



**GOVERNMENT OF NUNAVUT  
COMMUNITY AND GOVERNMENT SERVICES & HEALTH AND SOCIAL  
SERVICES**

**REQUEST FOR PROPOSALS  
RFP # 2011-22**

**STANDING OFFER AGREEMENT  
MEDICAL TRAVEL ON SCHEDULED AIRLINES,  
NUNAVUT  
(Kitikmeot, Kivalliq, and Baffin Regions)**

**ISSUE DATE: February 25, 2011**

**CLOSING DATE: April 15, 2011**



## Request for Proposals

The Government of Nunavut (GN) is requesting Proposals from qualified proponents for the provision of **Scheduled Medical Travel on Scheduled Airlines** as is outlined in this Request.

### Introduction, What is New?

This RFP is looking for proposed **pricing for both Medical Travel and GN Duty Travel**. The combined Medical and Duty travel is worth an estimated \$70 Million annually. From this RFP process we anticipate awarding Standing Offer Agreements for market shares based on the Medical Travel portion (Contract Allocation) only. Although it is a requirement of this RFP and the contracts awarded as a result that prices for Duty Travel will be the same as prices for Medical Travel, the GN will not be awarding market share or promising any other minimum of duty travel. **The market shares will be calculated from the community level and totaled to be awarded regionally.** The market shares for Medical Travel will be tracked quarterly, however the final year end market share will be calculated annually, with a buffer of **plus/minus 7%**.

**Note:** The evaluation criteria for this RFP process includes “Pricing and Other Expenses” to be evaluated at 40%. This pricing evaluation includes both Medical Travel and Duty Travel (they must be set at the same rate). Note also that Customer Service is rated at 35% of the evaluation criteria. The majority of the customer service category will be evaluated based on the frequency of flights available and seating capacity.

The Department of Health & Social Services works with patients and health care providers in the south and in Iqaluit to coordinate patient appointments and travel. It is much easier to accommodate appointments when there are at least three (3) trips during the week on certain routes. Otherwise it is difficult to accommodate patient appointments without delays or overnight stays. The GN reserves the right to exclude some routes from the award of the market shares if we are unable to negotiate a flight schedule that allows for the required flight and schedule availability that will accommodate patient needs.

### Volumes

Medical travel costs represent a major expenditure for the Health and Social Services Department (HSS). The table below provides an overview of the expenditures by fiscal periods (April 1 to March 31):

	<i>Fiscal Year 2006/2007</i>	<i>Fiscal Year 2007/2008</i>	<i>Fiscal Year 2008/2009</i>	<i>Fiscal Year 2009/2010</i>
<b>Total*</b>	<b>\$35,516,000</b>	<b>\$38,178,000</b>	<b>\$39,790,000</b>	<b>\$44,108,000</b>

\* - Total includes costs paid by HSS, Finance and NIHB.

Schedule “C” contains a table showing Medical Travel volumes by communities from April, 2008, to December, 2010. Volumes represent total one way trips to and from destination communities.

The GN requires equivalent bulk discounts on Duty Travel business. Annual Duty Travel business is estimated at \$26,000,000 across Nunavut in 2009/2010. No volume information or statistics are available

for Duty Travel business. The GN will not offer any market share awards for Duty Travel business. The GN reserves the right to use any airline for duty travel that best meets the service requirements at the most reasonable price.

Proponents must be able to provide volume statistics on Duty Travel business similar to Medical Travel business, as outlined in Schedule "B". Duty Travel and Medical Travel volumes statistics must be reported separately. Being able to track Duty Travel business by volume, route and by GN Department would be ideal.

**Easy Reading:** Please note that to improve the readability of this contract, the Pro Forma Contract is in blue print and font is Times New Roman.

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## Section 1      **INSTRUCTIONS TO PROPONENTS**

1.1      Proposals must be received before April 15<sup>th</sup>, 2011 at 15:00 hrs, local Iqaluit time at:

**Government of Nunavut,  
Department of Procurement & Logistics  
Attention: Mark McCulloch, Senior Manager, Procurement & Logistics  
Tel: (867) 975-5427  
Deliver to 3rd floor, W. G. Brown Building, Iqaluit, Nunavut**

**Or documents may be faxed**

**Fax: (867) 975-5450**

**Original documents must be sent to:  
Government of Nunavut, Procurement & Logistics Department  
P.O. Box 1000 Station 700,  
Iqaluit, NU  
X0A 0H0**

Proposals received after the exact time and date noted above will be rejected.

The original and **five (5)** copies are to be submitted, quoting **Medical Travel on Scheduled Airlines, Territory of Nunavut (Kitikmeot, Kivalliq, and Baffin Regions), RFP 2011-22**, the closing date, and the proponent's name on the outside of the envelope.

After the closing, only the identity and addresses of the proponents will be posted.

1.2 The GN will not be responsible for any proposal that:

- does not indicate the Request for Proposals Title, closing date, and the proponent's name on the outside of the envelope
- is delivered to any address other than that provided above.

1.3 Facsimile transmitted proposals will be accepted under the following conditions:

1.3.1 The proposal is received before the submission deadline at the facsimile number stated;

1.3.2 The GN will not accept liability for any claim, demand or other actions for any reason should a facsimile transmission be interrupted, not received in its entirety, received after stated closing time and date, received by any other facsimile unit other than that stated herein, or for any other reasons;

1.3.3 The GN cannot guarantee the complete confidentiality of information contained in the proposal received by facsimile;

1.3.4 The proponent shall submit an original proposal and five (5) copies, to the address stated herein, immediately following the transmission of the facsimile by the most expedient means.

1.3.5 To ensure the proposal is received before the closing, it is recommended that if sending proposals by facsimile, to send well in advance of the tender closing date and time, and to confirm receipt by a telephone enquiry. (The facsimile line may be very busy prior to a proposal closing as it is also used for other government business.)

1.4 All questions or enquiries concerning this Request for Proposals must be in writing and be submitted to the address provided above no later than five (5) calendar days prior to the proposal deadline. Verbal responses to any enquiry cannot be relied upon and are not binding on either party.

1.5 **All Proponents are invited to attend a Proponents meeting to be held on Tuesday March 15, 2011, at 10:00AM - Noon. The meeting will be held at the Qikiqtani General Hospital in room 1700. The purpose of this meeting will be to offer clarification of the terms of reference as required. Please note that attendance at the meeting is not mandatory. Proponents may also conference-call into the meeting. Please use the following information: 1-866-969-8429. Conference Identification 6967263.**

- 1.6 **We would request that any questions or concerns with respect to the RFP document or the RFP process should be forwarded in writing by Friday, March 11, 2011, 4:00PM local Iqaluit Time. The questions and answers will be prepared as a written Addendum and provided to all proponents. Submitting the questions in advance will assist the GN to prepare adequate responses to the questions in a timely manner.**
- 1.7 Although we have requested that questions be submitted in advance of the Proponents meeting so that the GN can prepare a proper response for the meeting, the final cut-off for questions or enquiries concerning this RFP must be in writing and be submitted to the address provided above no later than five (5) calendar days prior to the proposal deadline. Verbal responses to any enquiry cannot be relied upon and are not binding on either party. The contact person for this RFP is: **Mark McCulloch, Senior Manager of Procurement. E-mail: [mmcculloch@gov.nu.ca](mailto:mmcculloch@gov.nu.ca)**
- 1.8 The anticipated Contract Award Date will be: June, 2011. Proponents must be prepared to start the services August 1, 2011 or state clearly the date on which they propose to start services, and agree to forego market share for the period of time between August 1, 2011 and the start of the month following the start date. The GN reserves the right to reject any proposals that do not propose a start service date by August 1, 2011, and should service start later, the Contractor will not be entitled to Market Allocation for the first month.
- 1.9 This is **not** a Request for Tenders or otherwise an offer. The GN is not bound to accept the Proposal that provides for the lowest cost or price to the GN nor any proposal of those submitted.
- 1.10 The Government of Nunavut may, at its absolute discretion, at any time before or after the deadline, terminate the Request for Proposal process for any reasons considered relevant, without liability to the Government of Nunavut.
- 1.11 If a contract is to be awarded as a result of this request for proposals, it shall be awarded to the proponent who is responsible and whose proposal provides the best potential value to the GN. Responsible means the capability in all respects to perform fully the contract requirements and the integrity and reliability to assure performance of the contract obligations.
- 1.12 If a written Contract cannot be finalized within thirty days of Notice of Intent to Contract with the successful Proponent, the Government of Nunavut may, at its sole discretion at any time thereafter, terminate negotiations with that Proponent and either negotiate a Contract with the next qualified Proponent or choose to terminate the Request for Proposal process and not enter into a Contract with any of the Proponents.
- 1.13 Notice in writing to a proponent and the subsequent execution of a written agreement shall constitute the making of a contract. No proponent shall acquire any legal or equitable rights or privileges whatsoever until a contract is awarded and executed.
- 1.14 The contract will contain the relevant provisions of this Request for Proposals, the accepted proposal as well as such other terms as may be mutually agreed upon, whether arising from the accepted proposal or as a result of any negotiations prior or subsequent thereto. The GN reserves the right to negotiate modifications with any proponent who has submitted a proposal.
- 1.15 In the event of any inconsistency between this Request for Proposal, and the ensuing contract, the contract shall govern.
- 1.16 The GN has the right to cancel this Request for Proposals at any time and to reissue it for any reason whatsoever, without incurring any liability and no proponent will have any claim against the GN as a consequence.
- 1.17 The Government of Nunavut reserves the right to modify the terms of the Request for Proposal at any time at its sole discretion, and will notify Proponents of these modifications.

- 1.18 The GN is not liable for any costs of preparation or presentation of proposals.
- 1.19 An evaluation committee will review each proposal. The GN reserves the exclusive right to determine the qualitative aspects of all proposals relative to the evaluation criteria.
- 1.20 Proponents may amend their proposal up to the closing date and time by facsimile. But after the closing date and time a proposal may not be amended, but may be withdrawn by the proponent at any time prior to acceptance.
- 1.21 The *Access to Information and Protection of Privacy Act* will define the Contract Authority's responsibility with respect to any information received by it pursuant to the RFP process.
- 1.22 One of the priorities of the GN is to ensure Inuit, Local, and Nunavut businesses supply materials, equipment, and services, and that Inuit, Local and Nunavut labour is used to the fullest extent practical on any GN contract. Therefore, the Nunavummi Nangminiqatunik Ikajuuti (NNI Policy) applies to this Request for Proposals. To receive the benefits of this Policy, proponents are required to identify cost components for Inuit, Nunavut and Local content including the names of any subcontractors, suppliers, and the residency of project team members or other labour proposed to carry out the work. Consideration will also be given for the proponent's Inuit firm and/or Nunavut Business status.
- Proponents can obtain information about the NNI Policy from the NNI Policy Secretariat at tel: (867) 975-7837, fax. (867) 975-7870. A registry of approved Nunavut Businesses can be accessed at the website <http://nni.gov.nu.ca/business/search/name>. A listing of approved Inuit owned firms can be obtained from Nunavut Tunngavik Inc. (NTI) at tel. (867) 975-4900 or at their website: [www.tunngavik.com](http://www.tunngavik.com).
- 1.23 Using a sub-contractor (who must be clearly identified in advance) may be acceptable. This includes a joint submission by two Proponents having no formal corporate links. However, in this case, one of these Proponents must be prepared to take overall responsibility for successful interconnection of the two products or service line and this must be defined in the proposal.
- 1.24 Sub-contracting to any firm or individual whose current or past corporate or other interests may, in the Government of Nunavut's opinion, give rise to a conflict of interest in connection with this contract will not be permitted.
- 1.25 Proposals may be short-listed. Proponents who are short listed may be requested to make a formal presentation. Such presentations shall be made at the cost of the proposer.
- 1.26 The proposal and accompanying documentation submitted by the proponents are the property of the GN and will not be returned.
- 1.27 Person(s) authorized to sign on behalf of the Proponent and to bind the Proponent to statements made in response to this Request for Proposal must sign the proposal.
- 1.28 By submission of a proposal the Proponent warrants that, if this Request for Proposal is to design, create or provide a system or manage a program, all components required to run the system or manage the program have been identified in the proposal or will be provided by the Proponent at no charge.
- 1.29 The Government of Nunavut is subject to legislation governing the protection of personal privacy. This legislation, the Freedom of Information and Protection of Privacy Act (the Act), governs the collection, use, retention, security and disclosure of personal information managed by the public bodies. The Act will apply to all of the Government of Nunavut's electronic information accessed or returned by a private sector firm. The successful proponent will be expected to include the nondisclosure Agreement (Appendix F) in the contract for services. This Agreement along with the Act will define the rules regarding access to and disclosure of records controlled by the

Government of Nunavut and held by the Proponent.

- 1.30 Respondents to this RFP should be advised that all contracts for goods and or services awarded by the Government of Nunavut (GN) are made public. The GN releases a Contract Activity Report (CAR) and a Procurement Activity Report (PAR) which makes public the name of the successful proponent and the contract price. Base fares submitted under this RFP will not be made public.
- 1.31 Notwithstanding any other provision, a Proponent who responds to this RFP agrees that any claim for damages or compensation of any kind related directly or indirectly to a breach of contract or other cause of action arising from the RFP process, the evaluation of responses, or the final award of the contract, shall be limited to the Proponent's actual proposal preparation cost. Proposal preparation cost is the actual cost borne by a Proponent to prepare and submit its response to this RFP. By responding to this RFP a Proponent acknowledges and accepts this limitation.
- 1.32 TAKE NOTICE that the GN reserves the right to reject any proposal submitted by any proponent:
  - Who has previously defaulted on a contract with the GN, or
  - against whom it has an unresolved claim for damages of any kind, which claim is not in litigation or
  - who has an unresolved claim against the GN which claim is not yet in litigation.
  - with whom it is engaged in litigation before the Courts, regardless of how the matter arose in the first instance.

## SOA GENERAL CONDITIONS

1. This type of unilateral contract is commonly referred to as a Standing Offer Agreement (SOA). The Contractor agrees to provide the goods or services required at prices and on terms as agreed. The GN is not bound to purchase any goods or services whatsoever. The GN does not guarantee any specific total value of business.
2. Individual contracts will be formed using a service contract similar to the attached Pro Forma Contract in Appendix E.
3. The Contractor must provide and maintain in force for the duration of the contract insurance policies as specified in the attached Contract.
4. The Contractor shall maintain Workers Compensation Insurance covering all employees engaged in the work in accordance with the statutory requirements of the Territory or Province having jurisdiction over such employees. If the Contractor is assessed any additional levy, extra assessment or super-assessment by a Workers Compensation Board as a result of an accident causing injury or death to an employee of the Contractor or Subcontractor, or due to unsafe working conditions, then such levy or assessment shall be paid by the Contractor at its sole cost and will not be reimbursed by the GN.
5. The Contractor agrees and acknowledges that sections 66 and 67 of the *Financial Administration Act*, R.S.N.W.T., 1988 c.F-4, as amended, prohibits the making of guarantees and indemnities on behalf of the GN and that any guaranty or indemnity made in contravention of this Act is not binding on the GN, and cannot be enforced by the Contractor.
6. All goods or services provided shall be in accordance with GN policies, directives, methods, and procedures, and under the direction of such official(s) as may from time to time be designated by the GN. Such policies, directives and procedures include but not limited to: Client Travel Policy.
7. The GN reserves the right to award this RFP to more than one vendor. This is not an exclusive contract.



