Ministry of
Forests, Lands and
Natural Resource Operations

MAJOR WORKS CONTRACT
FOREST ROAD CONSTRUCTION

Contract/File No:	THIS AGREEMENT DATED FOR REFERENCE THE
10005-40/EN22TFH003	31st DAY OF MARCH, 2021.

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, as represented by the MINISTER OF FORESTS, LANDS, NATURAL RESOURCE OPERATIONS, and RURAL DEVELOPMENT

BC Timber Sales, Kootenay Business Area
1907 Ridgewood Road, Nelson, British Columbia V1L 6K1

Phone Number: (250) 421-9555 **FAX Number: (250) 825-3411**
E-mail Address: Mark.Serediuk@gov.bc.ca

(the "Province")

AND:

Bad Ventures Ltd.
1917 Theatre Road, Cranbrook, British Columbia V1C 7G3

Phone Number: (250) 919-1140 **FAX Number: (778) 517-4645**
E-mail Address: alex@badventures.ca
Business Number: 898367818BC0002
WorkSafe BC and/or Personal Optional Protection Number: 200372774

(the "Contractor")

referred herein to as "the Parties".

WHEREAS:

A. The Province requires road construction Work to be carried out for its benefit at or near: Wardner South Forest Service Road, ~ 70 kilometers south east of Cranbrook BC in the vicinity of Lake Koocanusa.

B. The Contractor is in the business of carrying out the kind of Work required by the Province.

C. The Province and the Contractor have agreed that the Contractor will carry out the Work in accordance with certain contract documents as hereinafter set out.

Accordingly, the Parties agree as follows:

ARTICLE 1 DEFINITIONS

1.01 In this document, the following words shall have the following meanings:

(a) **"Agreement"** means the agreement between the parties as set out in the Contract Documents described in Section 2.01;

(b) **"Amending Document"** means an FS600 Modification Agreement form or another standard form which the Province may provide that describes changes which the Parties have agreed should be made to the Agreement and which is signed by the Parties;

(c) **"Assessment"** means an estimate of damages incurred by the Province as a result of the Contractor's failure to perform, unsatisfactory performance, or other non-compliance with the provisions of this Agreement;

(d) **"Completion Date"** means the date by which Total Performance of the Work must be achieved to the satisfaction of the "Ministry Representative";

(e) **"Deficiencies"** mean the minor defects in the Work, minor portions of incomplete Work and minor items required, but not yet supplied, at the time of substantial performance; none of which substantially prevent or impair the proper operation or occupancy of the Work;

(f) **"Drawing(s)"** means the Drawing(s) as defined in Schedule D and I, if attached, and shown in Schedule C;

(g) **"Event of Default"** means any of the following:

i) failure to perform any of the Contractor's obligations under this Agreement, or

ii) any representation or warranty made by the Contractor in this Agreement (including as part of any competitive process resulting in this Agreement being entered into) is untrue or incorrect, or

iii) an Insolvency Event, which means any of the following;

A. an order is made, a resolution is passed or a petition is filed, for the Contractor's liquidation or winding up,

B. the Contractor commits an act of bankruptcy, makes an assignment for the benefit of its creditors or otherwise acknowledge its insolvency,

C. a bankruptcy petition is filed or presented against the Contractor or a proposal under the *Bankruptcy and Insolvency Act* (Canada) is made by the Contractor,

D. a compromise or arrangement is proposed in respect of the Contractor under the *Companies' Creditors Arrangement Act* (Canada),

E. a receiver or receiver-manager is appointed for any of the Contractor's property, or

F. the Contractor ceases, in our reasonable opinion, to carry on business as a going concern.

(h) **"Inspector"** means a person or persons appointed by the "Ministry Representative" whose duties include inspection of the Work done and materials furnished. An Inspector may not, in carrying out his/her duties, commit the Province to a financial expenditure;

(i) **"Milestone Date"** means the date by which an identified activity; the provision of labour, equipment or material; or a phase of the Work must be commenced, or completed, as the case might be, to the satisfaction of the "Ministry Representative";

(j) **"Ministry Representative"** means the person designated by the Province as the person who determines whether the quality, quantity, suitability, and progress of the Work is satisfactory to the Province;

(k) **"Notice"** means notification in writing given by one party to this Agreement to the other party to this Agreement;

(l) **"Other Contractor"** means a person, firm, or corporation having a separate contract directly with the Province for work other than that required by the Contract Documents;

(m) **"Place of Work"** is the designated site or location where the Work will be performed;

(n) **"Substantial Performance"** means when the Ministry Representative has determined that:

i) the Work is being used for the purpose intended or is ready for use without any Deficiencies affecting the safety of those using or likely to use the Work; and

ii) the Contractor is not in breach of any term of the Agreement.

(o) **"Total Performance of the Work"** means when the entire Work, except those items arising from the provisions of Section 15.02, has been performed to the requirements of the Contract Documents and is so certified by the Ministry Representative;

(p) **"Work"** means all activities, and the results of those activities, planned and carried out under this Agreement, as well as the provision of all labour, services, material, and equipment necessary for the Contractor to perform and complete its obligations under this Agreement.

1.02 If any of the words in Section 1.01 are used in any other Contract Documents, they shall have the same meaning as in this document unless the context dictates otherwise.

1.03 Words or abbreviations which have well known technical or trade meanings are used in the Contract Documents in accordance with such recognized meanings.

1.04 References to the masculine or the singular shall be considered to include the feminine and the plural as the context requires.

1.05 The headings of the clauses of this Agreement have been inserted for reference only and do not define, limit, alter or enlarge the meaning of any provision of this Agreement.

ARTICLE 2 CONTRACT DOCUMENTS AND AMENDMENTS

Contract Documents

2.01 The Parties agree that the following are the Contract Documents and no others:

(a) this document and any schedules attached;

(b) any Drawings;

(c) any Amending Document.

The attached schedules are applicable to and form part of this Agreement:

Schedule	Title
Schedule "A"	Linear Unit Price
Schedule "B"	Insurance
Schedule "C"	Project Specifications
Schedule "D"	General Specifications
Schedule “E”	Environmental Management System
Schedule “F”	Works Completion
Schedule “G”	Safety Conditions
Schedule “H”	SAFE Certification
Schedule “K”	Subcontractor
Schedule “L”	Tax Verification
Appendices I - VI	

2.02 Any Amending Documents to this Agreement form an integral part of this Agreement.

Amending Documents

2.03 No modification of this Agreement is effective unless it is in writing and signed by, or on behalf of, the Parties.

Conflicts

2.04 In the event of a conflict within the Contract Documents the following shall apply:

(a) figured dimensions shown on a Drawing shall govern even though they may differ from dimensions scaled on the same Drawing;

(b) drawings of larger scale shall govern over those of smaller scale;

(c) the specifications in Schedules “C”, “D”, or “I”, if attached, shall govern over any other Drawing, specifications or notes; and

(d) this document supersedes all other Contract Documents.

2.05 In the event of conflicts between alike Contract Documents of different dates, the document of later date shall prevail.

ARTICLE 3 CONTRACT PRICE

3.01 The contract price is the total amount as indicated in Schedule “A” *Linear Unit Price*

3.02 Unless provided otherwise, unit prices for items constitute full payment for all labour, materials, equipment, overhead, profit, taxes (including taxes paid or payable by the Contractor to a supplier), and other things required to completely incorporate the item into the Work, excluding Goods and Services Tax (GST) and any applicable Provincial Sales Tax (PST) that the Contractor is required to charge the Province as a taxable transaction.

ARTICLE 4 CONTRACT SECURITY

4.01 To secure the Contractor's obligations to fulfill this Agreement, the Contractor shall provide to the Province, before commencement of the Work, contract security (the “Contract Security”) either in the form of cash or in the form of a performance bond

4.02 Where the Contractor provides Contract Security in the form of cash then:

(a) the Contract Security must be in an amount not less than 10% of the first $100,000 of contract amount and not less than 5% of the balance thereof;

(b) the Contract Security must be in one of the following forms:

i) cash;

ii) bank draft, certified cheque or personal money order issued by a financial institution or postal money order issued by Canada Post Corporation, payable to the "Minister of Finance ";

iii) irrevocable letter of credit issued by a financial institution, payable to the "Minister of Finance ", having a termination date at least 90 days after the Contract completion date. If a Letter of Credit is required for a contract with a term greater than one year, it must contain a verbatim "Evergreen Clause”, as provided by the Ministry, allowing for automatic extension or renewal on an annual basis until the Contract is complete;

iv) treasury bill notes issued by the Government of Canada or the government of any Province of Canada and covered by a duly executed ‘Safekeeping Agreement’, in the form set out in the Tender Documents;

v) marketable bonds in fully registered form issued and guaranteed by the Government of Canada or the government of any Province of Canada with a maturity date of not longer than three years, together with a duly executed ‘Safekeeping Agreement’, in the form set out in the Tender Documents; or

vi) short term deposits registered in the name of the "Minister of Finance" issued by a financial institution and covered by a duly executed ‘Safekeeping Agreement’, in the form set out in the Tender Documents.

4.03 Where the Contractor provides Contract Security in the form of a performance bond, then:

(a) the performance bond must be in an amount not less than 50% of the total contract price;

(b) the performance bond shall be accompanied by a labour and material payment bond which shall be in an amount not less than 50% of the total contract price and a copy of which shall be posted at the Place of Work;

(c) the performance bond and labour and material payment bond must be issued by a duly licensed surety company authorized to transact a business of suretyship in Canada and shall otherwise be in a form acceptable to the Province;

(d) the obligee named on the performance bond and labour and material payment bond shall be "Her Majesty the Queen in the right of the Province of British Columbia as represented by the Minister of Forests, Lands and Natural Resource Operations"; and

(e) the performance bond and labour and material payment bond shall be in effect until no sooner than sixty (60) days following the completion of the following conditions:

i) the Ministry Representative has certified Total Performance of the Work;

ii) the Contractor has provided a clearance letter from the Worker's Compensation Board indicating that all current Assessments due from the Contractor have been paid;

iii) the Contractor has provided to the Province a NRS263 Statutory Declaration attesting that the Contractor has paid in full in connection with this Agreement all of its workers, subcontractors, material and equipment suppliers, and any government agencies; and

iv) the Contractor has provided the Province with written confirmation that it has accepted the final measurement quantities.

4.04 Where the Contract Security is in the form of cash the Contract Security shall be used as follows:

(a) firstly, to correct any breach of, or to pay any Assessment provided for in, this Agreement;

(b) secondly, to pay unpaid government agencies (includes WorkSafe BC, etc);.and

(c) thirdly, to pay up to 50% of the Contract Security to the Contractor's and subcontractor's unpaid workers, subcontractors, and material suppliers.

4.05 Where the Contract Security is in the form of cash then subject to the terms and conditions of the Agreement, the Province will release to the Contractor the Contract Security or the remaining balance thereof no sooner than sixty (60) days following completion of all of the following conditions:

(a) the Ministry Representative has certified Total Performance of the Work;

(b) the Contractor has provided a clearance letter from the Worker's Compensation Board indicating that all current Assessments due from the Contractor have been paid;

(c) the Contractor has provided to the Province an FS263 Statutory Declaration attesting that the Contractor has paid in full in connection with this Agreement all of its workers, subcontractors, material and equipment suppliers, and any government agencies; and

(d) the Contractor has provided the Province with written confirmation that it has accepted the final measurement quantities.

4.06 When the Contract Security is in the form of cash then despite Section 4.05 and subject to the terms and conditions of this Agreement the Province may, in its sole discretion, release to the Contractor up to 75% of the Contract Security or the remaining balance thereof no sooner than sixty (60) days after the Ministry Representative has issued a certificate of Substantial Performance in accordance with Section 14.02.

ARTICLE 5 COMMENCEMENT AND COMPLETION

5.01 The Contractor shall commence the Work immediately upon execution of this Agreement, and will proceed to complete the Work in accordance with this Agreement.

5.02 If the Contractor fails to achieve completion of any specified portion of the Work on or before the corresponding Milestone Date or Completion Date set out in Schedule "F", then without limiting any other remedy available to the Province under the Agreement, the Province may elect to proceed with one or more of the following:

(a) terminate the Agreement in accordance with Article 19;

(b) extend a Milestone Date or the Completion Date resulting from a delay pursuant to Sections 18.01, 18.02 and 18.03; or

(c) extend a Milestone Date or the Completion Date if the delay was the result of an event that was within the control of the Contractor, and deduct from any payment due under Article 13 to the Contractor as consideration for late completion the applicable amount as described in the following Table for each day or part thereof between the originally specified Milestone Date or Completion Date and the date the Work is completed.

CONTRACT VALUE	***AMOUNT DEDUCTED BY MINISTRY***
$0 TO $250,000	$250/DAY
$250,001 TO $500,000	$500/DAY
GREATER THAN $500,000	$1,000/DAY

5.03 If the Province elects to extend a Milestone Date or the Completion Date pursuant to Article 18, and the Contractor does not complete the Work on or before such extended Milestone Date or Completion Date then, upon written Notice by the Province to the Contractor, the Province may avail itself of any remedy available to the Province at law or under the Agreement, including without limitation one or more of the remedies specified in Section 5.02.

5.04 It is a condition of any extension to a Milestone Date or the Completion Date that the Contractor shall proceed diligently to complete the Work.

5.05 Any payment to be made by the Contractor pursuant to Article 5 relates directly to the performance by the Contractor of a condition, covenant, or promise in the Agreement and shall not be construed by the Parties as punitive but as importing a reasonable measure by mutual consent of the minimum damages caused to the Province by the Contractor's failure or neglect.

ARTICLE 6 PARTY REPRESENTATIVES

Ministry Representative

6.01 The Ministry Representative or Inspector shall have the right to inspect the Work done and the materials furnished in respect thereof.

6.02 Upon acceptance of the Contractor's bid, the Province shall notify the Contractor of the name, address and telephone number of the Ministry Representative appointed pursuant to Section 6.01.

6.03 The Province may substitute a Ministry Representative at any time, and shall so notify the Contractor of the change.

6.04 The Ministry Representative may require the Contractor to do anything necessary to satisfy the Ministry Representative that the Work is being constructed in accordance with the Contract Documents.

Contractor's Representative

6.05 The Contractor shall designate a representative, who shall have full authority to act on behalf of the Contractor in connection with the Work and the Agreement and who shall be available at all times to the Ministry Representative.

6.06 Upon contract award, the Contractor shall notify the Ministry Representative of the name, address and telephone number of the representative designated pursuant to Section 6.05.

