits from authorities having jurisdiction;
- f) arrange and make provision for WASCO's entry and access to public and private property and the project site in the performance of the duties;
- g) arrange and pay for tender advertising, and any legal, financial or insurance advice required for the project;
- h) designate in writing a representative to have authority to transmit instructions to, and receive information from, WASCO, and advise WASCO in advance if this representative is to be changed;
- i) notify WASCO immediately, whenever the Client, or the Client's representative, becomes aware of a defect or deficiency in the work, or the contract documents.

## **5. GOVERNANCE**

### **5.1. Co-operative Governance Framework**

5.1.1. Throughout the Term and the Renewal Term (if any) the Parties shall operate under a co-operative governance framework as set out in this Article.

5.1.2. The objectives of the co-operative governance framework are to:

- a) Ensure effective and timely oversight, contract management and decision-making through clearly defined roles and responsibilities and reporting mechanisms;
- b) Instill effective governance processes that provide for open and honest dialogue and the rapid escalation of relationship problems;
- c) Effectively identify and resolve difficult issues through a process of cooperative interest-based negotiations involving timely escalation, as required, through the governance process;
- d) Ensure an effective relationship management process exists throughout the life of the agreement including communication, decision-making, reporting, measurement, issue resolution and dispute resolution processes.

5.1.3. The Parties agree to adhere to the following guiding principles for governance:

- a) The parties should be proactive in identifying sources of disagreement and discord and take timely action before they become matters of dispute;

- b) Issues should be resolved through a process of cooperative discussions and negotiations at the lowest appropriate level in the governance hierarchy;
- c) If any such issues cannot be resolved at that level, they will be escalated upwards in accordance with this governance framework;
- d) Successful implementation of this agreement will require a high degree of co-operation, communication and co-ordination (collectively, “**Co-operation**”) between them. Each commits to provide the necessary Co-operation during the Term and agrees the failure to do so shall be a relevant consideration in the resolution of any dispute arising in respect of this Agreement;
- e) Instill effective governance processes that provide for open and honest dialogue and the rapid escalation of relationship problems;
- f) Effectively identify and resolve difficult issues through a process of cooperative interest-based negotiations involving timely escalation, as required, through the governance process;
- g) Ensure an effective relationship management process exists throughout the life of the agreement including communication, decision-making, reporting, measurement, issue resolution and dispute resolution processes.

5.1.4. Any governance processes and procedures should enable the parties to:

- a) Understand and execute their responsibilities and accountabilities under this Agreement;
- b) Work co-operatively together over the Term, subject to the specific rights of a party under this Agreement;
- c) Develop and maintain high quality relationships; and
- d) Accommodate the life-cycle of the agreement and adapt to changing environments.

5.1.5. The Parties commit to utilizing this Governance Process, including by requiring their respective representatives to attend meetings and to participate in the activities associated with the effective governance of this Agreement.

## 5.2. Governance Process

5.2.1. To facilitate effective governance each Party shall assign:

- a) An accountable contract manager to be the primary day-to-day point of contact for all issues related to this Agreement (collectively, the “**Contract Managers**”); and
- b) A senior representative responsible for the overall implementation of this Agreement (collectively, the “**Senior Representatives**”).

5.2.2. The Contract Managers shall be responsible for all aspects of the day-to-day administration of this Agreement and, respectively, the performance of the Services and the Client’s Service Obligations. The Contract Managers shall each have the authority to bind their respective principals in connection with the administration of this Agreement.



- 5.2.3. Any issues, disagreements, disputes, or the like (an “Issue”) related to this Agreement, the Services or the Client’s Service Obligations shall first be addressed by the Contract Managers.
- 5.2.4. In the event the Contract Managers are unable to resolve an Issue between them, the Issue shall be escalated to the Senior Representatives. The Contract Managers shall ensure the speed with which an Issue is escalated is commensurate with the significance and/or urgency of the situation and that the Senior Representatives are provided with such documentation and background information as they may reasonably require to make an informed decision in respect of the Issue.
- 5.3. Arbitration**
- 5.3.1. In the event of a material failure of the Governance Process, matters in dispute under this agreement may be referred to arbitration.
- 5.3.2. No person shall be appointed to act as an arbitrator who has an interest, financial or otherwise, in the conduct of the work on the project, or the business or other affairs of either the Client or WASCO.
- 5.3.3. The arbitrator’s award shall be final and binding upon the parties. The provisions of the Manitoba Arbitration Act shall apply.

## **6. FEES AND DISBURSEMENTS**

### **6.1. Definitions**

- 6.1.1. For the purpose of this agreement, the following definitions shall apply:
- a) Hourly Billing Rate - The hourly billing rate is defined as the hourly rate for billing purposes for each of WASCO’s employees working on the various phases of the project. It shall include charges for computers and equipment used by WASCO for the project. This rate is subject to cost of living and merit adjustments on 12-month intervals from the date of this agreement.
  - b) Site - Site includes the actual project site and other locations where the work is carried out.

### **6.2. Basis of Payment**

- 6.2.1. The Client shall pay WASCO in accordance with Appendix B and the following sections.

### **6.3. Fees Calculated on a Time Basis**

- 6.3.1. The Client shall pay WASCO a fee, calculated on a time basis, for that part of the services described as such in Section 1.1.1. Fees shall be computed on the basis of hourly billing rates as included in Appendix B, which forms part of this agreement.
- 6.3.2. All time expended on the assignment shall be chargeable, whether it is expended in WASCO’s office, at the Client’s premises, or elsewhere. Chargeable time also includes, but is not limited to, time expended by technical and clerical staff to prepare such documents as reports and specifications.
- 6.3.3. Reimbursable expenses, specialized computer services and equipment, and applicable sales taxes are additional to the fees calculated on a time basis.