## SECTION 2 TERMS OF REFERENCE

### 2.1 Definitions

- 2.1.1 “RFP” means Request For Proposals
- 2.1.2 “Contract” means the written agreement resulting from this RFP executed by the Government of Nunavut.
- 2.1.3 “CPI” means Consumer Price Index set for **All Items Canada** less energy, based in Iqaluit, or if not available for Iqaluit, then Yellowknife, from June of the current year to July of the previous year. For example: if a ticket price between Iqaluit and Ottawa has been \$1000.00, and the CPI for All Items Canada, less energy, in Iqaluit, is 2.2 %, the new ticket price for August 1<sup>st</sup> of that year will be \$1022.00.
- 2.1.4 “Proponent” means an individual or company that submits, or intends to submit, a proposal in response to the RFP.
- 2.1.5 “DHSS” means Department of Health and Social Services, specifically in relation to the Government of Nunavut.
- 2.1.6 “Departments” means all GN departments, crown corporations and agencies including, but not limited to:
- Department of Community & Government Services
  - Department of Culture, Language, Elders & Youth
  - Department of Economic Development & Transportation
  - Department of Education
  - Department of Environment
  - Department of Executive & Intergovernmental Affairs
  - Department of Finance
  - Department of Health & Social Services
  - Department of Human Resources
  - Department of Justice
  - Nunavut Arctic College
  - Nunavut Housing Corporation
  - Qulliq Energy Corporation
  - Business Credit Corporation
  - Labour Standards Board
  - Legal Services Board
  - Liquor Licensing Board
  - Human Rights Tribunal
  - Qullit Nunavut Status of Women Council
  - All flight bookings made by the GN.
- 2.1.7 “Aviation Authority” means any person, governmental department, bureau, commission or agency of Canada, the United States, or any other country or political subdivision having jurisdiction over the Proponent or the performance of its obligations hereunder and will include, without limitation, any regulatory authority which has granted to the Proponent a license, permit or other authority required by the Proponent to perform the Services contemplated by this Agreement.



- 2.1.8 “Bump” or “Bumping” means when a passenger having a confirmed space reservation is denied boarding due to there being more passengers holding confirmed space reservations than there are available seats on that flight.
- 2.1.9 “Base Fares” means one way passenger fares including Nav Canada fees and fuel surcharge fees but excluding taxes, airport improvement fees, air traveler security charges, and Goods and Services Taxes.
- 2.1.10 “Flight Schedule” means the flight frequency departure and arrival times published by the Proponent and made available from the Proponent as requested by the GN from time to time.
- 2.1.11 “Flight Leg” means Segment of a flight involving a stopover, change of aircraft, or change of airline. Also called flight segment.
- 2.1.12 “Force Majeure” means an Act of God, revolution, riot, act of war, insurrection, civil commotion, blockage, hijacking, or any other act against public order or authority, weather conditions, fire, floods, strike, lockout, labour dispute or other industrial disturbances whether or not involving the employees of the Party invoking the event of force majeure or any cause beyond the reasonable control of the GN or the Proponent, as the case may be, which prevents, seriously hinders or interferes with the performance by either Party of its obligations under this Contract.
- 2.1.13 “Passenger Tariff” means the rules governing the contract of carriage between the airline and the passenger as amended from time to time.
- 2.1.14 “Uplift” means passengers actually flown by the airline.
- 2.1.15 “Duty Travel” means all travel other than medical travel, for the purpose of conducting Government of Nunavut or related business.
- 2.1.16 “Medical Travel” includes only those patient transportation services funded by the GN including those passengers identified as follows:
- |                                |                                       |
|--------------------------------|---------------------------------------|
| (1) <b>NIHB Patient</b>        | (2) <b>NIHB Escort</b>                |
| (3) <b>GN Employee Patient</b> | (4) <b>GN Employee Patient Escort</b> |
| (5) <b>Family Services</b>     | (6) <b>Extended Health</b>            |
| (7) <b>Dental</b>              | (8) <b>Social Services</b>            |

And for clarity, does not include medical evacuations (medevac).

## 2.2 Background

- 2.2.1 The Government of Nunavut is responsible for the safe and efficient transport of Nunavut residents within the context of its Client Travel Policy (<http://www.gov.nu.ca/policies/ctpp.pdf>) to and from appropriate medical care facilities in and outside the Territory of Nunavut. Many of the non-emergent patients can travel by scheduled commercial airlines when it is determined to be medically suitable and the most cost effective option.
- 2.2.2 The Contractor will provide seating and related services to non-emergent patients and escorts requiring airline travel to and from some or all of the communities throughout Nunavut, Yellowknife and destinations in southern Canada. Historically the primary major centers patients travel to and from are Yellowknife, Winnipeg, Churchill, Edmonton, Ottawa and Iqaluit.

- 2.2.3 The Government of Nunavut wishes to improve scheduled airline services throughout Nunavut and in particular, points between Nunavut communities. The Proponent should clearly indicate how its proposal would contribute to improving scheduled airline services throughout Nunavut. Service levels will be evaluated based on the frequency of flights and seats available, least numbers of legs to travel between communities, shortest travel times, minimum overnight stays and delays, reservation systems and overall passenger comfort.
- 2.2.4 The Government of Nunavut is accepting proposals from proponents to supply Patient Transfer Services for non-emergent ambulatory patients who can fly assisted or non-assisted on Scheduled Commercial Airlines (Medical Travel).
- 2.2.5 The services requested in this RFP cover only those patient transport services funded by the Government of Nunavut. Non-funded services are the responsibility of the patient or third party coverage.
- 2.2.6 In addition the Government of Nunavut requires equivalent fares for GN Duty Travel. Duty Travel will not be included in any market share awards. Current estimates of Duty Travel business for Nunavut are \$26,000,000 annually. No volume information or routing information is currently available for Duty Travel however proponents must be prepared to provide the GN with volume and route statistics in the format outlined in Schedule "B".
- 2.2.7 Current volume information and historical volume data for Medical Travel can be found in Schedule "C". No similar information is available for Duty Travel.
- 2.2.8 The term of this agreement will be for a period of three years with the possibility of three one year extensions.
- 2.2.9 The Government of Nunavut reserves the right to apportion the percentage of market share for **Scheduled Medical Jet Travel** and **Scheduled Medical Turbo-Prop Travel** as it deems appropriate. The percentage will be evaluated based on the RFP Evaluation Criteria and within the context of each region (Kitikmeot, Kivalliq, and Baffin). The Market Share Proportion will be set at a regional level. Any apportioned Scheduled Medical Travel will be measured by flight leg. At the end of the year, the market share portions will be calculated within a plus / minus 7%. If at the end of the year the actual market shares are within a plus / minus 7%, they will be considered within the agreed range.
- 2.2.10 The GN reserves the right to charter aircraft to move non-emergency medical travel patients as and when it requires. These charter(s) may, or may not, meet the requirements for service as defined in this proposal and will not be included in any market share award calculations.
- 2.2.11 The Department of Health & Social Services works with patients and health care providers in the south and Iqaluit to coordinate patient appointments and travel. It is much easier to accommodate appointments when there are at least three (3) trips during the week on certain routes. Otherwise it is difficult to accommodate patient appointments without delays or overnight stays. The GN reserves the right to exclude some routes from the award of the market shares if we are unable to negotiate a flight schedule that allows for the required flight and schedule availability that will accommodate client needs.
- 2.2.12 Proponents are requested to provide suggested solutions to connecting ticket fares in southern travel beyond the main centres of Ottawa, Winnipeg and Edmonton. Combined tickets to destinations beyond the main centres often require connecting fares at full fare costs to obtain the ability to cancel and refund the northern portions. Proponents are asked to suggest solutions to this problem.

## 2.3 Requirements of Scheduled Jet Service

- 2.3.1 The successful proponent will provide regularly scheduled jet service on routes as proposed. Refer to appendices A, B, and C.
- 2.3.2 The successful Proponent(s) will provide the most efficient delivery of GN clients to and from destination. Efficiency will be evaluated under customer service and is defined by:
- The timely AND most direct delivery of the passenger(s).
  - The comfortable delivery of the passenger(s).
  - The delivery of the passenger(s) in the most economic way possible.
  - The frequency in which the proponent can deliver the passenger(s).
- 2.3.3 For flights over one hour in duration, the Proponent will provide toilet facilities on all aircraft on which Medical Travel passengers will be flying. These toilet facilities shall be private and have a door having a functional locking mechanism. If the toilet facilities are inadequate some travelers may not be able to fly on some airlines. The GN reserves the right to approve proposed toilet facilities and reject any proposal, or part of any proposal that does not provide adequate facilities.
- 2.3.4 The successful Proponent(s) will notify the GN in writing not less than sixty (60) calendar days prior to implementing any Flight Schedule change. The proponent must include a copy of the current flight schedule and anticipated flight schedule changes that may occur through the next 6 month period ending September 30<sup>th</sup> 2011. The GN reserves the right to adjust market share for any Flight Schedule changes that reduces service levels.
- 2.3.5 The successful Proponent(s) will provide the GN a minimum of sixty (60) calendar days advance written notice of its intent to change the aircraft type on any route covered by this Contract. The GN reserves the right to adjust market share for any changes to aircraft type that reduces service levels.
- 2.3.6 Within 15 days of the month end, the successful Proponent will provide the GN with a monthly report outlining the actual number of Medical Travel passengers (Uplift) flown by the Proponent on those routes covered by this Contract in Appendix A, B and C, for that month. Proponents must be able to provide the information in the sample format provided in Schedule "B".
- 2.3.7 Within 20 days of the month end, the successful Proponent will provide the GN with a monthly report, similar to the medical travel report format in Schedule "B", outlining the actual number of Duty Travel passengers (Uplift) flown by the Proponent on those routes covered by this Contract in Appendix A, B and C, for that month.
- 2.3.8 Subject to 2.3.6, the GN will provide a regional allocation of all Medical Travel passengers on those routes covered by this Contract on a quarterly basis. This will confirm with the successful proponent(s) that the GN is executing the apportioning of **Scheduled Medical Jet Travel** as awarded.
- 2.3.9 The allocation of market share awards will be based on each 12 month period over the full term of the contract.
- 2.3.10 The Proponent will agree to quarterly meetings to discuss the market share allocations and any issues that may arise from the contract.

## 2.4 Requirements of Scheduled Turbo-Prop Service

- 2.4.1 The successful proponent will provide regularly scheduled turbo-prop on routes as proposed. Refer to appendices A, B, and C.
- 2.4.2 The successful Proponent(s) will provide the most efficient delivery of GN clients to and from destination. Efficiency will be evaluated under customer service and is defined by:
- The timely AND most direct delivery of the passenger(s).
  - The comfortable delivery of the passenger(s).
  - The delivery of the passenger(s) in the most economic way possible.
  - The frequency in which the proponent can deliver the passenger(s).
- 2.4.3 For flights over one hour in duration, the Proponent will provide toilet facilities on all aircraft on which Medical Travel passengers will be flying. These toilet facilities shall be private and have a door having a functional locking mechanism. If the toilet facilities are inadequate some travelers may not be able to fly on some airlines. The GN reserves the right to approve proposed toilet facilities and reject any proposal, or part of any proposal that does not provide adequate facilities.
- 2.4.4 The successful Proponent(s) will notify the GN in writing not less than sixty (60) calendar days prior to implementing any Flight Schedule change. The proponent must include a copy of the current flight schedule and anticipated flight schedule changes that may occur through the next 6 month period ending September 30<sup>th</sup> 2011. The GN reserves the right to adjust market share for any Flight Schedule changes that reduces service levels.
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- 2.4.7 Within 20 days of the month end, the successful Proponent will provide the GN with a monthly report, similar to the medical travel report format in Schedule "B", outlining the actual number of Duty Travel passengers (Uplift) flown by the Proponent on those routes covered by this Contract in Appendix A, B and C, for that month.
- 2.4.8 Subject to 2.4.6, the GN will provide a regional allocation of all Medical Travel passengers on those routes covered by this Contract on a quarterly basis. This will confirm with the successful proponent(s) that the GN is executing the apportioning of **Scheduled Medical Turbo-Prop Travel** as awarded.
- 2.4.9 The allocation of market share will be based on each 12 month period over the full term of the contract.
- 2.4.10 The contractor will agree to quarterly meetings to discuss the market share allocations and any issues that may arise from the contract.

## 2.5 Customer Services

- 2.5.1 The Contractor and its staff will be professional and demonstrate a caring and helpful attitude toward Medical Travel and Duty Travel passengers including those with

disabilities or those needing assistance for general travel difficulties, such as ticketing, baggage and transportation.

- 2.5.2 The Contractor will make every effort to communicate with Medical Travel and Duty Travel passengers in Nunavut's four official languages as defined by the Official Languages Act. S.Nu.2008, c.10 and set out in the attached Contract.
- 2.5.3 The Contractor will provide a dedicated reservations and ticketing service during normal business hours for the exclusive use of the GN in booking Medical Travel and Duty Travel passengers. The proponent will provide:
- Dedicated customer service personnel
  - Dedicated toll-free phone line
  - After regular business hours contingency plan
- 2.5.4 The parties acknowledge that on occasion there may be a need to make reservations outside of normal business hours. The Proponent will provide the GN with the name(s) and telephone number(s) of individuals assigned to make reservations during this period in their response to this proposal.
- 2.5.5 The GN will make all reservations and arrangements for Medical Travel and Duty Travel passengers allocated to the Contractor through the exclusive reservations and ticketing service referred to in article 2.5.3.
- 2.5.6 The GN will make reasonable efforts to notify the Contractor six (6) hours prior to scheduled flight departure of any confirmed Medical Travel and Duty Travel passenger that will not be traveling on the booked flight.
- 2.5.7 The Contractor will not Bump GN medical travel clients holding confirmed reservations on any of the Contractor's flights. In the event of a flight cancellation due to weather or mechanical reasons, the Contractor will make reasonable efforts to accommodate passengers on alternate flights including flights with other airlines. Proponents will be expected to have systems in place to handle these situations at the ticket counter which may or may not involve agreements between successful proponents. In circumstances where an alternate flight is not available within six (6) hours, the Contractor will contact the GN travel staff for further direction. Passengers moved to alternate airlines will continue to be considered flown by the original airline for market share award purposes. Proponents will propose ways to track these passengers as being flown by the originating airline.
- 2.5.8 In the event of a medical emergency, and the GN has determined that the passenger is suitable to travel on the Contractor's scheduled service and there are no seats available, the Contractor will Bump other passengers in order to accommodate the emergency Medical Travel passenger. It is generally understood this refers to Medical Travel passengers on their way to urgent appointments.
- 2.5.9 Costs associated with Bumping revenue passengers referred to in article 2.5.8 will be borne by the GN. These costs to be borne by the GN for Bumped passengers are limited to those as outlined the Contractor's published Passenger Tariff.
- 2.5.10 The Contractor shall accommodate Medical Travel and Duty Travel passengers having wheelchairs and Medical Travel passengers requiring oxygen or stretchers. Passengers requiring access to toilet facilities and attendant care will be seated accordingly. The GN will advise the reservations agent of the special needs of any Medical Travel or Duty Travel passenger at the time of booking.