6.07 The Contractor shall not substitute a representative without the written consent of the Ministry Representative.

6.08 If, in the reasonable opinion of the Ministry Representative, the representative appointed by the Contractor is not suitably experienced or is unable to properly supervise the Work, then the Contractor shall, upon receipt of written Notice from the Ministry Representative, replace that representative forthwith.

ARTICLE 7 INDEMNIFICATION AND INSURANCE

7.01 The Contractor shall indemnify and save harmless the Province, its employees and agents from any loss, claim, (including any claim of infringement of third party intellectual property rights), damage award, action, cause of action, cost or expense that the Province or any of its employees or agents may sustain, incur, suffer or be put to at any time, either before or after this Agreement ends, (each a “Loss”) to the extent the Loss is directly or indirectly caused or contributed by:

(a) any act or omission of the Contractor’s or its Subcontractors’, agents, employees, officers, directors or Subcontractors in connection with this Agreement; or

(b) any representation or warranty of the Contractor being or becoming untrue or incorrect.

7.02 The Contractor shall, at the Contractor's own expense, carry and maintain insurance coverage as specified in Schedule "B" - Insurance Requirements or as specified in writing from time to time by the Province.

ARTICLE 8 PROTECTION OF WORK AND PROPERTY

8.01 The Contractor shall protect the Work, the Province's property and property adjacent to the Place of Work, from damage and shall be responsible for damage which may arise as the result of the Contractor's operations under the Agreement, except damage which occurs as a result of:

(a) errors in the Contract Documents; or

(b) acts or omissions of the Province, the Inspector, Other Contractors, their agents and employees.

ARTICLE 9 COOPERATION WITH OTHER CONTRACTORS

9.01 Where, in the reasonable opinion of the Ministry Representative, it is necessary that an Other Contractor be sent into or adjacent to the Place of Work, the Contractor shall cooperate with the Other Contractor.

9.02 The Contractor, forthwith upon becoming aware of any apparent adverse impacts caused by the Other Contractor's Work which would affect the Work, shall give Notice of such impacts to the Ministry Representative.

9.03 Except with respect to impacts of which the Contractor was not aware, failure by the Contractor to give Notice to the Ministry Representative in accordance with Section 9.02 shall invalidate any claims against the Province by reason of the impacts.

ARTICLE 10 COMPLIANCE WITH THE LAW

10.01 This Agreement shall be governed by, and is to be interpreted and construed in accordance with, the laws applicable in British Columbia.

The Contractor shall:

(a) comply with all laws affecting the Work; and

(b) obtain all licences and permits (unless obtained by the Province) required by law to carry out the Work.

Compliance with the Workers Compensation Act

10.02 The Contractor shall:

(a) be solely responsible for construction safety at the Place of Work;

(b) at its own expense, provide the necessary WorkSafe BC coverage for itself, all workers and any shareholders, directors, partners or other individuals employed or engaged in the performance of the Work and shall ensure all approved Subcontractors obtain WorkSafe BC coverage;

(c) if the Contractor or its Subcontractors do not have the benefit of mandatory workers compensation coverage under the *Workers Compensation Act* in British Columbia, then the Contractor shall ensure that it and its Subcontractors apply for and maintain Personal Optional Protection under the *Workers Compensation Act;*

(d) comply with, and ensure all Subcontractors comply with, all applicable occupational health and safety laws in relation to the performance of the Contractor's obligations under this Agreement, including the *Workers Compensation Act* in British Columbia or similar laws in other jurisdictions;

(e) be responsible for and pay for all fines, assessments, penalties and levies made or imposed under the *Workers' Compensation Act* and regulations relating in any way to the Work; and

(f) upon request, provide the Province with proof of such compliance.

10.03 For the purposes of the *Workers' Compensation Act*, the Contractor may be considered the "Prime Contractor" for the Work, as described in the attached Safety Conditions Schedule, and as such shall enter into a Prime Contractor Agreement and carry out the duties as described therein.

Compliance of Drawings with Law

10.04 The Contractor is not responsible for verifying that the Drawings comply with the applicable laws. If the Drawings do not comply with the applicable laws, either at the time this Agreement is executed or as a result of a subsequent modification in the applicable laws, the Province may modify the Drawings to comply. The Contractor will complete the Work on the basis of the modified Drawings and the total estimated contract price may be modified in accordance with this Agreement.

ARTICLE 11 CHANGES IN THE WORK

11.01 "**Change(s) in the Work**" means additions, deletions or other revisions to the Work, within the intent of the Agreement, but are not Changed Conditions (see Section 12.01).

11.02 The Ministry Representative may, at any time before certifying Total Performance of the Work, do any of the following:

(a) order additional Work or material; or

(b) order Work or material to be deleted or changed;

from that provided for in the Drawings if the additional Work or material, deletion or change is consistent with the general intent of the Agreement.

11.03 For Changes in the Work ordered by the Ministry Representative:

(a) the Contractor shall prepare and present to the Ministry Representative the Contractor's claim for a resulting change in the contract price or in the date of contract completion (or both), which claim shall be supported by appropriate documents acceptable to the Ministry Representative;

(b) the Ministry Representative shall consider the claim by the Contractor with a view to becoming satisfied that the claim is appropriate; and

(c) upon becoming satisfied as to the appropriateness of the claim, the Ministry Representative shall refer the matter to the Province for final approval.

11.04 The Contractor shall perform the Changes in the Work that are ordered by the Ministry Representative as if they had appeared in and been part of the Drawings.

11.05 Where the Ministry Representative orders a Change in the Work, the Ministry Representative will, in his sole discretion, determine the value of the change by using one or more of the following methods:

(a) by estimate and acceptance in a lump sum;

(b) by unit prices set out in this Agreement or subsequently agreed upon;

(c) by actual cost of labour and materials and a fixed fee or percentage fee of 10 percent;

(d) by cost for all found equipment in accordance with rates established in the current edition of the “Equipment Rental Rate Guide authorized by the Government of British Columbia”.

11.06 In the case of Changes in the Work to be paid for under methods (b), (c) and (d) of Section 11.05:

(a) the change shall not proceed unless and until the Ministry Representative and the Contractor have agreed on the form of presentation of costs and methods of measurement; and

(b) the Contractor shall keep accurate and complete records of quantities or costs and shall present an account of the cost of the change, together with vouchers where applicable, at intervals requested by the Ministry Representative.

11.07 When a Change in the Work is proposed by the Contractor, the following procedure shall be carried out:

(a) the Contractor shall prepare and present to the Ministry Representative the Contractor's proposal for changed Work together with any claim or credit, if applicable, for a resulting change in the contract price or in the date of contract completion (or both), which claim shall be supported by appropriate documents acceptable to the Ministry Representative;

(b) the Ministry Representative shall consider the proposal and claim by the Contractor with a view to becoming satisfied that the proposal and claim are appropriate; and

(c) upon becoming satisfied as to the appropriateness of the proposal and claim, the Ministry Representative shall refer the matter to the Province for final approval.

11.08 Changes in the Work shall not proceed without an Amending Document.

11.09 Payment for Changes in the Work shall be made in accordance with Article 13.

ARTICLE 12 CHANGED CONDITIONS

12.01 "**Changed Conditions**" are defined as surficial or subsurface materials or conditions at the Place of Work:

(a) that are materially different from those indicated in the information provided by the Province at the closing time of tender,

(b) which were not foreseen by the Contractor, and which would not have been reasonably foreseen by a reasonably experienced contractor who, prior to submitting its tender, conducted a thorough investigation of the site and Work to be done to complete the Work, including thoroughly inspecting the Place of Work and reviewing all information available from the Province to persons wishing to submit tenders,

(c) which will result in an increased or decreased cost to the Contractor, or in the time required to perform the Work, and

(d) that are not caused by weather events.

Changed Conditions do not include any weather or natural event that prevents or delays the Contractor in the performance of the Work.

12.02 When the Contractor observes a Changed Condition, the Contractor shall give Notice to the Ministry Representative or Inspector prior to proceeding with the Work. If the Ministry Representative determines that a Changed Condition has arisen which the Ministry Representative determines will result in an increased or decreased cost to the Contractor to perform the Work, the Province may apply existing prices defined in the Agreement or

(a) negotiate applicable prices,

(b) apply a fixed fee or percentage fee of 10% of the actual cost of labour and materials,

(c) to apply the cost of all found equipment in accordance with rates established in the current edition of the “Equipment Rental Rate Guide authorized by the Government of British Columbia”

12.03 In respect of the Changed Conditions the Contractor shall not claim for any portion of the costs which the Contractor incurs as a result of a Changed Condition where the Contractor could have avoided such costs.

ARTICLE 13 PAYMENT

13.01 Invoices for payment must be in a form acceptable to the Ministry Representative and may be submitted monthly as the Work progresses. Invoices shall be at the applicable rates set out in Schedule "A" - Approximate Quantities and Unit Price Table, based upon the amounts of Work done by the Contractor, and measured in a manner acceptable to the Ministry Representative.

13.02 The Province will pay any applicable taxes payable under law or agreement with the relevant taxation authorities. Invoices must show the calculation of any applicable taxes (excluding taxes paid directly by the Contractor to a supplier and which are inclusive in the bid price) to be paid as a separate line item.

Terms of Payment

13.03 The Ministry Representative shall, after the receipt of an invoice from the Contractor submitted in accordance with Section 13.01, certify the invoice in the amount applied for or in such other amount the Ministry Representative determines is properly due. If the Ministry Representative amends the invoice, the Ministry Representative shall promptly give notice to the Contractor of the reasons for the amendment.

13.04 The Province will make progress payments pursuant to Section 13.01 in accordance with the Province's payment practices.

13.05 Interest Payments will not be made unless the account is overdue by at least sixty-one (61) days. The overdue period is calculated from the date the invoice is received and certified by the Ministry Representative, to the date the cheque is printed by the Ministry of Finance.

Appropriation

13.06 Despite any other provision of this Agreement, the obligation for payment of money by the Province to the Contractor, pursuant to this Agreement, is subject to:

(a) the Legislative Assembly of the Province of British Columbia having provided sufficient funds to enable the Province, in any fiscal year or part thereof, to make payment pursuant to this Agreement when it is due; and,

(b) Treasury Board not having controlled or limited expenditure of any funds referred to in subparagraph (a).

13.07 No payment by the Province under this Agreement, nor partial or entire use or occupancy of the Work by the Province shall constitute an acceptance of Work or products which are not in accordance with the Contract Documents, or a release of the Contractor from any responsibility under this Agreement.

ARTICLE 14 SUBSTANTIAL PERFORMANCE

14.01 Upon Notice by the Contractor requesting certification of substantial performance of the Work, the Ministry Representative or Inspector shall inspect the Work.

14.02 The Ministry Representative shall, upon inspection, issue a certificate for Substantial Performance of the Work if **ALL** of the conditions are met.

14.03 The certification of substantial performance of the Work shall describe the parts of the Work not completed to the satisfaction of the Ministry Representative and all things that must be done before the Ministry Representative will certify Total Performance of the Work.

14.04 If the Contractor fails to perform any of the Work due to climatic or other conditions that are reasonably beyond the control of the Contractor, the Province will process payments due to the Contractor but may withhold until the remaining Work is finished such monies as the Ministry Representative determines are sufficient and reasonable to cover the cost of performing such remaining Work and to adequately protect the Province from claims.

ARTICLE 15 TOTAL PERFORMANCE

15.01 After the Province receives a Notice from the Contractor requesting final inspection, if in the opinion of the Ministry Representative, the Work has been completed in accordance with this Agreement, the Ministry Representative shall establish the date of Total Performance of the Work and certify for payment (see Article 4) the remaining monies due to the Contractor under the Agreement.

15.02 If after the Contractor gives Notice in accordance with Section 15.01, the Work is not completely acceptable to the Province, then the Ministry Representative will give Notice to the Contractor of particular defects in the Work and the Contractor shall immediately rectify the defects to the satisfaction of the Ministry Representative.

ARTICLE 16 TAXES AND DUTIES

16.01 The Contractor shall pay any applicable taxes, customs duties and excise taxes in respect of the Agreement.

16.02 A Contractor who has neither residence nor place of business in the Province of British Columbia shall, upon request, provide the Province with proof of registration with the provincial sales tax authorities.

ARTICLE 17 PROVINCIAL PROPERTY

17.01 Any materials, equipment or property supplied by or on behalf of the Province to the Contractor as a result of this Agreement shall be the exclusive property of the Province.

17.02 The Contractor shall deliver the property to the Province immediately following the expiration or sooner termination of this Agreement. The Ministry Representative may, before the expiration or sooner termination of this Agreement, give Notice to the Contractor requesting the Contractor to return to the Ministry Representative any part of the property, in which event the Contractor shall comply with the request.

17.03 The Contractor is liable to the Province for any loss or damage to materials, equipment or property that is supplied or placed in the care, custody and control of the Contractor by the Province, for use in connection with the Agreement, excepting always loss or damage attributable to reasonable wear and tear.

ARTICLE 18 DELAYS

18.01 If the Contractor is delayed in the performance of the Work by act or omission of the Province, Inspector, Other Contractor, or anyone employed or engaged by them directly or indirectly, contrary to the provisions of the Contract Documents, then the Completion Date in Section 5.02 shall be extended for such reasonable time as the Province may decide in consultation with the Contractor. The Contractor shall be reimbursed for reasonable costs incurred by the Contractor as the result of such delay.

18.02 If the Contractor is delayed in the performance of the Work by a stop Work order issued by a court or other public authority, and if the order is issued because of an act of fault by the Province, (or any person employed or engaged directly or indirectly by the Province) and not an act of fault by the Contractor (or anyone employed or engaged directly or indirectly by the Contractor), then the contract Completion Date shall be extended for such reasonable time as the Province may decide in consultation with the Contractor. The Contractor shall be reimbursed for reasonable costs incurred by the Contractor as a result of such delay.

18.03 If the Contractor is delayed in the performance of the Work by labour disputes, strikes, lock-outs (including lock-outs decreed or recommended for its members by a recognized contractors' association, of which the Contractor is a member or to which the Contractor is otherwise bound), fire, unusual delay by common carriers or unavoidable casualties or, without limit to any of the foregoing, by a cause beyond the Contractor's control, then the contract Completion Date shall be extended for such reasonable time as the Province may decide in consultation with the Contractor. The extension of time shall not be less than the time lost as the result of the event causing the delay, unless the Contractor agrees to a shorter extension. Subject to Section 18.05, the Contractor shall not be entitled to payment for costs incurred as a result of such delays.

