



REQUEST FOR PROPOSALS	
Requirement	Audit Services
RFP#	TR2024-01
Insurance Issued By	The Municipality of Kincardine 1475 Concession 5 Kincardine, Ontario, Canada N2Z 2X6
Issue Date	August 13, 2024
Tender Notice Platform	www.kincardine.ca
Bidding System	Email: tenders@kincardine.ca
RFP Documents	RFP documents may be downloaded from the Tender Notice Platform.
Pre-Bid Meeting	N/A
Bidder Inquiries	Questions and requests for changes to this RFP must be submitted through the Bidding System.
Deadline for Questions	The Municipality will respond to questions received by 5:00:00 PM ET on August 23, 2024
Bid Submission	Bids must be submitted via the Bidding System email.
Submission Deadline	Bids must be fully received by the Municipality's system by 2:00:00 PM ET on September 6, 2024
RFP Contact	Roxana Baumann, Director of Corporate Services/Treasurer rbaumann@kincardine.ca
Contract Award	The Municipality anticipates that the contract will be awarded in September 2024
Contract Term	See Part 2 (Scope of Work)

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PART 1: RFP PROCESS

1. Introduction

The Municipality of Kincardine (the “Municipality”) is a municipality with a population of approximately 12,000 located on the shores of Lake Huron in the province of Ontario, Canada. The current municipality was created in 1999 by the amalgamation of the Town of Kincardine, the Township of Kincardine, and the Township of Bruce. For more information on the municipality, visit kincardine.ca.

The Municipality is seeking the services of a qualified auditor to carry out examinations of the records and financial statements of the Municipality. Proposals are invited from Chartered Professional Accountants who are licensed under the Public Accountancy Act, have significant experience in providing audit services to Ontario municipalities, and are qualified within the conditions outlined in section 296 of the Municipal Act.

It is the intent of the Municipality to enter into a three year agreement (2024-2026) with a qualified auditor that can demonstrate through the Request for Proposal process, their municipal expertise, accounting credentials and their solid reputation in the area of municipal audits.

Below is a description of the competitive bidding process that explains how Bids will be evaluated and a Contract awarded to a successful Bidder.

2. Definitions

In this RFP document:

“Bid” or “proposal” means a submission by supplier in response to this RFP.

“Bidder” or “proponent” means a supplier that submits a Bid.

“Bidder’s Workbook” means the document attached as Schedule 1.

“Contractor” means the Bidder that has executed a contract with the Municipality to provide the Work.

“Work” means all the goods and services to be supplied by the Contractor as specified in Part 2 - Scope of Work.

Other capitalized terms have the meanings assigned on the cover page of this RFP document.

3. RFP Overview

This RFP is comprised of the following parts:

Part 1: RFP Process	Description of the competitive bid process.
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Part 2: Scope of Work	Includes: <ul style="list-style-type: none"> • Contract Scope of Work • Insurance requirements • Contract security requirements (if any)
Part 3: Contract Terms	Contract to be signed by successful Bidder.
Schedule 1: Bidder’s Workbook	Includes: <ul style="list-style-type: none"> • Pre-bid Meeting Instructions (if any) • Bid evaluation criteria • Bid scoring method • Bid submission forms

4. Non-Binding RFP Process

This RFP process is non-binding. This means it does not create contractual obligations between the Municipality and the Bidders commonly referred to as “Contract A”. No contractual relationship will be formed until the Municipality enters into a contract with a Contractor for performance of the Work.

The Municipality is not legally obligated to award a contract to any Bidder and Bidders are not legally obligated to enter into a contract with the Municipality. If a Bidder submits a Bid and then decides for any reason that they no longer want to participate in the RFP process, the Bidder may choose to withdraw their Bid at any time before contract signature.

5. Requests for Changes and Questions

Bidders should submit request for changes and questions (“inquiries”) through the Bidding System before the Deadline for Questions.

6. Addenda

Responses to inquiries received by the Deadline for Questions will be provided through an addendum posted via the Tender Notice Platform. Addenda will not identify the Bidders that submitted the inquiry.

The Municipality will make reasonable efforts to respond to all Bidder inquiries. The Municipality may edit Bidder inquiries for clarity, exclude inquiries that are either unclear or inappropriate, and provide a single answer to a similar inquiry posed by multiple Bidders.

While Addenda will be posted on the Tender Notice Platform, the Municipality assumes no obligation to separately notify Bidders when Addenda are released. Bidders should ensure they have checked the Tender Notice Platform prior to Bid submission to ensure nothing has been missed.

7. Bid Preparation

7.1 General Requirements

Bidders must use the forms in the Bidder's Workbook to prepare their Bid. To be considered, Bids must meet all mandatory requirements specified in the Bidder's Workbook and must:

- (a) be written in English;
- (b) respond to the Municipality's requirements; and
- (c) include all requested pricing information in Canadian dollars.

7.2 No Counterproposals, Conflicts, Qualifiers or Assumptions

Bidders should not make assumptions when preparing their Bid. Bidders also should not add language in their Bid that either conflicts with the Municipality's requirements, qualifies the Bid or makes the Bid conditional. The question period is intended to provide Bidders a full opportunity to clarify questions or obtain changes to the RFP prior to Bid submission. Failure to use the question period is at Bidder's risk.

If assumptions, counterproposals, conditions, or qualifications appear in a Bid, the Municipality may either (a) disqualify the Bid without prior notice to Bidder; or (b) require that the foregoing be deleted from the Bid, without any change to pricing, before the Bid can be considered further. Such provisions will not form part of any final Contract.

