Dear Applicant:

Re: Your request for access to information under Part II of the Access to Information and Protection of Privacy Act [Our File #: TW/049/2019]

On March 21, 2019, the Department of Transportation and Works received your request for access to the following records:

I would like to request a copy of the contract between the government of Newfoundland and Labrador and Labrador marine/Woodward group of companies to provide the ferry service in the Strait of Belle Isle.

I am pleased to inform you that a decision has been made by the Deputy Minister for Transportation and Works to provide access to some of the requested information. Access to the remaining records, and/or information contained within the records, has been refused in accordance with the following exceptions to disclosure, as specified in the Access to Information and Protection of Privacy Act (the Act):

Subsection 35(1)(d) - The head of a public body may refuse to disclose to an applicant information which could reasonably be expected to disclose information, the disclosure of which could reasonably be expected to result in the premature disclosure of a proposal or project or in significant loss or gain to a third party

Subsection 39(1)(a)(ii) - The head of a public body shall refuse to disclose to an applicant information that would reveal commercial, financial, labour relations, scientific or technical information of a third party

Subsection 39(1)(b) - The head of a public body shall refuse to disclose to an applicant information that is supplied, implicitly or explicitly, in confidence

Subsection 39(1)(c)(iii) - The head of a public body shall refuse to disclose to an applicant information the disclosure of which could reasonably be expected to result in undue financial loss or gain to any person

Note: pages 114-123 and 125-134 were severed under s.35(1)(d), 39(1)(a)(ii), 39(1)(b), 39(1)(c)(iii).

Subsection 40(1) - The head of a public body shall refuse to disclose personal information to an applicant where the disclosure would be an unreasonable invasion of a third party’s personal privacy.

Note: pages 99-109, were severed under s.40(1)
As required by 8(2) of the Act, we have severed information that is unable to be disclosed and have provided you with as much information as possible. In accordance with your request, the appropriate copies have been enclosed.

Please be advised that you may appeal this decision and ask the Information and Privacy Commissioner to review the decision to provide partial access to the requested information, as set out in section 42 of the Act (a copy of this section of the Act has been enclosed for your reference). A request to the Commissioner must be made in writing within 15 business days of the date of this letter or within a longer period that may be allowed by the Commissioner. Your appeal should identify your concerns with the request and why you are submitting the appeal.

The appeal may be addressed to the Information and Privacy Commissioner as follows:

Office of the Information and Privacy Commissioner
2 Canada Drive
P. O. Box 13004, Stn. A
St. John’s, NL. A1B 3V8
Telephone: (709) 729-6309
Toll-Free: 1-877-729-6309
Facsimile: (709) 729-6500

You may also appeal directly to the Supreme Court Trial Division within 15 business days after you receive the decision of the public body, pursuant to section 52 of the Act (a copy of this section of the Act has been enclosed for your reference).

Please be advised that responsive records will be published following a 72-hour period after the response is sent electronically to you or five business days in the case where records are mailed to you. It is the goal to have the responsive records posted to the Completed Access to Information Requests website within one business day following the applicable period of time. Please note that requests for personal information will not be posted online.

If you have any further questions, please contact me by telephone at 709-729-5351 or by email at ATTW@gov.nl.ca.

Sincerely,

Angela McIntyre
ATIPP Coordinator
Disclosure harmful to personal privacy

40. (1) The head of a public body shall refuse to disclose personal information to an applicant where the disclosure would be an unreasonable invasion of a third party’s personal privacy.

(2) A disclosure of personal information is not an unreasonable invasion of a third party's personal privacy where

(a) the applicant is the individual to whom the information relates;

(b) the third party to whom the information relates has, in writing, consented to or requested the disclosure;

(c) there are compelling circumstances affecting a person’s health or safety and notice of disclosure is given in the form appropriate in the circumstances to the third party to whom the information relates;

(d) an Act or regulation of the province or of Canada authorizes the disclosure;

(e) the disclosure is for a research or statistical purpose and is in accordance with section 70;

(f) the information is about a third party's position, functions or remuneration as an officer, employee or member of a public body or as a member of a minister’s staff;

(g) the disclosure reveals financial and other details of a contract to supply goods or services to a public body;

(h) the disclosure reveals the opinions or views of a third party given in the course of performing services for a public body, except where they are given in respect of another individual;

(i) public access to the information is provided under the Financial Administration Act;

(j) the information is about expenses incurred by a third party while travelling at the expense of a public body;

(k) the disclosure reveals details of a licence, permit or a similar discretionary benefit granted to a third party by a public body, not including personal information supplied in support of the application for the benefit;

(l) the disclosure reveals details of a discretionary benefit of a financial nature granted to a third party by a public body, not including
(i) personal information that is supplied in support of the application for the benefit, or

(ii) personal information that relates to eligibility for income and employment support under the *Income and Employment Support Act* or to the determination of income or employment support levels; or

(m) the disclosure is not contrary to the public interest as described in subsection (3) and reveals only the following personal information about a third party:

(i) attendance at or participation in a public event or activity related to a public body, including a graduation ceremony, sporting event, cultural program or club, or field trip, or

(ii) receipt of an honour or award granted by or through a public body.

(3) The disclosure of personal information under paragraph (2)(m) is an unreasonable invasion of personal privacy where the third party whom the information is about has requested that the information not be disclosed.

(4) A disclosure of personal information is presumed to be an unreasonable invasion of a third party’s personal privacy where

(a) the personal information relates to a medical, psychiatric or psychological history, diagnosis, condition, treatment or evaluation;

(b) the personal information is an identifiable part of a law enforcement record, except to the extent that the disclosure is necessary to dispose of the law enforcement matter or to continue an investigation;

(c) the personal information relates to employment or educational history;

(d) the personal information was collected on a tax return or gathered for the purpose of collecting a tax;

(e) the personal information consists of an individual’s bank account information or credit card information;

(f) the personal information consists of personal recommendations or evaluations, character references or personnel evaluations;

(g) the personal information consists of the third party’s name where

(i) it appears with other personal information about the third party, or
(ii) the disclosure of the name itself would reveal personal information about the third party; or

(h) the personal information indicates the third party's racial or ethnic origin or religious or political beliefs or associations.

(5) In determining under subsections (1) and (4) whether a disclosure of personal information constitutes an unreasonable invasion of a third party's personal privacy, the head of a public body shall consider all the relevant circumstances, including whether

(a) the disclosure is desirable for the purpose of subjecting the activities of the province or a public body to public scrutiny;

(b) the disclosure is likely to promote public health and safety or the protection of the environment;

(c) the personal information is relevant to a fair determination of the applicant's rights;

(d) the disclosure will assist in researching or validating the claims, disputes or grievances of aboriginal people;

(e) the third party will be exposed unfairly to financial or other harm;

(f) the personal information has been supplied in confidence;

(g) the personal information is likely to be inaccurate or unreliable;

(h) the disclosure may unfairly damage the reputation of a person referred to in the record requested by the applicant;

(i) the personal information was originally provided to the applicant; and

(j) the information is about a deceased person and, if so, whether the length of time the person has been deceased indicates the disclosure is not an unreasonable invasion of the deceased person's personal privacy.
Access or correction complaint

42. (1) A person who makes a request under this Act for access to a record or for correction of personal information may file a complaint with the commissioner respecting a decision, act or failure to act of the head of the public body that relates to the request.

(2) A complaint under subsection (1) shall be filed in writing not later than 15 business days

(a) after the applicant is notified of the decision of the head of the public body, or the date of the act or failure to act; or

(b) after the date the head of the public body is considered to have refused the request under subsection 16 (2).

(3) A third party informed under section 19 of a decision of the head of a public body to grant access to a record or part of a record in response to a request may file a complaint with the commissioner respecting that decision.

(4) A complaint under subsection (3) shall be filed in writing not later than 15 business days after the third party is informed of the decision of the head of the public body.

(5) The commissioner may allow a longer time period for the filing of a complaint under this section.

(6) A person or third party who has appealed directly to the Trial Division under subsection 52 (1) or 53 (1) shall not file a complaint with the commissioner.

(7) The commissioner shall refuse to investigate a complaint where an appeal has been commenced in the Trial Division.

(8) A complaint shall not be filed under this section with respect to

(a) a request that is disregarded under section 21 ;

(b) a decision respecting an extension of time under section 23 ;

(c) a variation of a procedure under section 24 ; or

(d) an estimate of costs or a decision not to waive a cost under section 26 .

(9) The commissioner shall provide a copy of the complaint to the head of the public body concerned.
Direct appeal to Trial Division by an applicant

52. (1) Where an applicant has made a request to a public body for access to a record or correction of personal information and has not filed a complaint with the commissioner under section 42, the applicant may appeal the decision, act or failure to act of the head of the public body that relates to the request directly to the Trial Division.

(2) An appeal shall be commenced under subsection (1) not later than 15 business days

(a) after the applicant is notified of the decision of the head of the public body, or the date of the act or failure to act; or

(b) after the date the head of the public body is considered to have refused the request under subsection 16 (2).

(3) Where an applicant has filed a complaint with the commissioner under section 42 and the commissioner has refused to investigate the complaint, the applicant may commence an appeal in the Trial Division of the decision, act or failure to act of the head of the public body that relates to the request for access to a record or for correction of personal information.

(4) An appeal shall be commenced under subsection (3) not later than 15 business days after the applicant
FORM OF AGREEMENT BETWEEN
DEPARTMENT AND CONTRACTOR
FOR
STRAIT OF BELLE ISLE FERRY SERVICE

THIS AGREEMENT MADE ON THIS 5th DAY OF October, 2018 AT
ST. JOHN'S IN THE PROVINCE OF NEWFOUNDLAND AND LABRADOR.

BETWEEN: HER MAJESTY in Right of Newfoundland and Labrador as represented
by the Department of Transportation and Works;

(Hereinafter called the "Department");

OF THE ONE PART

AND: LABRADOR MARINE INC.

(Hereinafter called the "Contractor");

OF THE OTHER PART

WHEREAS:

A. pursuant to a request for proposals dated 10 May 2018, the Province has selected
Labrador Marine Inc. to provide the Strait of Belle Isle Ferry Service; and

B. the rights and obligations between the parties will be governed by the terms and
conditions set out in this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT, in consideration of the
mutual covenants herein contained and other good and valuable consideration, the receipt and
sufficiency of which are hereby expressly acknowledged by each of the parties hereto, the parties
hereeto agree as follows:

ARTICLE A INTERPRETATION

Definitions
In this Agreement, the capitalized terms will have the meanings as set out herein, including those
words and expressions that are defined within the schedules hereto and such definitions will
apply, unless the context otherwise requires.