18.04 If the Province reasonably decides that inclement weather or other conditions, including an outbreak of Covid-19 at the Contractor’s work camp or other accommodation where the Contractor’s personnel are located, as indicated by the Contractor to the Province, make it unsuitable for Work to proceed, the Province may suspend operations for a specified or an indefinite period, and may require the Contractor to remain available for up to five (5) consecutive Work Days to resume Work as specified by the Province. If the suspension exceeds twenty-four (24) hours the Parties shall negotiate an Equitable Adjustment to the Contract Price to compensate the Contractor for reasonable and substantiated out-of-pocket costs incurred during the suspension.

18.05 Compensation is payable to the Contractor for delays under Section 18.03 only where such delay was caused by the Province, other than as a reasonable response to an event or situation beyond the Province's control.

ARTICLE 19 PROVINCE'S RIGHT TO PERFORM WORK OR STOP THE WORK OR TERMINATE CONTRACT

19.01 If the Contractor should neglect to prosecute the Work or on the happening of an Event of Default, or at any time thereafter, the Ministry Representative may give Notice to the Contractor that the Contractor is in default and instruct the Contractor to correct the default in the five (5) days immediately following the receipt of such Notice.

19.02 If the Contractor receives such Notice pursuant to Section 19.01, the Contractor, subject to Section 19.03, shall correct the default immediately.

19.03 If the correction of the default cannot be completed in the five (5) days specified, the Contractor shall be in compliance with the Province’s instructions if the Contractor:

(a) commences the correction of the default within the specified time; and

(b) provides the Province with an acceptable schedule for such correction; and

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

19.04 If the Contractor fails to correct the default in the time specified or subsequently agreed upon, the Province, without prejudice to any other right or remedy it may have, may, in its sole discretion, do one or more of the following:

(a) correct such default and deduct the actual cost thereof from any payment then or thereafter due the Contractor;

(b) terminate the Contractor's right to continue with the Work in whole or part;

(c) waive the default in a Notice and on such conditions as the Ministry Representative may determine; or

(d) terminate this Agreement with immediate effect or on a future date specified by the Province.

19.05 If the Province terminates the Contractor's right to continue with the Work under the conditions set out in Section 19.04 (b) or (d), the Province shall be entitled to do any one or more of the following:

(a) take possession of the Work and products and utilize all construction machinery and equipment, subject to the rights of third parties, and finish the Work by whatever method it may consider expedient but without undue delay or expense;

(b) withhold further payments to the Contractor until the Work is finished, and

(c) upon Total Performance of the Work, charge the Contractor the full cost of finishing the Work (as certified by the Ministry Representative), which cost shall include compensation for any additional services of the Ministry Representative required to complete the Work.

19.06 No failure or delay on the Province's part to exercise its rights in relation to an Event of Default will constitute a waiver of such rights.

19.07 If the Contractor becomes aware that an Event of Default has occurred or anticipates that an Event of Default is likely to occur, the Contractor must promptly notify the Province of the particulars of the Event of Default or anticipated Event of Default. A notice under this section as to the occurrence of an Event of Default must also specify the steps the Contractor proposes to take to address, or prevent recurrence of, the Event of Default. A notice under this section as to an anticipated Event of Default must specify the steps the Contractor proposes to take to prevent the occurrence of the anticipated Event of Default.

19.08 The Contractor's obligations under the Agreement as to quality, correction, and warranty of the Work performed by the Contractor up to the time of termination shall continue in force after such termination.

19.09 The rights, powers, and remedies conferred upon the Province under this Article are not intended to be exclusive and each such right, power, and remedy referred to therein shall be cumulative and in addition to and not in substitution for every other right, power or remedy existing or available to the Province under the Agreement, at law or in equity, and the exercise by the Province of any right, power, or remedy shall not preclude the simultaneous or later exercise by the Province of any other right, power or remedy.

19.10 Notwithstanding any other provision of the Agreement, the Province may at any time and for any reason, upon giving thirty (30) days prior Notice to the contractor, terminate the Agreement.

19.11 Subsequent to receipt of Notice from the Province pursuant to Section 19.10, the Contractor shall only proceed with those portions of the Work specifically authorized in a Notice by the Ministry Representative to be completed prior to termination.

19.12 Upon termination of the Agreement in accordance with this Agreement, the Province shall have no further obligation to the Contractor save and except to pay to the Contractor:

(a) The amount the Contractor is entitled to for Work completed to the Province's satisfaction prior to the date of termination after any deductions made in accordance with this Agreement; and

(b) Other actual expenses actually incurred by the Contractor, such as demobilization and compensation for unrecovered actual fixed expenses which are, in the sole opinion of the Province, reasonable in the circumstances.

ARTICLE 20 DISPUTE RESOLUTION

20.01 If a dispute occurs between the Parties concerning any matter under this Agreement, the Contractor shall promptly give Notice to the Ministry Representative and the Parties together shall use all reasonable efforts to resolve the dispute informally.

20.02 If the Parties are unable to resolve the dispute informally, within fourteen (14) days, the Contractor shall then give Notice, within fourteen (14) days, of the complaint to the Ministry Representative, which shall include the following particulars:

(a) a detailed description of the nature of the complaint;

(b) a list of the relevant provisions of the Contract Documents; and

(c) a valuation by the Contractor of the matters in dispute.

20.03 The Province shall, within thirty (30) days of receipt by the Ministry Representative of Notice, give to the Contractor a decision, in writing, of one of the following:

(a) that the Province accepts the position of the Contractor; or

(b) that the Province rejects the position of the Contractor.

20.04 If the Province accepts the position of the Contractor, the Parties shall enter into an Amending Document to reflect the Agreement.

20.05 If the matter in dispute is not resolved promptly pursuant to Section 20.01, the Ministry Representative may give Notice to the Contractor such instructions as in the Ministry Representative's opinion are necessary to provide for the proper performance of the Work and to prevent delays.

20.06 If the Contractor receives instructions pursuant to Section 20.05, the Contractor shall act immediately to carry out the Work pursuant to the instructions, but any Work performed by the Contractor in this respect shall be without prejudice to any claim the Contractor may have concerning the dispute.

20.07 Nothing in this Article shall preclude either party from having a dispute resolved by a court of competent jurisdiction.

ARTICLE 21 DAMAGES AND MUTUAL RESPONSIBILITY

21.01 If either Party to this Agreement should suffer damage in any manner due to a breach of the obligations of the other Party, then that Party shall be reimbursed by the other Party for such damage.

21.02 Claims for damage under Section 21.01 shall be made in a Notice to the Party liable within reasonable time after the first observance of such damage and if undisputed shall be confirmed by an Amending Document. Disputed claims shall be resolved as set out in Article 20.

21.03 If the Contractor has caused damage to the Work of an Other Contractor at the Place of Work, the Contractor agrees upon due Notice to settle with the Other Contractor by negotiation or arbitration. If the Other Contractor makes a claim against the Province on account of damage alleged to have been so sustained, the Province shall give Notice to the Contractor and may require the Contractor to defend the action at the Contractor’s expense. The Contractor shall satisfy a final order or judgment against the Province and pay the costs incurred by the Province arising from such action.

21.04 If the Contractor becomes liable to pay or satisfy a final order, judgment, or award against the Province, then the Contractor, upon undertaking to indemnify the Province against any and all liability for costs, shall have the right to appeal in the name of the Province such final order or judgment to any and all courts of competent jurisdiction.

ARTICLE 22 MISCELLANEOUS

Confidentiality

22.01 The Contractor will treat as confidential and will not, without the prior written consent of the Province, disclose or permit to be disclosed or used, either before or after the expiration or sooner termination of this Agreement, any information supplied to, obtained by, or which comes to the knowledge of the Contractor or its Subcontractor (whether verbally, electronically or otherwise) as a result of this Agreement except if the disclosure is necessary to enable the Contractor to fulfill its obligations under this Agreement or to comply with applicable laws, or if it is information that is generally known to the public other than as a result of a breach of this Agreement.

Records to be Kept by Contractor

22.02 The Contractor shall:

(a) maintain full records of his estimated and actual cost of the Work together with all tender calls, quotations, contracts, material cost distribution worksheets, equipment records (including, without limitation, hours of use and distribution), correspondence, invoices, receipts and vouchers relating thereto;

(b) when requested, make all records and material referred to in subsection (a), available for audit and inspection by the Ministry Representative, or by other persons acting on the Province's behalf;

(c) allow any of the persons referred to in subsection (b) to make copies of and to take extracts from any of the records and material referred to in subsection (a); and

(d) furnish any person referred to in subsection (b) with any information they may require from time to time in connection with such records and material.

The records maintained by the Contractor pursuant to this Article shall be kept intact by the Contractor until the expiration of seven (7) years after the date of Substantial Performance, if given, or Total Performance otherwise, or until the expiration of such other period of time as the Province may direct.

The Contractor shall permit the Province, at all reasonable times, to inspect and copy any findings, data, specifications, drawings, working papers, reports, documents and material whether complete or otherwise that have been produced, received or acquired by, or provided by or on behalf of the Province to the Contractor, as a result of this Agreement.

Samples and Testing

22.03 The Ministry Representative or the Inspector may, at the expense of the Province, take samples, and test and inspect materials that are incorporated or are intended to be incorporated into the Work. The Contractor shall cooperate with the Ministry Representative or the Inspector in providing every necessary facility for sampling, testing, and inspecting.

The Contractor shall furnish to the Ministry Representative, if requested, a Notice of the origin, composition, and manufacture of any materials supplied by the Contractor that are incorporated or are intended to be incorporated in the Work.

Defective Work

22.04 Defective Work, whether the result of poor workmanship, use of defective products or damage through carelessness or other act or omission of the Contractor, and whether incorporated in the Work or not, which has been rejected by the Ministry Representative or Inspector as failing to conform to the Drawings shall be removed promptly from the Place of Work by the Contractor and replaced or re-executed promptly in accordance with the Drawings at the Contractor's expense.

The Contractor shall make good promptly Other Contractors' Work destroyed or damaged by such removals or replacements, at the Contractor's expense.

If, in the opinion of the Ministry Representative, it is not expedient to correct defective Work or Work not performed in accordance with the Drawings, the Province may deduct from monies otherwise due to the Contractor, the difference in value between the Work as performed and that called for by the Drawings, the amount of which will be determined in the first instance by the Ministry Representative.

Notice

22.05 Any Notice or document required to be given hereunder shall be conclusively deemed to be validly given or delivered to and received by the Parties at the work site or at the address, facsimile, or email address specified on the first page of this Agreement (or at such other address as either Party may from time to time designate by notice in writing to the other):

(a) if hand delivered to the Party or the specified Party representative, on the date of that personal delivery;

(b) if pre-paid post and if mailed during any period when normal postal services prevail, on the fifth business day after its mailing;

(c) if delivered by courier service, on the fifth business day after collection by the courier service; or

(d) if sent by facsimile or electronic transmission, on the day of transmittal unless transmitted after the normal business hours of the addressee or on a day that is not a business day, in which case it will be deemed to be received on the next following business day.

Agreement Execution

22.06 This Agreement may be entered into by a separate copy of this Agreement being executed by, or on behalf of, each Party and that executed copy being delivered to the other Party by a method provided for in Section 22.05 or any other method agreed to by the Parties.

Survival of Terms

22.07 All terms of this Agreement in favour of the Province and all rights and remedies of the Province, either at law or in equity, survive the expiration or sooner termination of this Agreement subject to any applicable limitation period prescribed by law.

Successors and Assigns

22.08 This Agreement operates to the benefit of and binds the Province and its assigns and the Contractor and its successors and permitted assigns.

The Contractor must not assign it rights or obligations under this Agreement, either in whole or in part, without the prior written consent of the Province. Upon providing written notice to the Contractor, the Province may assign to any person any of the Province's rights under this Agreement and may assign to any "government corporation", as defined in the *Financial Administration Act*, any of the Province's obligations under this Agreement.

Contractor Status

22.09 In relation to the performance of the Contractor's obligations under this Agreement, the Contractor is an independent contractor and not our:

(a) employee or partner; or

(b) agent except as may be expressly provided for in this Agreement.

You must not act or purport to act contrary to this section.

The Contractor will not purport to commit the Province to the payment of any money to any person.

All personnel hired or used by the Contractor to perform the Work are at all times the employees of the Contractor and not of the Province. The Contractor is solely responsible for arranging reliefs and substitutions, pay, supervision, discipline, unemployment insurance, leave, and all other matters arising out of the relationship of employer and employee.

Unsuitable Workers

22.10 The Contractor must provide a sufficient number of persons to perform the Work and shall ensure all persons are fully instructed and supervised, legally entitled to work in Canada, competent, English literate, efficient, qualified by education, adequately trained, and experienced to carry out the tasks to which each is assigned.

22.11 The Contractor shall, upon request of the Ministry Representative, remove any person employed by the Contractor for purposes of this Agreement who, in the opinion of the Province, is incompetent or has exhibited improper conduct and the Contractor shall not permit a person who has been removed to return to the Place of Work.

Terms of Tender

22.12 The Contractor represents to the Province that the Contractor has complied with any investigative requirements in the Conditions of Tender and has fully advised subcontractors of the results of investigation where appropriate.

Non-Waiver

22.13 A waiver of any term or breach of this Agreement is effective only if it is in writing and signed by, or on behalf of, the waiving Party and is not a waiver of any other term or breach.

Time of Essence

22.14 Time shall be of the essence in this Agreement, and, without limitation, will remain of the essence after any modification or extension of this Agreement, whether or not expressly restated in the document effecting the modification or extension.

Representations and Warranties

22.15 As at the date this Agreement is executed and delivered by, or on behalf of, the Parties, the Contractor represents and warrants, except to the extent it has previously disclosed otherwise in writing to the Province:

(a) all information, statements, documents and reports furnished or submitted by it to the Province in connection with this Agreement (including as part of any competitive process resulting in this Agreement being entered into) are in all material respects true and correct; and

(b) if the Contractor is not an individual:

i) it has the power and capacity to enter into this Agreement and to observe, perform and comply with the terms of this Agreement and all necessary corporate or other proceedings have been taken and done to authorize the execution and delivery of this Agreement by, or on its behalf, and

ii) this Agreement has been legally and properly executed by the Contractor, or on its behalf, and is legally binding upon and enforceable against the Contractor in accordance with its terms.

The Parties hereto have duly executed this Agreement.