- 2.5.11 In unusual circumstances, the Contractor may be required to accommodate Medical Travel passengers with special equipment (example: physiotherapy equipment). Such equipment may need to be flown as cargo and will be transported without charge on the same flight or on the next available flight.
- 2.5.12 The Contractor must provide hot meals to Medical Travel clients on all jet flights totalling two (2) hours or more in duration. For example, the Iqaluit to Yellowknife flight consists of two flight legs; Iqaluit to Rankin Inlet and Rankin Inlet to Yellowknife. As each of these flight legs is less than two (2) hours but the duration of the trip to Yellowknife is greater than two (2) hours, a hot meal will be required on at least one leg.
- 2.5.13 All claims relating to lost or damaged baggage of Medical Travel and Duty Travel passengers traveling pursuant to this Contract will be settled in accordance with the provisions of the Contractor's Passenger Tariff.
- 2.5.14 The Contractor will provide the following services for medical travel and duty travel clients which no fees will apply:
- Lost ticket administration
  - Cancellation of tickets
  - Change in bookings including rebooking and reissuing tickets
  - Prepaid tickets
  - Booking and issuing of tickets
  - Two (2) pieces of luggage at maximum 70 lbs each
- Any service enhancements will be considered under Customer Service in section 3.2 and must be clearly identified as additional services from what would normally be included in "Y" class fares and section 2.5.14.
- 2.5.15 All tickets issued under the terms and conditions of this RFP will have the same rights and privileges of the airline industry standard for unrestricted (typically "Y" class) fares.
- 2.5.16 The Contractor will transport a reasonable amount of country food, subject to space availability, from a point of origin on the Contractor's route network to the Contractor's cargo facilities located at Ottawa, Winnipeg, Edmonton and Yellowknife. The Contractor will not charge for this service.

## 2.6 Financial Services

- 2.6.1 It is a condition of this Contract that payment hereunder is subject to Section 46 of the *Financial Administration Act*, as amended or re-enacted in successor legislation during the term of this Contract. Section 46 currently provides as follows:
- "It is a condition of every contract made by or on behalf of the Government requiring an expenditure, that an expenditure pursuant to the contract will be incurred only if there is a sufficient uncommitted balance in the appropriated item for the fiscal year in which the expenditure is required under the contract."*
- 2.6.2 If in any fiscal year in which the GN notifies, in writing thirty (30) calendar days prior, the Contractor that there is insufficient uncommitted balance in the appropriated item for the fiscal year to make all payments otherwise due to the Contractor in the fiscal year, the obligations of the Contractor shall be suspended until all payments are brought current
- 2.6.3 The GN will pay the Goods and Services Tax (GST).



- 2.6.4 The Contractor will invoice the GN for all tickets issued under this Contract no more frequently than on a weekly basis. The Contractor will invoice separately for medical travel and duty travel. The Contractor's invoice for medical travel will be in a format consistent with the sample invoice set forth in Schedule "A".
- 2.6.5 The Contractor will invoice the GN for all Uplift tickets issued under this contract for both Medical Travel and Duty Travel passengers. Separate invoices will be required for Medical Travel and Duty Travel. Separate invoices will be required under Duty Travel for each department. The Proponents warrant that they will have the systems in place to accommodate this requirement by the time the Contract is in force.
- 2.6.6 Invoices will include charges for each ticket including base fares outlined in Appendix A, B, and C and all fees described in section 2.7.
- 2.6.7 Provided all terms and conditions on the part of the Contractor have been complied with, the Contractor's invoices will be paid within thirty (30) calendar days of receipt of invoice, or thirty (30) calendar days after delivery of the services, whichever is later.
- 2.6.8 The GN may pay any amount, which is due and payable to the Contractor under this Contract, if any, to a third party where such payment is required by legislation or ordered by a court of competent jurisdiction.
- 2.6.9 All amounts referred to in this Contract are in Canadian dollars.

## **2.7 Fares, Fees, Surcharges, and Taxes**

- 2.7.1 Subject to all other terms and conditions of this Contract, the GN will pay to the Contractor for the services performed, the Base Fares as submitted by the Proponent(s) in Appendices A, B, and C.
- 2.7.2 Fuel, Nav Canada, and Insurance surcharges will be included in pricing as submitted in Appendices A, B, and C. Please include a sub-table with a breakdown of Fuel, Nav Canada, and Insurance surcharges as appropriate. GN will not be responsible for any fees not included in the Contractor's response.
- 2.7.3 The GN recognizes that factors outside the proponent's control including taxes, airport improvement fees, air traveler security charges, and Goods and Services Taxes may apply and may vary through the term of any contract issued. It is the GN's intent that any fees identified with individual passengers will be specified separately on each line of the invoice.
- 2.7.4 A fuel adjustment will be allowed per **Appendix G - Fuel Adjustment**. The Contractor will bill a fuel adjustment for each Uplift ticket invoiced in 2.6.4, 2.6.5 and 2.6.6 as per Schedule A.

## **2.8 Records, Inspections, and Audit Services**

- 2.8.1 The Contractor will keep accurate books, accounts and records respecting all transactions relating to the Contract, and the GN will have the right, at all reasonable hours of the day, to examine such books, accounts and records and all other documents and material in the possession or under the control of the Contractor with respect to the subject matter of this Contract. The GN will have full and free access thereto with the right to copy and take extracts therefrom and the right to audit or to request the Contractor to provide validation of the information through an auditor appointed by the GN at the expense of the GN.



- 2.8.2 The Contractor will keep accounts and records relating to the services rendered under this Contract for a period of three (3) years after the expiry of the Contract or in the event of an extension, three (3) years beyond the end of the extension.

## 2.9 Base Fare Adjustment

- 2.9.1 Base Fares shall be adjusted by the Contractor on each anniversary date of this Contract: August 1<sup>st</sup>, 2012; August 1<sup>st</sup>, 2013; and, if applicable, August 1<sup>st</sup> 2014 and, August 1<sup>st</sup>, 2015 and August 1<sup>st</sup> 2016, as set forth herein.
- 2.9.2 Base Fare adjustments shall be effective August 1<sup>st</sup> of each year during the Contract term and shall be applicable for tickets issued on or after the adjustment date.
- 2.9.3 The Base Fare adjustment percentage will be based on the Consumer Price Index (CPI).

## 2.10 Confidentiality

- 2.10.1 Any information obtained from, or concerning any department of the GN, or clients of any department of the GN, by the Contractor, its sub-contractors, agents or employees in the performance of this Contract shall be confidential. Any information, which is generated by or results from the Contractor's performance of the services described in this Contract, is confidential. Such confidential information includes but is not limited to the medical information and personal information of patients transported.
- 2.10.2 The Contractor shall take such steps as are necessary to ensure that any such information is not disclosed to any other person, and shall maintain confidential and secure all material and information that is the property of the GN and in the possession of or under the control of the Contractor. This clause survives the termination of this Contract.
- 2.10.3 The Contractor will use such confidential information only for the purposes of this Contract, and this term survives the termination of this Contract.
- 2.10.4 The Contractor will return such confidential information and records in its possession immediately upon completion of the Contract.
- 2.10.5 The parties acknowledge that the GN and the Contractor are subject to legislation governing the protection of personal privacy. This legislation, the *Access to Information and Protection of Privacy Act* (Nunavut) and the *Personal Information Protection and Electronic Documents Act* (Canada) governs the collection, use, retention, security and disclosure of personal information. The Contractor's compliance with legislation is an integral part of this Contract.

The GN recognizes that information obtained under this Contract about the Contractor's operation may be commercially sensitive. The GN shall take the necessary steps to keep the contents of this Contract confidential and will not make any disclosures of information obtained under this Contract to any third parties unless required by law to do so or unless prior written consent is obtained from the Contractor.

## PROPOSAL EVALUATION

### 3.1 Selection Methods

The purpose of this Request For Proposals is to inform Proponents of a business opportunity and to solicit proposals for the services outlined in the request. The Government of Nunavut throughout this Request For Proposals describes the services it is seeking from Proponents, however, Proponents are encouraged to offer solutions that may not be identified in this Request For Proposal. Depending on the proposals offered in response to this Request For Proposal, one or more Agreement(s) may be negotiated with Proponent(s).

When an alternative is proposed regarding any specific requirement, it will be evaluated to ensure that the desired results will be achieved. If alternative solutions are offered, submit the information in the same format, as a separate proposal. The Government of Nunavut reserves the right at its sole discretion, to consider alternate solutions to the issues stated in the RFP.

Proponents should be aware that certain mandatory requirements may have been set out in the **Terms of Reference (Section 2)**. Proposals that fail to provide these mandatory requirements may be deemed not responsible and will not be evaluated. The proponent should indicate how the requirements as specified in this RFP will be met and/or exceeded.

### 3.2 Rating

The evaluation team will utilize specific criteria to rate each proposal. Ratings will be confidential and no details will be released to any of the other proponents.

Each proposal will be evaluated using the following criteria:

- 40% **Pricing and Other Expenses;**
- 35% **Customer Services, Frequency of Flights;**
- 5% **Related Experience of the Company**
- 5% **Aircraft Operations and Specifications**
- 15 % **Inuit Preference (10% for Employment and 5% for use of Inuit owned firms)**

### 3.3 Proponent Response Guidelines

The following information should be provided in each proposal and will be utilized in evaluating each proposal submitted. The proposal must include information as follows:

#### 3.3.1 Ticket Pricing and Other Expenses

The proposal must contain cost information as follows:

- a) The Proponent must indicate the proposed fee schedule for all services (one way and return) for the term of the agreement. All fees must remain firm for a minimum period of 12 months from award of contract. Please fill out Appendices A, B, and C as applicable.

The fee schedule should include, but not be limited to the following items:

- Ticket Pricing;
  - Miscellaneous expenses;
  - Administrative support Expenses;
  - Other charges.
- b) The Proponent must provide an electronic billing document as specified in Schedule 'A' for Medical Travel invoices. Duty Travel invoices are not required to follow this format, but must be separated by department.
- c) Proposed Pricing must be stated in actual dollars and cents expressed in Canadian funds.
- d) The Government of Nunavut will pay the Goods and Services Tax (GST); however, do not include GST in your proposed pricing.
- e) The cost criteria will be adjusted in accordance with the NNI policy for the amount of work to be done by Inuit, Nunavut, and/or Local businesses and for the amount of work to be done by Inuit and/or Nunavut and Local residents.
- f) Any other criteria as specified in the Terms and Conditions (section 2).

### 3.3.2 Customer Services

- a) The proponent is to describe the capability of the resources proposed to meet the requirements described in the **Terms of Reference**. This must include a current flight schedule and an anticipated flight schedule (6 months in advance) if available.
- b) Customer service must be demonstrated (but not limited to) in the following areas:
- Reservations
  - Ticket Counter
  - In-Flight operations
  - Scheduling
  - Financial Services
  - General Airline Operations and all Passenger Services
- c) The contractor must demonstrate how it will ensure that patients can communicate with Airline staff in their own dialect pursuant to Nunavut's official languages.
- d) Contractors will refrain from "bumping" passengers holding tickets issued at the request of the Department of Health and Social Services or designated agents. If passengers are "bumped" the contractor will provide the Department of Health and Social Service with a report detailing reasons. The report must be substantiated with documentation (i.e. if for mechanical reason, the Department would require a maintenance report).
- e) Contractor staff and agents must be professional and demonstrate a caring and helpful attitude toward people with disabilities and be committed to assist patients who may be experiencing general travel difficulties such as ticketing, transportation, language barrier etc. as defined in the Terms and Conditions of this RFP.
- f) Indicate how the requirements as mandated in the **Terms of Reference (section 2)**, will be met and/or exceeded. The proponent should detail and address all sub-sections as defined in the **Terms of Reference (section 2)**.

- g) If the proponent does not agree to any of the **Terms of Reference (section 2)** as defined in this document, proponents must ensure that this disagreement is noted in the proposal document and on the attached Declaration of Non Conformity Appendix "H". Detail which Terms of Reference are not appropriate to the proponent and an alternative Term of Reference that would be appropriate to the said contractor. **This may or may not penalize and/or disqualify the proponent in the evaluation process.**

### 3.3.3 Related Experience of the Company

Provide a list of three (3) similar contracts that you and any proposed sub-contractor have completed including the company name, contact person and phone number that we may contact for a reference.

The proposal shall include brief resumes for all proposed personnel, sub-contractors, and/or project team members, including the Contract Administrator for the Contractor, any flight crew connected to specific aircraft, with a description of how, and in what ways the proposed resource satisfies the needs identified in the Request for Proposals.

3.3.3.1 Proponents must submit with its proposal number of pilots, their qualifications and experience including but not limited to:

- a) Licenses and endorsements
- b) Logged flight time on all aircraft
- c) Logged flight time on type
- d) Length of Time with Proponent

3.3.3.2 Proponents must submit with its proposal, number of engineer and their qualifications and experience including but not limited to:

- a) Licenses and endorsements
- b) Time logged on aircraft type being proposed
- c) Length of time with contractor

3.3.3.3 The Proponent must indicate:

- a) Number of year's proponent has been in scheduled airline transport business.
- b) Number of years experience in transport of patients or people with disabilities.
- c) Number of years experience in of individual employees.
- d) Minimum of three (3) references of current clients using your services including contact names and phone numbers.

### 3.3.4 Aircraft Operations and Specifications

All aircraft planned for this operation must be easy for people with disabilities, who may require assistance due to immobility, to board and un-board. Furthermore, for flights over one hour in duration, the Contractor shall provide toilet facilities on all aircraft (**as defined in the Terms of Reference, Section 2**) on which patients will be flying.

3.3.4.1 Specific Requirements

The Proponent must have an adequate number of safe, fully equipped aircraft available to provide the required services at all times:

- a) Please indicate the number of aircraft available at all times to provide the requested services.

- b) Please indicate the type /style of aircraft that would be assigned to service these requirements.
- c) Please indicate aircraft performance including but not limited to:
  - Aircraft speed
  - Minimum cabin altitude required for the route proposed
  - Seating capacity
  - Calculated minimum runway length for contaminated and un-contaminated runways
  - Ability to secure a stretcher patient
  - IFR capability
- e) Please provide a brief description of a maintenance program to ensure safe reliable aircraft are assigned to provide these services. The Contractor must allow its company maintenance manuals to be audited at the request of the Government of Nunavut.
- f) Please provide a brief description of any safety features incorporated into the flight operations including Crew Resource Management. The Contractor must allow its company Flight Operations Manual to be audited at the request of the Government of Nunavut.

3.3.4.2 The Proponent must indicate the exact routes proposed with each aircraft.

3.3.4.3 The Proponent must provide copies of General Liability insurance coverage.

3.3.4.4 The Proponent must provide a description of its compliance with all local, municipal, provincial and federal regulations.

3.3.4.5 The Proponent shall abide by the Terms and Conditions as specified in section two.

### **3.3.5 Nunavummi Nangminiaqtunik (NNI)**

One of the priorities of the GN is to ensure that Inuit, Local, and Nunavut businesses supply materials, equipment and services, and that Inuit, Local and Nunavut labour are used to the fullest extent practical on any GN contract. Therefore, NNI Policy, applies to this Request for Proposals. To receive the benefits of this Policy, proponents are required to identify cost components for Inuit, Nunavut and Local content including the names of any subcontractors, suppliers, and the residency of project team members and personnel and any other labour proposed to carry out the work. Consideration will also be given for the proponent's Inuit firm and/or Nunavut Business status.

Proponents should review the "NNI Interpretive Bulletin 1" at the following link. This will provide further clarification for the application of the NNI Policy.

<http://nni.gov.nu.ca/files/14Interpretive%20Bulletin%201%20FC%20March%202023-09.pdf>

### **3.3.6 Inuit Preference**

In compliance with Article 24 of the Nunavut Final Agreement, the GN will provide consideration for the use of Inuit firm's goods and services, and for Inuit labour. Proponents should describe fully the proposed Inuit content. This Inuit content will be the percentage of work completed by an Inuit firm listed on the registry of Inuit firms available from Nunavut Tunngavik Inc. (NTI) and the amount of Inuit employment created. Please include the total number of Nunavut beneficiaries

that is currently employed or contracted by the proponent. It will be the responsibility of the proponent to complete Appendix D.