7.3 Equivalent (if applicable)

When a component of the Work in Part 2 - Scope of Work is specified by its trade or other name (whether such name is followed by the phrase 'or approved equivalent' or not), the Municipality will consider Bids proposing equivalent goods or services that demonstrably fulfil the requirement of the procurement. Whether the equivalent good or service demonstrably fulfills the requirement will be determined in the Municipality's sole discretion. Where an equivalent product is approved, an Addendum will be posted to inform all Bidders of the approved equivalent.

To avoid unnecessary investment in Bid preparation, Bidders should request the Municipality's opinion on the acceptability of an equivalent good or service prior to the Deadline for Questions to receive a determination in advance of the Submission Deadline.

7.4 Multi-Party Bids

Bids may contemplate performance of the Work by a multi-party team, meaning two or more separate companies or businesses working together to perform the Work. In such cases, the Bid should clearly describe the proposed roles and responsibilities of each team member and must clearly identify one member of the multi-party team as the "Bidder".

The single Bidder will be the primary contact for all communications with the Municipality during the Bid submission and evaluation process and, if selected, the contract finalization process. If successful, the Bidder will be the legal entity that will contract with the Municipality and will assume the full responsibility under the contract for the performance of all team members' obligations in providing the Work.

8. Bid Submission

Bidders must submit their Bids through the Bidding System. Delivery by another means will result in Bid rejection.

Bidders may revise their Bid Submission prior to the Submission Deadline and may withdraw their Bid at any time before signing a Contract. Bidders are solely responsible for making sure their Bid is fully received by the Municipality's IT system prior to the Submission Deadline. Delays caused by technical issues, such as internet connectivity issues or file sizes being too large do not excuse a late Bid. Bidders should allow sufficient time to resolve any technological issues that may arise with Bid Submission.

9. Bid Review and Rectification

After the Submission Deadline, all Bids received on time will be checked for completeness and for compliance with the essential and mandatory submission requirements including (a) all mandatory Bid submission forms are included; (b) the Bid was prepared using the Bid submission forms in the Bidder's Workbook with no material changes to the forms. Bids failing to meet a mandatory Bid submission requirement will be disqualified without prior notice to Bidders.

If there are administrative deficiencies, a Bidder may be sent a request to rectify the deficiency within a specified period of time. If the deficiencies aren't rectified within the specified time period, the Bid may be disqualified. "Administrative deficiencies" are errors or omissions that do not, when remedied, add to the contents of the Bid for Bid scoring purposes and may include, as examples, a missing signature or missing contact information on the Submission Form, failing to identify a single bidder as the "Bidder" on a multi-party Bid, or missing contact information on a reference form.

10. Bid Evaluation and Ranking

All compliant Bids will be evaluated and ranked using the evaluation and ranking method described in the Bidder's Workbook.

During the evaluation process, the Municipality may ask a Bidder for clarification if their Bid includes information that is unclear or internally inconsistent. The Municipality will take the Bidder's response to the request for clarification into account in the evaluation, provided it does

not add new information to the Bid and responds directly to the question in a clear and concise manner.

Once the Bids have been evaluated and ranked, the Municipality will proceed to the pre-contract verification stage described below.

11. Addressing Bid Process Irregularities

Bid process irregularities may arise that require the Municipality to deviate from the above process or result in a cancellation of the process. The following Bid process irregularities will be handled in the manner described below.

11.1 Over Budget or Single Bid

In the event the highest ranked Bid is over budget or only 1 compliant Bid is received, the Municipality may cancel the Bid process and enter into negotiations with the highest ranked or single Bidder to ensure the Municipality receives the best value for money for ratepayers. Should the Municipality be unable to reach an acceptable agreement, the Municipality may discontinue discussions and initiate a new Bid solicitation process.

11.2 No Compliant Bids

If all Bids received are deemed to be non-compliant, the Bid process will normally be cancelled. After examining the cause for lack of compliant Bidders, the Bid solicitation document may be re-issued with the appropriate revisions or other action may be taken to address the cause of lack of compliant Bidders.

Where time is of the essence and it is deemed to be in the public interest to avoid delays in acquiring the goods and services, the Municipality may communicate to each Bidder who previously submitted a Bid and provide all non-compliant Bidders with the opportunity to remedy the non-compliance with a view to proceeding with the original Bid process.

11.3 Tied Highest Ranked Bids

Where 2 or more Bids are tied, the Municipality will invite each Bidder to submit a best and final Financial Bid. If the Bids remain tied after this process, a coin toss will be held to determine the highest ranked Bidder.

12. Pre-Contract Verification

Prior to finalizing the contract with the selected Bidder, the Municipality may verify the information provided in the selected Bidder's Bid and confirm the selected Bidder's willingness and ability to perform the contract.

The Municipality may choose not to contract with the selected Bidder if the Municipality becomes aware of information that indicates, in the Municipality's reasonable opinion, that the

Bidder is incapable of delivering the Work in accordance with their Bid and requirements of the RFP, or if it would not be in the public interest to award the contract to the highest Bidder, such as where there is evidence of criminal activity, professional misconduct, insolvency, or a history of significant or persistent deficiencies in performance.

12.1 Verification of References, Experience and Qualifications

The Municipality will check the selected Bidder's references using the process described in the References Form in the Bidder's Workbook.

The Municipality may also consider the selected Bidder's past performance or conduct on previous contracts with the Municipality. It may contact third parties in addition to references provided by the Bidder to verify the experience and qualifications described in the Bidder's Bid.

The Municipality may choose not to contract with any Bidder that fails the reference check, has a history of poor past performance or has misrepresented its experience or qualifications.

12.2 Verification of Pricing

The selected Bidder may be asked to provide additional breakdown of its pricing.