SIGNED AND DELIVERED on behalf of the Province by an authorized representative of the Province	**SIGNED AND DELIVERED** by or on behalf of the Contractor (or by an authorized signatory of the Contractor ~~if a corporation~~)
George Sdhay	
(Authorized Ministry Expense Authority)	(Contractor or Authorized Signatory)
for Carolyn Krawchuk	Bad Ventures Ltd.
Dated this 7th day of April, 2021	Dated this 1 day of April, 2021

Ministry of
Forests, Lands and
Natural Resource Operations

MAJOR WORKS CONTRACT

FOREST ROAD CONSTRUCTION
BC Timber Sales

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Ministry of Forests, Lands and Natural Resource Operations

SCHEDULE "A" – LINEAR UNIT PRICE

MAJOR WORKS CONTRACT – FOREST ROAD CONSTRUCTION

EN22TFH003

TABLE OF APPROXIMATE QUANTITIES AND UNIT PRICES

Item	Description of Work By Phase	Unit of Measurement	Estimated Quantity	Price Per Unit	Estimated Price
1	**Mobilization & De-mobilization [disbursed as per Payment Descriptor]**	Lump sum	N/A	N/A	**$8,842.00**
2	**Right-Of-Way Clearing - Includes New Construction and Re-construction**	Hectares (ha)	10.2	**$3,724.72**	**$37,992.14**
3	**Site Preparation - Includes New Construction and Re-construction**	Hectares (ha)	5.9	**$3,724.72**	**$21,975.85**
4	**Roadway and Drainage Excavation – Existing Road Re-construction 0+000 to 3+203**	Linear metres (m)	3,203	**$8.37**	**$26,809.11**
5	**Roadway and Drainage Excavation – New Road Construction 3+203 to 4+917**	Linear metres (m)	1,714	**$13.95**	**$23,910.30**
6	**Solid Rock (drill & blast or other) - Includes New Construction and Re-construction**	Cubic metres (m^3)	150	**$0.88**	**$132.00**
7	**450 mm CULVERT - Includes New Construction and Re-construction** • **Supply** • **Install**	 Linear metres (m) Linear metres (m)	 198 198	 **$56.47** **$29.57**	 **$11,181.06** **$5,854.86**
8	**Geotextiles - Includes New Construction and Re-construction – (1 roll)** • **Supply** • **Install**	 Square metres (m^2) Square metres (m^2)	 418 418	 **$1.32** **$1.85**	 **$551.76** **$773.30**

9	**Road Surfacing - Includes New Construction and Re-construction** **(a) Pit development**	Lump sum	1	**$820.82**	**$820.82**
	(b) Material Handling				
	(i) up to 0.5 km	Cubic metres (m^3)	100	**$7.09**	**$709.00**
10	**Grading - Includes New Construction and Re-construction**	Kilometres (km)	10	**$494.28**	**$4,942.80**
Total Estimated Contract Price **Note**: The quantities shown in the Estimated Quantity column are estimations only. The final quantity measurements may vary from the estimations and contract payment will be based on the actual quantities and the price(s) per unit shown in the Price Per Unit column.					**$144,495.00**

We will pay you the following upon commencement of the Services:

a. Expenses incurred associated with additional health and safety measures at accommodations related directly to COVID-19 up to and including a maximum amount of $2,022.93 (1.4%, Tier 1 – home based).

BID AND PAYMENT PARAMETERS

Refer to Schedules C and D

Item	Description of Work By Phase	Payment Descriptor
1	**Mobilization and Demobilization ($)**	• Includes all costs related to this item for the included works as specified in Schedule C. • Includes all costs related to this item for Total Performance of the project. • Payment shall be made in the following manner: ➢ **50**% of the amount upon completion of mobilization ➢ **50**% of the amount upon completion of the project
2	**Right-0f-Way Clearing ($/ha)**	• Includes all costs related to the falling, skidding, processing to specified dimensions and decking, and removal from this site, as and when required in the Forestry License to Cut # **TA1772** or in the Section 52 letter from the ministry.
3	**Site Preparation ($/ha)**	• Includes all costs related to this item for the included works as specified in Schedules C and D. • Area is derived from the geometric road design. • In the absence of road design, area is derived by mathematical calculation of estimated clearing area (i.e., length x width).
4	**Roadway and Drainage Excavation Existing Road Re-construction ($/m)**	• Includes all costs related to the excavation of materials and the preparing and placing of embankments, including borrow pits, riprap and temporary bridges, including the preparation and maintenance of disposal sites.
5	**Roadway and Drainage Excavation New Road Construction ($/m)**	• Includes all costs related to the excavation of materials and the preparing and placing of embankments, including borrow pits, riprap and temporary bridges, including the preparation and maintenance of disposal sites.
6	**Solid Rock (drill and blast or other) ($/m³)**	• Includes all work necessary for drilling and blasting or any other construction practice to excavate non-rippable rock materials. • Solid rock to be determined and **approved by BCTS representative**, for blasting upon completion of "ripping" phase, using excavator rated as specified in schedule C. • Applies to all rock approved for drill and blast or other – both MASS and DITCH rock.
7	**Culverts** • **Supply ($/m)**	• Includes material supply at the site, including purchase, delivery, storage and movement to each site along the road.
	• **Install ($/m)**	• Includes all work related to the preparing of the site, seating the culvert and any specialized compaction of fill; the movement and placement of fill material is included in Roadway and Drainage Excavation.
8	**Supply and install geotextiles ($/m²)**	• Includes all costs related to the supply on site, and placement of geotextiles in the embankment.

9	**Road Surfacing** **(a) Pit development ($)**	• Includes all work related to preparing and maintaining pits.
	(b) Material Handling ($/m³) **(i) up to 0.5 km**	• Includes excavation, load, transport, and spread of surfacing materials to the placement site. • Haul categories include distance travelled one way only. • Haul categories include travel adverse or favourable grade.
10	**Grading ($/km)**	• The use of a grader to bring the road to final grade specifications as per Schedule D, 8.3 and 8.4.

Ministry of Forests, Lands and Natural Resource Operations

SCHEDULE "B" – INSURANCE

MAJOR WORKS CONTRACT – FOREST ROAD CONSTRUCTION

File: 10005-40/EN22TFH003

Attachment to the Agreement with Bad Ventures Ltd. for Wardner South FSR Road Construction Project.

1. The Contractor shall, without limiting its obligations or liabilities or restricting the generality of the indemnification provisions contained in the Agreement, at its own expense, provide and maintain the following insurance(s) coverage as fully specified in Paragraph 13 and any additional insurance which it is required by law to carry or which it considers necessary to cover risks not otherwise covered by insurance specified in this Schedule in its sole discretion.
2. Unless otherwise specified, the duration of each coverage and insurance policy shall be from the date of commencement of Work and shall remain in full force and effect until all conditions of the Agreement have been fully complied with and until acceptance by the Ministry of all Works and appurtenances pertaining to the Agreement.
3. Insurance shall be placed with Insurers licensed to underwrite such insurance in Canada and in forms and amounts acceptable to the Province. All such insurance shall be at no expense to the Province. If the Province requires additional Insurance Coverage to be obtained by the Contractor, the additional expense of such additional insurance shall be borne by the Province.
4. All insurance shall be primary and not require the sharing of any loss by any insurer of the Province.
5. The Contractor hereby waives all rights of recourse against the Province with regard to damage to the Contractor's property.
6. Notwithstanding Paragraph 7, the Contractor shall, prior to the commencement of the Work and before any payments are made under the Agreement, file with the Ministry Representative evidence of insurance coverage in the form of a completed Province of British Columbia Certificate of Insurance (Form FIN 173). When requested by the Province, the Contractor shall provide certified copies of required insurance policies.
7. ICBC's Confirmation of Automobile Insurance Coverage (Form APV 47) or Confirmation of Unlicensed Vehicle Coverage (Form APV 45) shall be used when applicable as evidence of Automobile Liability Insurance for vehicles or off-road vehicles used during the performance of the work.
8. The insurance policies, except for ICBC Automobile Liability Insurance, shall provide that the insurance shall not be canceled or materially changed so as to affect the coverage provided under the Agreement, without the Insurer giving at least thirty (30) days prior written notice to the Province.
9. Failure to provide the required insurance documentation shall result in termination of the Agreement.
10. If the insurance policies expire prior to the end of the Agreement Term, the Contractor shall provide the ministry evidence of renewal or new policy meeting the requirements of the expired insurance in the form of a completed Province of British Columbia Certificate of Insurance and ICBC's Form APV 47 or APV 45, if applicable, at least ten (10) days prior to the expiry date of the policies listed in this Schedule.
11. The payment of any deductible shall be the responsibility of the Contractor, except for flood and earthquake which will be the responsibility of the Province.
12. The Contractor shall ensure that all its subcontractors performing Services under the Agreement carry insurance in the form and limits specified in Paragraph 13.
13. The following forms of insurance and specified minimum limits are required.

(a) **Commercial General Liability** insurance in an amount not less than $2 million inclusive per occurrence against bodily injury, personal injury, and damage to property including loss of use thereof arising out of our resulting from the Work and including liability assumed under the Agreement.

Such policy(s) of insurance shall include, but not be limited to:

i) Products and Completed Operations Liability;
ii) Owner's and Contractor's Protective Liability;
iii) Contingent Employer's Liability;
iv) Blanket Written Contractual Liability;
v) Personal Injury Liability;
vi) Non-Owned Automobile Liability;
vii) Cross Liability;
viii) Employees as Additional Insureds;
ix) Broad Form Property Damage;
x) Sudden and Accidental Pollution endorsement on the Commercial General liability insurance policy with a limit of liability not less than the amount indicated below per occurrence insuring against bodily injury, property damage and cleanup expenses arising from new pollution conditions arising from the Contractor's performance of the Agreement, or if such endorsement is unavailable on the Commercial General Liability insurance policy, a Sudden and Accidental Pollution insurance policy insuring against same and with same limits of liability indicated below, and this insurance shall include the Province as an additional insured as stated below:

☐ $250,000
☒ $500,000
☐ $1 million

xi) Shoring, Blasting, Excavating, Underpinning, Demolition, Removal, Piledriving and Caisson Work, Work Below Ground Surface, Tunnelling and Grading;
xii) Elevator and Hoist Liability;
xiii) Operation of Attached Machinery;

and where such further risk exists:

xiv) Forest Fire Fighting Expense Coverage in the amount of:

☒ $1 million
☐ $500,000
☐ Not applicable

The Province is to be added as an "Additional Insured" under this policy, as follows: "Her Majesty the Queen in right of the Province of British Columbia as represented by the Minister of Forests, Lands and Natural Resource Operations and any of its employees, servants or agents".

Such insurance must:

i) Include as a protected entity the Province and each Contractor, Subcontractor, Architect, Engineer, Consultant and anyone employed by them to perform a part or parts of the Work, but excluding suppliers whose only function is to supply and/or transport products to the work site;

ii) identify the Province on the policy as: "Her Majesty the Queen in right of the Province of British Columbia as represented by the Minister of Forests, Lands and Natural Resource Operations and any of its employees, servants or agents";

iii) preclude subrogation claims by the insurer against anyone insured by the policy; and

iv) provide Products and Completed operations coverage for a period of twenty-four (24) months after Substantial Performance of the Work, irrespective of the expiry date of the policy.

(b) **Automobile Liability** on all vehicles or off-road vehicles owned, leased, rented, or used in the performance of the Agreement, Third Party Automobile Liability insurance in an amount not less than $2 million inclusive per occurrence must be provided for any such vehicle.

(c) **Builder's All-risk** insurance in the form of an "all-risks" builder's risk policy including coverage for flood and earthquake. Such policy shall insure the Work in the amount of the total finished value (includes labour and materiel) of the culverts and bridge portion of the Work, while in transit and during installation and testing.

Such insurance must:

i) include as a protected entity the Province and each Contractor, Sub-contractor, Architect or Engineer, and all others having an insurable interest in the Work;

ii) identify the Province as "Her Majesty the Queen in right of the Province of British Columbia as represented by the Minister of Forests, Lands and Natural Resource Operations";

iii) preclude subrogation claims by the insurer against anyone insured by the policy except where a loss is deemed to have been caused by or resulting from any error in design or any other professional error or omission;

iv) permit that use and occupancy of the Work or any part thereof prior to Substantial Performance will not be cause for any termination of coverage; and.

v) automatically include any changes in design or method of construction.

Deductibles per Occurrence:

i) Flood - $25,000.00 maximum;

ii) Earthquake – up to 10% of the actual value at the time of loss;

iii) All other losses up to $5,000.00 or one percent (1%) of the contract amount, whichever is greater.

The Contractor shall, at its own expense, take special precaution to prevent fires occurring in or about the Work and shall observe and comply with all insurance policy warranties and all laws and regulations in force respecting fires.

(d) **Contractor's Construction Equipment** insurance covering construction machinery and equipment used by the Contractor for performance of the Work in such forms and amounts as will enable prompt replacement and repair of the equipment.

Ministry of Forests, Lands and Natural Resource Operations

SCHEDULE "C" – PROJECT SPECIFICATIONS

MAJOR WORKS CONTRACT – FOREST ROAD CONSTRUCTION

AMENDED

File: 10005-40/EN22TFH003

Attachment to the Agreement with Bad Ventures Ltd. for Wardner South FSR Road Construction Project.

1. LOCATION OF WORKS

The Works are located as follows:

- At the 21km "UP" on the TeePee Creek FSR turn right onto the Wardner TeePee Cutoff Road. Travel 2.9km north along the Wardner TeePee Cutoff to the POC of the re-construction section on Wardner South FSR on the left hand side.

2. SCOPE OF WORKS

- ***Conduct Road Re-Construction*** of approx. 3203 meters and 1714 meters of ***New Road Construction*** on the Wardner South FSR.
- This re-construction and new construction work includes:
  - right of way clearing / falling / Skidding / processing & hauling
  - road site preparation
  - road subgrade construction, sidecast construction
  - install drainage structures, culverts / cross drains
  - possible drill & blasting or other / surfacing
  - ditching
  - various finishing tasks described in the schedules of the contract
  - supply, deliver and install culverts at marked locations
- **The re-construction section is heavily grown in, narrow and accessible by 4x4 pickup only for approximately 1.4kms at this point the road is washed out, the remaining access is by foot to the start of the new construction. See attached pictures of 4x4 drivable section in Appendix II.**
- New Construction is ribboned with PINK ribbon printed "ROAD CENTERLINE"
- The contractor must supply and install geotextiles if, and when, required and have it delivered to the project site.
- Grading of the entire road system in contract and possibly additional road (to be determined).