#### **6.4. Fees on a Lump-Sum Basis**

- 6.4.1. The Client shall pay WASCO a lump-sum fee (fixed fee) in accordance with Appendix B for that part of the services described as such in Section 1.1.1. Reimbursable expenses, specialized computer services and equipment, and applicable sales taxes are additional to the lump-sum fee unless otherwise noted in Appendix B.

#### **6.5. Reimbursable Expenses**

- 6.5.1. WASCO shall be reimbursed at cost, plus an administrative charge as indicated in Appendix B for all reasonable expenses WASCO incurs properly in connection with the project, including applicable sales taxes. Reimbursable expenses include, but are not limited to:

- vehicle use charges;
- travelling and living expenses;
- long-distance telephone and telecommunication charges;
- printing and reproductions;
- progress photographs;
- special or express delivery charges;
- overtime premiums;
- the cost of providing and maintaining a site office;
- supplies and equipment;
- others.

#### **6.6. Applicable Sales Taxes**

- 6.6.1. Applicable sales taxes comprise federal and provincial sales taxes, and value-added taxes applicable to WASCO's fees or any other payments hereunder, such as the Retail Sales Tax and the Goods and Services Tax.

### **7. PAYMENT**

#### **7.1. When Fees are Calculated on a Time Basis**

- 7.1.1. Unless the Client has consented to the contrary, WASCO shall submit monthly to the Client an invoice identifying the:

- a) WASCO's consultants' and sub-consultants' employees;
- b) time spent by these employees on the project; and
- c) hourly billing rates, reimbursable expenses, specialized computer services and equipment, and applicable sales taxes for all services completed in the immediately preceding month.

#### **7.2. When Fees are on a Lump-Sum Basis**

- 7.2.1. WASCO shall monthly submit to the Client invoices based on the progress of the project. Monthly invoices shall include WASCO's fees, reimbursable expenses, specialized computer services and equipment, and applicable sales taxes.

### **7.3. Payment by the Client**

7.3.1. The Client shall pay within 30 days after submission all invoices WASCO submits to the Client under this agreement.

7.3.2. Interest at 1.5% per month shall be paid on the total unpaid balance, commencing 30 days after the date of WASCO's invoice.

## **8. TERMINATION**

### **8.1. Right to Terminate Services**

8.1.1. This Agreement may be terminated prior to the expiry of the Term or Renewal Term (if any):

- a) By the Client, on six (6) months' Notice if the Client, acting reasonably and in good faith, is satisfied WASCO has, without reasonable cause and despite repeated warning, repeatedly been in material default in the performance of the Services;
- b) By WASCO, on six (6) months' Notice, if WASCO, acting reasonably and in good faith, is satisfied the Client has, without reasonable cause and despite repeated warning, repeatedly been in material default in the performance of the Client's Service Obligations;
- c) By WASCO, on immediate Notice, where a material breach of the Client of a material obligation under this Agreement substantially frustrates or renders it impossible for WASCO to perform its obligations under this Agreement for a continuous period of one (1) month following Notice to remedy the same by the WASCO to the Client;
- d) By the Client, on immediate Notice, where a material breach of WASCO of a material obligation under this Agreement substantially frustrates or renders it impossible for the Client to perform its obligations under this Agreement for a continuous period of one (1) month following Notice to remedy the same by the Client to the WASCO;
- e) By WASCO on immediate Notice if WASCO, acting reasonably and in good faith and having provided the Client with warning commensurate with the seriousness of the issue, is of the professional opinion the Client has failed or neglected, without reasonable cause, to implement material recommendations related to the Services and such failure or neglect poses an imminent and serious danger to the safety or health of the public;
- f) By WASCO on immediate Notice for a failure by the Client to pay an undisputed invoice that is due and payable by the Client under this Agreement, within ten (10) business days of service of a Notice to the Client requesting payment of the overdue sum;
- g) By either Party on immediate Notice if either Party terminates or suspends its business, becomes subject to any bankruptcy or insolvency proceedings, or becomes subject to direct control by a trustee, receiver or similar authority;
- h) By either Party on two (2) weeks' Notice if an actual or potential labour dispute delays or threatens to materially delay timely performance of the

Services or the Client's Service Obligations;

- 8.1.2. This Agreement shall terminate as of the day set out in the written Notice for termination and WASCO shall forthwith invoice the Client for work performed up to the date of termination.
- 8.1.3. In the event this Agreement is terminated the Parties will co-operate in good faith and to the extent reasonable under the circumstances to ensure a smooth transition.
- 8.1.4. The rights of WASCO given in this section are in addition to, rather than a substitute for, any other rights WASCO may have under this agreement, or otherwise, for non-payment of WASCO's invoices by the Client.

IN AGREEMENT WITH THE FOREGOING PROVISIONS AND IN THE PRESENCE OF WITNESSES, the parties hereto set down their signatures, by hand or by facsimile, and together bind themselves to this Agreement as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

FOR WASCO

FOR THE CLIENT

\_\_\_\_\_  
Name

\_\_\_\_\_  
Name

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Title

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Title

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**APPENDIX A**  
**SPECIFIC SERVICES PROVIDED UNDER THIS AGREEMENT**

**APPENDIX B**  
**CONTRACT PRICE AND REIMBURSABLE EXPENSES**