If the selected Bidder's pricing appears to be abnormally low, the Bidder may be required to provide a detailed explanation of the pricing information and confirm that all requirements have been taken into account. This may require the Bidder to provide invoices from other projects where the prices were applied, or to otherwise justify and explain its cost structure, including Bidder's actual costs, assumed profit and overhead. The Municipality may choose not to contract with any Bidder that is unable to account for the abnormally low pricing to the satisfaction of the Municipality.

If the selected Bidder's pricing appears to be unbalanced (i.e., pricing is abnormally low for some elements or phases of the Work and abnormally high for other elements or phases of the Work), the Bidder may be asked adjust the allocation of pricing to ensure pricing is balanced across different elements and phases of Work. The Municipality may choose not to contract with any Bidder that is unable to correct unbalanced pricing to the satisfaction of the Municipality.

12.3 Verification of Workplan and Schedule

The selected Bidder may be asked to confirm its workplan and schedule for completion of the Work. If Part 2 – Scope of Work includes specific delivery or completion deadlines, the Municipality may choose not to contract with any Bidder that is unable to confirm its ability to meet those deadlines.

12.4 Confirmation of Assigned Personnel

If the evaluation criteria included an evaluation of project team personnel, the Bidder will be asked to confirm the availability of named personnel to play the role described in the Bid for the project. If the Bidder is unable to confirm the availability of such personnel for the applicable roles, and an equivalent substitute acceptable to the Municipality is not available, the Municipality may choose not to contract with the Bidder.

12.5 Verification of Required Insurance and Contract Security

In order to proceed with finalization of the contract, the selected Bidder will be required to provide proof of insurance and any contract performance security that is required under the Insurance and Contract Security Requirements in Part 2 – Scope of Work.

13. Contract Finalization

Following successful completion of the pre-contract verification process, the selected Bidder will be invited to finalize and enter into the contract based on the Contract in Part 3. The Municipality does not intend to negotiate substantive changes to the terms and conditions of the Draft Contract and may reject a Bidder that insists on making substantive changes.

The selected Bidder may withdraw from the process at any time prior to entering into the contract. If the contract is not signed within 14 days of Bidder's receipt of the contract or such other timeframe specified in the notice to Bidder, the Municipality may revoke the selection notice and proceed to the next ranked Bidder or cancel the RFP process.

14. Second-ranked Bidder Prequalification

The second-ranked Bidder will be pre-qualified to supply the Goods and Services described in this Bid solicitation document for a period of six (6) months following the contract execution with the successful Bidder. Should the Contract with the successful Bidder be terminated in the six (6) months following the effective date of the contract, the second-ranked Bidder will be invited, but under no obligation, to enter into a contract based on the prices and other information set out in their original Bid.

15. Notification and Debriefs

After the Municipality has entered into a contract for the Work a notice of award will be released via the Tender Notice Platform. Upon request, the Municipality will provide an unsuccessful Bidder with a debrief to discuss strengths and weakness of the Bid and explain why the Bid was not successful. Information about the other Bidders or their Bids will not be discussed. Bidders should submit a request a debrief by emailing the RFx Contact identified on the cover page of the Bid solicitation document within 30 calendar days of the award notice.

16. Complaint Resolution

Any Bidder that has questions or concerns about the outcome of the Bid process should first request a debrief. If, following the debrief, the Bidder wishes to challenge the Municipality's decision in respect of the Bid process, the Bidder should submit a written complaint to the RFX Contact identified on the cover page of this RFX document within 5 business days of attending the debrief or, if the supplier is not a Bidder, within 10 business days of (i) becoming aware of the basis for a procurement complaint or (ii) date of publication of award. The Municipality will review and respond to the Bidder's complaint within 20 business days.

A complaint must be in writing and must include the following details:

- (a) A precise statement of the relevant facts;
- (b) An identification of the decision being challenged and the issues to be resolved;
- (c) A clear summary of the Bidder's position and supporting documentation; and
- (d) The Bidder's requested remedy.

PART 2: SCOPE OF WORK

1. BACKGROUND

- 1.1. The Consultant is appointed to perform the duties of the Corporation of the Municipality of Kincardine’s auditor including the performance of examinations of the records and the preparation of financial statements of:
- a. the Municipality,
 - b. the Municipality of Kincardine Trust Funds (“Trust”),
 - c. the Business Improvement Area (“BIA”)

The 2024 Operating Budget is \$38.3 million and the capital budget is \$13.2 million.

The Municipality provides the following services:

- Council and CAO;
- Corporate Services – Treasury, Human Resources, Legislative Services, By-law enforcement (contracted service), Policing (Section 10 contract with the OPP);
- Infrastructure & Development – Development Services (building and planning), Environmental Services (water and wastewater), Operations, Stormwater, Airport, Roads and Bridges, Waste Management, cemeteries
- Community Services – recreation programs, parks & trails, waterfront, Marina;
- Fire Services
- Strategic Initiatives – Tourism, Arts Culture & Heritage, Economic Development, physician recruitment;

Volume of Transactions (2023):

- Payroll is processed bi-weekly for regular full-time and part-time employees. We also process payroll for Council members monthly and for volunteer firefighters semi-annually. All employees are paid by direct deposit. It is estimated that we will process payroll for up to 250 unique employees every year. The Municipality is currently in the process of implementing a new payroll system with UKG, which is expected to be implemented in September 2024.
- Accounts Payable:
 - Cheques issued: approximately 800 cheques
 - Electronic Funds Transfers (EFT) issued: approximately 3,000 EFTs
 - 8,000 invoices totaling approximately \$56 million
- Utility Receivable – approximately 4,650 active accounts with billings totaling ~ \$6 million
- Property taxes – approximately 7,300 properties with billings totalling ~ \$40 million

Audit firms who are considering submitting a Proposal pursuant to this request are encouraged to visit the Municipality of Kincardine’s website at www.kincardine.ca for more detailed information on the characteristics and activities of the Municipality.