3. MATERIALS SUPPLIED BY THE PROVINCE

The Province shall supply at no cost to the Contractor the following materials to be utilized in the road contract, in a timely manner so as not to impede the progress of the Contractor in carrying out the contract. The contractor must protect the materials from damage or loss at all times while the materials are on site and, once the materials are on site, is solely responsible for any loss or damage to the Province's materials, and any costs required to repair or replace the materials to the satisfaction of the Province:

DESCRIPTION OF ITEM	SPECIAL HANDLING/TRANSPORTATION REQUIREMENTS
None	N/A

4. CONSTRUCTION CONTROLS

Drawings

In addition to applicable requirements stipulated in Schedule D of this contract, the Contractor shall construct the works in accordance with the following drawings:

- ☐ Plan - drawing number N/A
- ☐ Plan and Profiles -drawing numbers N/A
- ☐ Detailed Cross Sections - drawing or sheet numbers N/A
- ☐ Drainage Structures (other than bridges) drawings and specifications - drawing or sheet numbers insert number(s) N/A
- ☐ Special Structures drawings and specifications - drawing or sheet numbers N/A
- ☒ Other (specify) – Road Site Plan

No Design

In addition to applicable requirements stipulated in Schedule D of this contract, the Contractor shall construct the works in accordance with the following diagram and accompanying tabular construction specifications:

Diagram 1.1 – Typical Cross-section

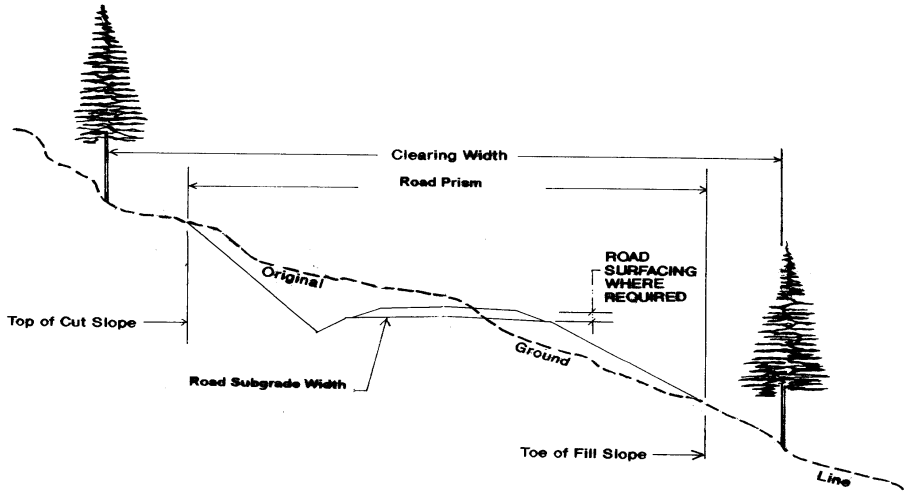


Table 1.1 – Construction Specifications
See Appendix II – Road Site Plan & Maps

ROAD SECTION IDENTIFIER	FSR# 9921.01 0+000 to 3+203 Reconstruction	FSR# 9921.01 3+203 to 4+917 New construction
STUMPS/ROOTS/LOGS ALLOWED IN ROAD PRISM OUTSIDE THE ROAD SUBGRADE WIDTH	Yes	Yes
STUMPS/ROOTS/LOGS ALLOWED UNDER THE ROAD SUBGRADE WIDTH	No	No
ROAD SUBGRADE WIDTH OTHER THAN CURVES AND TURNOUTS	4-5 m	4-5 m
MAXIMUM DISTANCE BETWEEN TURNOUTS	500 m	500 m
MAXIMUM SUSTAINED GRADE		
Adverse	8 %	8 %
Favourable	12 %	12 %
MAXIMUM SHORT PITCH GRADE		
Adverse	10 %	10 %
Favourable	16 %	16 %
MINIMUM CROSS-DRAIN CULVERT DIAMETER (round pipe)	450 mm	450 mm
OTHER SHAPES (opening size)	N/A	N/A
STABILIZING REQUIRED OF ROAD SUBGRADE, WITH ROCK BALLAST OR GRAVEL SURFACING	No	No

5. SITE PREPARATION

Debris Disposal

When disposing of debris in accordance with Schedule D, debris must be disposed of in the following manner(s) for the designated sections of the road contract.

	DISPOSAL METHOD				
Road Section	**Piling**	**Piling and Burning**	**Scattering**	**Burying**	**End Haul to a Disposal Site**
All Road – Includes New Construction & Re-Construction	N/A	X	N/A	X	X (site to be determined by Contract Officer)

6. ROADWAY AND DRAINAGE EXCAVATION

Embankments

- The geosynthetics if required to be used in this contract must conform to the following specifications, installed:

  ☒ in accordance with the manufacturer's specifications, or

  ☒ in the following manner:

APPLICATION (location and type of installation)	MATERIALS SPECIFICATION
Location(s) to be determined during construction in the field.	Armtec 350 or equivalent non-woven geotextile.

- The entire roadway, shoulders, ditches and cut and fill slopes must be neatly trimmed to produce smooth surfaces, slopes and uniform cross-sections to the lines, grades and cross-sections that are within 100 millimetres of those shown on the Drawings.
- Ballast/gravel surfacing materials must be placed and compacted such that the road will support a fully loaded gravel truck without leaving ruts.

Ditches

- When constructing ditches in accordance with Schedule D, the ditch types required for this project are as follows:

Road Section	Ditch Type (mark with X as required for each section)			
	A width = 1.0 depth = 0.3	**B width = N/A depth = N/A**	**C width = N/A depth = N/A**	**Outslope or Inslope**
All Road – Includes New Construction & Re-Construction	X	N/A	N/A	To be determined if needed.

- Insloping requirements:
  - If and where directed by the contract coordinator, inslope to a minimum of 3%.

- Outsloping requirements:
  - Not Applicable.

Turnouts and Widenings

A. **Turnouts** are required for single lane roads and must be constructed such that the width of the turnout portion is 4 metres, in addition to the tangent road subgrade width.

The overall turnout length must be 30 metres, including a 7.5 metre taper at each end

B. **Widenings** of curves must be constructed in accordance with the following table:

Curve Widenings based on 5.0 metres
Single Lane Road

Radius of Curve in metres (m)	Minimum Subgrade Width in metres with widening (m)
180	5.3
90	6.3
60	6.8
45	7.0
35	7.5
25	8.5

20	9.0
15	10.0

Riprap – Not Applicable

- Riprap requirements include the placement of a geosynthetic underlay in accordance with the following specifications: N/A

- When developing and placing riprap in accordance with Schedule D, riprap requirements for this project are as follows:

	RIPRAP Class					
Road Section	**RIPRAP CLASS 10**	**RIPRAP CLASS 25**	**RIPRAP CLASS 50**	**RIPRAP CLASS 100**	**RIPRAP CLASS 250**	**RIPRAP CLASS 500**
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Excavation in Solid Rock

- Materials which cannot be ripped by the following equipment shall be considered Solid Rock.
  1. A crawler tractor with ripper with an operating horse power of 260-359.9 FWHP; or,
  2. An excavator rated at an operating weight of 51,000 to 58,999 lbs; equipped with maximum 36 inch digging bucket with sharp teeth.

7. CULVERTS

- The cross drain and stream culverts on this project are to be located, sized and identified as to type as indicated below:

		CULVERT TYPE		
LOCATION	**SIZE**	**CORRUGATED METAL PIPE**	**POLYETHYLENE CORRUGATED DRAINAGE PIPE**	**WOOD BOX CULVERTS**
All Road – Includes New Construction & Re-Construction	All Sizes	X	X	N/A

Fish Stream Crossing Installations

When installing fish stream crossings in accordance with Schedule D:

- The timing windows for fish stream crossings are: NOT APPLICABLE to this contract and no instream work may take place outside of those windows.
- Where authorized by Fisheries agencies, the timing windows for fish stream crossings are: N/A and no instream work may take place outside of those windows without employing an environmental monitor (the “Monitor”) currently registered with the Ministry’s Engineering Equipment System (EES). The cost of the Monitor is the contractor’s cost and is included in the price for embankments.
- Stream protection, fish salvage, erosion and sediment control measures that are required for the fish stream crossing installations are: N/A

8. ROAD SURFACING

Surfacing Materials

When surfacing the road in accordance with Schedule D:

- The material to be used for surfacing the road must be in accordance with the following:

	SURFACING MATERIAL/TREATMENT			
Road Section	**PIT RUN AGGREGATE***	**GRID ROLLED AGGREGATE**	**SCREENED AGGREGATE**	**CRUSHED AGGREGATE**
As determined by C. Officer	X	N/A	N/A	N/A

***** WHERE PIT RUN AGGREGRATE IS SPECIFIED, THE PROPOSED PIT LOCATIONS ARE AS FOLLOWS:

Road Section	PIT RUN AGGREGATE LOCATION
To be determined by C. Officer	To be determined by Contract Officer.

- Placed pit-run Aggregate must have a maximum size of 100 millimetres, and placed in layers not exceeding 15 centimetres.
- The surfacing material must be placed so that the final depth is 15 centimetres.
- Surfacing materials must be compacted such that the road will support a loaded gravel truck without leaving wheel ruts deeper than 5 centimetres.

Finished Surface

When finishing the road surface in accordance with Schedule D, the contractor must:

- Complete a final grade of the entire length of all the FSR, neatly trimming the shoulder and ditches to conform to the drawing-diagram 1.1 in schedule C. Multiply passes per contract appendices are required to achieve the compaction and grade of surface materials. Grading must occur under optimum conditions.

9. GRASS SEEDING – To be completed by BCTS

- When applying grass seeding in accordance with Schedule D, the mix design for this project must be: Trench Restoration Mix, and the application method(s) must be as per the following table:

	SEED APPLICATION METHOD		
Road Section	**DRY SEEDING**	**HYDRAULIC SEEDING**	**EROSION CONTROL BLANKET**
All Road – Includes New Construction & Re-Construction	X	N/A	N/A

- Seed application rate: 30 to 50 kg/ha
- Fertilizer application rate: provide fertilizer application rate – N/A

- Erosion control blankets must be used in the following manner, rather than the manufacturer's instructions:
    - N/A

10. SIGN INSTALLATION

NAME OF SIGN	LOCATION OF SIGN
Wardner South	POC of Reconstruction.

Ministry of Forests, Lands and Natural Resource Operations

SCHEDULE "D" – GENERAL SPECIFICATIONS

MAJOR WORKS CONTRACT – FOREST ROAD CONSTRUCTION

File: 10005-40/EN22TFH003

Attachment to the Agreement with Bad Ventures Ltd. for Wardner South FSR Road Construction Project.

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GLOSSARY OF TERMS

Ballast – Rock or other suitable material placed in the embankment used to improve the stability and load carrying capacity of the roadway.

Borrow Pits - A designated area used to obtain material required to form the embankments.

Clearing width – The boundary limits of the complete removal and disposal of all standing and fallen trees.

Corduroy or Puncheon - Trees or logs placed transversely along the ground surface and covered with suitable subgrade material in order to "float" the road over soft subsoils.

Disposal Site – A designated area used to store or dispose of materials from within the clearing width that are not required or suitable for placing in the embankment.

Ditch Block - A physical blockage of the ditch line that:
(a) is lower than road surface;
(b) is located immediately down slope of the cross drain intake; and,
(c) prevents large accumulations of water in the ditch by diverting it into the cross drain intake.

Drawing(s) - Includes plan profiles, cross sections, mass diagrams, traversed location lines on maps, descriptive literature, illustrations, schedules and any other similar materials provided by the Ministry.

Embankment – A structure of soil, aggregate or rock material placed on the prepared ground surface and constructed to complete the road subgrade.

End Hauling – The act of moving excess materials as indicated on the road design or Drawings or, where slope stability dictates, to another road section or disposal site.

Fly Rock - Rock displaced by blasting and propelled beyond recoverable limits.

Forestry License to Cut - An agreement under the *Forest Act* allowing a person, who occupies Crown land and does not have the right to harvest Crown timber from the land, to cut and/or remove timber on the land.

Geosynthetics – Specially fabricated synthetic polymer materials designed with the primary functions of separation, filtration, drainage, aggregate confinement, reinforcement, distribution of load and erosion control.

Grubbing and Stripping- The removal and disposal of all organic soils, stumps, downed, buried or non-merchantable timber, roots, logging slash and other debris from the road prism area.

Keying – A bench, trench or structure at the approximate location of the toe of a fill slope constructed to support steep fills.

Landing - A leveled area where timber is assembled for transport to the reloading site or conversion facility.

L-Line - The designed roadway centre line shown on a Drawing with tangent Point of Intersection (PI), Beginning of Curve (BC), and End of Curve (EC) chainages. Where close control of cut and fill slopes are required, the L-line is established after grubbing and stripping operations by setting grade stakes.

Other material (OM) - All excavated material not identifiable as rock

Overbreak - Material beyond the proposed or specified limits of excavation which has been excavated, displaced or loosened, usually by blasting.

Overlanding - Placing road construction fills directly over organic soil, stumps, and other vegetative materials left in their natural state because of soft ground conditions.

P-Line - The preliminary survey line established in the field and plotted on a Drawing to provide the horizontal and vertical control for the roadway centre line.

Solid Rock –a concreted mass of materials (rock, dense till, hardpan, partially cemented materials, clay or frozen material) of such density, or so firmly cemented together and are of sufficient hardness to require breaking by continuous drilling and blasting before excavation. It includes stony material occurring in masses, ledges, seams or layers and boulders individually containing a volume of 1.5m³ or more.

Reference point – an object of more or less permanent character situated outside the clearing width, which is used to relocate a station on the road centerline or other road features by linear and angular measurements.

Riparian zone - The land adjacent to the normal high water line in a stream, river, lake, or pond and extending to the portion of land that is influenced by the presence of the adjacent stream, river, lake, or pond.

Rippable Rock – is not Solid Rock. It includes those materials that can be loosened using ripping equipment as specified in Schedule C, such as rock, dense till, hardpan, partially cemented materials, clay or frozen material.

Riprap – Riprap is hard, durable, angular rock of a quality that will not disintegrate on exposure to water or the atmosphere and meets the specified gradation specifications.

Road Prism - The areas containing the roadway and cut and fill slopes.

Road Use Permit - The permit issued under the *Forest Act* giving the permittee the right to use the road subject to terms and conditions.

Subgrade - The traveled portion of the road prism upon which additional surfacing material is placed, if required, to provide the running surface.

Sub-Excavation – Additional excavation required below the subgrade grade elevations indicated or expected on the Drawings or other specifications. Additional material is paid in accordance with Schedule A.

Turnouts - A short auxiliary lane of sufficient width so as to provide for the safe passage of industrial vehicles.

Unsuitable Material - Any material that does not meet construction specification requirements for the designed purpose.

NOTE: ANY REFERENCES TO SCHEDULE C MAY INCLUDE THE DRAWINGS LISTED IN SCHEDULE C AS WELL AS INDIVIDUAL SPECIFICATIONS.

1.0 MOBILIZATION AND DEMOBILIZATION

Mobilization and demobilization is defined as:

(a) the initial transportation of workers, machinery and facilities to the work site;

(b) the final removal of workers, machinery and facilities from the work site; and

(c) all erection and dismantling activities (e.g., camp set up), until completion of the project.