Schedules
The schedules hereto and the terms set out therein will be deemed fully a part of this Agreement.

ARTICLE A-1 THE WORK

1.1 The Contractor shall:

(a) perform the work required by the Contract Documents for the provision of the Strait of Belle Isle Ferry Service (the “Work” or the “Service”);
(b) do and fulfill everything indicated by this Agreement and the Contract Documents; and
(c) commence the Work as described in the RFP Documents, and any related addenda, which are incorporated herein by reference not later than 15 March 2019 (the “Commencement Date”) and have the Vessel prepared and ready to operate at the Port of St. Barbe, NL or Blanc Sablon, QC at the Commencement Date.

1.2 The Contract Documents are:

(a) This Contract and its Annexes, including;
   1. Annex A: Scope of Services
   2. Annex B: Service Requirements
   3. Annex C: Service Schedules (Straits)
   4. Annex D: RFP Response and Appendices

(b) Fuel Adjustment Form (if any); and
(c) Pricing Form (Appendix R in Annex D: RFP Response).

ARTICLE A-2 REPRESENTATIONS AND WARRANTIES

2.1 The Contract supersedes all prior negotiations, representations, or agreements, either written or oral, relating in any manner to the Service that is not expressly listed in Article A-1 of this Agreement.

2.2 The Contract may be amended only as provided in the Contract Documents.

ARTICLE A-3 CONTRACT PRICE

3.1 The Contract Price is comprised of the rates submitted by the Contractor as stated in the Proposal, which forms part of the Contract Documents.
3.2 All amounts are payable in Canadian Funds; and

3.3 The Vessel Daily Rate and Shore-Based Service Daily Rate will be increased by the Average CPI (St. John’s) or 3%, whichever is the lesser, annually on the anniversary date of commencement. These amounts shall be paid in the manner and subject to such adjustments as are provided in the Contract Documents.

ARTICLE A-4 PAYMENT

4.1 Subject to the provisions of the Contract Documents, the Department shall pay to the Contractor in Canadian funds the amounts provided for in the Contract Documents.

4.2 Interest, where and to the extent that it becomes owing under this Agreement, shall be paid by the Department as provided for pursuant to and in accordance with the Financial Administration Act.

4.3 The Province shall pay to the Contractor, for provision of the service, the Vessel Daily Rate and Shore Based Daily Rate, subject to such deductions or additions as may be provided for in the Agreement.

4.4 The Contractor shall submit both the monthly invoice and the Monthly Operating Reports and data requirements (per Annex B) for the past month of service. The accuracy of invoices and Monthly Operating Reports are the responsibility of the Contractor.

4.5 Where items or groups of items on any of the Contractor’s invoices cannot be easily identified, the invoice will be sent back to the Contractor for clarification. The time frame for calculation of interest or late payment charges against the Province shall not commence until a clear and proper invoice is received.

4.6 Payments will be made to the Contractor once a proper invoice is received, to the satisfaction of the Province.

4.7 For a Monthly Operating Report to be considered complete, dates and location of operation and any missed days due to weather and/or mechanical problems must be detailed in it.

4.8 Notwithstanding any other provision of the Agreement, the Province may, in the event of a claim by the Province against the Contractor whether for damages arising out of the performance or as a result of or for non-performance of the Agreement, withhold payment of any amount equal to the alleged damages or amount owed to the Province in respect of or resulting from the alleged non-performance of the Agreement until the liability for damages or that amount is established. No amount of interest shall be paid on amounts held under this provision.

4.9 Monthly invoices are to be submitted to: GNLinvoices@gov.nl.ca.

4.10 Monthly Operating Reports and data requirements are to be submitted to:
4.11 The cost of propulsion fuel for the vessel will be paid for by the Province.

4.12 The Contractor is required to use Government’s Standing Offer Agreement for fuel or another agreed upon fuel source approved by the Province.

4.13 The fuel consumption information provided by the Contractor will form a part of the basis for the evaluation of the Proposal and operating payments over the life of the contract.

4.14 Payment is based on the actual fuel used, however where usage is significantly below the projected bid usage, a bonus for efficiency will be paid to the Contractor. Where fuel usage is significantly higher than the Contractor’s submission the Contractor shall pay for the excess fuel used per the thresholds contained in the following table:

<table>
<thead>
<tr>
<th>Ratio of Actual usage to Projected Bid usage</th>
<th>Payment parameters</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 90% of projected Bid usage</td>
<td>Actual usage + the province will pay a fuel efficiency bonus of 50% of the projected bid usage of the fuel not used, below 90% of the theoretical consumption, to the Contractor.</td>
</tr>
<tr>
<td>90 to 94.99% of Projected Bid usage</td>
<td>Actual usage</td>
</tr>
<tr>
<td>95 to 105% of Projected Bid usage</td>
<td>Actual usage</td>
</tr>
<tr>
<td>105.01 to 110% of Projected Bid usage</td>
<td>105% of theoretical usage + 50% payment of the actual usage in excess of 105%, the Contractor shall reimburse the Province for fuel used but not payable.</td>
</tr>
<tr>
<td>110.01% or more of Projected Bid usage</td>
<td>105% of theoretical usage + 50% of the theoretical usage between 105 and 110%, no payment beyond 110% (Contractor’s cost). The Contractor shall reimburse the Province for fuel used but not payable.</td>
</tr>
</tbody>
</table>

**Actual usage** means the amount of fuel used by the vessel and sourced from the GNL over the operating period in question.

**Projected Bid usage** means the daily amount calculated above for the appropriate service (North Coast or Labrador Straits) per the Contractor’s proposal for the number of days for which the Vessel Daily Rate was paid for the operating period in question.
Examples:

If the vessel operated for 30 days in a month, the current price of fuel was $1.00/litre and the consumption in the Contractor’s proposal was 5,250 litres per day (inclusive of the 5% miscellaneous allowance) and actual usage was:

<table>
<thead>
<tr>
<th>Actual usage</th>
<th>Theoretical ratio</th>
<th>Excess/(reduction) in fuel per day</th>
<th>Total cost of fuel</th>
<th>Cost to proponent</th>
<th>net cost to Province</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,600 litres/day</td>
<td>87.62%</td>
<td>bonus 62.5 litres</td>
<td>$136,000</td>
<td>$1875 Bonus</td>
<td>$139,875</td>
</tr>
<tr>
<td>5,000 litres/day</td>
<td>93.33%</td>
<td>n/a</td>
<td>$147,000</td>
<td>no impact</td>
<td>$147,000</td>
</tr>
<tr>
<td>5,500 litres/day</td>
<td>92.88%</td>
<td>n/a</td>
<td>$162,000</td>
<td>no impact</td>
<td>$162,000</td>
</tr>
<tr>
<td>5750 litres/day</td>
<td>108.67%</td>
<td>Penalty 43.75 litres</td>
<td>$168,000</td>
<td>Penalty payment of $1,312.5</td>
<td>$166,688</td>
</tr>
<tr>
<td>6000 litres/day</td>
<td>114.29%</td>
<td>Penalty 356.25 litres</td>
<td>$180,000</td>
<td>Penalty payment of $10687.5</td>
<td>$169,313</td>
</tr>
</tbody>
</table>

4.15 The Province shall advise the Contractor in writing of the amount of excess Propulsion Fuel costs for the vessel, if any. Unless within a period of fourteen (14) days thereafter the Contractor can satisfy the Province that some extraordinary circumstance accounted for the excesses concerned, the next payment due to the Contractor will be reduced by the dollar amount of such excess or excesses and subsequent payments until that amount is recovered. Where the amount remaining to be paid under the Agreement is insufficient to recover the amount or amounts remaining to be paid under the Agreement the remaining amount owing shall be a debt due to the Province by the Contractor under the Agreement which shall be invoiced to the Contractor and may be recovered if not paid by the Contractor under the Performance Security or otherwise.

**ARTICLE A-5 PERFORMANCE SECURITY**

5.1 The Performance Security shall be in force and executable on the Commencement Date of the Service for the duration of the Agreement. The Province reserves the right to accept a renewable Performance Security for the duration of the Agreement subject to such terms and conditions as the Province may decide. No Work or Service shall be undertaken until the Performance Security has been received by the Province.

5.2 Performance Security from or for the Contractor will be required in the amount of $2,000,000.00.

5.3 The Security shall be in the form of either:

   (a) certified cheque, or

   (b) money order; or

   (c) a bond in proper form and issued by a Surety Company licensed to do business in the Province of Newfoundland and Labrador,

   (d) irrevocable letter of credit or bank draft from a financial institution registered or authorized to do business in the Province of Newfoundland and Labrador made in favour of, the Newfoundland and Labrador Exchequer Account.
5.4 The Security shall be retained by the Province, until satisfactory completion of the Work and/or Service, after which this amount will be returned to the Contractor together with the accrued interest.

5.5 The Province's rights respecting the Performance Security shall be in addition to, cumulative and, not in substitution for, or limitation of, any other right the Province may have on account of the default of the Contractor.

5.6 The Performance Security may be called by the Province to recover any costs resulting from any default of the Contractor, including but not limited to:

(a) violation of legislation
(b) damage to/or loss of equipment and infrastructure, owned by the Province, caused by the Contractor
(c) failure of the Contractor to commence yearly operational service upon receipt of seven (7) days written notice from the Province
(d) failure to operate the vessel or Service as a result of mechanical failure, negligence, or any other fault of the Contractor
(e) failure to meet any of the requirements of the Service

ARTICLE A-6  INSURANCE

6.1 Proof of insurance coverage shall be received by the Province on or before the commencement date of the Service. No work shall be undertaken until the insurance coverage is in place, as verified by an insurance company. The Contractor shall thereafter maintain, throughout the duration of the Agreement all required insurance policies.

6.2 The Contractor shall forward to the Province each year confirmation of continuance of insurance coverage prior to any expiry date of the policy.

6.3 The Contractor shall provide the Province, within the time limit requested, with a completed Certificate of Insurance and shall, if requested at any time, provide the Province with a certified true copy of each policy of insurance.