2. CONTRACT TERM

2.1. The Consultant’s appointment will commence on the effective date of the Contract and expire on the earlier of June 30, 2027, or the conclusion of the Consultant’s presentation to Council of the audit report for fiscal year ending December 31, 2026 (“Initial Term”). The Municipality may exercise an option to extend the Contract for an additional two (2) year period to cover the audits for 2027-2028 (“Optional Extension”). Together the Initial Term and Optional Extension, when exercised, are the “Term”.

3. GENERAL SCOPE OF WORK

External audit services to be provided shall include the examination of the records and physical preparation of financial statements and audit reports for the Municipality for the organizations specified above.

The consolidated financial statements of the Municipality include the activities of all committees of Council and the following boards and municipal enterprises which are under the control of Council:

- Municipality of Kincardine Trust Funds
- Kincardine Business Improvement Area (BIA)

The Municipality also has government partnerships with the following entities:

- Bruce Area Solid Waste Recycling Association
- Saugeen Mobility and Regional Transit

These organizations are responsible for their own audits independent of Kincardine, with the Municipality’s share being proportionately consolidated.

Municipal Staff will be responsible for the year-end close. Staff will assist the external auditors by preparing a full set of working papers, schedules, trial balances and supporting documentation on a timely basis. The Municipality is responsible to complete the Financial Information Return (FIR) for the Province.

4. KEY INDIVIDUALS

The Consultant shall appoint the following key individuals to the Municipality’s account, which must remain assigned to the Municipality’s account for the duration of the Contract, absent a reason outside the Consultant’s reasonable control. The following positions must be included as part of the team (“**Key Individuals**”):

- a. Partner with minimum 10 years experience and with experience providing similar services on at least 3 similar projects. The Partner will be present at all executive meetings with the Municipality and is expected to report on all deliverables to the senior executives and Council.
- b. Senior auditor with minimum 5 years experience and with experience providing similar services on at least 3 similar projects. The senior auditor is expected to perform or lead the performance of the tasks outlined in this SOW for the audits.

5. ANNUAL DELIVERABLES

- i. **Interim audit report** for the current fiscal year in progress, outlining the work performed by the Consultant and any notable findings resulting from the interim audit.
- ii. **Post-Audit Management Letter** - At the completion of each end of year audit, the Consultant shall prepare and deliver to the Treasurer of the Municipality, an interim report conveying the Consultant's concerns relative to the internal accounting, operating controls and procedures or other matters of material importance with respect to the Municipality's operations, which may have been discovered in the course of the audit. The auditors shall also provide recommendations for corrective actions as may be required and be prepared to provide advice and assistance with regard to implementation if required to do so. Such interim report should include reference to material matters reported as a result of the review of internal controls and procedures noted above and shall be submitted to the Municipality Treasurer on a timely basis to permit evaluation of the recommendations, facilitate any required corrective action and allow for written response prior to presentations being made to Council or the board (as applicable).
- iii. **The following audited financial statements** shall be prepared for the year ending December 31 by the Consultant for delivery to the Municipality and presentation to Council before June 30 of the following year:
 - a. The Municipality of Kincardine Consolidated Statements
 - b. The Municipality of Kincardine – Trust Funds
 - c. The Municipality of Kincardine – BIA
- iv. All deliverables must be provided in an electronic (PDF) copy of the statements as well as bound hardcopies of the statements.

6. ANNUAL WORKPLAN

Annual Kick-off Meeting. On or before July 31st of each fiscal year ending December 31, the Municipality’s auditors and the senior financial management staff of the Municipality shall discuss and agree upon a schedule for the completion of the following annual milestones:

- i. the interim audit, delivery and approval of related report;
- ii. the end of year audit, delivery and approval of post-audit management letter;
- iii. Municipality’s approval of financial statements and audit reports destined for Council approval; and
- iv. final presentation of financial statements and audit reports to Municipality Council.

A list of the necessary schedules, working papers, analyses and other information to be prepared by Municipality personnel will be discussed and agreed upon in order to ensure the roles of responsibilities of each team (Municipality and Consultant) are clearly understood.

The annual schedule of activities must be finalized and mutually agreed upon by not later than July 31st every year. Based on past audits, the following schedule is expected:

- October/November of FY: Interim audit, involves on-site Consultant presence at the Municipality.
- March of FY+1: Year-end audit involves on-site Consultant presence at the Municipality.
- May of FY+1: Financial statements presented to the Municipality Treasurer by mid-May.
- June FY+1: Financial statements presented to the Municipality Council and boards involves Consultant personnel attendance at council meetings.

7. ADDITIONAL REQUIREMENTS

Immediate Notice of Qualified Statements - The Consultant personnel must immediately, upon discovery of information or conditions, which would otherwise lead to the inclusion of a qualified opinion with respect to the Municipality’s financial statements, inform and fully discuss such matters with the Municipality Contract Representative. In addition, the auditors shall, as far as possible, allow a reasonable period of time for the Treasurer to investigate, analyze, report and take such corrective action as to avoid the inclusion of such qualification.

Meetings and Subsequent Assistance - The Consultant personnel will participate in at least one (1) quarterly meeting by phone or video call with Municipality personnel during the Term of the Contract to discuss the status of the Services and deliverables and shall provide such information as reasonably requested by the Municipality pertaining to the audit and the annual financial statements. The Consultant must attend at least one (1) in-person meeting with Council every year in or around May-June to present the annual financial statements.

A meeting will be required with the Treasurer and/or Deputy Treasurer, representing the Municipality, to discuss the interim report. Following agreement of content, final copies of the

end of year audit and report including the appropriate staff response shall be provided to the Municipality for distribution to Council.

8. ADDITIONAL AD HOC SERVICES

The Municipality may, from time to time, engage the Consultant to perform related audit services during the term of the Contract as may be required to fulfil the requirements of this Scope of Work.