**POPOSAL RATING SCHEDULE**

Item	Rating Criteria	Unit Points Awarded (A)	Assigned Weight (B)	Total Points (A) x (B) = (C)
1	Medical Travel Pricing and Other Expenses		40	
2	Customer Services, Frequency of Flights		35	
3	Related Experience of the Company		5	
4	Aircraft Operations and Specifications		5	
6	Inuit Content	Inuit Labour	10	
		Inuit Firms	5	
<b>PROPONENT:</b>			<b>TOTAL:</b>	

Comments:

\_\_\_\_\_

Committee Member: \_\_\_\_\_ Date: \_\_\_\_\_

<p><b>LEGEND:</b></p> <p>A – Evaluation Points Awarded                  B – Weighting Factor                  C – Sub-Total Weighted Score (A times B)</p>	<p><b>RATING POINTS:</b></p> <p>Poor            0 - 3 points                  Fair            4 - 6 points                  Good            7 - 8 points                  Excellent      9 - 10 points</p>
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**RFP NNI Adjusted Price Calculation Information**

The following information MUST be completed by proponents to receive any NNI bid adjustments. If the information is not completed, bid adjustments will NOT be granted.  
 Values provided must be substantiated by the information contained within the RFP response.  
 It will be necessary to outline the names of staff along with their location of residence and or the names of subcontractors.

**Proponent Name:** \_\_\_\_\_

**Total Unadjusted Price of Contract** A. \$

**I. Labour:**

**Value of Labour / Work to be completed by the Contractor or Sub-Contractors:**

Supplier Name & Residence of worker	Value	Nunavut Businesses 7%	Inuit Businessese7 %	Local Businessese7 %	Other 0%	Total %
	\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

• **Total** B. \$ \_\_\_\_\_

**II. Supplies / Materials Contractor or Sub-Contractor:**

**Value of Supplies / Materials to be provided by NNI Named Companies:**

Supplier Name	Value	Nunavut Businesses 7%	Inuit Businessese7 %	Local Businessese7 %	Other 0%	Total %
	\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

• **Total** C. \$ \_\_\_\_\_

**VI. Total contract price** (Total of B & C) D. \$

**Note:** The values in both A and D above should be the same.

## Instructions

### RFP NNI Adjusted Price Calculation Information

#### I. Labour:

This section is for both the main Contractor and any Sub-Contractors. The work being done by the employees who don't live in Nunavut doesn't qualify for a bid adjustment. Any portion of payroll dollars for the work that will be done by Nunavut Residents does qualify (NNI 7%). If the Nunavut Residents are also Inuit, they qualify for the additional Inuit adjustment (7%). If the Inuit employees are not Nunavut Residents, do not give the Nunavut bid adjustment. If the Nunavut Residents are also local to the benefiting community, they qualify for the additional Local adjustment (7%). If the Inuit employees are Local Nunavut residents, they get the full 21%.

#### II. Supplies / Materials:

This section is for both the main Contractor and any Sub-Contractors\_\_If the materials and supplies for the completion of the contract are being provided by a Nunavut Business that is local to the project community and included on the Nunavut NNI Listing, they would receive a bid adjustment of 7% for each (7% for Nunavut Firm listing and 7% for being local to the benefiting community). The NNI List must be checked to confirm that this supplier is listed and approved to supply *the specific type of materials* required for this contract and a 7% Bid Adjustment is given. Companies must be listed NNI to get a local adjustment.

#### III. Subcontract:

Some of the work may have to be done by another contractor. This is referred to as a 'sub-contract'. If this contractor is not on the NNI or NTI List, they do not qualify for a bid adjustment of any kind. If the sub contractor is listed on the NNI or NTI listings, they would receive the bid adjustments as outlined in II above.

#### V. Total Adjustment:

This is a total of all of the adjustments under each category.

#### VI. Total Adjusted Price:

This is the price to be used in the analysis. Treat this price as if it was the price submitted by the Vendor / proponent.

**SCHEDULE 1**

**PROPOSAL SUBMISSION FORM**  
**Medical Travel on Scheduled Airlines, Nunavut**

**REQUEST FOR PROPOSAL RFP # 2011-22**

**CLOSING – \_\_\_\_\_**

**COMPANY NAME** : \_\_\_\_\_

**ADDRESS** : \_\_\_\_\_

: \_\_\_\_\_

: \_\_\_\_\_

Please indicate if the entity submitting this application is an Incorporated Company. If so, which province is the registration in? Is the company registered in any other province as extra-provincially? If so, which province(s)?

: \_\_\_\_\_

**TERMS OF PAYMENT** : \_\_\_\_\_

**FOB** : \_\_\_\_\_

**AUTHORIZED SIGNATURE(S)** : \_\_\_\_\_

**NAME(S) IN CAPITAL LETTERS** : \_\_\_\_\_

**TITLE(S)** : \_\_\_\_\_

**PHONE NUMBER** : \_\_\_\_\_

**FAX NUMBER** : \_\_\_\_\_

**E-MAIL ADDRESS** : \_\_\_\_\_

**DATE** : \_\_\_\_\_

## Section 4

### PRO-FORMA CONTRACT

See Appendix E for a *Pro-Forma* contractual agreement which outlines key contractual requirements of the GN that are considered important to the GN and will be substantially incorporated into any resultant contract. A Proponent will not be disqualified for suggesting changes to the pro forma contract, but must allow the GN flexibility to negotiate a contract.

## SCHEDULE "A"

### SAMPLE BILLING DOCUMENT

NUNAVUT HSS MEDICAL TRAVEL BILLING INV No. 000  
 GN Control Nbr Ticket Number Issue

GN Control Nbr	Ticket Number	Issue	Name	Date of First Flight Sector	Base Fare	Security Tax (CA)	Improv Fee (SQ)	Fuel Surchg	Ticket Total	GST (XG)	Total
00-XXXX	51821612XXXX	Ticket 20030620	XXXXXXXX/XXXXX MS	495 01JUN YFB YOW	\$000.00	\$0.00	\$0.00	\$0.00	\$000.00	\$00.00	\$000.00
00-XXXX	51821612XXXX	Ticket 20030620	XXXXXXXX/XXXXX MS	495 01JUN YFB YOW	\$000.00	\$0.00	\$0.00	\$0.00	\$000.00	\$00.00	\$000.00
00-XXXX	51821612XXXX	Ticket 20030620	XXXXXXXX/XXXXX MS	495 01JUN YFB YOW	\$000.00	\$0.00	\$0.00	\$0.00	\$000.00	\$00.00	\$000.00
00-XXXX	51821612XXXX	Ticket 20030620	XXXXXXXX/XXXXX MS	495 01JUN YFB YOW	\$000.00	\$0.00	\$0.00	\$0.00	\$000.00	\$00.00	\$000.00
00-XXXX	51821612XXXX	Ticket 20030620	XXXXXXXX/XXXXX MS	495 01JUN YFB YOW	\$000.00	\$0.00	\$0.00	\$0.00	\$000.00	\$00.00	\$000.00

<b>Subtotal Ticket Total</b>	<b>Subtotal \$00,000.00 GST</b>	<b>Subtotal for \$0,000.00 00 Patient</b>	<b>\$00,000.00</b>
----------------------------------	-------------------------------------	---	--------------------

<b>Subtotal Ticket Total</b>	<b>Subtotal \$00,000.00 GST</b>	<b>Subtotal for \$0,000.00 00 Escort</b>	<b>\$00,000.00</b>
----------------------------------	-------------------------------------	--	--------------------

<b>Subtotal Ticket Total</b>	<b>Subtotal \$00,000.00 GST</b>	<b>Subtotal for \$0,000.00 00 Employee Patient</b>	<b>\$00,000.00</b>
----------------------------------	-------------------------------------	--	--------------------

<b>Subtotal Ticket Total</b>	<b>Subtotal \$00,000.00 GST</b>	<b>Subtotal for \$0,000.00 00 Employee Escort</b>	<b>\$00,000.00</b>
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NUNAVUT HEALTH AND SOCIAL SERVICES MEDICAL TRAVEL BILLING INV

## SCHEDULE "B"

Excel Spreadsheet Format for "Uplift" passenger information:

### Airline Name

Period: April 1, 2011 to March 31, 2012

Number of Passengers Travelled

Origin	Destination	# OF PASSENGERS				
		Apr	May	...	Mar	Total
<b>KITIKMEOT TO EDMONTON</b>						
<b>Cambridge Bay</b>	Edmonton					
Edmonton	Cambridge Bay					
<b>Gjoa Haven</b>	Edmonton					
Edmonton	Gjoa Haven					
<b>Kuggarruk</b>	Edmonton					
Edmonton	Kuggarruk					
<b>Kugluktuk</b>	Edmonton					
Edmonton	Kugluktuk					
<b>Taloyoak</b>	Edmonton					
Edmonton	Taloyoak					
<b>Yellowknife</b>	Edmonton					
Edmonton	Yellowknife					
<b>KITIKMEOT TO YELLOWKNIFE</b>						
<b>Cambridge Bay</b>	Yellowknife					
Yellowknife	Cambridge Bay					
<b>Gjoa Haven</b>	Yellowknife					
Yellowknife	Gjoa Haven					
<b>Kugaaruk</b>	Yellowknife					
Yellowknife	Kugaaruk					
<b>Kugluktuk</b>	Yellowknife					
Yellowknife	Kugluktuk					
<b>Taloyoak</b>	Yellowknife					
Yellowknife	Taloyoak					

<b>Origin</b>	<b>Destination</b>	<b>Apr</b>	<b>May</b>	<b>...</b>	<b>Mar</b>	<b>Total</b>
<b>BAFFIN TO IQALUIT</b>						
<b>Arctic Bay</b>	Iqaluit					
Iqaluit	Arctic Bay					
<b>Cape Dorset</b>	Iqaluit					
Iqaluit	Cape Dorset					
<b>Clyde River</b>	Iqaluit					
Iqaluit	Clyde River					
<b>Hall Beach</b>	Iqaluit					
Iqaluit	Hall Beach					
<b>Igloolik</b>	Iqaluit					
Iqaluit	Igloolik					
<b>Kimmirut</b>	Iqaluit					
Iqaluit	Kimmirut					
<b>Pangnirtung</b>	Iqaluit					
Iqaluit	Pangnirtung					
<b>Pond Inlet</b>	Iqaluit					
Iqaluit	Pond Inlet					
<b>Qikiqtarjuaq</b>	Iqaluit					
Iqaluit	Qikiqtarjuaq					
<b>Rankin Inlet</b>	Iqaluit					
Iqaluit	Rankin Inlet					
<b>Resolute Bay</b>	Iqaluit					
Iqaluit	Resolute Bay					

**BAFFIN TO OTTAWA**

<b>Arctic Bay</b>	Ottawa
Ottawa	Arctic Bay
<b>Cape Dorset</b>	Ottawa
Ottawa	Cape Dorset
<b>Clyde River</b>	Ottawa
Ottawa	Clyde River
<b>Hall Beach</b>	Ottawa
Ottawa	Hall Beach
<b>Igloolik</b>	Ottawa
Ottawa	Igloolik
<b>Iqaluit</b>	Ottawa
Ottawa	Iqaluit
<b>Kimmirut</b>	Ottawa
Ottawa	Kimmirut
<b>Pangnirtung</b>	Ottawa
Ottawa	Pangnirtung



<b>Origin</b>	<b>Destination</b>	<b>Apr</b>	<b>May</b>	<b>...</b>	<b>Mar</b>	<b>Total</b>
<b>Pond Inlet</b>	Ottawa					
Ottawa	Pond Inlet					
<b>Qikiqtarjuaq</b>	Ottawa					
Ottawa	Qikiqtarjuaq					
<b>Rankin Inlet</b>	Ottawa					
Ottawa	Rankin Inlet					
<b>Resolute Bay</b>	Ottawa					
Ottawa	Resolute Bay					

**KIVALLIQ TO RANKIN INLET**

<b>Arviat</b>	Rankin Inlet
Rankin Inlet	Arviat
<b>Baker Lake</b>	Rankin Inlet
Rankin Inlet	Baker Lake
<b>Chesterfield Inlet</b>	Rankin Inlet
	Chesterfield
Rankin Inlet	Inlet
<b>Coral Harbour</b>	Rankin Inlet
Rankin Inlet	Coral Harbour
<b>Repulse Bay</b>	Rankin Inlet
Rankin Inlet	Repulse Bay
<b>Whale Cove</b>	Rankin Inlet
Rankin Inlet	Whale Cove

**KIVALLIQ TO WINNIPEG**

<b>Arviat</b>	Winnipeg
Winnipeg	Arviat
<b>Baker Lake</b>	Winnipeg
Winnipeg	Baker Lake
<b>Chesterfield Inlet</b>	Winnipeg
	Chesterfield
Winnipeg	Inlet
<b>Coral Harbour</b>	Winnipeg
Winnipeg	Coral Harbour
<b>Rankin Inlet</b>	Winnipeg
Winnipeg	Rankin Inlet
<b>Repulse Bay</b>	Winnipeg
Winnipeg	Repulse Bay
<b>Sanikiluaq</b>	Winnipeg
Winnipeg	Sanikiluaq
<b>Whale Cove</b>	Winnipeg

Winnipeg

Whale Cove

<b>Origin</b>	<b>Destination</b>	<b>Apr</b>	<b>May</b>	<b>...</b>	<b>Mar</b>	<b>Total</b>
<b>KIVALLIQ TO CHURCHILL</b>						
<b>Arviat</b>	Churchill					
Churchill	Arviat					
<b>Baker Lake</b>	Churchill					
Churchill	Baker Lake					
<b>Chesterfield Inlet</b>	Churchill					
	Chesterfield					
Churchill	Inlet					
<b>Coral Harbour</b>	Churchill					
Churchill	Coral Harbour					
<b>Rankin Inlet</b>	Churchill					
Churchill	Rankin Inlet					
<b>Repulse Bay</b>	Churchill					
Churchill	Repulse Bay					
<b>Whale Cove</b>	Churchill					
Churchill	Whale Cove					

**TOTAL**

## SCHEDULE "C"

Volume information of Medical Travel passengers flown by community between Apr, 2008 and Dec, 2010. Volumes represent total one way scheduled airline trips to the destination and return to the origin:

### DEPARTMENT OF HEALTH AND SOCIAL SERVICES

Period: April 1, 2008 to December 31, 2010

#### Medical Travel Passenger Volume Information

<u>Origin</u>	<u>Destination</u>	<u>Apr, 2010 Dec, 2010</u>	<u>Apr, 2009 Mar, 2010</u>	<u>Apr, 2008 Mar, 2009</u>
<b>KITIKMEOT TO EDMONTON</b>				
Cambridge Bay	Edmonton & Rtn	310	473	277
Gjoa Haven	Edmonton & Rtn	139	228	180
Kugaaruk	Edmonton & Rtn	60	82	29
Kugluktuk	Edmonton & Rtn	271	339	217
Taloyoak	Edmonton & Rtn	85	224	155
Yellowknife	Edmonton & Rtn	418	351	378
<b>KITIKMEOT TO YELLOWKNIFE</b>				
Cambridge Bay	Yellowknife & Rtn	1014	1183	1202
Gjoa Haven	Yellowknife & Rtn	911	941	957
Kugaaruk	Yellowknife & Rtn	554	541	642
Kugluktuk	Yellowknife & Rtn	1263	1642	1506
Taloyoak	Yellowknife & Rtn	948	1024	792
<b>BAFFIN TO IQALUIT</b>				
Arctic Bay	Iqaluit & Rtn	641	860	772
Cape Dorset	Iqaluit & Rtn	977	1364	1111
Clyde River	Iqaluit & Rtn	909	1101	1069
Hall Beach	Iqaluit & Rtn	482	869	590
Igloolik	Iqaluit & Rtn	1034	1452	1362
Kimmirut	Iqaluit & Rtn	273	367	447
Pangnirtung	Iqaluit & Rtn	1381	1696	1441
Pond Inlet	Iqaluit & Rtn	1274	1542	1363
Qikiqtarjuaq	Iqaluit & Rtn	403	541	536
Rankin Inlet	Iqaluit & Rtn	34	52	39
Resolute Bay	Iqaluit & Rtn	181	313	331