6.4 All insurance policies shall contain an endorsement naming Her Majesty the Queen in the Right of Newfoundland and Labrador as represented by the Province as an additional Named Insured, and requiring notification of the Province as an additional Named Insured, in writing, thirty (30) days prior to cancellation of any policy or material change except in the event of non-payment where policy conditions dealing with termination will apply.

6.5 The Contractor shall also maintain Protection and Indemnity insurance with an International group club on a mutual basis with limits as per the Club rules including cargo and 4/4ths Collision liability up to the policy limits. This insurance shall include as an additional Named Insured Her Majesty the Queen in the Right of Newfoundland and
Labrador as represented by the Province.

6.7 The Contractor shall obtain and maintain to the satisfaction of the Province all insurance policies required that relates to the operation of the vessel(s), and the delivery of the Service including but not limited to:

(a) Freight Insurance

(b) Passenger and Property Liability

(c) Business Interruption Insurance

(d) Environmental Protection Insurance

(e) All others required by regulatory bodies and to protect the public, the owner and the contractor

ARTICLE A-7 INDEMNITY

7.1 The Contractor shall be liable for, and shall indemnify and hold harmless the Province from and against, all claims, demands, losses, costs, damages, actions, suits or proceedings whatsoever, arising under any statute or Common Law:

(a) in respect of personal injury to or the death of any person whomsoever arising out of or in the course of or caused by the carrying out of the Service;

(b) in respect of any injury or damage whatsoever to any property, real or personal or any chattel real, insofar as such injury or damage arises out of or in the course of or by reason of the carrying out of the Service.

7.2 The Contractor shall not be liable in accordance with 7.1 where the injury, death, loss or damage is solely due to any act or negligence of the Province.

7.3 The Contractor shall assume full responsibility and liability for all damage to and loss of cargo from any cause and shall indemnify and/or save harmless the Province from all loss, expense and/or liability howsoever incurred by the Province in any manner directly or indirectly arising out of, or as a result of, or attributable to the vessel or the performance of the Service herein contemplated.

7.4 The Contractor shall take all prudent steps to prevent damage to customers vehicles and other property under their control during loading, unloading, lashing and properly securing on board. The Contractor shall provide special handling as required and be responsible for Contractor negligence resulting in loss or damage to the vehicles and other property of Customers while it under the care, custody and control of the Contractor. The Contractor shall pay for the actual direct cost of settlement of any claim for which the Contractor is responsible and bear a fair proportion of the cost of claims by Customers for damage for which the Contractor is determined to be responsible. The determination of fair proportion shall be in the sole discretion of the Province’s Representative. The Contractor shall notify the Province of the receipt of any claims for concealed damage from a consignee within thirty (30) days of receipt of the claim from the consignee.
ARTICLE A-8  DISPUTE RESOLUTION

8.1 In the case of any disputes or claims arising between the Province and the Contractor as to their respective rights and obligations under the Agreement, either party may give the other written notification of such a dispute or claim. The notification of dispute or claim shall be made within fourteen (14) days of the dispute or cause of action arising. If the dispute or claim cannot be resolved to the satisfaction of both parties, either party may refer the matter to such judicial tribunal as the circumstances require.

8.2 Legal proceedings shall not be commenced until after the performance of the disputed Work except:
   (a) when the dispute concerns a certificate for payment;
   (b) where either party can show that the matter in dispute requires immediate consideration while evidence is available; or,
   (c) in the case of legal proceedings, where the action may be necessitated by reason of delay.

ARTICLE A-9  NOTICES

9.1 Notices in writing between the parties shall be considered to have been received by the addressee on the date of delivery if delivered to the individual, or to a member of the firm, or to an officer of the person for whom they are intended by hand or by registered post; or if sent by regular post, to have been delivered within five (5) working days of the date of mailing when addressed as follows:

To the Department at:

Deputy Minister
Department of Transportation and Works
P.O. Box 8700, St. John’s, NL
A1B 4J6

Or such other address as the Department may advise the Contractor in writing.

To the Contractor at:

12 Loring Drive, P.O. Box 300, Station C.
Happy Valley-Goose Bay, NL A0P 1C0
Email Address: [REDACTED]
With a copy to: [REDACTED]

s. 40(1)

Or such other address as the Contractor may advise the Department in writing.
ARTICLE A-10  TERM OF AGREEMENT

10.1 The term of the Contract shall be twelve (12) years, more or less, commencing not later than 15 March 2019 (to 14 March 2031), with an option to renew for an additional five (5) year period or part thereof in the manner prescribed in the Contract Documents at the sole discretion of the Department.

ARTICLE A-11  SEVERABILITY

11.1 If any provision of this Agreement is held invalid, illegal, or unenforceable, the validity, legality or enforceability of the remaining provisions of this Agreement are not affected or impaired in any way.

ARTICLE A-12  WAIVER

12.1 A waiver of any breach of a term or condition of this Agreement shall not bind the Party giving it unless it is in writing. A waiver which is binding shall not affect the right of the Party giving it with respect to any other or future breach.

ARTICLE A-13  BINDING/ASSIGNMENT

13.1 The Contract Documents are to be read into and form part of this Agreement and the whole shall constitute the Contract between the parties and, subject to the law and the provisions of the Contract Documents, shall enure to the benefit of and be binding upon the parties hereto, their respective heirs, legal representatives and successors.

13.2 This Agreement may not be assigned, transferred or disposed of by the Contractor without the prior approval of the Province. Notwithstanding the foregoing and for greater certainty, the Province:

(a) acknowledges that the Contractor has or will grant security, and may in the future grant further security (the "Security") to Royal Bank of Canada, its successors and assigns (the "Lender") for all present and future indebtedness of the Contractor to the Lender;

(b) consents to the granting of the Security, including without limitation, any assignment of this Agreement by way of such security;

(c) consents to the assignment of the Security to any successor secured parties; and

(d) agrees that in the event of enforcement of the Security, the Lender (including
without limitation, any trustee appointed upon the petition of the Lender or any receiver or receiver-manager, either privately appointed or under application to a court at the request of the Lender) shall, upon written notice to the Province, be authorized to assign this Agreement to a third party assignee provided that any such assignee, prior to such assignment, agrees to be bound by the terms of this Agreement in all respects as if it were the original party hereto in place of the Contractor.

ARTICLE A-14 AMENDMENTS

14.1 When a permanent change in the Service is proposed or required the Contractor shall present to the Province for approval the Contractor’s adjusted daily rate (vessel or Shore Based, as applicable) for the proposed change in the Agreement. The Province must be satisfied as to the correctness of the proposed revised rate and if approved shall issue a written order to the Contractor to proceed with the change.

14.2 In the case of a claim by the Contractor for costs incurred for temporary services performed, which they believe are outside of the normal applicable daily rate, the Contractor shall present the claim circumstances and claim details (costs incurred plus 15%) to the province for consideration and approval. The Province shall reject, approve or partially approve said claim and provide its response in writing.

14.3 In the case of a dispute in the valuation of a change authorized in the Service pending final determination of such value, the Province shall certify the value of the service performed and include the amount with the regular certificates for payment.

14.4 If the method of valuation, measurement and the change in service cannot be promptly agreed upon, and the change is required to be proceeded with, then the Province shall determine the method of valuation, measurement and the change service subject to final determination in the manner set out in Settlement of Disputes and Claims. In this case the Province shall issue a written authorization for the change setting out the method of valuation the Province’s valuation of the change in service.

ARTICLE A-15 APPROPRIATION

15.1 The Parties agree that no payment is will be made by the Province under this Agreement in any fiscal year unless an appropriate amount to which such payment is to be charged is made in that fiscal year, pursuant to the Financial Administration Act. The Province agrees that best efforts will be made to ensure that an appropriation is made for an appropriate amount to be charged in each fiscal year during the Term of this Contract. The Contractor shall only be obligated to implement the Services in a fiscal year if budgetary appropriation for that fiscal year has been provided.

ARTICLE A-16 TERMINATION AND RENEWAL
16.1 The term of the Contract shall be twelve (12) years, more or less, commencing not later than 15 March 2019 (to 14 March 2031), The Contract may be renewed at the sole discretion of the Province:

(a) Upon the Province giving a 1 year (365) days’ written notice to the Contractor, prior to the expiry of the contract, the Province shall have the option to renew this Agreement for an additional five (5) years or any part thereof.

(b) Should the Contractor not wish to renew the contract after the 12 year period, they must so advise the Province, in writing, at least 1 year (365 days) in advance of the renewal date.

(c) Such renewal shall be on the same terms and conditions that are contained in the Agreement, with the exception of the renewal option.

(d) The rights of the Contractor under the Agreement shall not be transferred, assigned, sold or mortgaged without the prior consent of the Province.

16.2 If the Contractor should be adjudged bankrupt, or make a general assignment for the benefit of creditors or if a receiver is appointed on account of the Contractor’s insolvency, the Province may, without prejudice to any other right or remedy the Contractor may have, by giving the Contractor written notice, terminate the Agreement. Notwithstanding the foregoing, if the Lender elects to the exercise its remedies under the Security or under any applicable laws (including without limitation, by appointing a trustee upon the petition of the Lender or through the appointment of an agent, receiver or receiver-manager, either privately appointed or under application to a court at the request of the Lender) this Agreement shall not be terminated by the Province and shall remain in full force and effect.

16.3 For the purpose of this Agreement, an Event of Default means any of the following events or circumstances:

(a) Contractor fails to proceed regularly and diligently with the Service; or

(b) without reasonable cause, the Contractor wholly suspends the carrying out of the Service before the completion thereof; or

(c) Contractor refuses or fails to supply properly skilled personnel, and quality service, materials and equipment for the scheduled performance of the Service within twenty-four (24) hours of receiving written notice from the Province; or

(d) Contractor fails to make payments due to the Contractor’s Subcontractors, the Contractor’s suppliers or the Contractor’s workers; or

(e) Contractor disregards laws or ordinances, or the Province’s instructions or otherwise violates the provisions of the Agreement.

16.4 The Province shall notify the Contractor in writing of the occurrence of an Event of Default. Such written notice by the Province shall instruct the Contractor to correct the default within twenty-four (24) hours from the receipt of the written notice. If the correction of the default cannot be completed within the twenty-four (24) hours specified, the Contractor shall be considered to be in compliance with the Province's instructions if the Contractor:
(a) commences the correction of the default within the specified time,

(b) provides the Province with a schedule for such correction that may be accepted or rejected in the Province’s sole and absolute discretion, and

(c) completes the correction in accordance with such schedule.