2.0 ACCESS TO WORKS

The contractor:

(a) is responsible for the cost of any temporary access works and any damage done to the existing roads or structures as a result of its operations;

(b) must ensure that the access to the works is adequate to get the required workers, machinery and facilities to the work site; and,

(c) must not block or impede the use of any private access without written consent of the landowner and prior approval of the Ministry Representative.

3.0 SURVEY CONTROL

The P-Line, Reference Points and clearing width boundaries have been marked in the field unless otherwise specified in Schedule C. Reference points and clearing boundaries must be carefully preserved. The Contractor must be satisfied before commencing any work, as to the meaning and correctness of all marks and stakes, as no claim will be entertained for any alleged inaccuracies. Should the Contractor discover or suspect any errors in the marks, the Contractor shall at once discontinue the affected work until such errors are investigated and, if necessary, rectified.

The Contractor shall at the Contractor's own expense provide all other survey control and layout, and shall provide assistance to the Ministry Representative in establishment of lines, grades or controls required for checking or measuring up the work as required.

4.0 SITE PREPARATION

4.1 Clearing Width

The Contractor must not operate outside the clearing width without the prior approval of the Ministry Representative except for the purpose of removing dangerous trees or other hazards.

The clearing width must be established in accordance with the applicable Forestry Licence to Cut unless otherwise directed by the Ministry Representative.

Unless otherwise directed by the Ministry Representative, the Contractor must make a reasonable effort to ensure that all clearing boundary markings are left intact after clearing.

Timber must not be placed outside of the clearing width.

4.2 Grubbing and Stripping

The Contractor must grub and strip the portion of clearing width area that will be occupied by the road prism.

Where the Schedule C so specifies for sections of the road, stumps, roots, embedded logs and other organic debris may be left in place as support material for the road prism.

Other than trees and stumps with exposed roots or roots which overhang the top of cut, grubbing and stripping is not required between the tops of cuts and adjacent standing timber and the toes of fills and adjacent standing timber.

4.3 Debris Disposal

Debris resulting from grubbing and stripping activities, hereafter referred to as “debris” in this section, must not be deposited in areas where the material is capable of damaging forest and other resources. In addition to any other remedial requirements, debris that is deposited in such areas must be immediately removed.

Unless otherwise directed by a Ministry Representative, debris must be disposed of in the location(s) and method(s) specified in the Schedule C, including the following applicable specifications:

4.3.1 Piling

The Contractor must pile any combustible debris for future burning by other parties. Piles must be constructed in such a manner and of a mix of material that they can be successfully ignited and burned. No soils or non-combustible materials are to be included in the piles. Piles must be located so that there will be no adverse impact on forest and other resources, including standing timber. Piles must also be located such that road operations will not be impacted.

4.3.2 Piling and Burning

The Contractor must pile any combustible debris and burn it in accordance with applicable legislation at an appropriate time such that there will be no adverse impact on forest and other resources, including standing timber. Piles must be located such that road operations will not be impacted.

Burning is considered to be complete when all combustible materials are reduced to ash, or to a lesser extent as determined by the Ministry Representative.

4.3.3 Scattering

Debris must be scattered down slope from the road shoulder and outside of the structural toe of the road prism away from standing timber. Accumulations of debris must be breached at each culvert location to facilitate drainage. Where directed by the Ministry Representative, accumulations of debris must be breached to permit the movement of livestock and wildlife, or for other operational requirements.

4.3.4 Burying

All debris must be compacted and placed beyond the edge of the structural fill and away from the edge of standing timber, unless otherwise directed by the Ministry representative.

Where trenching is used debris can be placed in the trench or trenches and covered.

Debris disposal must replicate existing ground profiles but must not reach within fifty centimetres (50cm) of the road shoulder elevation and must not interfere with any watercourse or natural drainage patterns. Debris must be covered with a minimum of thirty centimetres (30 cm) of soil. Any resulting berms must be breached at each culvert location to facilitate drainage and, where directed by the Ministry Representative, must be breached to permit the movement of livestock and wildlife, or for other operational requirements.

4.3.5 Removal

Debris must be transported to a disposal site(s) as specified in the Drawings in Schedule C, or as approved by the Ministry Representative.

Disposal sites for debris must be prepared and benched to enable stable placement of the transported debris material. Slopes resulting from transported debris material must be stable at all times.

5.0 ROADWAY AND DRAINAGE EXCAVATION

Roadway and drainage excavation includes:

(a) all excavation other than that related to grubbing and stripping activities in accordance with the following table:

Material Types	Materials description	Cut Slope Angles	Fill Slope Angles
Coarse-Grained Soils	Road cuts in loose to compact SANDS or SANDS and GRAVELS (not cemented and non-cohesive)	1½ H : 1 V	1½ H : 1 V
Fine-Grained Soils	Road cuts in loose SILTS, or soft cohesive soils such as SILTY CLAYS or CLAYS (not consolidated and not cemented)	1½H : 1V	2H : 1V
Dense Glacial Till / Cemented Sands and Gravels	Road cuts in dense to very dense GLACIAL TILL (i.e., basal till), or cemented SANDS OR SANDS and GRAVELS	¾H : 1V	1½ H : 1 V
Rock	Road cuts in strong, good quality ROCK masses with no significant weaknesses	¼H : 1V	1H : 1V

Note: any variations to these angles would be provided in the Drawings in Schedule C, or as determined by the Ministry Representative.

(b) the construction of all embankments;

(c) excavation of any drainage ditches;

(d) the import and placement of material necessary to form a stabilized subgrade in accordance with applicable project specifications; and

(e) transporting and disposal of all excess and unsuitable excavated material.

5.1 Embankments

Embankments must be constructed using suitable material and in such a manner as to provide a stable road prism that is compliant with the applicable project specifications described in Schedule C.

Embankments must be placed in layers, and hauling and spreading equipment operated uniformly over the full width of each layer, all to compact the materials placed in the embankment. Each embankment layer must be leveled and smoothed before placing subsequent layers. Additional compaction specifications may be described in Schedule C. Layers not to exceed 30 centimetres.

All fills must be placed to attain the slope angles specified in this Schedule or in the Drawings listed in Schedule C. Fill slopes determined by the Ministry Representative for the actual soil types encountered in the field take precedence over those shown in this Schedule or on the Drawings listed in Schedule C.

Any material utilized as part of the embankment must be competent for fill construction and of optimum quality, sorted to achieve the specified construction requirements, and placed to ensure permanent bonding of the fill material with the original side slopes. Materials that, in the opinion of the Ministry Representative, are unsuitable for the construction of embankments must be removed

to disposal sites as directed. Any such unsuitable material subsequently placed in an embankment, without the approval of the Ministry Representative, must be removed to disposal sites as directed by the Ministry Representative at the Contractor's cost.

Roads may only be constructed with stumps, roots and embedded logs in the embankment where provided for in the specifications described in Schedule C.

Unless the road to be constructed is one that will be constructed of snow and soil combined to form an embankment for use in winter conditions only, frozen material, snow, ice or frozen soils must not be placed in embankments and any such material overlying the surface of a cut, or the site or surface of an embankment must be removed and deposited beyond the edge of the road prism and in accordance with the requirements of the disposal of unsuitable material. For a road that will be constructed of snow and soil combined for use in winter conditions only, refer to Schedule C for specifications.

If any geosynthetics are to be utilized in the embankment, refer to Schedule C for specifications.

The entire roadway, shoulders, ditches and cut and fill slopes must be neatly trimmed to produce smooth surfaces, slopes and uniform cross-sections in general conformance to the lines, grades and cross-sections shown on the Drawings or in accordance with any specified tolerances described in Schedule C.

5.1.1 Ballasting

Ballast must be deposited and spread so that the material is well distributed and the intervening spaces are filled with smaller sizes as may be available to form a stable embankment.

When rock ballast is overlain by other materials, the top of the ballast must be sealed with smaller rock particles and suitable soil materials, to prevent the other materials from penetrating into voids in the ballast.

To facilitate proper placement and compaction of ballast material, the contractor must carry out ballast treatments in accordance with Schedule C.

5.1.2 Overlanding

Where overlanding is specified in the specifications described in Schedule C, or as directed by the Ministry Representative as a result of on-site conditions, road fill must be placed on unstripped organic soil, stumps and vegetative material. Stumps may be inverted so that the root mat of the stump partially supports the fill material. The selection and placement of corduroy/puncheon or geosynthetics must be in accordance with specifications described in Schedule C.

5.1.3 Ditches

Ditch construction includes inlets and outlets to culverts, ditch blocks, catch basins and ditching of all kinds to control the transport of water along and from roadways. Sideslopes of a ditch must conform to the constructed embankment slopes and cut slopes.

Ditches must be constructed in accordance with the Drawings or the specifications in Schedule C. Where outsloping or insloping the road can replace the need for ditches, such requirements are specified in Schedule C.

Except where ditch-water converges at the culvert inlet, ditch blocks must be constructed of impermeable soils extending at least one metre (1.0m) along the ditch immediately downstream of all cross drain culvert inlets. The crest of ditch blocks must be constructed lower than the road shoulder.

5.1.4 Turnouts and Widenings

Turnouts and curve widenings must be constructed in accordance with the Drawing, where provided, or in accordance with Schedule C.

5.2 Riprap

The Contractor must protect embankments, dikes, stream banks and channels, culvert inlets and outlets, abutment wings, structural foundations and other specified locations by placing riprap of the type as shown in Table 1 below or in the Drawings listed in Schedule C, at the locations and of the classes specified in Schedule C.

Riprap must be placed on firm, stable ground and produce a rock mass of the nominal or required thickness over the area. Any geosynthetic underlay must be provided and placed in accordance with the specifications described in Schedule C.

Riprap material must be manipulated as necessary to provide mass stability and a regular surface with a minimum of voids.

The gradation of rock sizes in each class of riprap is provided in the table below:

Table 1 - Riprap Classes and Sizes

Class of Riprap in kilograms (kg)	Nominal Thickness of Riprap Piece in millimeters (mm)	Approximate Rock Gradation: Percentage Larger than Given Rock Mass in kilograms (kg)		
		85%	50%	15%
10	350	1.0	10	30
25	450	2.5	25	75
50	550	5.0	50	150
100	700	10	100	300
250	1000	25	250	750
500	1200	50	500	1500

5.3 Borrow and Gravel Pits and Quarries

In cases where the quantity of material taken from the excavation will not be sufficient to form the requisite embankment, the volume deficiency must be supplied by excavating material from within or outside the clearing width or from enlargement of the regular excavations made uniformly on one or both sides of the subgrade.

All borrow and gravel pit and rock quarry sites that are not inside the clearing width must be either shown on the Drawings or pre-approved in writing by the Ministry Representative.

Borrow and gravel pits and quarries must be grubbed and stripped in accordance with applicable specifications described in Schedule C.

Drainage ditches must be constructed to remove all accumulated water from the pit/quarry site, or the pit must be backfilled to prevent the ponding of water.

The Contractor must operate the pit or quarry in a manner that will not contaminate remaining granular material and thus limit its future use.

The Contractor is responsible for the construction and maintenance of any access roads to pits and quarries.

The Contractor must leave any such pits and quarries in a neat and stable condition to the satisfaction of the Ministry Representative.

5.4 Excavation in Solid Rock

Excavation materials shall only be considered payable as Solid Rock as provided in Schedule C.

The Contractor must remove all overlying materials from areas requiring rock excavation within the clearing width. The Contractor must prepare and excavate all rock to form the subgrade. Rock cuts must be excavated and mucked out fully to twenty centimetres (20 cm) below subgrade elevation.

The Contractor is responsible for the rock excavation methods used and for any damage to the rock structure or road prism resulting from direct application of the techniques used.

Where the excavation method is drilling and blasting, the Contractor must provide the blasting log and other relevant information regarding any blast upon request of the Ministry Representative.

All drilling and blasting must be done in a manner that:

(a) retains all blasted rock within the cleared width.

(b) provides a stable back slope;

(c) does not destabilize the fill slope;

(d) minimizes the amount of rock loss; and

(e) minimizes overbreak.

Developed rock must produce a profile of material that can be fully utilized, in accordance with the specifications described in Schedule C. Rock that does not conform to the profile must be removed and disposed of at a suitable disposal site.

Unless the rock can be utilized as embankment material that would otherwise have to be borrowed, all overbreak must be removed and disposed of at a suitable disposal site at the Contractor's cost.

The Contractor must remove all dangerous, loose and overhanging rock.

6.0 CULVERTS

The types of culverts that are to be used on this project are specified in Schedule C.

6.1 Culvert Materials

6.1.1 Corrugated Metal Pipe

Culverts and coupler systems must be of galvanized, corrugated metal pipe in accordance with the current version of Canadian Standards Association C.S.A.- Can 3-G401.

All couplers must be double wide (600mm) and installed according to the manufacturer's specifications.

Minimum pipe specifications are as follows:

Table 2 - Metal Culvert Specifications

Pipe Diameter in millimeters (mm)	Minimum Pipe Thickness for Metal Pipe-Sectional in millimeters (mm)	Corrugation dimensions in millimeters (mm)
400 - 600	1.6	68 x 13
600 Coast	2.0	68 x 13
800 - 1000	2.0	68 x 13
1400	2.0	125 x 25
1200 - 1400	2.8	68 x 13
1600	2.0	125 x 25
1600 - 1800	3.5	68 x 13

The minimum length of any pipe section in a coupled culvert is 3.0 metres.

6.1.2 Corrugated Polyethylene Drainage Pipe

Corrugated polyethylene (PE) and Poly vinyl chloride (PVC) or ribbed PVC drainage pipe, fittings and couplers must be manufactured from plastic in accordance with current version of CSA Standard B182 and meet current CSA standards for impact strength, pipe stiffness and flattening.

PE pipe stiffness shall meet or exceed 210 Kilopascals (kPa).

PVC pipe stiffness shall meet or exceed 260 Kilopascals (kPa).

All plastic pipe must be double walled for the entire length under the embankment fill.

The minimum length of any pipe section in a coupled culvert is 3.0 metres.

6.1.3 Wood Box Culverts

Material and dimensions for the construction of wood box culverts must be approved by the Ministry Representative. Logs may be obtained from the clearing width or from areas approved by the Ministry Representative. Wood box culvert construction must conform to the requirements for design and construction of log culverts in the Forest Road Engineering Guidebook.

6.2 General Culvert Installations

Culverts must be installed at locations described in Schedule C, or as directed by the Ministry Representative to suit actual site conditions. Culverts must be constructed concurrently with subgrade construction.