Origin	Destination	Apr, 2010	Apr, 2009	Apr, 2008
		Dec, 2010	Mar, 2010	Mar, 2009
<b>BAFFIN TO OTTAWA</b>				
Arctic Bay	Ottawa & Rtn	161	231	231
Cape Dorset	Ottawa & Rtn	320	420	283
Clyde River	Ottawa & Rtn	259	292	293
Hall Beach	Ottawa & Rtn	209	204	209
Igloolik	Ottawa & Rtn	337	498	445
Iqaluit	Ottawa & Rtn	2620	3280	3232
Kimmirut	Ottawa & Rtn	89	119	120
Pangnirtung	Ottawa & Rtn	402	543	452
Pond Inlet	Ottawa & Rtn	425	519	346
Qikiqtarjuaq	Ottawa & Rtn	99	196	150
Rankin Inlet	Ottawa & Rtn	2	19	5
Resolute Bay	Ottawa & Rtn	52	77	74
<b>KIVALLIQ TO RANKIN INLET</b>				
Arviat	Rankin & Rtn	454	434	306
Baker Lake	Rankin & Rtn	256	450	506
Chesterfield Inlet	Rankin & Rtn	117	172	186
Coral Harbour	Rankin & Rtn	282	379	339
Repulse Bay	Rankin & Rtn	173	199	151
Whale Cove	Rankin & Rtn	173	194	229
<b>KIVALLIQ TO WINNIPEG</b>				
Arviat	Winnipeg & Rtn	1501	2119	2112
Baker Lake	Winnipeg & Rtn	1736	2021	2045
Chesterfield Inlet	Winnipeg & Rtn	465	653	646
Coral Harbour	Winnipeg & Rtn	1015	1486	1233
Rankin Inlet	Winnipeg & Rtn	2491	3226	3338
Repulse Bay	Winnipeg & Rtn	609	741	718
Sanikiluaq	Winnipeg & Rtn	1341	1941	1917
Whale Cove	Winnipeg & Rtn	523	671	644
<b>KIVALLIQ TO CHURCHILL</b>				
Arviat	Churchill & Rtn	126	312	347
Baker Lake	Churchill & Rtn	99	253	336
Chesterfield Inlet	Churchill & Rtn	31	111	128
Coral Harbour	Churchill & Rtn	151	211	205
Rankin Inlet	Churchill & Rtn	108	161	265
Repulse Bay	Churchill & Rtn	156	192	241
Whale Cove	Churchill & Rtn	47	87	89

TOTALS

30,391

39,596

37,217

## Appendix A: Pricing Table For Baffin Region

<i>Departure Points:</i>	<i>DESTINATION: IQALUIT &amp; RETURN (ONE-WAY BASE FARE)</i>	<i>DESTINATION: OTTAWA &amp; RETURN (ONE-WAY BASE FARE)</i>
<b>Resolute Bay</b>	\$	\$
<b>Arctic Bay</b>	\$	\$
<b>Hall Beach</b>	\$	\$
<b>Igloolik</b>	\$	\$
<b>Kimmirut</b>	\$	\$
<b>Pond Inlet</b>	\$	\$
<b>Clyde River</b>	\$	\$
<b>Pangnirtung</b>	\$	\$
<b>Cape Dorset</b>	\$	\$
<b>Rankin Inlet</b>	\$	\$
<b>Grise Fiord</b>	\$	\$
<b>Qikiqtarjuaq</b>	\$	\$
<b>Iqaluit</b>		\$

- 1.) Please price a one way fare as applicable. The one way fare will be the same for the outgoing and return portions. *Base price is as defined in section 2.1.7.* Include a separate table or chart indicating all applicable fees, surcharges, and taxes. Prices are to be in dollars CAD.
- 2.) Base fare must include all discounts and fees outlined in Section 2.
- 3.) Submitted pricing will be valid for one calendar year upon closing of this Request for Proposal.
- 4.) Chart to be completed as per the Terms and Conditions of this RFP

## Appendix B: Pricing Table For Kitikmeot Region

<i>Departure Points:</i>	<i>DESTINATION: YELLOWKNIFE &amp; RETURN (ONE-WAY BASE FARE)</i>	<i>DESTINATION: EDMONTON &amp; RETURN (ONE-WAY BASE FARE)</i>
<b>Kugluktuk</b>	\$	\$
<b>Cambridge Bay</b>	\$	\$
<b>Gjoa Haven</b>	\$	\$
<b>Kugaaruk</b>	\$	\$
<b>Taloyoak</b>	\$	\$

- 1.) Please price a one way fare as applicable. *Base price is as defined in section 2.1.7.* The one way fare will be the same for the outgoing and return portions. Include a separate table or chart indicating all applicable fees, surcharges, and taxes. Prices are to be in dollars CAD.
- 2.) Base fare must include all discounts and fees outlined in Section 2.
- 3.) Submitted pricing will be valid for one calendar year upon closing of this Request for Proposal.
- 4.) Chart to be completed as per the Terms and Conditions of this RFP

## Appendix C: Pricing Table For Kivalliq Region

<b>Departure Points:</b>	<b>DESTINATION: RANKIN INLET &amp; RTN (ONE-WAY BASE FARE)</b>	<b>DESTINATION: CHURCHILL &amp; RTN (ONE-WAY BASE FARE)</b>	<b>DESTINATION: WINNIPEG &amp; RTN (ONE-WAY BASE FARE)</b>	<b>DESTINATION: IQALUIT &amp; RTN (ONE-WAY BASE FARE)</b>
<b>Arviat</b>	\$	\$	\$	\$
<b>Baker Lake</b>	\$	\$	\$	\$
<b>Chesterfield</b>	\$	\$	\$	\$
<b>Coral Harbour</b>	\$	\$	\$	\$
<b>Whale Cove</b>	\$	\$	\$	\$
<b>Repulse Bay</b>	\$	\$	\$	\$
<b>Rankin Inlet</b>		\$	\$	\$

- 1.) Please price a one way fare as applicable. The one way fare will be the same for the outgoing and return portions. *Base price is as defined in section 2.1.7.* Include a separate table or chart indicating all applicable fees, surcharges, and taxes. Prices are to be in dollars CAD.
- 2.) Base fare must include all discounts and fees outlined in Section 2.
- 3.) Submitted pricing will be valid for one calendar year upon closing of this Request for Proposal.
- 4.) Chart to be completed as per the Terms and Conditions of this RFP



## Appendix D: NNI Information Table

Proponent Name/Company:

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<i>Payroll</i> <sup>1</sup>	Baffin Region	Kivalliq Region	Kitikmeot Region	Totals
Percentage of Payroll committed to Inuit Beneficiaries				
Percentage of Payroll committed to Local Nunavut Residents <sup>2</sup>				
Percentage of Payroll committed to non-Nunavut residents				

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<sup>1</sup> Payroll is defined as the total amount of money paid in wages to the proponent's employees.

<sup>2</sup> "Nunavut" is defined as the subject community for the purposes of this RFP document.

## Appendix E: Pro-Forma Contract

*(Note: Contractor must be prepared to accept the terms contained in the following Pro-Forma Contract)*



**CONTRACT**

**BETWEEN**

**DEPARTMENT OF HEALTH AND SOCIAL SERVICES**

**GOVERNMENT OF NUNAVUT  
(the "GN")**

**AND**

**NAME OF AIRLINE LIMITED  
DOING BUSINESS AS NAME  
(the "Contractor")**

**MEDICAL TRAVEL**

**NUNAVUT**

August 2011

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## SCHEDULES

Schedule "A"	-	Routes & Base Fares
Schedule "B"	-	Definition of City Codes & Hamlets
Schedule "C"	-	Fees, Surcharges & Taxes
Schedule "D"	-	Base Fare Adjustments
Schedule "E"	-	Flight Schedule
Schedule "F"	-	Denied Boarding Compensation
Schedule "G"	-	Fuel Adjustment

**THIS MEDICAL TRAVEL ON JET and TURBO PROP ROUTES CONTRACT (hereinafter referred to as "Contract") MADE THIS XXTH DAY OF AUGUST 2011.**

**BETWEEN:** THE GOVERNMENT OF NUNAVUT, as represented by the Department of Health and Social Services, herein after referred to as the GN.

**AND:** NAME OF CARRIER / AIRLINE, having it's principal place of business at Address, street, province, hereinafter referred to as the Contractor.

**WHEREAS:** The Government of Nunavut is responsible for the safe and efficient transport of Nunavut residents to and from appropriate medical care facilities in and outside the territory of Nunavut; and

**WHEREAS:** Non-emergent patients and other medical travel passengers can travel on commercial airlines scheduled route networks when it is determined to be medically suitable and the most cost effective option; and

**WHEREAS:** The GN published a Request for Proposal RFP 2011- 22 (RFP) for Medical Travel on Scheduled Airlines Territory of Nunavut (Kitikmeot, Kivalliq and Baffin Regions); and

**WHEREAS:** The Contractor operates an airline offering regular scheduled service utilizing jet and turbo prop aircraft on a return trip basis from Hamlets in the Baffin and Kitikmeot Regions (Including Rankin Inlet) to Yellowknife, Ottawa and Iqaluit with city codes and Hamlets identified in Schedule "B" and can provide the GN with scheduled jet and turbo prop service in accordance with the GN's requirements, the Contractor's Proposal in response to the RFP dated February 25, 2011, and in accordance with the terms and conditions hereinafter set out; and

**WHEREAS:** The GN has determined that due to the nature of the services provided it is in the public interest to enter into a Contract for the provision of these services for a term of more than one year.

**NOW THEREFORE IN CONSIDERATION** of the mutual covenants and undertakings contained herein, the GN and the Contractor agree as follows:

## DEFINITIONS

1. In this Contract the following words and phrases will have the following meanings attributed to them:
  - 1.1. “Aviation Authority” means any person, governmental department, bureau, commission or agency of Canada, the United States, or any other country or political subdivision having jurisdiction over the Contractor or the performance of its obligations hereunder and will include, without limitation, any regulatory authority which has granted to the Contractor a license, permit or other authority required by the Contractor to perform the Services contemplated by this Contract.
  - 1.2. “Base Fares” means one way passenger fares including applicable fees surcharges and excluding taxes for a specific flight.
  - 1.3. “Bump” or “Bumping” means when a passenger having a confirmed space reservation is denied boarding due to there being more passengers holding confirmed space reservations than there are available seats on that flight.
  - 1.4. “Commencement Date” means the date on which this Contract shall take effect, which is August 1, 2011.
  - 1.5. “Contract” means this agreement.
  - 1.6. “Contract Allocation” means the market share of a group of routes as a percentage of passenger flights as set out in section 2 of this Contract.
  - 1.7. “CPI” means Consumer Price Index set for **All Items Canada** less energy, based in Iqaluit, or if not available for Iqaluit, then Yellowknife, from June of the current year to July of the previous year. For example: if a ticket price between Iqaluit and Ottawa has been \$1000.00, and the CPI for All Items Canada, less energy, in Iqaluit, is 2.2 %, the new ticket price for August 1<sup>st</sup> of that year will be \$1022.00.
  - 1.8. “Duty Travel” means all travel other than medical travel, for the purpose of conducting Government of Nunavut or related business.
  - 1.9. “Flight Schedule” means the flight frequency departure and arrival times published by the Contractor regarding each of the Contractor’s flights, as amended from time to time.
  - 1.10. “Force Majeure” means an Act of God, revolution, riot, act of war, insurrection, civil commotion, blockage, hijacking, or any other act against public order or authority, weather conditions, fire, floods, strike, lockout, labour dispute or other industrial disturbances whether or not involving the employees of the Party invoking the event of force majeure or any cause beyond the reasonable control of the GN or the Contractor, as the case may be, which prevents, seriously hinders or interferes with the performance by either Party of its obligations under this Contract.
  - 1.11. “Initial Term” means the three year period commencing August 1, 2011 through and including July 31, 2014.
  - 1.12. “Medical Travel” includes only those patient transportation services funded by the GN including those passengers identified as follows:
    - (1) NIHB Patient
    - (2) NIHB Escort
    - (3) GN Employee Patient (
    - (4) GN Employee Patient Escort

- |                     |                     |
|---------------------|---------------------|
| (5) Family Services | (6) Extended Health |
| (7) Dental          | (8) Social Services |

and for clarity, does not include medical evacuations (medevac).

- 1.13. "Passenger Tariff" means the rules governing the contract of carriage between the airline and the passenger which is filed in the Canadian Transportation Agency as amended from time to time.
- 1.14. "Proposal" means the proposal of the Contractor submitted in response to the GN's RFP # 2011-22.
- 1.15. "Proposed Flight Schedule" means the scheduled flight departure and arrival times set forth in the Contractor's Proposal as Schedule 1.

## **2. SCHEDULED JET and TURBO PROP SERVICE**

- 2.1. GN will allocate to the Contractor the following Contract Allocation of Medical Travel on the Routes set out in Schedule A:

*2.1.1. (as applicable, for example) XXXXXXXX (xx) percent on routes in the Baffin Region destined to Iqaluit and Ottawa from the Hamlets and*

*2.1.2. xxxx (xx) percent on routes to and from the hamlets of Baffin Region and Iqaluit;*

*2.1.3. xxxx (xx) percent on routes in the Kitikmeot Region destined to Yellowknife,*

*2.1.4. ...*

within a margin of plus or minus 7%.

- 2.2. The parties acknowledge that it is an essential term of this Contract that in providing services under this Contract, the Contractor operates in accordance with its Proposal.
- 2.3. The Contractor will notify the GN in writing not less than sixty (60) calendar days prior to implementing any Flight Schedule change to Schedule "A" destinations from the Flight Schedule set out in Schedule E.
- 2.4. The Contractor will provide the GN a minimum of sixty (60) calendar days advance written notice of its intent to change the aircraft type on any route covered by this Contract.
- 2.5. In the event that the Contractor reduces the number of flights from Schedule E or the number of flights that meet the standards agreed herein, GN may revise the percentage of Medical Travel allocated to the Contractor accordingly. Any changes to the market share allocation percentages will be discussed with the Contractor prior to implementation and will be based primarily but not solely on the percentage of the Contractor's flights on each of the routes set forth in Schedule "A".
- 2.6. The Contractor will provide regularly scheduled jet service on those routes specifically set forth in Schedule "A".
- 2.7. The Contractor will operate Boeing 727, Boeing 737 or similar jet aircraft on jet routes and ATR-42 and DHC-6 or similar turbo prop aircraft on those routes designated as turbo prop

routes as outlined in its RFP submission and set forth in Schedule E specifically for those destinations outlined in Schedule “A”.