(d) If the Contractor fails to correct the default within the time specified or subsequently agreed upon, the Province may, without prejudice to any other right or remedy the Province may have, stop the Service or terminate the Agreement.

16.5 If the Province terminates the Agreement under Article 16 of this Agreement, the Province is entitled to:

i. take possession of all of the Province’s facilities, equipment, supplies in or upon the Province’s premises and offer the Service by whatever method the Province may deem expedient but without undue delay or expense; and,

ii. withhold any further payments to the Contractor.

If the unpaid balance of the Agreement price shall exceed the expense of offering the Service for the duration of the Agreement, including the amount of the forfeited Performance Security recovered and less compensation to the Province for its additional services, such remaining funds shall be paid to the Contractor. If such expenses shall exceed such unpaid balance including the amount of the forfeited Performance Security and less compensation to the Province’s Representative for additional services, the Province’s remedy shall not be limited to the amount of the Performance Security recovered.

16.6 Notwithstanding anything contained herein, the Province agrees to promptly provide the Lender with written notice of any Event of Default and the Province hereby grants to the Lender the option to rectify or remedy any Event of Default within the time allotted to the Contractor plus thirty (30) days. The Province shall not invoke any of its remedies under this Agreement or any other remedies available to Province at law or in equity during any period that the Lender is proceeding to cure any such Event of Default with due diligence. In the event that there is an Event of Default which, by its nature, is not capable of rectification or remedy by the Lender and as a result of such Event of Default the Province elects to terminate this Agreement, the Province agrees to grant to the Lender or its nominee (which may include, without limitation, a receiver or agent appointed by or at the request of the Lender, a trustee appointed upon the petition of the Lender, or an assignee of this Agreement in accordance with Article 13.2(d) herein) a new agreement on the same terms and conditions as those contained herein for the balance of the stated term and any renewal period.

ARTICLE A-18 SURVIVAL

18.1 Notwithstanding any other provision of this Agreement, the provisions of Article A-7, and any provision which by its nature should survive, will survive the expiry or any earlier termination of this Agreement.
ARTICLE A-19  COMPLIANCE WITH LAW

19.1 This Agreement shall be governed by and construed in accordance with the laws of the Province of Newfoundland and Labrador and the laws of Canada applicable therein. Any legal proceedings arising out of, or in connection with, this Agreement, or the conduct of the parties with respect to the formation or performance of the Agreement, shall be submitted to the exclusive jurisdiction of the Supreme Court of Newfoundland and Labrador.

19.2 The Contractor shall ensure that it and its representatives comply with all requirements of any governing federal, provincial or municipal legislation, by-laws or regulations applicable in the performance of this Agreement.

ARTICLE A-20  EXECUTION

20.1 This Agreement may be executed in counterparts, each of which shall be deemed an original, but which together shall constitute one and the same Agreement. Further, original signatures of the Parties hereto on copies of the Agreement transmitted by pdf, email or other electronic means shall be deemed originals for all purposes, and such copies shall be binding on the Parties hereto.

ARTICLE A-21  SUB-CONTRACTING

21.1 The Contractor agrees to preserve and protect the rights of the Province under the Contract with respect to any Work to be performed under subcontract. The Contractor shall:

(a) require the Contractor’s Subcontractors to perform their Work in accordance with and subject to the terms and conditions of the Contract Documents; and,

(b) be fully responsible to the Province for acts and omissions of the Contractor’s Subcontractors and of persons directly or indirectly employed by them.

21.2 The Contractor therefore agrees that the Contractor shall incorporate all the terms and conditions of the Contract Documents into all Subcontract Agreements the Contractor enters into with the Contractor’s Subcontractors.

21.3 Nothing contained in the Contract Documents shall deem to create or create any contractual relationship between any Subcontractor and the Province.
IN WITNESS WHEREOF the parties have executed this Agreement on the day and year first above written by the hands of their duly authorized representatives.

SIGNED IN THE PRESENCE OF:

DEPARTMENT OF TRANSPORTATION AND WORKS

Witness Signature)  (Deputy Minister)

SIGNED IN THE PRESENCE OF:

CONTRACTOR

LABRADOR MARINE INC.
(Name of Contractor)

(Witness Signature)  (Signature for Contractor)

(Name and Title of Person Signing)
Appendix “A”: Scope of Services

I. General Terms

1. The carriage of cargo under this Agreement and under all Bills of Lading issued for the cargo shall be subject to the statutory provisions and other terms set forth or specified in subparagraphs of this Clause and such terms shall be incorporated verbatim and shall be deemed incorporated by reference in any such Bill of Lading. In such sub-clauses and in any Act referred to therein, the word "carrier" shall include the Contractor.

(a) Clause Paramount: The responsibilities, obligations and liabilities of the Contractor in respect of the careful handling, loading, stowing, carrying, keeping, caring for and discharging of cargoes, including deck cargoes, shall be governed by the provisions of the Marine Liability Act of Canada, S.C. 2001, Chapter 6. This Agreement and all Bills of Lading issued for the cargo under the same shall have affect subject to the Marine Liability Act of Canada, S.C. 2001, Chapter 6, and said Act shall be deemed to be incorporated herein and nothing herein contained shall be deemed a surrender by the Province or Carrier of any of its rights or immunities or an increase of any of its responsibilities or liabilities under the Act. If any term of this Agreement or any Bill of Lading issued thereunder be repugnant to the Act to any extent, such term shall be void to that extent but no further.

(b) Both to Blame Collision Clause: If the vessel comes into collision with another vessel as a result of the negligence of the other vessel and any act, neglect or default of the Master, mariner, pilot, or the servants of the Carrier in the navigation or in the management of the vessel, the owners of the cargo carried hereunder shall indemnify the Carrier against all loss or liability to the other or non-carrying vessel or the vessel owners insofar as such loss or liability represents loss of, or damage to, or any claim whatsoever of the owners of the said cargo, paid or payable by the other or non-carrying vessel or the vessel owners to the owners of the cargo and set off, recouped or recovered by the other or non-carrying vessel or her owners as part of their claim against the carrying vessel or Carrier. The foregoing provisions shall also apply where the owners, operators, or those in charge of any vessel or objects other than, or in addition to the colliding vessel or object are at fault in respect of a collision or contact.

(c) No contraband of war shall be shipped, but petroleum and/or its products shall not be deemed contraband of war for the purposes of this Clause. The vessel shall not, however, be required, without the consent of Province, which shall not be unreasonably withheld, to enter any port or zone which is involved in a state of war, warlike operations, or hostilities, civil strife, insurrection or piracy whether there be a declaration of war or not, where it might reasonably be expected to be subject to capture, seizure or arrest, or to a hostile act by a belligerent power (the term "power" meaning any de jure or de facto
authority) or any other purported governmental organization maintaining naval, military, or air forces.

II. Delays and Forfeiture

1. No provision shall be made for delay unless written notice of delay is given to the Province within two (2) days of the commencement of the delay, providing that in the case of a continuing cause of delay only one notice shall be necessary.

2. The Province shall be entitled to demand substantiation of any delay and the Contractor shall submit such evidentiary documentation as the Province may require in this regard.

III. Delays Caused By the Province

1. If it can be clearly shown that the Contractor is delayed in the performance of the Service by any act or fault of the Province, then the Contractor shall be reimbursed to the limit of the Vessel Daily Rate, on a pro rata basis.

IV. Contractor Failure to Provide Service

1. Should the Contractor fail to deliver passengers, vehicles and/or freight in compliance with the terms of the Agreement, and if the Province deems it necessary to employ an alternate vessel of its own or provided by another Contractor to supplement or replace the services being supplied under the Agreement to address such failures on the part of the Contractor, the Contractor shall be liable for and shall pay all the Province’s costs associated with the supply or hire of the alternate vessel or pay liquidated damages as per the terms of this RFP (Section 5.5 Retention of Performance Security) at the discretion of the Province.

V. Stop Work Order

1. If the Contractor is delayed in the performance of the Service by a Stop Work Order issued by any court or other public authority, and providing that such order was not issued as the result of any act or fault of the Contractor or of any one employed by the Contractor directly or indirectly, then the Contractor shall be reimbursed to the limit of the applicable Vessel Daily Rate and/or Shore based daily rate, on a pro rata basis.

VI. Delays by Other Means

1. If the Contractor is delayed in the performance of the Service by civil disorders, labour disputes, strikes, lock outs, fire, unusual delay by common carriers or unavoidable causes, and then the Province may take whatever measures are necessary to provide continuous service during the delay, including temporary use of an alternate contractor. If the Contractor is delayed in the performance of the Service by civil disorders or because of unavoidable causes the Contractor will continue to receive the applicable Vessel Daily Rate and/or Shore Daily rate. If the Contractor is delayed in the performance of the Service by labour disputes, strikes, or lock
outs resulting from the Contractor’s labour management issues then the Contractor will not receive the applicable Vessel Daily Rate and/or Shore Based daily Rate.

VII. Emergencies

1. The Province has authority in any emergency to stop or make changes to the Service whenever such stoppage or changes may be necessary to ensure the safety of life, facilities, third-party property, health of a person or group of people, or the environment. This includes authority to make changes in the Service, and to order, assess and award the cost of such service, extra to the Agreement or otherwise, as may in its opinion be necessary. The Province shall, within two (2) working days, confirm in writing any such instructions. In such a case if the Service has been performed under direct order of the Province, the Contractor shall keep the Contractor’s right to claim the value of such Service.

VIII. Protection of Work And Property

1. The Contractor shall provide and maintain adequate protection as approved by the Province of the Province’s assets and property and of Customers’ property while performing the Service.

2. The Contractor shall assume all risks associated with the management, handling and navigation of the vessel and shall be responsible for all damages to the vessel as well as damages sustained by any other service related equipment and infrastructure. The Contractor shall also assume all risks associated with damage to persons and their property while in the Contractor’s possession.

3. Damage caused to wharves or infrastructure caused by or through the negligence of the Contractor shall be rectified by the Contractor at the Contractor’s own expense.