Culvert lengths must conform to the specifications described in Schedule C, or where not specified, must project between fifty and seventy centimetres (50 - 70 cm) beyond the face of the embankment.

The Contractor must excavate a trench for a pipe culvert to a width of not less than twice the culvert diameter. The grade of the trench must replicate natural slope conditions unless otherwise provided in the specifications described in Schedule C, but for cross drains the trench must have a minimum grade of 0.5 percent to facilitate natural drainage. The culvert bed may require a camber where necessary to maintain positive drainage through the pipe. The camber will be as required by the Ministry Representative.

Cross-drain culverts must be skewed to the perpendicular of the road centre line, by 3 degrees for each 1 percent that the road grade exceeds 3 percent, to a maximum of 45 degrees, unless otherwise directed by the Ministry Representative.

Trenches must be backfilled evenly in lifts not exceeding twenty centimetres (20 cm) on each side of the culvert. Backfill materials must not contain any frozen material, snow, ice or organic matter.

Backfill material having a maximum piece size of fifteen centimetres (15 cm) in diameter must be placed over all culverts for the full width of the trench to a minimum depth of thirty centimetres (30 cm) or a depth of one-half the diameter of the culvert, whichever is greater.

Any backfill, or any portion thereof, that has suffered reduction in density after compacting due to frost action, rain or for any other reason, must be re-compacted or removed and replaced by the Contractor before any material is placed for the succeeding lift.

Where inlet and outlet protection is required, the materials and placement must conform to the specifications described in Schedule C.

When water from culvert outlets is to be directed onto fill slopes, riprap or other approved protective measures must be installed to dissipate water energy.

7.0 STRUCTURES

7.1 Temporary Work Bridges

The Contractor is responsible for the installation and subsequent removal of any temporary work bridges required for access during construction, and all costs for such bridges are borne by the Contractor.

The stream banks must not be disturbed and damage to ground cover and riparian vegetation must be minimized.

Work bridges must be removed at the end of construction and during any periods of high water that may otherwise adversely impact the structure.

7.2 Stream Crossing Culvert Installations

During culvert placement, unless otherwise approved by the Ministry Representative, the Contractor must use an appropriate method of isolating the work site from the stream, such as the diversion of the stream around the culvert site, and place the culvert in the 'dry'. Such diversions must be carefully executed to ensure that siltation is kept to a minimum and the stream controlled at all times.

All materials and placement must conform to the drawing, or as described in specifications in Schedule C.

Fish stream crossings must be constructed in accordance with any in-stream work windows, stream protection, fish salvage, erosion and sediment control measures described in Schedule C.

Restrict all work within the high water, wetted perimeter to the absolute minimum necessary to construct the works.

7.3 Other Structures

Refer to specifications described in Schedule C.

8.0 ROAD SURFACING

Road surfacing consists of supplying, hauling and placing of aggregate base or surface course on the subgrade or base in accordance with the Drawings or as specified in Schedule C.

8.1 Surfacing Materials

Aggregates that are to be used as surfacing materials must be free from organic matter or other deleterious material and must conform with the following specifications in addition to applicable specifications described in Schedule C:

8.1.1 Pit-run Aggregate

Pit-run aggregates must consist of native or blasted material of a size and grading that can be taken directly from the source and placed on the road without crushing or screening. Work may include the addition of fines to bind the surfacing materials together. The maximum size of placed pit run material to be used as surfacing must be as specified in Schedule C.

Materials must be obtained from sources or stockpiles specified in Schedule C or as approved by the Ministry Representative.

8.1.2 Grid-Rolled Aggregate

Grid-rolled aggregate must consist of native materials of a quality that can be taken directly from the source, without crushing or screening, and broken down on the road by grid-rolling. No gradation is required, other than maximum size as specified in Schedule C.

8.1.3 Screened Aggregate

Material must consist of gravel, talus rock, sand, shale, or other suitable material, and be hard and durable, such that a hand held specimen requires many blows of the hammer end of a geological pick to fracture it. The gradation requirements must be as specified in Schedule C.

8.1.4 Crushed Aggregate

Aggregate for crushed base or surface courses must be crushed stone, or gravel meeting the gradation requirements as specified in Schedule C.

The Contractor must sample, inspect and test the materials to substantiate that all crushed material meets the gradation requirement. Testing requirements must be carried out in accordance with Schedule C. Test results must be provided to the Ministry Representative.

8.2 Placement, Processing and Compaction of Surfacing Material

The source and type of surfacing material must be approved by the Ministry Representative before being applied to the road subgrade.

Surfacing material must be placed on the subgrade, in layers of sufficient thickness to allow consistent compaction throughout the layer, spread and shaped in general conformance with the required depths as shown on the Drawings or in Schedule C. The width of surfacing material must be sufficient to stabilize the road subgrade width, including turnouts.

In accordance with the requirements of Schedule C, filler or binder must be uniformly blended with surfacing material on the road. Filler or binder material must be free from stones, vegetative matter and other deleterious materials.

If surfacing materials do not contain the correct moisture content to permit proper compaction, the Contractor must add or remove moisture as required.

Suitable compaction is obtained when the road achieves the requirements in Schedule C.

8.3 Finished Surface

In accordance with Schedule C, after placing the surfacing material, the entire roadway, shoulders and ditches must be neatly trimmed in general conformance with the dimensions as shown on the Drawings or on the Typical Roadway Cross Section in Schedule C. Works shall include crowning and compacting of the finished road surface to ensure that water drainage is commensurate with the potential for erosion of the surfacing material.

8.4 Grading

Where the finished road surfacing material is comprised of a granular material that can be effectively shaped by a motor grader, final shaping of the road and ditch will be to the final trim, level, and grade of the road and ditch Sufficient effort requiring multiple passes may be required to sort materials to provide for the best possible finish of the road surface as described in “Finished Surface”, Clause 8.3.

Grading must be completed during optimum weather conditions.

9.0 GRASS SEEDING – Not Applicable

The Contractor must supply and apply an erosion control seed mix, using application method (s) and mix designs as specified in Schedule C, on all exposed mineral and organic soils that are subject to surface erosion within the clearing width excluding the road surface.

9.1 Dry Seeding

The Contractor must distribute dry seed uniformly over the surface area.

9.2 Hydraulic Seeding

The Contractor must thoroughly mix seed, fertilizer and hydraulic mulch in water slurry and distribute uniformly over the surface. The Contractor must take suitable precautions to prevent fertilizer in solution from coming in contact with foliage of any trees or susceptible vegetation. The Contractor must promptly rectify any overspray or damage that occurs at the Contractor’s cost.

9.3 Erosion Control Blankets

The Contractor must supply, apply and anchor erosion control blankets over designated areas in accordance with the manufacturer’s instructions, unless otherwise specified in Schedule C.

10.0 CLEANUP

At the conclusion of the works, the Contractor must remove the Contractor’s surplus products, tools, construction machinery and equipment not required for the performance of the remaining work. The Contractor must also remove waste products and debris other than that caused by the Ministry, other Contractors or their employees, and leave the work site clean and suitable for occupancy or use by the Ministry, unless otherwise specified.

Ministry of Forests, Lands, Natural Resource Operations and Rural Development

Schedule "E"

BC Timber Sales – Environmental Management System

File: 10005-40/EN22TFH003

Attachment to the Agreement with Bad Ventures Ltd. for Wardner South FSR Road ConstructionProject.

PART A – Contract Clauses

1. The Contractor must comply with, and must ensure that Contractor's employees, agents, and subcontractors working on the contract's field work sites ("the Place of Work"), comply with the requirements of the Environmental Management System (EMS) pertaining to the Contract in Table 1 of this Schedule, and which is available on the BC Timber Sales website at: [https://www2.gov.bc.ca/gov/content/industry/forestry/bc-timber-sales/forest-certification/ems-sfm]
2. The Contractor must ensure that those EMS documents specified as "Required On-site" in Table 1 of this Schedule are made available in a location accessible to the Place of Work to be viewed and read by the Contractor and the Contractor's employees, agents, and subcontractors.
3. The Contractor must, before commencing operations on the Place of Work, notify the Ministry Representative of the name
   (a) of the person(s) who will be responsible for supervising operations on those sites and who will be present on site at all times ("the Supervisor"), and
   (b) an alternate(s) should the Supervisor not be on site,

   and after beginning operations must notify the Ministry Representative of any change to the Supervisor referred to in subparagraph (a) of this paragraph, or alternate, within 5 days of making the change.
4. The Contractor must achieve and maintain, and must ensure that the Contractor's employees, agents, and subcontractors working on the Place of Work, achieve and maintain training as specified in the BCTS "LPC Training Matrix".
5. The Contractor must maintain documentation of the training received by the Contractor and the Contractor's employees, agents, and subcontractors sufficient to allow the Ministry Representative to determine whether the Contractor is in compliance with paragraph 3, above. The documentation must contain, but is not limited to:
   (a) the name of the person(s) completing the training,
   (b) the training course name, and
   (c) the date that the training course was completed.
6. The Contractor must conduct pre-works and inspections of its operations for conformance with the Contract, associated permits, plans, the BCTS EMS and compliance with legislation.
7. Where operations do not conform or comply with the requirements of the Contract, associated permits, plans, the BCTS EMS and legislation, the Contractor must make appropriate corrections and corrective actions.

8. The Contractor must document and report EMS incidents in accordance with the BCTS EMS, identifying:

   (a) the date and time of the incident,

   (b) location of the incident,

   (c) description of the incident,

   (d) impact(s),

   (e) contributing factors,

   (f) action taken, and

   (g) agencies to which the incident was reported.

9. The Contractor must maintain documentation of pre-work meetings and inspections of its operations, including documentation that operations are conforming and complying with the requirements of the Contract, associated permits, plans, the BCTS EMS and legislation, that appropriate corrections and corrective actions have been taken, or are taking place, and all EMS incidents, and make that documentation available to the Ministry Representative upon request.

10. The Contractor may be audited by a BCTS internal auditor and/or an independent third party auditor for conformance with the requirements of the BCTS EMS, related SFMPs and compliance with legislation, and must:

    (a) provide Contractor's and Contractor's employees, agents, and subcontractors reasonable time and resources at the Contractor's expense for such audits, and

    (b) make appropriate corrections and corrective actions to address non-conformities identified by the audit.

PART B – Environmental Emergency Response Plan

1. The Contractor must, before commencing operations at the Place of Work, prepare an eERP consistent with the BCTS "LPC eERP Template" and must submit such plan to the Ministry Representative upon request.

2. The Contractor must conduct operations at the Place of Work in accordance with its eERP.

3. The Contractor must:

   (a) maintain a spill kit for every operation involving the use of hazardous materials as specified in the BCTS "EFP 06 Fuel Handling" on the Place of Work, and

   (b) ensure that the Contractor's employees, agents, and subcontractors have been trained in the use of that spill kit.

4. The Contractor must ensure that the Contractor and the Contractor's employees, agents, and subcontractors conduct operations at the Place of Work in compliance with the Wildfire Act and the Wildfire Regulation.

5. The Contractor must:

   (a) conduct drills and, if required, tests for environmental emergency preparedness and response in accordance with the BCTS EMS, and

   (b) maintain documentation of drills and tests referred to in subparagraph (a) in accordance with the BCTS EMS and in a location accessible to the Place of Work, and make that documentation available to the Ministry Representative upon request.

Table 1: BCTS EMS Pertaining to the Contract

Provincial EMS	**Version**	**Required On-site (Yes/No)**
BC Timber Sales Environmental Policy	December 5, 2012	No
BC Timber Sales Sustainable Forest Management Policy	December 5, 2012	No
BCTS Environmental Management System EMS Tailgate Training	June 1, 2018	Yes
CHK-001 Consulting Services Prework Report		Yes [1]
CHK-002 Access Prework Report		Yes [1]
CHK-004 Silviculture Prework Report		Yes [1]
CHK-009 EMS Incident Report Form	April 1, 2018	Yes
CHK-010 Environmental Emergency Response Test/Drill Report Form	April 1, 2016	Yes [1]
CHK-011 BCTS Client Self Inspection Report		Yes
EFP 01 General	April 1, 2016	Yes [1]
EFP 02 Project Supervision	April 1, 2016	Yes [1]
EFP 03 Development & Planning	April 1, 2016	Yes [1]
EFP 04 Roads, Bridges and Major Culverts	April 1, 2016	Yes [1]
EFP 05 Harvesting	April 1, 2016	Yes [1]
EFP 06 Fuel Handling	April 1, 2018	Yes [1]
EFP 07 Dryland Sort	April 1, 2016	Yes [1]
EFP 08 Marine Log Handling Facilities	April 1, 2018	Yes [1]
EMS Manual (Chapters 7-13; Procedures pertaining to Licensees / Permittees / Contractors)	July 1, 2018	No
ER Test-Drill Guide (Guide for Conducting Environmental Emergency Response Tests/Drills for Fires, Spills and Erosion Events)	April 1, 2012	Yes [1]
Glossary	April 1, 2019	No
LPC eERP Template (Environmental Emergency Response Plan for BCTS Client Use)		Yes
Sustainable Forestry Initiative (SFI) Client General Awareness Document	August 1, 2015	Yes
Table 008-1 (LPC Training Matrix)		Yes
Table 008-1A (LPC Training Summary)		Yes
Business Area EMS Documents	**Version**	**Required On-site (Yes/No)**
TKO Invasive Plant EFP	February 18, 2019	Yes
TKO Water Disruption ERP	April 15, 2010	Yes
TKO Invasive Plant Awareness ppt **	April 2019	No
TKO Species of Management Concern Training **	April 2019	No
TKO Logging Completion Report	December 2020	No

Ministry of Forests, Lands and Natural Resource Operations

SCHEDULE "F" – WORKS COMPLETION

MAJOR WORKS CONTRACT – FOREST ROAD CONSTRUCTION

File: 10005-40/EN22TFH003

Attachment to the Agreement with Bad Ventures Ltd. for Wardner South FSR Road Construction Project.

MILESTONES:

	DATE	DESCRIPTION OF MILESTONE
Milestone Date #1	May 3, 2021	Project commenced. (subject to MOTI road weight restrictions)
Milestone Date #2	August 20, 2021	All Phases of Road Construction Completed.

Note: Exceptions to the milestone dates are subject to access constraints, weather constraints, wildfire constraints or delays as outlined in the Major Works Contract agreement under Article 18 – Delays, of the Major Works Contract agreement.

Not meeting the milestone date(s) without exceptions as defined above will result in actions taken as per the Major Works Contract agreement under Article 5 – Commencement and Completion.