Additional services shall be as described in an amendment to the Contract or a purchase order and shall be billed at rates that do not exceed the hourly rates in the Contract.

9. SERVICE LEVEL AGREEMENT

Service quality and timeliness are of important to the Municipality in the conduct of the Services.

- (a) Responsiveness - All communications from the Municipality must be acknowledged by Consultant personnel within 1 business day of Consultant's receipt.
- (b) Timelines to be Consistently Met – All committed timelines must be consistently met. The Consultant must notify the Municipality as soon as it discovers it will not meet a committed timeline.
- (c) Quality of Work – All final deliverables should be free of typographical errors and arrived signed and on time to the Municipality's representative.

Should there be a repeated failure to meet the above service levels, the Municipality will issue a formal warning notice to Consultant describing the incidents giving rise to the warning notice. If the Consultant fails to rectify the poor service levels following receipt of the warning notice to the Municipality's satisfaction, the Municipality may exercise its rights of termination pursuant to the Contract.

10. ANNUAL BUSINESS REVIEW MEETINGS

Executive level representatives shall meet at least annually and at such other times as reasonably requested by the Municipality, to review matters pertaining to the Contract and discuss Contract performance and other matters relating to the working relationship.

At least two (2) weeks before the scheduled date for the annual executive management meeting, the Consultant will, in consultation with the Municipality's Treasurer, prepare and send an agenda which will set out the issues to be covered at such meeting.

Meetings may be held in person, by phone or by any other mutually acceptable electronic means that allow the Parties to effectively communicate.

11. MUNICIPALITY CONTRACT REPRESENTATIVE

The Municipality's representative for all matters concerning this Contract and the services shall be the Municipality Treasurer: Roxana Baumann

INSURANCE AND CONTRACT SECURITY REQUIREMENTS

The following insurance and contract security requirements apply to and form part of the contract:

Insurance Requirements

Insurance	Minimum Coverage Limits	Required Yes/No
<p>Commercial General Liability insurance, underwritten by an insurer licensed to conduct business in the Province of Ontario for a limit of not less than <i>[see next column]</i> per occurrence, an aggregate limit of not less than <i>[see next column]</i>, within any policy year with respect to completed operations, and a deductible of not more than <i>[see next column]</i>. This policy shall include but not be limited to:</p> <ul style="list-style-type: none"> (a) Name the Municipality as an additional insured (b) Cross-liability and severability of interest (c) Blanket Contractual (d) Products and Completed Operations (e) Premises and Operations Liability (f) Personal Injury Liability (g) Contingent Employers Liability (h) Owners and Contractors Protective (i) Broad Form Property Damage (j) Non-owned automobile liability (k) The policy shall include 30 calendar days' notice of cancellation. 	<p>\$2M per occurrence \$5M minimum aggregate limit within a policy year \$100,000 maximum deductible</p>	<p>YES</p>

<p>Professional Liability or Errors and Omissions insurance in the amount of not less than <i>[see next column]</i> providing coverage for acts, errors and omissions arising from their professional services performed under this Agreement. The policy deductible shall not exceed <i>[see next column]</i> per claim and if the policy has an aggregate limit, the amount of the aggregate shall be not less than double the required per claim limit. The policy shall be underwritten by an insurer licensed to conduct business in the Province of Ontario. The policy shall be in place for the Term of the Contract and shall be renewed for 2 years after termination or expiration of the Contract. A certificate of insurance evidencing renewal is to be provided each year. If the policy is to be cancelled or non-renewed for any reason, 30 calendar day notice of said cancellation or non-renewal must be provided to the Municipality.</p>	<p>\$1M coverage \$100,000 maximum deductible</p>	<p>YES</p>
<p>Computer Security and Privacy Liability insurance covering actual or alleged acts, errors or omissions committed by, or on behalf of the Contractor, its agents, employees or subcontractors. The policy shall also extend to include the wrongful acts of the Contractor, its employees or subcontractors. The policy shall expressly provide, but not be limited to, coverage for the following perils: (i) unauthorized use/access of a computer system; (ii) defense of any governmental authority action involving a breach of privacy; (iii) failure to protect confidential information (including, personal Information and commercial information) from disclosure; and (iv) notification costs, and mitigation costs including but not limited to forensics, public relations, and identity restoration costs. The policy(s) shall have limits of liability of at least <i>[see next column]</i> per occurrence or event and <i>[see next column]</i> in the aggregate. If the policy is to be cancelled or non-renewed for any reason, 30 calendar day notice of said cancellation or non-renewal must be provided to the Municipality.</p>	<p>\$2M per occurrence \$5M in the aggregate</p>	<p>YES</p>

Additional Insurance Clauses

Certificate of Insurance. The Contractor shall provide a Certificate of Insurance evidencing the required coverage before the commencement of Work and shall be required to ensure the coverage is maintained throughout the Term of the Contract. Any claims-made policy needs to be maintained for at least 24 months following termination or expiration of the Agreement.

Additional Insured. At Contractor's sole expense, the Municipality, its affiliates and each of their respective officers, councillors, directors, agents and employees shall be named as Additional Insureds on a primary basis on all liability policies with the exception of professional liability/errors and omissions.

Primary Coverage. The Contractor's insurance shall be primary coverage and not additional to and shall not seek contribution from any other insurance policies available to the Municipality.

Notice of Cancellation or Changes. Except as otherwise approved by the Municipality, the policies shall be endorsed to provide the Municipality with not less than 30 calendar days written notice in advance of any cancellation, change or amendment which restricts coverage such that the Contract requirements are no longer met.

Insurance Not to Affect Other Contract Obligations. Insurance procured by Contractor shall not reduce or limit Contractor's contractual obligation to indemnify and defend the Municipality as provided in the Contract.