4. Should the Contractor not implement the necessary repairs to such wharves or infrastructure as are referred to in paragraph 3 above within thirty (30) days, the Province retains the right to proceed with the necessary repairs and holdback appropriate costs from the Contractor’s Vessel Daily Rate and/or Shore Based Daily Rate. Before embarking on any such repair the Contractor shall present to the Province its plan to repair and secure the Province’s approval to proceed before doing so.

5. The Contractor shall be solely responsible to ensure that the Province's property and Customer's property is not damaged, destroyed or stolen while performing the Service. Any damage or injury to the property of the Province resulting from the actions of the Contractor or the Contractor’s employees shall be made good with new materials as required to match existing property in kind, quality, and workmanship at the expense of the Contractor.
IX. Abandonment or Loss of Vessel

1. The Contractor shall not abandon the vessel except in case of emergency and shall obey all provisions of law and any requirements made by insurance underwriters which govern the operation of the vessel and shall not carry any cargo which might expose the vessel to penalty, forfeiture or capture.

2. The loss, destruction or disablement of the vessel shall not of itself constitute an excuse for the non-performance by the Contractor of the Service or any part thereof and in the event of such loss, destruction or disablement, the Contractor shall, as soon as possible thereafter and subject to the prior approval of the Province, replace at the Contractor's own expense the Vessel so lost, destroyed or disabled with another vessel that meets the requirements of this Agreement provided, however, that if it is established to the satisfaction of the Province that the Contractor is unable by reason of such loss, destruction or disablement to carry out the Service or any part thereof, the Province may, at its discretion, terminate this Agreement in whole or in part upon such terms, if any, as the Province may determine. The Province shall in any such instance be entitled to withhold payment of such amounts as the Province determines to be necessary pending a resolution or any dispute or matter arising under this General Condition.

X. Scope of Service Requirements

1. General

   (a) the Contractor will be required to provide all aspects of the Service necessary to ensure a complete, adequate and acceptable passenger, vehicle and freight Service.

   (b) the Contractor will be required to provide the Service in respect of any vessel that acts in relief of any of vessel proposed.

   (c) committees of users may be set up whose membership may comprise local, government and business interests to liaise with the Contractor on matters affecting the operation of the Service. The Contractor may be requested by the Province to and will provide a representative to attend meetings with the Committee.

   (d) the Contractor shall obtain and pay for all necessary permits, certificates, license or other fees required for the execution of the Service. The Contractor shall comply with all laws, ordinances, rules and regulations relating to the Service.

   (e) the Contractor shall give all required notices and comply with all laws, ordinances, rules, regulations, codes and orders of all authorities having jurisdiction relating to the Service, and to the preservation of the public health and safety, which are or become in force during the performance of the Service.
2. Smoking, Alcohol or other Regulated Substances Consumption

(a) during the operation of the Service no smoking or alcohol consumption shall be permitted on the vessel or by Contractor personnel or Subcontractor while engaged in performing work related to the Service. Furthermore, no consumption of alcohol is permitted by Contractor personnel or Subcontractors while engaged in performing work related to the Service. Signage to reflect these restrictions must be appropriately placed throughout the vessel.

3. Safety

(a) the Contractor shall provide appropriate clothing and uniforms, including personal protective equipment for all employees engaged in the operation of the Service and provide replacements for the same as necessary and when required.

(b) all vessel crew shall be certified in First-Aid.

(c) the Contractor shall be completely responsible for the safety of the Service as it applies to protection of the public and property and the provision of the Service and pollution prevention.

(d) Minutes of OHS Committee meetings shall be submitted to: TWOHSMminutes@gov.nl.ca. The laws, regulations and codes that shall be followed and enforced for safety are:

i. The Occupational Health and Safety Act and Regulations.

ii. Workplace Hazardous Materials Information Systems Regulations (WHMIS) under the Occupational Health and Safety Act. This includes submitting Material Safety Data Sheets (MSDS) to the Province’s Representative and posting same.

iii. Transportation of Dangerous Goods Regulations under the Transportation of Dangerous Goods Act (Canada).

iv. Eastern Canada Vessel Traffic Services Zone Regulation.

v. Vessel Pollution and Dangerous Chemicals Regulations.

vi. Any other applicable regulatory laws, regulations and code(s);

vii. Any successor laws, regulations and codes to the foregoing laws, regulations and codes.

(e) the Contractor shall report immediately to the Province any equipment or conditions which could be considered unsafe.
(f) no materials/vehicles shall be stored on the vessel or in, at or upon a facility site by the Contractor where they might present a hazard to property, personnel or affect the normal operating functions of the Service, the vessel or a facility.

4. Cleaning Up

(a) the Contractor shall at all times keep the vessel free from accumulations of waste material or rubbish. The work areas shall be kept in a clean condition, to the satisfaction of the Province.

5. Accidents, Incidents and Claims

(a) the Contractor shall promptly report in writing to the Province accidents/incidents whatsoever, arising out of or in connection with the performance of the Service, whether on the vessel or on the water or the land which caused death, personal injury, or property damage.

(b) if any claim is made against the Contractor or Subcontractor on account of any accident/incident, the Contractor shall promptly report the facts in writing to the Province giving full details of the claim.

(c) the Contractor shall provide a First Aid kit in prominent areas on board the vessel including the passenger lounge and at all facilities under the Contractor’s control to treat minor injuries occurring in connection with the Service. In addition, an AED needs to be in a prominent location on the vessel.

6. Dangerous Goods

(a) the Contractor shall not convey or permit to be conveyed in the vessel freight which, by reason of its nature, quantity or mode of carriage is singularly or collectively liable to endanger the lives of the crew or other persons, or the safety of the vessel or the Service, neither shall any goods be carried in contravention of the Transportation of Dangerous Good Regulations in Canadian Waters.

(b) the Contractor shall ensure that each person employed on the Service is trained in the transportation of dangerous goods under the Transportation of Dangerous Goods Regulations (TDG).

7. Oil Pollution

(a) the Contractor, the Contractor’s employees and agents, shall comply with all provisions of the Canada Shipping Act, 2001 and its associated Regulations, as may be amended from time to time. In the event the vessel, the Contractor, the Master and/or any
member of the crew is charged for any violation of the said Regulations and/or the Act, the Contractor shall be fully responsible for all fines, penalties and expenses incurred by reason thereof and, in particular, the Contractor shall be responsible for the cleanup of any oil pollution contaminants or like substances and all expenses in connection therewith.

(b) in the event of any such charge for violation or arrest or detention of the vessel in respect of the above, the Contractor shall immediately notify the Province setting forth the nature of such charge, arrest or detention.

(c) the Contractor shall remain liable for any loss occasioned the Province as the result of any such charge, arrest or detention as is further provided for in this Agreement.

8. Workers Compensation Coverage

(a) the Contractor shall within fourteen (14) days of award of the Agreement, provide suitable documentation certifying that the Contractor is registered and in good standing with WorkplaceNL and/or the workers’ compensation organization(s) of the Province(s) of all the Work.

(b) at any time during the term of Agreement, when requested by the Province, the Contractor shall provide such evidence of compliance by the Contractor and any or all of the Contractor’s Subcontractors.

(c) the Contractor shall assume and shall indemnify and save harmless the Province from and against all liability whatsoever in respect of Workers’ Compensation, including assessments therefore, in respect of all persons whomsoever engaged or taking part in any of the Work or Services to be done or performed by the Contractor or in the operation of any plant, equipment or facility whatsoever used therein or in connection therewith.

(d) the Contractor shall in all respects comply with the Workplace Health, Safety and Compensation Act and with all other Acts, Orders, Rules or Regulations of any competent body having jurisdiction and shall, if required by the Province, furnish the Province with satisfactory proof of such compliance.

9. Information Protection

(a) the Contractor will ensure that it has adequate security measures in place at all times that meet the requirement set out in the Protocols for Security of Government Information on Information Technology Assets of Contractors attached at Annex E and that it protects to the satisfaction of the Province, the personal, financial and other information of passenger, shippers and consignees of freight related to the Work and Service provided under the Agreement.
10. Staff

(a) the Contractor shall employ the master, officers and crew of the vessel and ensure that they each possess all of the qualifications required by law, and the competencies for them to perform their respective functions. The Contractor shall also employ a Safety Officer, to act as a designated person ashore for the implementation and oversight of the Safety Management System.

(b) the Province shall advise the Contractor of the unacceptable performance of any personnel. Should the identified performance not improve to the satisfaction of the Province, then the Province shall have the right to request and the Contractor shall cause that person to be replaced forthwith. The Contractor will comply promptly with any such request.

(c) the Contractor shall provide uniforms for the crew and ensure that the uniforms are worn and always in a neat and presentable manner.

(d) the Contractor shall supply and require the Contractor’s employees to wear identity badges acceptable to the Province.

(e) the Contractor shall inform the Contractor’s employees that a security clearance (Certificate of Conduct) may be required by the Province. If requested, the Contractor shall provide to the Province such information. Any employee not receiving a security clearance satisfactory to the Province shall be replaced immediately by the Contractor.

(f) all personnel shall present a clean, neat and orderly appearance at all times and shall conform to all laws and regulations and ensure that high standards of tact, courtesy discretion and customer service are maintained.

(g) validation of all certificates/certification of crew is the sole responsibility of the Contractor. While under contract pursuant to the Agreement, the vessel shall at all times be fully manned in accordance with the vessel’s issued Minimum Safe Manning Document.

(h) the Contractor shall maintain and keep available for inspection by the Province, a record of the names and addresses of all individuals who shall be performing work in relation to the Service.

11. Down Time

(a) should the vessel be out of service for any reason not attributable to the Province for any part of a day other than weather, the Province shall deduct from the Vessel Daily Rate that portion of the calendar day that it is out of service, prorated over that twenty-four (24) hour day, provided that no deduction shall be made hereunder unless the vessel
has been out of service for twelve (12) consecutive hours. For greater clarity, it is understood that if the vessel is out of service for greater than twelve (12) consecutive hours, then the original twelve (12) hours will be counted in the calculation of the amount to be deducted from the daily hire.