- 2.8. For flights over one hour in duration, the Contractor will provide toilet facilities on all aircraft on which Medical Travel passengers will be flying. These toilet facilities shall be private and have a door having a functional locking mechanism.
  - 2.9. For flights under one hour in duration the Contractor will provide toilet facilities...
  - 2.10. Notwithstanding any other clause of this Contract, the GN reserves the right to charter an aircraft to move non-emergency and emergency medical travel patients as and when required, and in circumstances where it would be more economical to charter an aircraft given the number of patients required to travel on a particular day. Chartered air travel shall not be part of the market share calculations.
  - 2.11. Within 15 days of each month’s end, the Contractor will provide the GN with a monthly report in the form of Schedule B in the RFP document setting out:
    - 2.11.1. the actual number of Medical Travel passengers (Uplift) flown by the Contractor on those routes covered by this Contract, for that month.
  - 2.12. Subject to 2.11, the GN will provide a regional allocation of all Medical Travel passengers on those routes covered by this Contract on a quarterly basis. This will confirm with the successful proponent(s) that the GN is executing the apportioning of Scheduled Medical Travel as awarded.
  - 2.13. Within 20 days of each month’s end, the Contractor will provide the GN with a monthly report, in the form of Schedule B in the RFP document setting out:
    - 2.13.1. the actual number of Duty Travel passengers (Uplift) flown by the Contractor on those routes covered by this Contract in Appendix A, B and C, for that month.
  - 2.14. The parties agree that the Contract Allocation is based on each 12 month period over the full term of this Contract. The parties agree that the actual allocation of Medical Travel passengers to the Contractor as compared to the Contract Allocation shall be reconciled on a quarterly basis within thirty (30) days of the end of each quarter. Any shortfall identified will be made up in the following quarter, except for the final quarter of the Term, in a manner that is mutually acceptable.
  - 2.15. For Medical Travel passengers impacted as a result of a flight cancellation or delay of another air carrier and consequently are re-scheduled on one of the competitors flights, the parties agree that these passengers shall be excluded from the quarterly reconciliation.
  - 2.16. The parties agree to work cooperatively to establish a method to ensure that the Contractor receives its Contract Allocation.
3. CUSTOMER SERVICE
- 3.1. The Contractor and its staff will be professional and demonstrate a caring and helpful attitude toward Medical Travel passengers including those with disabilities or those needing assistance for general travel difficulties, such as ticketing, baggage and transportation.

- 3.2. The Contractor will make reasonable efforts to communicate with Medical Travel passengers in Nunavut's official languages as defined by the *Official Languages Act*, S.Nu. 2008,c.10; Inuktitut, Inuinnaqtun, English and French based on regional requirements as follows:
  - 3.2.1. Passengers are checked-in in their choice of Nunavut's official languages
  - 3.2.2. In-flight announcements are made in Nunavut's official languages: English, French, Inuktitut and in or to the Kitikmeot region, Inuinnaqtun.
  - 3.2.3. All safety feature cards shall be in Nunavut's official languages of: English, French, Inuktitut and in or to the Kitikmeot region, Inuinnaqtun.
  - 3.2.4. Boarding announcements are made in Nunavut's official languages: English, French, Inuktitut and in or to the Kitikmeot region, Inuinnaqtun.
- 3.3. The Contractor will provide a dedicated reservations and ticketing service for the exclusive use of the GN in booking Medical Travel and Duty Travel.
- 3.4. The parties acknowledge that on occasion there may be a need to make reservations outside of normal business hours. The Contractor will provide the GN with the name(s) and telephone number(s) of individuals assigned to make reservations during this period.
- 3.5. The GN will make all reservations and arrangements for Medical Travel and Duty Travel passengers allocated to the Contractor through the exclusive reservations and ticketing service referred to in article 3.3.
- 3.6. The GN will make reasonable efforts to notify the Contractor six (6) hours prior to scheduled flight departure of any confirmed Medical Travel passenger that will not be traveling on the booked flight.
- 3.7. The Contractor will not Bump Medical Travel passengers holding confirmed reservations on any of the Contractor's flights.
- 3.8. In the event of a medical emergency, and the GN has determined that the passenger is suitable to travel on the Contractor's scheduled service and there are no seats available, the Contractor will Bump other revenue passengers in order to accommodate the emergency Medical Travel passenger.
- 3.9. Costs associated with Bumping revenue passengers referred to in article 3.8 will be borne by the GN. These costs to be borne by the GN for Bumped passengers are limited to those as outlined under Rule 245 of the Contractor's published Passenger Tariff – Denied Boarding Compensation submitted and attached as Schedule "F".
- 3.10. The Contractor will accommodate Medical Travel passengers having wheelchairs, oxygen and stretchers. Passengers requiring access to toilet facilities and attendant care will be seated accordingly. The GN will advise the reservations agent of the special needs of any Medical Travel passenger at the time of booking.
- 3.11. The Contractor will provide hot meals to Medical Travel & Duty Travel passengers on all jet flight legs of two (2) hours or more in duration. For greater clarity and as an example, the Iqaluit to Yellowknife flight consists of two flight legs; Iqaluit to Rankin Inlet and Rankin



Inlet to Yellowknife. As each of these flight legs is less than two hours in duration a hot meal will be required to be provided on one of the legs.

3.12. The Contractor will transport a reasonable amount of country food, subject to space availability, from a point of origin on the Contractor's route network to the Contractor's cargo facilities located at Ottawa and Yellowknife. The Contractor will not charge for this service.

3.13. All claims relating to lost or damaged baggage of Medical Travel passengers traveling pursuant to this Contract will be settled in accordance with the provisions of the Contractor's Passenger Tariff.

3.14. The Contractor will provide the following services for which no fees will apply:

- Lost ticket administration
- Cancellation of tickets
- Change in bookings including rebooking and reissuing tickets
- Prepaid tickets
- Booking and issuing of tickets
- Two pieces of luggage at maximum of 70 lbs. each

#### 4. FINANCIAL

4.1. It is a condition of this Contract that payment hereunder is subject to Section 46 of the Financial Administration Act, as amended or re-enacted in successor legislation during the term of this Contract. Section 46 currently provides as follows:

4.2. "It is a condition of every contract made by or on behalf of the Government requiring an expenditure, that an expenditure pursuant to the contract will be incurred only if there is a sufficient uncommitted balance in the appropriated item for the fiscal year in which the expenditure is required under the contract."

4.3. If in any fiscal year in which the GN notifies, in writing thirty (30) calendar days prior, the Contractor that there is insufficient uncommitted balance in the appropriated item for the fiscal year to make all payments otherwise due to the Contractor in the fiscal year, the obligations of the Contractor shall be suspended until all payments are brought current.

4.4. The GN will pay the Goods and Services Tax (GST).

4.5. The Contractor will invoice the GN for all tickets issued under this Contract no more frequently than on a weekly basis. The Contractor will invoice separately for medical travel and duty travel. The Contractor's invoice for medical travel will be in a format consistent with the sample invoice set forth in Schedule "A" of the RFP.

4.6. The Contractor will invoice the GN for all Uplift tickets issued under this contract for both Medical Travel and Duty Travel passengers. Separate invoices will be required for Medical Travel and Duty Travel. Separate invoices will be required under Duty Travel for each department.

4.7. Provided all terms and conditions on the part of the Contractor have been complied with, the Contractor's invoices will be paid within thirty (30) calendar days of receipt of invoice, or thirty (30) calendar days after delivery of the services, whichever is later, herein after referred to as the due date.

4.8. The GN may pay any amount, which is due and payable to the Contractor under this Contract, if any, to a third party where such payment is required by legislation or ordered by a court of competent jurisdiction.

4.9. All amounts referred to in this Contract are in Canadian dollars.

## 5. INSURANCE

5.1. The Contractor accepts the risk of loss to the Aircraft.

5.2. The Contractor shall without limiting his obligations or liabilities hereto, obtain, maintain and pay for during the period of this Agreement, the following insurance:

5.2.1. Workers' Compensation coverage as required by statute and Contingent Employers' Liability coverage with a limit of no less than five million (\$5,000,000) dollars per occurrence. For Contractor's employees not covered by Workers' Compensation, Employers' Liability Insurance coverage shall be obtained with limits of no less than two million (\$2,000,000) dollars per occurrence. The Nunavut Workers Compensation Act requires that all persons working in Nunavut be covered under the Nunavut WC program, even if the employer is not a Nunavut-based company. If the contractor is assessed any extra levies or assessment as a result of an injury or death to an employee (worker) of the contractor or subcontractor, or due to unsafe working conditions, these extra amounts will not be reimbursed by the GN.

5.2.2. Commercial General Liability insurance with limits of not less than two million dollars (\$2,000,000) inclusive per occurrence for bodily injury, death and damage to or loss of us of property. Such insurance shall include but shall not be limited to the following terms and conditions:

- Products and Completed Operations
- Owners & Contractors Protective
- Contractual Liability;
- Broad Form Property Damage;
- Personal Injury
- Cross Liability and Severability of Interest;
- Medical Payments
- Non-Owned Automobile Liability including contractual liability
- When undertaking construction: Underground Property Damage; (in respect to any work involving ground disturbance.)
- Contingent Employers Liability
- Employees as Additional Insureds.

5.2.3. Extended medical benefits that cover the full cost of ambulance and medical evacuation for all employers, officers and subcontractors who are physically present in Nunavut during the term of this contract, and such insurance may be arranged by way of travel insurance if appropriate.

5.3. The Contractor shall insure all motor vehicles, watercraft or snowcraft used by the Contractor in the performance of the agreement, regardless of ownership, by Standard Liability Insurance in an amount not less than two million dollars (\$2,000,000) per occurrence for bodily injury, death and damage to property;

- 5.4. Aircraft Public Liability Insurance, including third party bodily injury, death and property damage or loss, with limits of no less than ten million (\$10,000,000) dollars per occurrence and, in addition, Passenger legal liability coverage with limits of no less than one million (\$1,000,000) Dollars per Passenger seat including crew seats installed on the aircraft.
- 5.5. Airport Premises Liability Insurance including Contractual Liability covering bodily injury, death and property damage or loss with a combined single limit of no less than five million (\$5,000,000) dollars per occurrence.
- 5.6. All Risks Hull Insurance covering the aircraft (including all flight and ground risks and ingestion and each engine coverage) with limits of no less than its full replacement value.
- 5.7. Passenger Baggage Liability Insurance with limits of no less than their full replacement value.
- 5.8. Property Insurance covering equipment, cargo and freight transported by the Contractor with limits of no less than full replacement value.
- 5.9. If the flight originates or terminates outside Nunavut: War Risks and Allied Perils Insurance covering war, invasion, acts of foreign enemies, hostilities, rebellion, revolution, martial law, military power, strikes, riots, civil commotions, malicious act of sabotage, confiscation, nationalization, seizure, detention, restraint, hijacking or unlawful seizure, with limits of no less than \$50,000,000 or the limits of liability herein; whichever is lesser.
- 5.10. The insurance policies shall name the GN, its directors, officers, employees and agents as Additional Insureds (except on Workers Compensation and motor vehicles insurance) only with respect to the terms of this Agreement, with a cross liability and severability of interests clauses. Such insurance shall be primary without right of contribution from other insurances available to the GN, and shall extend to cover the employees of the insureds hereunder.
- 5.11. All insurance policies shall include a provision whereby the insurers agree to provide not less than thirty (30) Days written notice to the GN prior to any insurance policies being materially altered, cancelled, or terminated by the insurers
- 5.12. The Contractor must have an account in good standing with its respective Worker's Compensation authority and provide evidence of same to the GN upon request from time to time.
- 5.13. The Contractor shall be responsible for any deductibles, exclusions and/or insufficiencies of coverage relating to such policies. The Contractor's liability is not capped to the amount of and scope of coverage required under the agreement.
- 5.14. The Contractor shall deposit with the GN prior to commencing the work, certificate(s) of insurance evidencing the insurance required by this Agreement in a form satisfactory to the GN and with insurance companies satisfactory to the GN, and shall provide evidence of continuing coverage on request.
- 5.15. The foregoing insurance provisions will not limit the insurance required by municipal, provincial, territorial or federal law. The insurance coverage will be underwritten by an insurer or insurers, licensed in the provinces and territories in which the Contractor is conducting business under this Contract, acceptable to the GN acting reasonably. It shall be the sole responsibility of the Contractor to determine what additional insurance coverage, if any, are necessary and advisable for its own protection or to fulfill its obligations under this

Contract. Any such additional insurance will be provided and maintained by the Contractor at its own expense.

## 6. BASE FARES

- 6.1. Subject to all other terms and conditions of this Contract, the GN will pay to the Contractor for the services performed, the Base Fares set forth in Schedule "A".
- 6.2. The parties acknowledge that the Base Fares contained in this Contract are based on the Contractors Proposal .
- 6.3. Base Fares shall be adjusted by the Contractor on each anniversary date of this Contract: August 1<sup>st</sup>, 2012; August 1<sup>st</sup>, 2013; and, if applicable, August 1<sup>st</sup> 2014 and, August 1<sup>st</sup>, 2015.
- 6.4. Base Fare adjustments shall be effective August 1<sup>st</sup> of each year during the Contract term and shall be applicable for tickets issued on or after the adjustment date.
- 6.5. The Base Fare adjustment percentage will be based on the Consumer Price Index (CPI) as defined herein.

## 7. FEES, SURCHARGES, TAXES and FUEL ADJUSTMENT

- 7.1. The fees, surcharges and taxes charged by the Contractor as part of its regular Passenger Tariff will be charged to the GN and are included in the Base Fares set forth in Schedule "A".
- 7.2. The fees, surcharges and taxes in effect on the Commencement Date of this Contract are set forth in Schedule "C".
- 7.3. The fees and surcharges outlined in Schedule "C" shall remain fixed for a twelve (12) month period from the Commencement Date of this Contract and are to be adjusted thereafter in accordance with the provisions outlined in Schedule "C".
- 7.4. A fuel adjustment shall be applied in accordance with the terms, conditions, formulas and examples as outlined in Schedule "G" of this Contract.

## 8. TERM

- 8.1. This Contract will commence on the 1st day of August 2011, herein after referred to as the Commencement Date and remain in full force and effect through to the 31st day of July 2014; herein after referred to as the Initial Term of this Contract, unless otherwise extended in accordance with Paragraph 8.2 below or terminated in accordance with the termination provisions outlined in Section 14.0 contained herein.
- 8.2. In the event the Contractor is unable to start the provision of services as of 1 August 2011, or any later date to which the parties have agreed in writing, the Contractor will provide no later than 20 July 2011 a notice to the GN advising to that effect, explaining the reason why, and providing a proposed new start date, and an explanation why that date is feasible, and the GN may in its discretion:

8.2.1. terminate this contract, or

8.2.2. accept a new start date, in which case it will not necessarily assign the Contract Allocation for the period of time between 1 August 2011 and the start of the month following the start date.

8.3. This Contract may be extended for three additional one (1) year terms at the GN's option. To exercise its option, the GN must give notice of desire to extend, in writing, and delivered three (3) months prior to the termination date of the Initial Term of this Contract and three (3) months prior to the termination date of any extended term.

## 9. COMPLIANCE WITH LAW

9.1. The Contractor agrees to carry on its business and fulfill its obligations hereunder in accordance with applicable law, rules and regulations including, without limitation, any law, rules and regulations with respect to maintenance, safety and other standards for air carriers and those of any Aviation Authority, and registering to conduct business in Nunavut.

9.2. The Contractor agrees to comply with all applicable legislation and maintain in full force and effect all licenses, permits and other regulatory approvals which are necessary or desirable to allow the Contractor to carry on its business and fulfill its obligations hereunder.

9.3. The Contractor undertakes to notify the GN as soon as possible and in any case within ten (10) days thereafter of any change in any license, permit or other regulatory approval which is necessary or desirable to allow the Contractor to carry on its business and fulfill its obligations hereunder (whether such change is voluntarily sought by the Contractor or imposed by any Aviation Authority).

## 10. RECORDS, INSPECTION AND AUDIT

10.1. The Contractor will keep accurate books, accounts and records respecting all transactions relating to the Contract, and the GN will have the right, at all reasonable hours of the day and subject to providing the Contractor with reasonable advance notice, to examine such books, accounts and records and all other documents and material in the possession or under the control of the Contractor with respect to the subject matter of this Contract. The GN will have full and free access thereto with the right to copy and take extracts there from and the right to audit or to request the Contractor to provide validation of the information through an auditor appointed by the GN at the expense of the GN.