PART 3: CONTRACT**CONTRACT FOR CONSULTING SERVICES**

Effective Date	
Municipality	Corporation of the Municipality of Kincardine, an Ontario municipality having offices at 1475 Concession 5, Kincardine, Ontario N2Z 2X6
Contractor	
RFx Title/Number	

CONTRACT REPRESENTATIVES

For Municipality:		For Contractor:	
Name		Name	
Title		Title	
Phone		Phone	
Email		Email	
Address for Notices		Address for Notices	

1. **Contract Documents.** The contract between the Municipality and Contractor for the supply of consulting services is comprised of the following documents (collectively, the “**Contract**”):
 - a. This document;
 - b. Attachment A - Scope of Work;
 - c. Attachment B – Fee Schedule;
 - d. The Contractor’s proposal (the “**Bid**”).

Where a document listed above is not physically attached to the Contract, it is deemed incorporated by reference. In the event of a conflict or inconsistency between any of the above documents, the conflict or inconsistency shall be resolved in favour of the document first appearing on the above list. If the Bid is the result of a competitive solicitation process, any assumptions, conditions, restrictions, or qualifications in the Bid are of no force or effect.

2. **General.** Contractor shall provide the services and deliverables outlined in the Contract (together, the services and the deliverables are the “**Work**”) at the prices set out in Attachment B (the “**Price**”), in accordance with the terms of the Contract.
3. **Contract Term.** This Contract is effective as of the Effective Date noted above and shall continue for a period of 3 years. The Municipality may, in its sole discretion by written notice to the Contractor, extend the term of this Contract for up to 2 years, which optional extension may be effected in a single or multiple Contract extensions. Together the initial term and any extension thereof is the “**Term**”.
4. **Personnel.** Contractor must only use qualified personnel to perform the Work. The Municipality may at any time order the removal of any personnel on reasonable grounds including, without

limitation, for acts of negligence or misconduct, lack of qualifications, or a violation of the Municipality's applicable workplace policies. If such an order is made, Contractor shall immediately remove the person from the Work and shall secure an equivalent replacement to be approved in writing by the Municipality. When requesting approval for a replacement, Contractor must demonstrate the equivalency of the replacement. The approval request must be sent at least 7 calendar days prior to the change in personnel. The Contractor shall bear the cost of training and orienting a replacement personnel to the level of the replaced personnel.

5. **Delivery Dates.** Contractor shall perform the Work and provide any deliverables in accordance with the schedule set out in the Scope of Work, as may be modified with the Municipality's prior written approval ("**Work Schedule**"). Contractor must notify the Municipality as soon as it becomes aware that it cannot meet the Work Schedule and propose a revision to the Work Schedule. If accepted by the Municipality in writing, the proposed revision shall become the new Work Schedule. If the revised Work Schedule is not acceptable the Municipality, in addition to other rights and remedies it has under the Contract, the Municipality may terminate the affected Work without penalty or payment of cancellation fees.
6. **Inspection and acceptance.** The Municipality shall have 14 calendar days following receipt to inspect and accept the Work, failing which acceptance is deemed. Where the Municipality rejects the Work, the Municipality may exercise any one or combination of the following remedies at its option, without liability and at the Contractor's expense: (a) require the Contractor to promptly reperform or replace the rejected Work; (b) obtain a full refund; (c) terminate the Contract.
7. **Prices and Price Increases.** The Prices are exclusive of Canadian GST/HST and PST and inclusive of any other taxes, duties, fees, including brokerage fees and levies that may be imposed on Contractor. Hourly rates and other pricing shall remain fixed for the Term, and the total price for the Work, if any, indicated in Attachment B is the maximum amount payable by the Municipality under this Contract. Where no pricing is specified for an extension term, the increase must not exceed the Canadian Consumer Price Index as published in the month prior to the notice. Travel and incidental expenses will only be reimbursed if expressly set out in Attachment B and agreed to in writing by the Municipality prior to such expense being incurred.
8. **Timely Invoicing and Payment.** Unless otherwise expressly stated in Attachment B, Contractor must submit invoices for accepted Work on a monthly basis for Work delivered in the previous month based on the pricing set out in Attachment B. All Work must be invoiced within 90 calendar days after expiry of the acceptance period in this Contract or expiration or termination of the Contract, whichever is earlier. Undisputed invoices issued within the foregoing time frame will be paid within 30 calendar days of receipt of a proper invoice. Invoices must be submitted to the attention of Accounts Payable at the address set out above or by email at AccountsPayable@kincardine.ca and must reference the Municipality's purchase order number and describe the Work provided and dates provided. For Services billed on time and materials basis, charges for time worked each day in the period must be shown along with the name of personnel performing the Services and for each line item the dollar amount (if applicable). Sales taxes payable by the Municipality must be shown as separate items, and the Contractor's HST or other tax registration number. Unless otherwise agreed, Contractor must complete the Municipality's forms to enable payment by electronic funds transfer. The Municipality may set-off against any amount due to Contractor, such sums owed by Contractor to the Municipality. The Municipality will not pay for any Work delivered in excess of that required

by the Contract unless the Municipality has expressly agreed to purchase such additional work in writing in advance.