(b) in the case where there are days the vessel is out of service due to mechanical problems or causes attributable to the fault, negligence, action or inaction of the Contractor, its employees, representatives, servants or agents; then only the actual number of days worked shall be invoiced and paid by the Province at the Vessel Daily Rate. The Contractor shall have no claim against the Province as a result of any non-payment for days the vessel did not operate as a result of mechanical problems or causes attributable to the Contractor

i. Furthermore, for downtime caused by maintenance/repair issues, the Contractor shall provide an alternate relief vessel or service (e.g., air service) approved by the province, at the Contractor’s cost, for delays in excess of 48 hours. No Vessel Daily Rate payment will be made for days in which an alternate service for passengers is unavailable. If the Contractor has failed to provide approved alternate freight services after 120 hours they will not continue to be paid the Vessel Daily Rate, even though they are required to maintain passenger services and shall pay, in addition, liquidated damages equivalent in value to the Vessel Daily Rate for each 24 hour period that there is no service. Any relief provided by the Contractor via air services must be coordinated with the Province.

ii. Should the Contractor fail to provide suitable alternate services for passengers within 48 hours and/or freight in 120 hours, the Province may make arrangements for the provision of these services. The costs incurred by the province to provide alternate services shall be recovered from the Contractor in addition to the liquidated damages equivalent in value to the vessel Daily Rate for each 24 hour period that the Province is required to provide the service.

iii. Should it be necessary during the term of the Agreement for the Contractor to replace the vessel for mechanical or other reasons, for an extended period, the Contractor shall put in place a vessel that meets the requirements of the Service or is otherwise acceptable to the Province. The replacement vessel shall operate under all the terms and conditions of the Agreement but at a rate of hire to be agreed upon (less than or equal to but not greater than the existing Vessel Daily Rate) until such time as the original vessel is again in a fully able and efficient state to resume the Service

iv. Should it be necessary during the term of the Agreement for the Contractor to replace the vessel, for an extended period of time and the
Contractor is not able to find a vessel that meets the requirements of the Service or is otherwise acceptable to the Province, then the Contractor, shall put in place appropriate arrangements using a combination of charter air services to move passengers, pets and carry-on luggage/freight and such other vessel that may be available to move freight, vehicles and/or passengers, pets, etc. in the interim period in accordance with the demand for Service until the vessel concerned is returned to full service or an alternate replacement vessel or vessels found. The payment for this service shall be conducted in accordance with clauses (c) and (d) above.

v. The Province agrees to limit claims for damages from each delay to the service to the sums outlined above subject to the Province’s right to terminate this Agreement and pursue the remedies resulting therefrom.

vi. If the vessel is certified, insured and ready to make any trip but is prevented from doing so because of weather or ice conditions, it will be credited with having made that trip.

12. Service Schedule

(a) the Service shall operate in accordance with the approved service schedules.

(b) the Province may make changes to the service schedules, including with respect to the ports of call, in accordance with the provisions of Schedule A, Part 2 (Service Requirements).

13. Statistical Data

(a) the Contractor will compile and provide to the Province operational/statistical data as required by the Province when required.
Annex “B” – Service Requirements

Part 1 - Vessel Requirements

Specifications

1. The vessel shall be a roll on-roll off (Ro/Ro) vessel, using both stern and bow ramps suitable for service for the delivery of passengers and vehicles to the Service operating ports.

2. The vessel shall not be older than 20 years at the commencement of the Service Agreement. However, an older interim vessel may be provided as a transition measure during the first year of the Service Agreement as long as that vessel meets all of the other specifications detailed in this RFP.

3. If a Proponent proposes to replace its proposed vessel over the term of the contract, the Proponent’s proposal should detail both vessels and the anticipated date of replacement. Should there be a need for an unplanned replacement, the replacement vessel shall be approved by the Province.

4. The vessel shall be registered in Canada and duly certified by a classification society (Lloyds, DNV, etc.) and by Transport Canada and must be enrolled in the delegated statutory inspection program. Copies of certificates of full compliance with classification society and/or Transport Canada requirements are to be provided to the Province prior to the vessel entering service. The Successful Proponent must maintain current copies of all vessel certificates prior to entering into and throughout the term of the Agreement and provide the Province with proof thereof each year on the yearly anniversary date of the Agreement or at any other time when the Province requests the Successful Proponent to provide such proof.

5. As it is to be expected that the Successful Proponent’s vessel may encounter ice conditions when operating between ports in the Service area, the vessel shall meet, at a minimum, 1A ice classification. While the Successful Proponent must be prepared to operate the vessel should ice be experienced, the Province shall not be responsible for any damages resulting to the Proponent’s vessel due to operation in ice conditions.

6. The vessel and crew shall be capable of maintaining the service schedule, as approved by the Province.

7. The Successful Proponent shall provide a telephone and other reliable contact systems on board the vessel that is capable of communicating with persons on shore at all times. The vessel must be reachable electronically and by means of telecommunications, twenty-four
(24) hours per day, seven (7) days per week. The Successful Proponent will be responsible for all costs associated for such communications systems.

8. The vessel shall:

a) Have a service speed that the Proponent can demonstrate will allow the weekly schedule described in Part 2 – Service Requirements of this Schedule

b) Have a minimum speed of 13 knots.

c) Have a Safety Management System and a valid Safety Management Certificate prior to Service commencement.

d) Have ramp(s) of suitable length and width to safely operate and interface in all tidal ranges in all Service operating ports, utilizing existing shore-based infrastructure.

e) Be equipped with bow thruster(s).

f) Have propulsive redundancy (e.g. twin screw or twin thruster propulsion).

g) Be clearly identifiable as a Government of Newfoundland and Labrador service vessel through appropriate signage and/or other means, subject to inspection/approval of the Province.

h) Accommodate vehicles and associated vehicle-related items, including trailers, that meet the maximum permitted weight and dimensions to legally operate on roadways in the Province (see Licensing and Equipment Regulations under the Highway Traffic Act at www.assembly.nl.ca/Legislation/sr/regulations/rc961007.htm) and the ability to accommodate mobile/mini-homes with dimensions of up to 22 meters long, 5.5 meters wide and 5 meters high (chassis included).

i) Have a closed vehicle deck, for protection from weather, equipped with lashings for vehicles.

j) Be equipped with a secure storage area controlled by the crew, for the storage of carry-on items and capable of being locked for security related reasons until stored items are reclaimed by the persons who deposit them.

k) Have kennel storage that is out of the elements and heated for pets accompanying passengers.

l) Be equipped with a medi-vac room. The room must be readily accessible by a stretcher or wheelchair and have enough space to comfortably accommodate a stretcher. The medi-vac room should be situated such that persons can be transported on and off the vessel quickly, efficiently and safely. This area should not be utilized for crews’ quarters.

m) Meet Health Canada requirements and have comfortable, clean, well-lit and ventilated passenger accommodations and washrooms.
n) Must have an automated external defibrillator located on the passenger deck.

o) Meet required standards for persons with disabilities as outlined in the Canadian Transportation Agency’s Ferry Accessibility for Persons with Disabilities: Code of Practice referenced below:


p) Meet the required minimum capacities detailed below:

i. Accommodate 300 passengers;

ii. Have day seating for all passengers (passenger lounge) including reclining seating and exterior seating; and

iii. Accommodate 120 passenger vehicles;

iv. Accommodate 8 tractor trailers;

v. Additional vehicle capacity is desired should vessel layout be conducive.

q) Shall be equipped with a cafeteria/restaurant area that is separate from the passenger lounge for the provision of food.

r) Shall be equipped, in the passenger lounge, with entertainment systems such as satellite television, television with DVD player and/or other systems adequate for this Service.

**Owner Inspections and Deficient Equipment**

1. The vessel and equipment shall be subject to periodic inspection by the Province’s representative to ensure the vessel’s capability to adequately perform the Service, prior to Service commencement and at any and all times during the term of the Agreement.

2. If, in the opinion of the Province, any of the equipment has deteriorated and is deemed unsafe or unsuitable to continue operation on the Strait of Belle Isle Ferry Service, the Successful Proponent shall replace the identified equipment upon receipt of notice for replacement from the Province and within the time prescribed in that notice.

3. If any deficiencies or replacements are identified by the Province at any time during the term of the Agreement, the Successful Proponent will have thirty (30) days to correct the identified deficiency or replacement. If the deficiency or replacement is not corrected or replaced within this time period, the Province may withhold the Successful Proponent’s Vessel Daily Rate, or a portion thereof, until such deficiencies are corrected.

**Vessel Maintenance**
1. The Successful Proponent shall plan for and schedule refits of the vessel in a manner that causes no interruption to the provision of the Service. Refits shall also be planned so as to avoid conflict with the relief service provided by the North Coast of Labrador Ferry Service operator (typically during the months of January and February). The actual dates of relief service shall be confirmed by the Province by September 30th annually.

2. Refits shall be completed during the period when relief services are provided by the North Coast of Labrador Ferry Service operator.

3. The Province must be given the Successful Proponent’s required refit period and desired time of season by September 1st of each year. Final approval of the refit time frame is at the discretion of the Province and, while it will not reasonably be withheld, the Successful Proponent may not get its desired refit dates due to the need to coordinate relief services with the North Coast of Labrador Ferry Service operator. The Province’s decision on timing is final.

4. The refit period shall not exceed forty two (42) days without the prior consent of the Province.

5. The Successful Proponent shall provide an alternate relief vessel for any unscheduled/unplanned maintenance or repair during the regular Service operating season as detailed in Schedule A.

6. All costs associated with the maintenance and refit of the vessel are the responsibility of the Successful Proponent.

Vessel Daily Cleaning

1. The Successful Proponent is required, at its own cost and to the satisfaction of the Province, to maintain the vessel in a high state of cleanliness and repair, including cosmetic appearance, during the term of the Agreement and to clean passenger areas and washrooms, including stocking the bathrooms and passenger areas at least twice per day while the vessel is operating on the Service.

Part 2 - Service Requirements

General

1. The Province recognizes that there may be various service schedules suggested by Proponents or various models proposed, however any vessel, schedules and/or models offered by Proponents must meet the minimum service requirement which is defined as equivalent, in the Province’s judgement, to the current regular sailing schedule as outlined in Schedule E.
2. Proponents are also advised that the Province retains the right to modify or augment the schedule over the course of the Service Agreement. Proponents should make allowance for increased scheduled sailings each week, within the times outlined below in Section 5. For greater clarity, there will be no adjustment to the Vessel Daily Rate and Shore Based Daily Rate for additional regularly scheduled sailings and the Province will agree to pay a percentage increase in the Base Daily Fuel Rate equivalent to the increase in sailings during a specific period (season or year) so long as the sailings are within the service times outlined in Section 5.