COMPLETION:

Project Completion Date: **August 31, 2021**

An extension to the Project Completion Date will only be considered if one or more of the following circumstances exist:

1. Extended periods of shut down due to extreme fire indices in the area.
2. Full backcountry bush closure due to extreme wildfire conditions.
3. Extended periods of wet weather forcing wet weather shutdowns.
4. Prolonged access constraints due to washouts, structure failures, etc.
5. Other circumstances preventing the contract to be completed on or before the Project Completion Date will require a written rationale from the contractor addressed to the Ministry Contract Officer for review and consideration.

Any contract amendment must be accompanied by and referenced by a Contract Modification Agreement form (FS600).

Natural Resource Ministries

Schedule G
Safety Conditions

File: 10005-40/EN22TFH003

Attachment to the Agreement with Bad Ventures Ltd. for Wardner South FSR Road Construction Project.

Terms such as “employer”, “supervisor”, “multiple employer workplace”, “owner”, “prime contractor”, and “worker” have the meanings given those terms under the *Workers’ Compensation Act* (*WC Act*) and its regulation.

ARTICLE 1 OTHER SAFETY CONSIDERATIONS

Notice of Project

1.01 Where a Notice of Project is required as set out in the *WC Act* and its regulations, the Contractor, unless otherwise notified in writing by the Province or the Prime Contractor, must submit the Notice of Project in a format acceptable to WorkSafe BC.

1.02 Where the Contractor submits the Notice of Project, a copy must be provided to the Province. Where the Province or Prime Contractor will submit the Notice of Project, the Contractor must provide, upon request, all information necessary to support the Notice of Project and the Contractor will be provided with a copy of the Notice of Project.

1.03 The Contractor will commence and conduct all operations consistently with the Notice of Project.

Reporting

1.04 The Contractor must immediately submit written notice to the Province on all matters reported to WorkSafe BC by the Contractor or the Contractor’s Subcontractors. The written notice must include all information necessary to allow the Province to adequately collect and address safety or other related incidences, and will be anonymized so as not to include personal information about an identifiable individual including their name, address, telephone number, age, sex, race, religion, sexual orientation, disability, fingerprints, or blood type, health care, educational, financial or employment history and anyone else's opinion about the individual. This scope does not include business contact information (e.g., name, title, address, telephone or fax numbers or email address used for business contact purposes).

1.05 Where a Party brings safety concerns to the attention of the other Party, the Party will give full consideration to the issues raised. Where the Contractor receives safety concerns from the Province, the Contractor will provide the Province with a considered response, including any information necessary to demonstrate that the Contractor is in compliance with *WC Act* and its regulations.

1.06 Upon the Province’s request, the Contractor or any of its Subcontractors must provide evidence to the satisfaction of the Province that the Contractor or its Subcontractor(s) has:

(a) an effective business process in place to:

i) remedy any workplace conditions that are hazardous to the health or safety of the employer's workers including safe work practices and procedures;

ii) ensure that the employer's workers:

A. are made aware of all known or reasonably foreseeable health or safety hazards to which they are likely to be exposed by their work;

B. are made aware of their rights and duties under the *WC Act* and its regulations.

(b) established occupational health and safety policies and programs in accordance with the regulations, which includes:

i) first aid assessment and provision services and equipment;

ii) an employee monitoring system that will periodically ensure the well being of all workers working alone or in isolation;

iii) accident injury reporting and investigation;

iv) an emergency response plan and employee understanding of said plan that will ensure adequate and timely response to any emergency that can be reasonably expected to occur in relation to the Works or Services being performed;

v) evidence of training and any required certifications required under *WC Act* or its regulations;

vi) evidence of a maintenance program for all equipment and vehicles owned or operated by the Contractor or its Subcontractors commensurate with the risks associated with such equipment and vehicles;

vii) provision for the regular inspection of premises, work methods and work practices; and

viii) provision by the employer for the instruction and supervision of workers including orientation of workers in the safe performance of their work.

(c) provided and maintained in good condition protective equipment, devices, and clothing as required by the *Occupational Health and Safety Regulation* and ensure that these are used by the employer's workers;

(d) provided the employer's workers all information, instruction, training, and supervision necessary to ensure the health and safety of those workers in carrying out their work and to ensure the health and safety of other workers at the workplace;

(e) a copy of the *WC Act* and its regulations readily available for review by the employer's workers and, at each workplace where workers of the employer are regularly employed, post and keep posted a notice advising where the copy is available for review.

ARTICLE 2 PRIME CONTRACTOR PROVISIONS

2.01 The Contractor acknowledges, agrees, and warrants that:

(a) The Contractor will be considered to be the Prime Contractor and shall enter into a Prime Contractor Agreement with the Province and shall carry out the duties described therein, where any of the following conditions exist:

(i) the Province gave notice that the Successful Bidder would be the Prime Contractor;

(ii) the Province designates the Contractor to be the Prime Contractor at any time during the performance of the Work or Services;

(iii) the Contractor creates a multiple employer workplace through subcontracting any of the Work or Service at any time.

2.02 Where the Contractor is being considered as the Prime Contractor as per clause 2.01, the following is applicable:

(a) upon request, the Contractor must satisfy the Province that the Contractor has the experience and capacity to address Prime Contractor responsibilities in accordance with the Agreement and the WC Act and its regulations; and

(b) the Province provides written acknowledgement of the Contractor’s experience and capacity to function as Prime Contractor; and

(c) where the Contractor creates a multiple employer workplace, the Contractor will provide or acquire at their own expense all resources necessary to discharge the Prime Contractor responsibilities; or

(d) the Province may, in its sole discretion, give consideration for compensation related to any additional costs where, after commencement of the work, the Province creates a multiple employer workplace and designates the Contractor to be the Prime Contractor.

2.03 The Province may from time to time give prior written notice that a person other than the Contractor is designated as the Prime Contractor. The Contractor agrees that on receiving such written notice, the Contractor will cooperate with the Prime Contractor and shall coordinate health and safety activities and ensure compliance with the Prime Contractor's safety program.

2.04 The Contractor shall, upon becoming aware of any apparent deficiencies in the Prime Contractor's work which would affect the Work or Services, shall report such deficiencies in writing to the Ministry Representative.

ARTICLE 3 HAND FALLING

3.01 Where hand falling activity will be taking place under the Agreement and without limiting any other provision of the Agreement or the Contract Documents, the Contractor shall comply with the following safety requirements.

3.02 Hand falling means the falling of trees by any means with at least one person at or near the base of the tree during falling and not inside a protected cab, where the trees are greater than 6 inches diameter at 12 inch stump height, or as may be determined by WorkSafe BC.

3.03 The Contractor must ensure that:

(a) all hand falling is undertaken by fallers certified by BC Forest Safety Council (BCFSC) or ENFORM and are qualified for the slope and timber conditions being addressed;

(b) a qualified Falling Supervisor satisfactory to the Province is designated for all forestry related hand falling activities and for all non-forestry related hand falling activities taking place.

3.04 A Falling Supervisor will be deemed qualified where:

(a) it has satisfactorily completed the BCFSC Falling Supervisor Training course; or

(b) it is BCFSC Falling Supervisor Certified.

3.05 No hand falling operations will commence without the Province's prior satisfaction of acceptable proof of qualification/certification and of the Falling Supervisor's ability and competence.

3.06 The Contractor must, at least five Work Days prior to commencement of any hand falling operations, notify the Ministry Representative of the name of the designated Falling Supervisor or substitution thereof.

3.07 A Falling Plan must be developed with full engagement by the Falling Supervisor in collaboration with Hand Falling personnel and others responsible to discharge aspects of the falling plan.

3.08 The Contractor must ensure:

(a) no work will commence prior to all considerations of the Falling Plan being implemented as established by the designated Falling Supervisor;

(b) all hand falling operations performed occur and are supported in accordance with the Falling Plan; and

(c) upon request of the Ministry representative, provide any documents and evidence to verify adherence to the Falling Plan.

3.09 If the Contractor engages a subcontractor as its Falling Supervisor, the Contractor shall not be relieved from the subcontracted obligations or any obligations under this Agreement.

ARTICLE 4 COVID-19

4.01 Notwithstanding the terms and conditions of the Agreement, the Contractor shall comply with all laws affecting the Work, including measures put in place by the Provincial Health Officer regarding COVID-19 (Notices and Orders) requirements.
https://www2.gov.bc.ca/gov/content/health/about-bc-s-health-care-system/office-of-the-provincial-health-officer/current-health-topics/covid-19-novel-coronavirus

https://www2.gov.bc.ca/assets/gov/health/about-bc-s-health-care-system/office-of-the-provincial-health-officer/covid-19/covid-19-pho-guidance-work-camps-silviculture.pdf

The Contractor will provide BCTS staff a copy of their COVID-19 Infection Prevention & Control Plan upon request.

4.02 In addition to any other rights of inspection the Province may have under statute or otherwise, the Province may at any reasonable time and on reasonable notice to the Contractor, enter on the Contractor's premises, including any work camp, to inspect the premises and any the Contractor's equipment to be used in providing Services, including vehicles, and the Contractor must permit, and provide reasonable assistance to, the exercise by the Province of the Province's rights under this section.

Natural Resource Ministries

Schedule H
SAFE Certification Requirements

File: 10005-40/EN22TFH003

Attachment to the Agreement with Bad Ventures Ltd. for Wardner South FSR Road Construction Project.

1. Prior to commencement of the Work or Services under the Agreement, the Contractor must ensure that all of the Contractor's Subcontractors are:
   (a) Certified in the BC Forest Safety Council SAFE Company Program; or
   (b) Certified under another safety scheme recognized by BC Forest Safety Council,

   and that certification or endorsement is maintained in good standing while working or providing direction on the Place of Work or Work Area.

2. The Contractor may apply in writing to the Province for exemption of the requirement for certification in the SAFE Companies Program of its Subcontractors under the following situations:
   (a) where the Work or Services is not normally performed by persons working in the forest industry;
   (b) where, by requiring SAFE Company certification, the Contractor would put an undue hardship on its Subcontractors performing the work or might prevent required work from being done under the Contract.

3. The Province must provide exemption approval in writing. Where approval or conditional approval is given, the Contractor must ensure its Subcontractors comply with the terms and conditions of the approval.

4. The Contractor's and its Subcontractor's good standing in the SAFE Company Program or other recognized program will be a factor of consideration for contract extensions or renewals under an option-to-renew contract.

5. Should the Contractor or its Subcontractors no longer be in good standing in the SAFE Company Program or other recognized program at any time during the Term of the Agreement, the Contractor shall immediately advise the Province and shall submit to the Province, within five (5) days, evidence satisfactory to the Province that the Contractor or its Subcontractors are actively engaged with the BC Forest Safety Council or other applicable organization in obtaining re-certification.

   The Contractor or its Subcontractors must achieve re-certification within a reasonable period of time, and the reasonable period of time will be determined by the Province in its sole opinion.

   When re-certification is obtained, the Contractor shall promptly submit proof of re-certification to the Province.

Natural Resource Ministries

SCHEDULE "K"—
Subcontracting Schedule

File: 10005-40/EN22TFH003

Attachment to the Agreement with Bad Ventures Ltd. for Wardner South FSR Road Construction Project.

ARTICLE 1 GENERAL PROVISIONS

1.01 If the Contractor engages a Subcontractor, the Contractor shall not be relieved from the subcontracted obligations or any obligations under this Agreement.

1.02 The actions of any Subcontractor engaged to carry out any of the work shall be deemed to be the actions of the Contractor.

1.03 If the Contractor engages a Subcontractor to carry out any of the work, any provision in this Agreement requiring the Contractor to meet an obligation associated with the Subcontractor's work shall be deemed to mean the Contractor shall ensure the Subcontractor meets that obligation.

1.04 The Province may, for a reasonable cause, object to the use of an intended Subcontractor and require the Contractor to employ another qualified Subcontractor.

1.05 The Contractor acknowledges and agrees that the Subcontractor or any of the Subcontractors' directors, officers or members is not an Associated Person of the Contractor as that term is referenced in the tendering documents and as defined in the federal *Income Tax Act* or related Canada Revenue Agency's interpretation bulletins.

1.06 Nothing in this Agreement will create any direct or indirect contractual relationship between the Province and any Subcontractor or impose any obligation or liability upon the Province to any Subcontractor.

1.07 The Contractor must ensure all approved Subcontractors obtain WorkSafe BC coverage and comply with all conditions of the *Workers Compensation Act* and regulations thereunder and where general Worksafe BC coverage is not obtainable, the Contractor will ensure all Subcontractors obtain Personal Optional Protection under the *Workers' compensation Act*, and upon request must provide us with proof of such compliance.

1.08 The Contractor shall ensure that all its Subcontractors performing work under this Agreement carry insurance in the form and limits as specified in the insurance schedule, and upon request must provide us with proof of such compliance.

ARTICLE 2 INSPECTION BY THE CONTRACTOR

2.01 The Contractor is not entitled to subcontract any obligations with respect to inspection to the Subcontractor whose work is being inspected. Any inspection must be done by the Contractor, or by a different Subcontractor approved by the Province.

2.02 The Contractor shall inspect the work performed and/or each area of payment or part thereof for the purposes of determining the quality of work.

2.03 The Contractor shall inspect the work in the following manner:

As per contract and schedules.

2.04 The Contractor shall provide the Province with a written statement of the work quality achieved, supported by inspection data and a map of the work area and/or area of payment (or portions thereof). The Province may examine such portion or portions of the work performed and/or area of payment as it considers appropriate to verify the quality of the work.

2.05 If the Province determines the inspection carried out by the Contractor does not correctly indicate the quality of the work, the Province may require the Contractor to carry out additional inspection(s).

Ministry of Forests, Lands, Natural Resource Operations & Rural Development

Schedule L – Tax Verification

File: 10005-40/EN22TFH003

Attachment to the Agreement with Bad Ventures Ltd. for Wardner South FSR Road Construction Project.

1. In this Schedule:

   a) "**Tax Verification Letter**" means a letter issued by the Province of British Columbia's Ministry of Finance verifying that the Contractor meets its applicable B.C. corporate income tax filing obligations and provincial sales tax (PST) filing and payment obligations; and

   b) "**Valid"** means that the Tax Verification Letter's period of validity, as indicated on the Tax Verification Letter, has not ended.

2. As a condition of entering into this Agreement, the Contractor provided to the Province a Valid Tax Verification Letter.

3. Upon request by the Province, the Contractor must provide the Province with a new Valid Tax Verification Letter. Notwithstanding any other provision of this Agreement, the Contractor acknowledges and agrees that any extension or renewal of this Agreement is conditional upon the Province having, or receiving from the Contractor in response to a request from the Province, a Valid Tax Verification Letter prior to any such extension or renewal.