9. **Taxes.** Where any amounts due are subject to any Canadian legislated deduction, withholding or similar tax, the Municipality will deduct or withhold the necessary amount unless Contractor provides acceptable documentation clearly confirming such withholding is not required. The Municipality will not pay GST/HST or PST unless such taxes have been so identified on the invoices submitted to the Municipality by Contractor. Contractor's invoices will not be returned or adjusted by the Municipality to correct errors or omissions in Contractor's tax calculations or tax assumptions.
10. **Warranty.** Contractor represents and warrants that the Work (a) will be performed in a diligent and professional manner and be of a quality at least equal to that generally accepted in the industry or profession for similar work and (b) will not infringe any intellectual property rights. The Contractor shall reperform any Work that does not comply with this warranty. The above warranties, survive inspection, test, acceptance of and payment for the Work and are in addition to any other remedies available to the Municipality at law.
11. **Change Orders.** The Municipality or the Contractor may, at any time, propose a change to the Work or Work Schedule, by way of a written change order request to the other party. The change shall only come into effect if the change order request is accepted in writing by both parties. Any change to Price shall be in accordance with the rates stipulated in Attachment B or, where such rates are not listed, then at prices mutually agreed to in writing.
12. **Working on Municipality Property; Clean-up; Storage of Contractor Materials.** Contractor shall comply with all Municipality policies applicable to parties working on Municipality property or otherwise performing Work on behalf of the Municipality (including without limitation Covid vaccination policies). The Contractor shall be responsible for any damage to Municipality property or equipment caused by its personnel, including subcontractor personnel. Contractor shall in all cases obtain a pre-approval in writing from the Municipality prior to storing any Contractor materials on Municipality property. Storage of Contractor material on Municipality property is at the Contractor's sole and exclusive risk and the Municipality is not responsible for any damage to, or loss of, Contractor's material while stored on Municipality property. Contractor shall remove and dispose of any Contractor materials within 5 calendar days of a request from the Municipality, failing which the Municipality may arrange for the removal of such materials.
13. **Conflict of Interest.** Contractor represents and warrants that, to the best of its knowledge, neither it or any of its personnel are aware of any facts that give rise to an apparent, potential or actual conflict of interest that may cast doubt on the Contractor's impartial and unbiased performance of the Work (a "Conflict of Interest"). Should Contractor become aware of any such facts during the Term, Contractor is required to promptly disclose the Conflict of Interest to the Municipality. Contractor accepts that a failure to promptly disclose a Conflict of Interest or to take steps, as required by the Municipality, to manage a Conflict of Interest, may constitute a material default of Contractor's obligations under this Contract.
14. **Termination**
 1. **For Default.** A non-defaulting party may immediately terminate this Contract if: a) the defaulting party has been provided with written notice of a breach of contract and has failed to cure the

breach to the non-defaulting party's satisfaction within 10 calendar days; b) the other party is adjudged bankrupt, makes a general assignment for the benefit of creditors because of insolvency, or if a receiver or trustee in bankruptcy is appointed.

2. **For Convenience.** The Municipality may at any time and for any reason terminate the Contract, in whole or in part, without any liability for such termination except as expressly stated in this Contract. If the Municipality terminates the Contract pursuant to this subsection, the Contractor shall make reasonable efforts to mitigate all costs associated with such termination. The Municipality shall pay for the Work properly performed up to the date of termination and reimburse reasonable and verifiable non-cancellable materials costs and other reasonable direct costs, if any, incurred as a result of the termination for convenience.
3. **Suspension.** The Municipality may at any time suspend the Work, in whole or in part, by written notice to the Contractor without liability to the Contractor except as set out in this subsection. The Contractor shall promptly resume the Work only upon written notice from the Municipality. If the suspension period exceeds 30 consecutive days, not due to any act or default of the Contractor, the Contractor may elect to declare the Contract terminated by issuing a notice to terminate the Contract to the Municipality. In the event of a termination pursuant to this subsection, the Contractor shall be paid as if the Contract was terminated for convenience by the Municipality.
4. **Obligations Following Termination.** Upon termination, if requested by the Municipality and if the applicable Work has been paid for, the Contractor shall promptly provide to the Municipality all work in progress relating to such Work together with any other documentation or information necessary for the Municipality to complete or have the Work completed. If work in progress is delivered to the Municipality, it is delivered on an "as is" basis, and without any warranties from the Contractor.
5. **Maximum Payment to Contractor.** The Municipality shall not be liable to the Contractor for costs or damages arising from suspension or termination of the Contract except as explicitly set out in this section. The total aggregate payments to Contractor under this Contract, including any other payment already made, shall under no circumstances exceed the maximum fees to be paid for Work for the then current Term.
15. **Liability.** Neither party shall be liable to the other party for lost profits, lost opportunity, special, consequential, incidental, exemplary or indirect costs from any cause whatsoever, even if advised of the possibility of such costs or damages. A party's indemnification obligations as set out in this Contract are excluded from this limit on liability.
16. **Indemnity.** Contractor shall indemnify and hold harmless Municipality, its employees, the mayor, councilors, officers and agents (collectively "Municipality Personnel") from and against any claims, demands, regulatory inquiries and related damages, losses, costs and expenses, including legal fees (collectively, "Claims and Costs") arising from: (i) negligent acts or omissions; (ii) infringement or alleged infringement of third-party intellectual property rights; (iii) personal injury (including bodily injury or death) or damage to property; (iv) breach of confidentiality or privacy provisions of the Contract; or (v) breach of applicable laws as each is attributable to the acts or omissions of Contractor, its officers employees, directors, officers, subcontractors, suppliers and other

representatives. Contractor shall have no obligation pursuant to this section to the extent that the Claims and Costs arise from the negligent acts or omissions of Municipality Personnel.