3. The Province reserves the right to adjust the start and end dates for the seasonal service schedules * over the duration of the contract.

4. It is understood that weather and/or ice conditions may require the delay/cancellation of some scheduled sailings. The Successful Proponent shall provide sufficient additional sailings to eliminate any backlog caused by these delays within 48 hours.

5. The vessel may not depart before 07:00 nor arrive later than 23:00 in any Service operational port on any day in the proposed schedule. The Province acknowledges that adverse weather conditions may result in some variance to these requirements.

6. If the vessel is ready and available to complete a scheduled trip but is prevented from doing so by adverse weather conditions, then the Successful Proponent shall be credited with having made that trip and payment made accordingly. In such a case, where the scheduled service is missed due to adverse weather conditions, if the Successful Proponent is not willing or able to make up the missed trips in the scheduled service, the Province reserves the right, in its sole discretion, to provide additional service using the services of this Successful Proponent or another Proponent(s) as necessary or the Province’s own vessel to clear any backlogs. The cost of any such trip will be deducted from the Vessel Daily Rate.

7. Any incident involving an accident or breakdown involving the vessel or the Service generally or major loss of, or major delay in moving passengers or vehicles is to be reported to the Province by the Successful Proponent immediately.

8. The term of the Service Agreement will be for 12 years with the option to renew for an additional five years. The renewal options may be exercised with the agreement of both parties, on the same terms and conditions as the Service Agreement.

**Passenger Service**

1. The Successful Proponent shall be responsible for interaction with the general public on all matters relating to the Service. The Successful Proponent’s contact information and
telephone numbers must be publicized for general enquiries and information as directed by the Province.

2. Passenger complaints regarding any of the vessel services shall be resolved by the Successful Proponent who, as and when appropriate, will notify the Province immediately and take the necessary action to remedy the situation.

3. Any incident involving a passenger injury is to be reported to the Province by the Successful Proponent immediately.

4. The Successful Proponent shall provide potable water, in a sufficient quantity for the number of passengers, in accordance with Potable Water on Board Trains, Vessels, Aircraft and Buses Regulations, at no cost to passengers (http://laws-lois.justice.gc.ca/eng/regulations/SOR-2016-43/index.html).

5. The Successful Proponent shall provide food services which shall be open to customers for at least the duration of the sailing. As a minimum, food and beverages must also be available for purchase at all times through such means as vending machines. The menu offered must provide balanced food choices with healthy options based on the Canada Food Guide, subject to review and approval by the Province. The Province shall also maintain the right to review and approve all prices to ensure fair food pricing. Revenues generated from such food sales shall be to the account of the Successful Proponent.

6. The Successful Proponent should ensure staff be trained in the provision of services with dignity, and delivery of inclusive services, including how to assist a person who uses mobility devices or other pieces of equipment.

Vehicle Service

1. The Successful Proponent shall be responsible for all activities concerned with the loading, securing for safe transit, care of, security and offloading of vehicles.

Service Down Time

1. Should the vessel be out of service for any reason not attributable to the Province for any part of a day other than for weather related reasons, the Province shall deduct from the Vessel Daily Rate that portion of the calendar day that it is out of service, prorated over that twenty-four (24) hour day, provided that no deduction shall be made hereunder unless the vessel has been out of service for twelve (12) consecutive hours. For greater clarity, it is understood that if the vessel is out of service for greater than twelve (12)
consecutive hours, then the original twelve (12) hours will be counted in the calculation of the amount to be deducted from the daily hire.

2. In the case where there are days the vessel is out of service due to mechanical problems or causes attributable to the fault, negligence, action or inaction of the Successful Proponent, its employees, representatives, servants or agents; then only the actual number of days worked shall be invoiced and paid by the Province at the Vessel Daily Rate. The Proponent shall have no claim against the Province as a result of any non-payment for days the vessel did not operate as a result of mechanical problems or causes attributable to the Successful Proponent.

3. Furthermore, for downtime caused by maintenance/repair issues, the Successful Proponent shall provide an alternate relief vessel or service (e.g., air service) approved by the Province, at the Successful Proponent’s cost, for delays in excess of 48 hours. No Vessel Daily Rate payment will be made for days in which an alternate service for passengers is unavailable. Any relief provided by the Successful Proponent via air services must be coordinated with the Province.

4. Should the Successful Proponent fail to provide suitable alternate services for passengers within 48 hours, the Province may make arrangements for the provision of these services. The costs incurred by the Province to provide alternate services shall be recovered from the Successful Proponent in addition to the liquidated damages equivalent in value to the Vessel Daily Rate for each 24 hour period that the Province is required to provide the service.

5. Should it be necessary during the term of the Agreement for the Successful Proponent to replace the vessel for mechanical or other reasons, for an extended period, the Successful Proponent shall put in place a vessel that meets the requirements of the Service or is otherwise acceptable to the Province. The replacement vessel shall operate under all the terms and conditions of the Agreement but at a rate of hire to be agreed upon (less than or equal to but not greater than the existing Vessel Daily Rate) until such time as the original vessel is again in a fully able and efficient state to resume the Service.

6. Should it be necessary during the term of the Agreement for the Successful Proponent to replace the vessel, for an extended period of time and the Successful Proponent is not able to find a vessel that meets the requirements of the Service or is otherwise acceptable to the Province, then the Successful Proponent, shall put in place appropriate arrangements using a combination of charter air services to move passengers, pets and carry-on luggage and such other vessel that may be available to move vehicles and/or passengers, pets, etc. in the interim period in accordance with the demand for Service until the vessel concerned is returned to full service or an alternate replacement vessel or vessels found.
Shore Based Operations and Power

1. The Successful Proponent will be responsible for complete operation of all Service operational ports. The sheds, buildings, wharves and offices owned by the Province that relate to the Service will be made available by the Province to the Successful Proponent and shall be utilized by the Successful Proponent in delivering the Service.

2. The Successful Proponent shall provide the operation and maintenance of offices sheds at each of the Service operational ports (Blanc Sablon and St. Barbe). There shall be at least one representative at each location.

3. The detailed operational requirements of the Successful Proponent’s include, but are not limited to vessel(s) coordination, passenger services, terminal management/traffic handling, reservations (vehicle/passenger), customer service, ticketing, revenue collection and remittance, handling and administering insurance claims, supplying, maintaining, and repairing equipment and machinery and maintaining a Safety Management System (SMS).

4. So that the Service may be properly provided, the Successful Proponent’s representatives shall be available:
   a) At times outside normal working hours if necessary in accordance with the vessel schedule seven (7) days per week;
   b) At times while the vessel is in port loading or off-loading passengers/vehicles; and
   c) At least two (2) hours prior to vessel arrival and two (2) hours after vessel departure.

5. The Successful Proponent shall, at all Service operational ports, maintain heat, light, general upkeep, and security at the facilities used by the Successful Proponent. Janitorial services for terminal facilities shall be the Successful Proponent’s responsibility, at the Successful Proponent’s cost, and shall be carried out for all offices, passenger waiting areas, washrooms and portable toilets. All such facilities must be cleaned at least twice during every twenty-four (24) hour period that the facilities have been operating and should be cleaned more frequently, as necessary, to ensure they are maintained in a sanitary and functional condition.

6. The Successful Proponent shall be responsible for all costs of operation, running maintenance (including painting), security, upkeep, and utilities, related to such sheds, buildings, wharf areas and offices) for the term of the Agreement including any renewals of the same. In this regard before the Successful Proponent begins the Service, a condition survey of existing infrastructure will be carried out. Once the Successful Proponent advises that it accepts possession of the infrastructure in the condition it is, then the Successful Proponent shall thereafter be responsible for the payment of the items
referred to in this paragraph and be responsible for addressing and correcting any
damages to such infrastructure and equipment and for maintaining and repairing the same
at the Successful Proponent’s cost. Any normal deterioration of wharf infrastructure that
is not caused by negligence of the Successful Proponent will be at the expense of the
Province. Damage to wharves and other shore based infrastructure caused by the
negligence of the Successful Proponent shall be rectified by the Successful Proponent at
the Successful Proponent’s own expense. The Province shall be advised by the
Successful Proponent of the nature and extent of such damage and to approve any such
repair or correction prior to implementation.

7. The Successful Proponent is responsible for keeping all port’s wharf/terminal areas used
for the provision of the Service in a clean and tidy condition, including removal of snow
and ice build-up in the ramp area, wharf and mooring areas, and janitorial service in the
terminal/waiting area. All gates or chains at each port shall be kept closed at all times
when vessels are not loading or off-loading.

8. The Successful Proponent will be responsible at the Successful Proponent’s cost for
provision of any office equipment, machinery, telephones, faxes, furniture and supplies
required to deliver the Service.

9. The Successful Proponent shall clean up and remove any debris from yard areas a
minimum of once per week unless, periodically, heavy traffic volumes may dictate a
higher frequency.

10. The Successful Proponent shall be responsible for coordinating all port service
requirements such as stevedoring, security and all other vessel related services with the
port authorities. All charges for same will be included in the Shore Based Daily Rate.
Shore power and water will be the responsibility of and to the cost of the Successful
Proponent. The Successful Proponent will maintain security, care, custody, and necessary
heat and lighting year-round at the Service operating ports.

11. The Successful Proponent shall provide web messaging, online messaging, recorded
telephone messaging and/or use social media and local media or any other means the
Successful Proponent deems necessary in handling general enquiries from passengers and
to as necessary inform passengers of information such as delays in the vessel’s arrivals
and departures.

12. The Successful Proponent will be responsible for the payment of all fees associated with
pilotage, harbour dues/berthage associated with the delivery of the service including the
movement of vessels for refit/maintenance purposes.

Traffic Control
1. The Successful Proponent shall provide on-shore traffic directors to marshal traffic and direct loading and off-loading of the vessel. Such personnel shall be responsible for the safe movement of passengers and vehicles to and from the waiting line ups and passenger areas on the vessel and during disembarkment of the vessel.

2. The Proponent shall have and maintain at the following ports, a sufficient number of persons for traffic direction and as wharfinger(s) to ensure the prompt loading and offloading of the vessel. As a guide to Proponents, the current minimum number of such persons utilized at the various ports during the operating season is as follows:

a) St. Barbe: 2 people
b) Blanc Sablon: 2 people

3. The Successful Proponent’s traffic director(s)/wharfinger(s) shall be appropriately dressed so as to be identifiable as staff members and shall wear at all times when engaged in their work appropriate personal protective equipment.