10.2. The Contractor will keep accounts and records relating to the services rendered under this Contract for a period of three (3) years after the expiry of the Contract or in the event of an extension, three (3) years beyond the end of the extension.

## 11. SERVICE FAILURES

11.1. The Contractor acknowledges that meeting the scheduled flight departure times set forth in Schedule "I" of the RFP submission "Proposed Flight Schedule", as amended from time to time, is an essential element of the service the Contractor performs under this Contract.

11.2. For the purpose of this Contract, the following shall constitute service failures on the part of the Contractor:

11.2.1. the cancellation of any flight on which a Medical Travel passenger was scheduled to travel for reasons other than Force Majeure;

- 11.2.2. the delay of any flight exceeding ninety (90) minutes on which a Medical Travel passenger was scheduled to travel for reasons other than Force Majeure.
- 11.3. Upon the occurrence of a service failure(s) set forth in article 11.2, or on a flight being cancelled or delayed for more than two hours for any reason, the following procedure will apply:
  - 11.3.1. The Contractor shall contact the GN travel department by telephone at (867) 975-5700 or such other telephone number(s) the GN may from time to time provide to the Contractor, informing the GN of the steps being taken to address the delay or cancellation.
  - 11.3.2. The Contractor will arrange for the Medical Travel passengers impacted by the service failure or weather-caused cancellation or delay to travel on the next available scheduled flight. The next available scheduled flight includes those flights offered by other airlines.
- 11.4. The Contractor will provide the GN with a monthly report respecting the cause of all service failure(s) and the steps taken to remedy the failure and accommodate the Medical Travel passengers impacted.
- 11.5. If service failures occur on five (5) or more occasions during the term of this Contract and were not remedied by the Contractor in accordance with the procedures set forth in articles 11.3 and 11.4, the parties will meet to formally discuss this issue and reconfirm in writing the agreed upon procedures. If after this meeting the Contractor fails to abide by the agreed procedures, the GN may at its sole discretion terminate this Contract. The GN's liability hereunder shall be limited to the liability for services provided by the Contractor but not yet paid for by the GN, to the date of termination.

## 12. DEFAULT PROVISIONS

- 12.1. For the purposes of this Contract the following shall constitute events of default on the part of the Contractor (hereinafter referred to as "Events of Default"):
  - 12.1.1. any proceeding instituted against the Contractor applying to a substantial part of its property or assets seeking to adjudicate it as bankrupt or insolvent, or seeking liquidation, dissolution, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or any substantial part of its property or debt under any law relating to bankruptcy, insolvency or reorganization or relief of debts, or seeking an order for relief or the appointment of a receiver, trustee, liquidator, custodian or other similar official for it or for any substantial part of its property or assets and such proceeding shall have continued un-dismissed or un-stayed for sixty (60) days, or where a creditor or creditors of the Contractor or any other interested party privately appoints a receiver, trustee, liquidator, custodian or similar official for any substantial part of the property or assets of the Contractor and, if the Contractor will be contesting such appointment in good faith and such appointment will continue for sixty (60) days, or if any such action or proceeding has been consented to or not expeditiously opposed by the Contractor.
  - 12.1.2. any proceeding instituted by the Contractor seeking to adjudicate it as bankrupt or insolvent, or seeking liquidation, dissolution, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or any of its property or debt or making a proposal with respect to it under any law relating to bankruptcy, insolvency or reorganization or relief of debts, or seeking an order for relief or the appointment of a

receiver, trustee, liquidator, custodian or other similar official for it or for any of its property or assets, or where the Contractor takes corporate action to authorize any such proceeding; or

- 12.1.3. if any representation made by the Contractor herein or made in any statement or certificate furnished or required hereunder, or in connection with this Contract proves untrue in any material respect as of the date of the issuance or making thereof; or
  - 12.1.4. any license, permit or other regulatory approval which is necessary to allow the Contractor to carry on its business and fulfill its obligations hereunder ceases to be in full force and effect or the Contractor receives notice from any Aviation Authority that any such license, permit or other authority is to be revoked;
  - 12.1.5. if any insurance placed or maintained pursuant to article 5.0 hereof (including insurance not specifically itemized but required by law or in order for the Contractor to fulfill its obligations hereunder) shall lapse or be cancelled;
  - 12.1.6. if an execution, or any other process of any court becomes enforceable against all or substantially all of the Contractor's property or if a distress or analogous process is levied against all or substantially all of the property of the Contractor;
  - 12.1.7. if the Contractor is in default as per article 11.5 hereof; or
  - 12.1.8. if the Contractor neglects or fails to perform or observe any of its obligations under this Contract and fails to take steps to cure the breach or default to the satisfaction of the other party within a reasonable time from receipt of written notice.
- 12.2. For the purposes of this Contract the following shall constitute events of default on the part of the GN (hereinafter referred to as "Events of Default"):
- 12.2.1. if GN neglects or fails to perform or observe any of its obligations under this Contract and fails to take steps to cure the breach or default to the satisfaction of the other party within a reasonable time from receipt of written notice.
- 12.3. The Contractor agrees to notify the GN as soon as possible but in any case within ten (10) days of the occurrence of any event which, after either the giving of notice or the passage of time or both, would constitute an Event of Default hereunder.

### 13. FORCE MAJEURE

- 13.1. No party hereto will be in breach of this Contract by reasons of a delay in the performance of, or failure to perform, any of its obligations hereunder if such a delay or failure is a result of an event of Force Majeure.
- 13.2. Each of the parties hereto will minimize, to the extent reasonably practicable, the impact on either party of any of the events of Force Majeure in the performance of its obligations under this Contract.
- 13.3. The party invoking an event of Force Majeure will immediately notify in writing the other party of such occurrence, whereupon the other party will confirm in writing having received such notice of the occurrence of an event of Force Majeure.

## 14. TERMINATION

- 14.1. The GN may, upon the occurrence of any of the Events of Default listed in article 12, and in addition to any rights or remedies available to it under this Contract or at law, exercise any or all of the following remedies:
  - 14.1.1. terminate this Contract, in whole or in part, without penalty upon giving ninety (90) calendar days written notice to this effect to the Contractor; and
  - 14.1.2. take possession, without any court order or other process of law, of any and all property owned by the GN, and received by the Contractor under this Contract.
  - 14.1.3. This Contract will terminate as of the day of termination set out in the written notice and the Contractor will forthwith invoice the GN for work performed to the date of termination.

## 15. BREACH AND REMEDIES

- 15.1. No waiver by either Party of any breach of any term, condition or covenant of this Contract shall be effective unless the waiver is in writing and signed by both parties. A waiver, with respect to a specific breach, shall not affect any rights of the parties relating to other or future breaches.
- 15.2. The failure of either Party at any time to require the performance of any provision or requirement of this Contract will not affect the right of that party to require the subsequent performance of that provision or requirement.

## 16. CONFIDENTIALITY

- 16.1. Any information obtained from, or concerning any department of the GN, or clients of any department of the GN, by the Contractor, its sub-contractors, agents or employees in the performance of this Contract shall be confidential. Any information, which is generated by or results from the Contractor's performance of the services described in this Contract, is confidential. Such confidential information includes but is not limited to the medical information and personal information of patients transported.
- 16.2. The Contractor shall take such steps as are necessary to ensure that any such information is not disclosed to any other person, and shall maintain confidential and secure all material and information that is the property of the GN and in the possession of or under the control of the Contractor. This clause survives the termination of this Contract.
- 16.3. The Contractor will use such confidential information only for the purposes of this Contract, and this term survives the termination of this Contract.
- 16.4. The Contractor will return such confidential information and records in its possession immediately upon completion of the Contract.
- 16.5. The parties acknowledge that the GN and the Contractor are subject to legislation governing the protection of personal privacy. This legislation, the *Access to Information and Protection of Privacy Act (Nunavut)* and the *Personal Information Protection and Electronic Documents Act (Canada)* governs the collection, use, retention, security and disclosure of personal information. The Contractor's compliance with legislation is an integral part of this Contract.



- 16.6. The GN recognizes that information obtained under this Contract including but not limited to the rate structure and other information included in this Contract and in the Contractor's submission about the Contractor's operation may be commercially sensitive. The GN shall take the necessary steps to keep the contents of this Contract and the Contractor's submission confidential and will not make any disclosures of information obtained under this Contract to any third parties unless required by law to do so or unless prior written consent is obtained from the Contractor.

## 17. INDEMNIFICATION

- 17.1. The Contractor will indemnify and save harmless, the GN, its officers, employees, servants and agents from and against all claims, actions, causes of action, demands, losses, costs, damages, expenses, suits or other proceedings by whomsoever made, brought or prosecuted in any manner either before or after the expiration or termination of this Contract where the same or any of them are based upon and/or directly or indirectly related to the activities of the Contractor under this Contract, excepting always liability arising out of the independent negligent or wrongful acts or omissions of the GN, its officers, employees, servants and agents and other persons for whom the GN is in law responsible.
- 17.2. The Contractor will notify the GN immediately of any claim, action, or other proceeding made, brought, prosecuted or threatened in writing to be brought or prosecuted that is based upon, occasioned by or in anyway attributable to the performance or non-performance of the services contemplated under this Contract.

## 18. INDEPENDENT CONTRACTOR

- 18.1. The Contractor is an independent Contractor with the GN and nothing in this Contract will be construed or deemed to create the relationship of employee and employer or of principal and agent between the GN and the Contractor. The Contractor is solely responsible for payments of all statutory deductions or contributions including but not limited to pension plans, unemployment insurance, income tax, workers' compensation and the GN Payroll Tax (if applicable).
- 18.2. The parties agree that any new taxes imposed by the GN over the full term of this Contract that would result in an increased cost to the Contractor will be borne by the Department of Health and Social Services and that Base Fares will be adjusted immediately to reflect these new taxes.

## 19. ASSIGNMENT

- 19.1. The Contractor may not sell, assign, subcontract or delegate this Contract or work to be done under this Contract, or any part thereof, to any other party without the written consent of the GN, such consent not to be unreasonably withheld. In the case of a proposed assignment of monies owing to the Contractor under this Contract, the consent in writing of the Comptroller General of the Government of Nunavut must be obtained, pursuant to S.69(4) of the *Financial Administration Act* as amended or re-enacted in successor legislation during the term of this Contract.
- 19.2. For greater certainty and subject to 19.1, where written consent Contract for the sale, assignment, subcontract or delegation has been given, the terms and conditions of any sale, assignment, subcontract or delegation contract shall respect the terms and conditions of this

Contract. The Contractor shall remain primarily liable for the services to be performed under any such case.

## 20. AMENDMENTS

Unless otherwise provided herein, this Contract will not be supplemented, amended or modified except by written instrument executed on behalf of both Parties by their proper authorities.

## 21. LAW OF THE CONTRACT

This Contract shall be interpreted and governed in accordance with the laws of Nunavut and the laws of Canada as they apply in Nunavut.

## 22. SEVERABILITY

It is intended that all provisions of this Contract will be fully binding and effective between the parties, but in the event that any particular provision or provisions or a part of one is found to be void, voidable or unenforceable for any reason whatever, then the remainder of the Contract will be interpreted as if such provision, provisions, or part thereof, had not been included.

## 23. BINDING EFFECT

This Contract will inure to the benefit of and be binding on the respective administrators, successors and assignees of each of the parties hereto.

## 24. LIABILITY FOR LOSS OR DAMAGE

- 24.1. The Contractor shall be liable to the GN for any loss or damage to property or equipment that is supplied to or placed in the care, custody or control of the Contractor for use in connection with the Contract whether or not such loss or damage is attributable to causes beyond the Contractor's control, except where caused by the negligent or wrongful act or omission of the GN, its officers, employees, servants and agents and other persons for whom the GN is in law responsible.
- 24.2. In no event shall the Contractor's liability in 24.1 for loss or damage to property or equipment exceed five thousand (\$5,000.00) dollars.

## 25. ARBITRATION

All disputes arising out of or in connection with this Contract, which the parties cannot resolve, may be referred to and resolved by arbitration pursuant to the *Arbitration Act (Nunavut)*.

## 26. CONFLICT OF INTEREST

The parties agree that the provisions of the *Conflict of Interest Act (Nunavut)* shall apply to this Contract.

## 27. NOTICE AND ADDRESS

- 27.1. Any notice required to be given herein or any other communication required by this Contract will be in writing and will be personally delivered, sent by facsimile, or posted by prepaid registered mail and will be addressed as follows:

To the GN:

Executive Director, Corporate Services  
Department of Health and Social Services  
Government of Nunavut  
P.O. Box 1000, Station 1000  
Iqaluit, Nunavut X0A 0H0  
Attention: Deborah Voth  
Telephone: (867) 975-5700  
Fax: (867) 975-5799

To the Contractor:

Address

Attention: XXXXX XXXXXX  
Position Name

Telephone:

27.2. Every such notice and communication, if delivered by hand, will be deemed to have been received on the date of delivery or if sent by prepaid registered mail will be deemed to have been received on the fifteenth day after posting, or if by facsimile, 24 hours after the time of transmission, excluding from the calculation weekends and statutory holidays.

28. COOPERATION

In the event of any investigation, action, claim or other such event arising from the performance or failure to perform pursuant to this Contract, the Contractor will cooperate with the GN to best of its ability, and this clause shall survive the termination of the Contract.

29. ENTIRE CONTRACT

This Contract, including the attached Schedule(s), comprises the entire Contract between the parties hereto and supersedes and will take effect in substitution for all previous contracts and arrangements whether written or implied between the parties relating to the services to be provided by the Contractor and all such prior contracts, arrangements and understandings will be deemed to have been terminated by mutual consent with effect from the Commencement Date of this Contract.

**IN WITNESS WHEREOF** The parties hereto have set their hand and seal as of the date and year entered below:

For the Government of Nunavut

Contractor Name

\_\_\_\_\_  
By: Deputy Minister of Health & Social Services  
Title:

\_\_\_\_\_  
By:

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Witness: \_\_\_\_\_

Witness: \_\_\_\_\_

Seal:

**SCHEDULE “A”  
JET & TURBO PROP ROUTES & BASE FARES**

- 1.0 The Base Fares outlined below are for one way travel between the Departure Points and Destination Points and shall also apply to northbound travel.
- 2.0 The Base Fares submitted in the Contractor’s submission, specifically Schedule XX – Pricing Tables for each region are based on the Contractor’s weighted average cost per litre of fuel on \_\_\_\_\_ Date specified \_\_\_\_\_.
- 3.0 Pursuant to the Contractor’s submission, specifically Fuel Adjustment, the Base Fares proposed shall be adjusted up or down to reflect any change to the Contractor’s weighted average cost per litre effective \_\_\_\_\_ DATE \_\_\_\_\_.
- 4.0 These Base Fares shall be adjusted on August 1<sup>st</sup>, 2012 and August 1<sup>st</sup>, 2013 and August 1<sup>st</sup>, 2014 thereafter on the anniversary date of this Contract in the event that the term of this Contract is extended beyond the Initial Term.
- 5.0 The Base Fare adjustment referred to in paragraph 4.0 above shall be calculated in accordance with the terms, conditions and the formula as set out in the attached Schedule “D”.
- 6.0 The Base Fares outlined below include the fees and surcharges charged by the Proponent as part of its regular Passenger Tariff. The fees, surcharges and taxes in effect on the date of submission of the Contractor’s Proposal are set forth in Schedule “C”.

Departure Points	Destination <b>Iqaluit</b> Proposed Date	Effective Date	Effective Date
Resolute Bay			
Arctic Bay			
Hall Beach			
Igloolik			
Kimmirut			
Pond Inlet			
Clyde River			
Pangnirtung			
Cape Dorset			
Rankin Inlet			
Qikiqtarjuaq			

Includes surcharges as outlined in Schedule C1 of the RFP submission from PROPONENT NAME Schedule “C” attached.