17. **Intellectual Property.** In exchange for the consideration provided to Contractor, the Municipality is assigned all intellectual property rights in the delivered Work, including without limitation documents, software, artistic works or other materials or information and delivered pursuant to this Contract except to the extent the deliverables include proprietary items and materials that existed prior to the Effective Date (such pre-existing works are the “**Pre-Existing Materials**”). The Municipality is hereby granted a perpetual, paid-up, royalty free, irrevocable license to such Pre-Existing Materials to the fullest extent required by the Municipality to make use of the Work for the Municipality’s internal purposes and for any additional purpose as may be expressly contemplated by this Contract. Contractor agrees to execute any assignment, conveyance, or any other assurance necessary to give effect to this Section.
18. **Confidentiality.** A party’s (the “discloser”) information that any person would reasonably consider to be confidential that is provided to the other party (the “recipient”) will be treated as confidential and only used for the Work except for (a) information that is in the public domain; (b) was already in the possession of recipient at time of disclosure free of any obligations of confidentiality; (c) is lawfully disclosed to recipient by a third party without any obligation of confidentiality; (d) was developed by recipient without reference to the discloser’s confidential information. All information distributed and collected with respect to the Contract, including this Contract, is subject to the Municipal Freedom of Information and Protection of Privacy Act, RSO and may need to be disclosed at law. In the event a request is made to produce discloser’s confidential information to a third party, the recipient shall notify the discloser so that the discloser may take measures to protect its confidential information from disclosure. Notwithstanding any term to the contrary, the Municipality will comply with any legal disclosure requirements under applicable laws.
19. **Municipality Property, Publicity and Privacy.** All Municipality property supplied to Contractor to perform the Contract: i) will be used solely for the purpose of carrying out the Work and for no other purpose; ii) will remain the property of the Municipality; and iii) will be promptly returned or destroyed at the Municipality’s request at the expense of Contractor. Contractor shall at all times take all measures reasonably necessary, including those set out in any instructions issued by the Municipality, for the protection of such property. Contractor shall not use the Municipality’s name in any public statement or publicize the fact the parties are doing business, without the prior written consent of the Municipality. Contractor agrees that, unless otherwise agreed in writing by the Municipality, all sensitive personal and security sensitive information disclosed by the Municipality, or managed, accessed, collected, used, retained, created or disposed of in order to fulfill the requirements of the Contract will at all times be stored on segregated, stand-alone information systems in Canada unless otherwise approved in writing by the Municipality.
20. **Contractor Records and Audits.** Contractor shall keep all books and records pertaining to the Work including costs for a period of 7 years following the expiration or termination of the Contract. The Municipality, or its authorized representative, shall have the right to inspect, review and/or audit such books and records upon 5 calendar days’ notice to the Contractor, at no cost to the Municipality. Where such audit or inspection discloses an overpayment by the Municipality, the Contractor shall be responsible for repaying such overpayment forthwith.

21. **Subcontracting.** Unless otherwise prohibited in the Scope of Work, Contractor may subcontract portions of the Work provided that the Contractor obtain the Municipalities prior written consent. Notwithstanding the foregoing, the Contractor shall remain liable for all Work performed and its subcontractors' compliance with the Contract.
22. **Notices.** Each party shall deliver notices under this Contract in writing and addressed to the other party at the addresses set forth on the first page of this Contract or to such other address that may be designated by the receiving party from time to time in accordance with this section. Each party shall deliver notices by personal delivery, regular mail, nationally recognized overnight courier (with all fees prepaid) or email. Notices shall be deemed received on the date of delivery by hand; 7 calendar days following posting in regular mail; upon confirmed delivery by the courier service; and, if by email, when the recipient party confirms by whatever means that it has received the notice. Except as otherwise provided in this Agreement, a notice is effective only (a) upon receipt by the receiving party and (b) if the party giving the notice has complied with the requirements of this section.
23. **Governing Law and Competent Court.** The construction, interpretation and performance of the Contract are governed by the applicable laws of the Province of Ontario and Canada, without regard to conflicts of laws principles. The parties attorn to the exclusive jurisdiction of Ontario courts in all matters arising under this Contract.
24. **Miscellaneous.** Contractor is contracted as an independent contractor and not as agent, joint venturer or employee of the Municipality. Contractor shall at all times comply with applicable laws at Contractor's sole expense. Nothing in this Contract grants Contractor the right to exclusively provide the Work and the Municipality may contract with others for the same or similar work. Any delay by a party in the exercise of any right or remedy provided herein shall in no event be deemed to be a waiver of such right or remedy. To be valid, any waiver must be made in writing expressly referencing the Contract. If any provision of the Contract is held to be invalid or unenforceable by a judicial or regulatory authority, the meaning of such provision shall be construed, to the extent feasible, so as to render the provision enforceable. If no feasible interpretation would save the provision, it shall be severed, and the remainder shall not be affected and shall be enforced as nearly as possible according to its original terms and intent. The Municipality may assign its rights and obligations under the Contract without requiring any notice to or consent from Contractor. Contractor may not assign or transfer any right or obligations hereunder without the prior written consent of the Municipality, which consent shall not be unreasonably withheld. The indemnity shall be in addition to and not in lieu of any insurance required to be provided by the Contractor in accordance with this Contract. The warranty, indemnity and other provisions reasonably intended to survive termination or expiration of the Contract shall survive. This Agreement may be executed by electronic signature, or signed by hand and scanned, and delivered in any number of counterparts which, together, shall constitute one and the same instrument. Once signed, a copy or electronic version of the document will have the same force and effect as the original document. Les parties ont accepté que ce document soit rédigé en anglais. The parties have agreed that this document be prepared in the English language.

IN WITNESS WHEREOF, this Contract has been executed by the undersigned authorized representatives of each party.

The Corporation of the Municipality of Kincardine

Contractor Legal Name

Name: _____

Name: _____

Title: _____

Title: _____

Signature: _____

Signature: _____

Date: _____

Date: _____

SECOND SIGNATURE:

The Corporation of the Municipality of Kincardine

Name: _____

Title: _____

Signature: _____

Date: _____

**ATTACHMENT A
SCOPE OF WORK**

**ATTACHMENT B
FEE SCHEDULE**