**Damages to Vessel and Infrastructure**

1. The Successful Proponent shall assume all risks associated with the management, handling and navigation of the vessel and shall be responsible for all damages to the vessel as well as damages sustained by any other service related equipment and infrastructure. The Successful Proponent shall also assume all risks associated with damage to persons and to vehicles and their contents while in the Successful Proponent’s possession.

2. Damage caused to wharves or infrastructure by or through the negligence of the Successful Proponent shall be rectified by the Successful Proponent at its own expense. Before embarking on any such repair, the Successful Proponent shall present to the Province its plan to repair and secure the Province’s approval to proceed before doing so.

3. Should the Successful Proponent not implement the necessary repairs to such wharves or infrastructure as are referred to in paragraph 2) above within thirty (30) days, the Province retains the right to proceed with the necessary repairs and holdback appropriate costs from the Successful Proponent’s Shore Based Daily Rate.

**Reservations**

1. The Successful Proponent shall provide a computerized reservation system for the Service which is to be operational 24 hours per day, 365 days per year. Scheduled maintenance of this service should be completed during off-peak hours. The Province shall be informed of any interruption to this system.
2. The reservation system will be capable of reserving space electronically online and via telephone for the transport of passengers, pets and vehicles.

3. The Successful Proponent must provide a toll-free number to accept reservations and handle customer service issues. This service must be operational from 08:00 to 20:00, seven (7) days per week, 365 days per year.

4. When the above reservation service is closed, the Successful Proponent must maintain an answering service to advise customers that the office is closed and at what time it will reopen.

5. The Successful Proponent will be provided with a copy of the passenger, pet and vehicle calculation rates which shall be applied and which have been approved by the Province. No other unapproved rates shall be applied or charged related to the Service.

6. For passenger and vehicle reservations, the Successful Proponent will be required to collect the following information which is expected to be reported monthly to the Province:

   a) Passenger/Pet/Vehicle (personal and commercial):

      i. Ticket/Booking number;

      ii. First and last name of vehicle driver;

      iii. First and last name of each passenger in a separate field for each passenger;

      iv. Booking passenger(s) home postal code;

      v. Number of passengers in each fare category, in the following separate fields: Adult, Student, Senior, Child, Child under 5;

      vi. Number of pet kennel spaces booked;

      vii. Category of vehicle (Commercial/Passenger) + driver fare (Adult, Student, Senior (60+), etc.);

      viii. Number of personal vehicles in each fare category in separate fields - motorcycle, automobile; automobile with trailer;

      ix. Number of commercial vehicles in each fare category in separate fields – light truck up to 20 ft., truck over 20ft, truck with trailer;

      x. Commercial vehicle width if non-standard;

      xi. Payment method such as cash, Visa, MasterCard, on account, etc.;
xii. Account number - if applicable;
xiii. Name of vessel travelled on;
xiv. Departure port;
xv. Arrival port;
xvi. Scheduled departure date & time;
xvii. Scheduled arrival date & time;
xviii. Total fare paid

Ticketing and Fares

1. The Successful Proponent shall provide ticket selling service for passengers at all ports, either onshore or on the vessel. The ticket seller(s) shall have access to the reservation information from the computerized system. The Successful Proponent shall supply and use tickets, the form and content of which must be approved by the Province.

2. The Successful Proponent shall accept cash, credit and debit card payments where vendor – card provider communications capacity exists.

3. The Successful Proponent will be responsible for the collection of passenger and vehicle fare revenues, the reconciliation of tickets sold with revenues collected and the securing of revenues.

4. The Successful Proponent shall provide and utilize a cash register on the vessel for collection of fares and recording for audit purposes. All revenues from the operation of the Service, other than revenues that the Successful Proponent collects for the sale of food on board the vessel, accrue to and are to be remitted to the Province as directed by the Province.

5. The Successful Proponent shall not issue credit to any customer in respect of any fee that would be due to the Province, without the prior written approval of the Province.

6. Free transportation is to be provided for school related outings, school field trips and school sporting events, when authorized by Province. Under no circumstances should other free transportation be authorized by the Successful Proponent without approval from the Province.

7. The Successful Proponent will also be responsible for maintaining a website with up to date schedule information including notices of delays and changes in sailing status. This information shall also be transmitted through social media.
8. If a Successful Proponent fails to provide any of the shore based services to the satisfaction of the Province, within seven (7) calendar days or some other timeframe agreed with the Province, the Province may, at its sole discretion, withhold all or a portion of the Successful Proponent’s Shore Based Daily Rate until such time as the Successful Proponent has made adjustments satisfactory to the Province.

**Part 3 - Record Keeping, Right to Audit and Reporting**

1. The Successful Proponent shall grant to the Province the right to audit its records in relation to this Service. The Province shall have the right to examine such records at any time and the Successful Proponent shall, if required by the Province, make available all such books, records and documents as the Province shall deem necessary in order to verify any statement furnished hereof or for any other purpose. The Proponent shall provide and/or make accessible all requested information and documentation related to the same within 10 business days from receipt of written notice by the Province. All costs associated with this will borne by the Successful Proponent.

2. The Successful Proponent shall be responsible for procuring all forms necessary for completion of the Service. All forms shall be approved by the Province and shall clearly outline, for the customer, the charges associated with each purchase such as but no limited to the tariffs approved by the Province.

3. In a form and with the content acceptable to the Province, the Successful Proponent shall develop, at its own cost the following:
   
a) Passenger and vehicle tickets.

b) Receipts/invoices for berthing and wharfage.

4. All forms developed and used by the Successful Proponent should contain unique, sequential billing numbers.

5. All reports submitted to the Province must be sent electronically to the following email address or to such other contact as the Province may subsequently advise: tvmarine@gov.nl.ca.

6. The Successful Proponent shall also respond to any request by the Province, within five (5) business days for further and other information concerning the work or service or any matter touching upon or related to the same. All costs associated with this will borne by the Successful Proponent.

7. The Successful Proponent will ensure that it has adequate security measures in place at all times that meet the requirement set out in the Protocols for Security of Government Information on Information Technology Assets of Contractors attached as Schedule H and...
that, it in this regard, it protects to the satisfaction of the Province the personal, financial and other information of passengers related to the work and service provided by the Successful Proponent.

**Safety Management System**

1. The Safety Management System shall be audited annually both internally and externally with a copy of the audit reports sent to the Province. The Successful Proponent shall have a designated person ashore. The Province’s safety officer shall also have the right to audit this system.

**Finance**

1. The Successful Proponent will keep detailed and accurate records of all revenues collected and provide revenue reports to the Province within 20 business days of the close of each month. The Province will develop and supply the format for revenue reports to be used by the Successful Proponent. The Successful Proponent shall be responsible for accuracy and completeness of all such reports.

2. Timekeeping, payroll functions, and associated records shall be the responsibility of the Successful Proponent. The Successful Proponent shall maintain records and books of account in accordance with generally accepted accounting principles.

3. On a monthly basis, within 20 business days of the close of the month, the Successful Proponent shall remit all copies of the following, organized by sequential number, to the Province:
   a) Passenger and vehicle tickets/receipts.
   b) Receipts/invoices for berthing, and wharfage.
   c) Voided and/or cancelled copies of any of the above.

**Operations**

1. On a daily basis prior to 06:30, the Successful Proponent shall report via email to the Province to advise whether or not the Service is operating on schedule. If not operating on schedule, the Successful Proponent shall provide the reason it is not, including specifics with regards to weather conditions, sea conditions, wind speed and wind direction, and shall advise when the Service is expected to resume. This report shall be updated if, when and as Service status changes.
2. On a daily basis, at the end of each day, the Successful Proponent shall complete the Daily Marine Traffic Report and submit it to the Province. The Daily Marine Traffic Report, which format will be developed by the Province, will include statistics outlining the number of passengers on board the vessel during each trip, broken down by passenger type, as well as pet and vehicle statistics. The report will also contain information regarding whether or not there were any passenger or vehicle issues during the day.

3. On a weekly basis, the Successful Proponent shall submit to the Province all Vessel Activity Reports (VAR) for the vessel showing all the necessary information, including weather conditions, operating hours at sea (steaming under power between ports), and revenue, broken down by passenger and vehicle revenue. The format of the VAR will be developed by the Province.

4. Data and reports to be transmitted to the Province shall be transmitted in a way acceptable to the Province. The Province will discuss such requirements with the Successful Proponent so as to minimize the reporting burden.

5. The Province shall be kept advised of the expiry date of all certificates for the vessel.
# ANNEX "C" - Strait of Belle Isle Ferry Service

## 2018 Schedule

### Fall Schedule (Sep 14 – Jan 7) and Spring Schedule (Apr 23 – Jun 18)

<table>
<thead>
<tr>
<th>Monday to Thursday</th>
<th>Friday</th>
<th>Saturday</th>
<th>Sunday</th>
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<td>8:00 AM</td>
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<td>6:00 PM</td>
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Note: The 3:30 PM departure from St. Barbe on Wednesday and the 1:00 PM departure from Blanc Sablon on Friday are designated dangerous goods (DG) crossings. DG crossings will have limited access for additional passengers dependent on type of goods carried.

### Summer Schedule (Jun 19 – Sep 13)

<table>
<thead>
<tr>
<th>Monday, Wednesday</th>
<th>Tuesday, Thursday, Saturday</th>
<th>Friday</th>
<th>Sunday</th>
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<tr>
<td>8:00 AM</td>
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Note: The 3:30 PM departure from St. Barbe on Monday and the 6:00 PM departure from Blanc Sablon on Wednesday are designated dangerous goods (DG) crossings. DG crossings will have limited passenger space and is dependent on type of goods carried.

### Winter – Daily Schedule (Jan 8 - Apr 22)

<table>
<thead>
<tr>
<th>Departing Blanc Sablon</th>
<th>Departing St. Barbe</th>
<th>Departing Blanc Sablon (Wed, Fri, Sun)</th>
<th>Departing Corner Brook (Thu, Sat, Mon)</th>
</tr>
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<tbody>
<tr>
<td>8:00 AM</td>
<td>10:30 AM</td>
<td>7:00 AM</td>
<td>7:00 AM</td>
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</table>
Annex “D”

RFP RESPONSE and APPENDICES
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