**Baffin**

Departure Points	Destination <b>Ottawa</b> Date	Effective Date	Effective Date
Resolute Bay			
Arctic Bay			
Hall Beach			
Igloolik			
Kimmirut			
Pond Inlet			
Clyde River			
Pangnirtung			
Cape Dorset			

Rankin Inlet			
Qikiqtarjuaq			
Iqaluit			

Includes surcharges as outlined in Schedule C1 of the RFP submission from PROPONENT NAME and Schedule “C” attached.

**Kitikmeot**

Departure Points	Destination <b>Yellowknife</b> Proposed Date	Effective Date	Effective Date
Kugluktuk			
Cambridge Bay			
Gjoa Haven			
Kugaaruk			
Taloyoak			

Includes surcharges as outlined in Schedule C1 of the RFP submission from PROPONENT NAME and Schedule “C” attached.

**SCHEDULE “B”  
DEFINITION OF CITY CODES & HAMLETS**

Iqaluit	YFB
Ottawa	YOW
Rankin Inlet	YRT
Yellowknife	YZF

Hamlets Departure and Destination Points Baffin Region:

Resolute Bay	YRB
Arctic Bay	YSR
Hall Beach	YUX
Igloolik	YGT
Kimmirut	YLC
Pond Inlet	YIO
Clyde River	YCY
Pangnirtung	YXP
Cape Dorset	YTE
Rankin Inlet	YRT
Qikiqtarjuaq	YVM
Iqaluit	YFB

Hamlets Departure and Destination Points Kitikmeot Region:

Kugluktuk	YCO
Cambridge Bay	YCB
Gjoa Haven	YHK
Kugaaruk	YBB
Taloyoak	YYH

**SCHEDULE “C”**

**FEES, SURCHARGES AND TAXES**

- 1.0 The following surcharges are included in the Base Fares set forward in schedule “A”. The parties acknowledge that the current applicable fees and surcharges are:
- Nav Canada surcharge
  - Insurance surcharge
- 2.0 Other applicable charges and fees will be charged in accordance with the Contractor’s published Passenger Tariff; as amended from time to time, in addition to the Base Fares as follows:
- Passengers requiring a stretcher will be charged a fare equal to \$ \_\_\_\_\_
  - The standard charge for incubators will be \$ \_\_\_\_\_
- 3.0 The fees and surcharges outlined in this Schedule “C” shall remain fixed for a XXXXXX (XX) month period from the Commencement Date of this Contract and are to be adjusted thereafter in accordance with the Contractor’s published Passenger Tariff as amended from time to time.
- 4.0 The parties acknowledge that the Goods and Services Tax (GST), Harmonized Tax or any other taxes, and Security and Airport Improvement fees or any other fees or surcharges imposed on a passenger ticket by any Government, Regulatory or Airport authority shall be borne by the GN and will be charged in addition to the Base Fares set forth on Schedule “A”.



## SCHEDULE "D"

### BASE FARE ADJUSTMENTS

- 1.0 The Base Fares shall be adjusted by the Contractor on each anniversary date of this Contract as set forth herein.
- 2.0 Base Fare adjustments shall be effective August 1<sup>st</sup> of each year during the term of this Contract and shall be applicable for tickets issued on and after the adjustment date.
- 3.0 The Base Fare adjustment percentage will be based on a mutually agreed upon Consumer Price Index which appropriately reflects the northern cost structure excluding fuel, based on a comparison of the index for July of the current year to the index for July for the previous year. The change to be effective on August 1<sup>st</sup> of each year.
- 4.0 The Base Fare adjustment excludes the impact of the cost of fuel, the parties have agreed that fuel represents twenty-five (25) per cent of the Base Fare, as such the actual percentage change in the index will only apply to the seventy-five (75) per cent of the Base Fare.
- 5.0 The Contractor shall calculate the Base Fare adjustment in accordance with the following formulas, definitions and example:

#### Formulas

$$\text{Adjustment Percentage} = \frac{\text{Current Index} - \text{Previous Index}}{\text{Previous Index}} \times 75\%$$
$$\times 100\%$$

#### Example

Base Fare: \$500.00

Current Index: 105

Previous Index: 100

$$\frac{105-100 \times 75\%}{100}$$

$$= 5\% \times 75\%$$

$$= 3.75\%$$

$$\text{New Base Fare} = (\$500.00 \times 3.75\%) + \$500 = \$518.75$$

## SCHEDULE “E”

### [CONTRACTOR] FLIGHT SCHEDULE

As per RFP schedule 1 Proposed Flight Schedule for the relevant areas in Baffin, Kivalliq and Kitikmeot

## SCHEDULE “F”

### RULE 245 – PASSENGER TARIFF

#### DENIED BOARDING COMPENSATION POLICY

## SCHEDULE “G” Fuel Subsidy

### FUEL ADJUSTMENT

#### This methodology will be used for both Jet and Turbo Prop Adjustments

- 1.0 The fuel adjustment shall be triggered and calculated in conjunction with any change to the Contractor’s into plane actual cost per litre of fuel and shall be based on the Contractor’s actual cost per litre as taken from the Contractor’s fuel supplier’s fuel price list for each location and shall be applied in accordance with the principles, formulas and examples in this Appendix “G”.
- 2.0 Any fuel adjustment (surcharge or credit) shall be effective at the beginning of each quarter and shall remain in effect for the remainder of the quarter.
- 3.0 Fuel adjustments shall be reflected on the invoices received from the Contractor and will be shown on each line item on the invoice (see Schedule “A” for a sample invoice).
- 4.0 For the purposes of the calculation, it is agreed that a fuel factor of 25% of the month invoice will be used to establish the fuel cost of the invoice.
- 5.0 The fuel adjustment is to be calculated at the beginning of each quarter and shall be based on the Contractor’s weighted average cost of fuel for the immediately preceding quarter compared to the Contractor’s weighted average cost of fuel from the previous quarter.
- 6.0 The baseline weighted average cost of fuel will be calculated by taking into account the litres of fuel purchased by the airline in each location specified in Appendix A, B, or C, that the Contractor provides services (either origin or destination locations), between July 1, 2010 and June 30, 2011. The total litres purchased in each location and the April 1, 2011, price for that location will be used to calculate the starting weighted average cost of fuel. If the Proponent has no historical volumes in a location, a reasonable estimate will be proposed by the Proponent.

#### FORMULAS:

- A Baseline quarter weighted average cost per litre (excl. G.S.T.)
- B Current quarter weighted average cost per litre
- C Percentage change in fuel cost per litre
- D Fuel factor is agreed to be 25%
- E Percentage fuel surcharge applicable

1.  $(B - A)/A * 100 = C$

2.  $C * D = E$

#### Example:

(Amounts are not meant to reflect actuals and will not be used for purposes of calculating Contractor actuals)

1.  $(1.116 - 1.038)/1.038 * 100 = 7.5\%$
2.  $7.5\% * .25 = 1.88\%$
3. 1.88% will be added to each base fare ticket cost on the current invoice and for the remainder of the quarter (excl GST and other Fees). If the amount is a negative, a credit will be applied to each base fare ticket cost for the remainder of the quarter.

**Baseline weighted average cost per litre on July 1, 2011:**

<u>Uplift location</u>	X Litres <u>Purchased</u>	Y Price per <u>Litre</u>	Z Per cent <u>Cost</u>	Y*Z Weighted <u>Cost</u>
Ottawa	2,000,000	1.00	54.50%	.545
Edmonton	1,000,000	.95	27.25%	.259
Churchill	500,000	1.25	13.62%	.170
Cambridge Bay	100,000	1.35	2.73%	.037
Arctic Bay	20,000	1.45	.54%	.007
Repulse Bay	<u>50,000</u>	1.45	<u>1.36%</u>	<u>.020</u>
TOTAL	3,670,000(T)		100%	<b>1.038</b>

“X” – Annual litres uplifted will be the actual litres purchased between July 1, 2010 and June 30, 2011. Annual litres uplifted will remain constant for the duration of the contract for purposes of calculating baseline and current weighted cost per litre.

“Y” – Price per litre is the actual into plane cost per litre April 1, 2011, (excl GST).

“Z” – Per cent cost per litre is calculated by taking the annual litres purchased (X) for that location and dividing it by the total annual litres uplifted (T).

**Current quarter weighted average cost per litre (excl G.S.T.):**

<u>Uplift location</u>	X Litres <u>Purchased</u>	Y Price per <u>Litre</u>	Z Per cent <u>Cost</u>	Y*Z Weighted <u>Cost</u>
Ottawa	2,000,000	1.10	54.50%	.600
Edmonton	1,000,000	1.00	27.25%	.273
Churchill	500,000	1.30	13.62%	.177
Cambridge Bay	100,000	1.40	2.73%	.038
Arctic Bay	20,000	1.50	.54%	.008
Repulse Bay	<u>50,000</u>	1.50	<u>1.36%</u>	<u>.020</u>
TOTAL	3,670,000(T)		100%	<b>1.116</b>

## Appendix F: Non-Disclosure Agreement

Relating to Privacy and Confidentiality and Vendor's Access or Retention of Government of Nunavut Data

### ***Background***

The Government of Nunavut is subject to legislation governing the protection of personal privacy. This legislation, the Freedom of Information and Protection of Privacy Act (the Act), governs the collection, use, retention, security and disclosure of personal information managed by the public bodies. The Act also provides a means of access to the records in the custody or under the control of the government and Public Agencies. A complete copy of the Act can be obtained from Crown Publications or at Government of Nunavut upon request.

When contracting out services to the private sector that require access to, or retention of the Government of Nunavut data, the Government of Nunavut will provide the appropriate access but it does not transfer the custody or control of its information. Through contractual language, the Government of Nunavut maintains ownership and control of electronic records containing personal information. This Agreement, which forms part of the contract for services, and the Act will apply to all of the Government of Nunavut's electronic information accessed or returned by a private sector firm. This Agreement along with the Act will define the rules regarding access to and disclosure of records controlled by the Government of Nunavut and held by the contractor.

### ***Expectations Of The Contractor***

The contract will contain terms and conditions for services between the Government of Nunavut and private sector firms accessing or retaining the Government of Nunavut data whereby the private sector firms become the data custodian of personal or confidential information controlled by the Government of Nunavut. A non-inclusive list of these terms and conditions is:

There will be no disclosure of personal information without prior written consent from the Government of Nunavut.

Contractors must understand and abide by the Act as it relates to information controlled by the Government of Nunavut. To assist in this regard, the Government of Nunavut will, if requested, provide assistance to contractors and their employees, in understanding how the Act applies to the Government of Nunavut.

Contractors who have access or receive personal information from the Government of Nunavut will disclose such information only to the public body or other parties authorized by the Government of Nunavut, and then only through approved processes.

Contractors will comply with all Government of Nunavut requirements for retention, archival storage and disposal of records.

Contractors agree to act in accordance with the Government of Nunavut's regulations and responsibilities in the collection, use, disclosure, protection and retention of personal information.

Contractors agree to ensure limited access to, and use of, all Government of Nunavut personal information they access or retain. Limited access means access by a minimum number of employees, on a need-to-know basis, as

established by Government of Nunavut.

Contractors agree to remove any Government of Nunavut data or applications from the hard drives of equipment they are removing from user sites before they redeploy them or asset dispose of them.

Contractors agree that there will be no independent data matching allowed on personal information obtained from the Government of Nunavut. Contractors will implement and maintain access barriers between personal information entities that will restrict or prevent the logical association of related data systems.

Contractors will not sell or make available to any third party, any personal information obtained from the Government of Nunavut that is accessed or retained by the contractor. Contractors accept full responsibility for any negligent act performed by any of its employees or sub-contractors and will fully compensate the Government of Nunavut for any liabilities resulting from such acts of negligence.

Contractors agree to provide a full, frequent, random access auditing system and process that is available for us by the Government of Nunavut to monitor access to and use of personal information by the contractor.

Contractors agree to comply with remedies and penalties determined by the Government of Nunavut, including contract termination, for violations of contractually agreed-to-terms and conditions governing disclosure of the personal information in the control of the Government of Nunavut.

Personal information will be accessed or retained only as long as necessary to perform the contracted work and the contractor will destroy or return the Personal Information to Government of Nunavut at the termination of the contract.

**IF DATA IS MAINTAINED ON A NON- GOVERNMENT OF NUNAVUT SYSTEM  
APPROPRIATE SECURITY MUST BE IN PLACE TO PROTECT AGAINST  
ACCIDENTAL OR DELIBERATE UNAUTHORIZED ACCESS.**

# Appendix G: Fuel Subsidy

## FUEL ADJUSTMENT

### This methodology will be used for both Jet and Turbo Prop Adjustments

- 1.0 The fuel adjustment shall be triggered and calculated in conjunction with any change to the Contractor's into plane actual cost per litre of fuel and shall be based on the Contractor's actual cost per litre as taken from the Contractor's fuel supplier's fuel price list for each location and shall be applied in accordance with the principles, formulas and examples in this Appendix "G".
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### FORMULAS:

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1.  $(B - A)/A * 100 = C$
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**Baseline weighted average cost per litre on July 1, 2011:**

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TOTAL	3,670,000(T)		100%	<b>1.038</b>

“X” – Annual litres uplifted will be the actual litres purchased between July 1, 2010 and June 30, 2011. Annual litres uplifted will remain constant for the duration of the contract for purposes of calculating baseline and current weighted cost per litre.

“Y” – Price per litre is the actual into plane cost per litre April 1, 2011, (excl GST).

“Z” – Per cent cost per litre is calculated by taking the annual litres purchased (X) for that location and dividing it by the total annual litres uplifted (T).

**Current quarter weighted average cost per litre (excl G.S.T.):**

<u>Uplift location</u>	X Litres <u>Purchased</u>	Y Price per <u>Litre</u>	Z Per cent <u>Cost</u>	Y*Z Weighted <u>Cost</u>
Ottawa	2,000,000	1.10	54.50%	.600
Edmonton	1,000,000	1.00	27.25%	.273
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Arctic Bay	20,000	1.50	.54%	.008
Repulse Bay	<u>50,000</u>	1.50	<u>1.36%</u>	<u>.020</u>
TOTAL	3,670,000(T)		100%	<b>1.116</b>

## APPENDIX H Declaration of Conformity

**Material Conformity:** The Proponent hereby acknowledges and agrees that the proposal must be fully compliant with all mandatory requirements in order for the proposal to be considered.

**Substantial Conformity (Proponent Options & Substitutions):** When an exception or alternative is proposed regarding a specified product or requirement, it will be evaluated to ensure that the performance capability meets the minimum requirements. The Proponent acknowledges and agrees that listing an exception or alternative does not necessarily constitute compliance with the specification, and that acceptance is subject to the GN's satisfaction that the exception or alternative does not constitute a material non-compliance with a mandatory requirement. Proponents are strongly encouraged to seek pre-approval from the GN prior to the stated Closing Date and Time.

<b>GN REQUIREMENTS/SPECIFICATIONS THAT WILL NOT BE MET BY SUBMISSION</b>		
The Proponent hereby identifies the following exceptions or alternatives to the RFP required services and or Pro-Forma Contract		
<b>Item Reference #</b>	<b>Exception/Alternative</b>	<b>Performance Capability</b>

If more space is required, photocopy and attach additional pages. Proponent should indicate the RFP Reference page number.

This declaration forms an integral part of the Proposal and shall be signed by the Proponent and included with the proposal submission.

**Signed by the Proponents Authorized Representative**

\_\_\_\_\_

**Name & Title**

\_\_\_\_\_

**Date**